

Health Information Management Association of Australia Limited

ABN : 54 008 451 910

Financial Statements

For the Year Ended 30 June 2020

Health Information Management Association of Australia Limited

ABN : 54 008 451 910

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For the Year Ended 30 June 2020

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Health Information Management Association of Australia Limited

ABN : 54 008 451 910

Corporate Information

For the Year Ended 30 June 2020

General information

Directors

Names of each person who has been a director during the year to the end of the reporting period are:

Cheens Lee (President)

Catherine Garvey (Senior Vice President/Treasurer)

Travis Ingram (Vice President)

Kathryn Farrar

Vicki Bennett

James Katte (Casual Board Member – Appointed 25 November 2019)

Sharon Campbell (1 July 2019 – 24 October 2019, re-appointed as a Casual Board Member from 12 February 2020)

Names of each person who has stepped down or resigned as a director during the year are:

Cassandra Rupnik (1 July 2019 – 24 October 2019)

Grant Duffill (1 July 2019 – 24 October 2019)

Mark Upton (1 July 2019 – 17 February 2020)

Megan Hayes (1 July 2019 – 11 February 2020)

Suzette Dela Cruz (1 July 2019 – 19 June 2020)

Vera Dimitropoulos (1 July 2019 – 30 September 2019)

Company CEO

Richard Lawrance - CEO from 1 July 2019 to 11 February 2020

Mark Upton - Interim CEO from 17 February 2020 (Part Time)

Principal activities

The principal activity of the company during the financial year were that of promoting the Health Information Management profession and protecting and advancing the interests of Health Information Managers in Australia. The activities included the publication of journals, books and other resource materials and provision of education to members of the profession and the general public in disease classifications and medical technologies. All of these activities were in an attempt to improve the standards of health related data in Australia.

No significant changes in the nature of the Company's activity occurred during the financial year.

Auditors

Moore - Australia NSW



Health Information Management Association of Australia Limited

ABN : 54 008 451 910

Auditor's Independence Declaration under Section 60-40 of the Charities and Not-for-profits Commission Act 2012 to the Directors Persons of Health Information Management Association of Australia Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2020, there have been:

- (i) no contraventions of the auditor independence requirements as set out in section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'C. Oosthuizen'.

Charles Oosthuizen
Partner - Audit and Assurance
Moore Australia Audit (NSW)

09 October 2020

Level 14, 9 Castlereagh Street, Sydney NSW 2000

Health Information Management Association of Australia Limited

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Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2020

	Note	2020 \$	2019 \$
Revenue	5	2,096,135	2,643,851
Finance income		13,557	28,122
Other income	5	234,421	-
Employee benefits expense		(1,647,350)	(1,732,006)
Refund of course fees		(35,003)	(31,324)
Depreciation expense		(55,161)	(6,343)
Printing, journal production and postage		(33,839)	(34,457)
Consulting expense		(55,753)	(55,093)
Conference and branch events		(233,946)	(235,965)
Rent, utilities and outgoings		(13,787)	(66,056)
Recruitment		(6,727)	(2,815)
Audit and legal fees		(49,529)	(34,230)
Seminar and staff development		(6,979)	(13,494)
Travel		(43,595)	(86,566)
Other operating expenses		(253,826)	(262,227)
Finance expenses		(897)	-
Profit before income tax		(92,279)	111,397
Income tax expense		-	-
Profit for the year		(92,279)	111,397
Other comprehensive income for the year		-	-
Total comprehensive income for the year		(92,279)	111,397

The Company has initially applied AASB 16 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 117 and related interpretations.

The accompanying notes form part of these financial statements.

Health Information Management Association of Australia Limited

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Statement of Financial Position

As At 30 June 2020

	Note	2020 \$	2019 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	376,989	216,264
Trade and other receivables	7	170,040	147,953
Inventories	8	9,527	3,367
Other assets	11	34,346	50,146
Other financial assets	9	940,063	1,139,549
TOTAL CURRENT ASSETS		1,530,965	1,557,279
NON-CURRENT ASSETS			
Property, plant and equipment	10	7,457	7,525
Right-of-use assets	12	85,255	-
TOTAL NON-CURRENT ASSETS		92,712	7,525
TOTAL ASSETS		1,623,677	1,564,804
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13	831,941	741,290
Lease liabilities	12	53,985	-
Provisions for employee benefits	14	254,904	300,527
TOTAL CURRENT LIABILITIES		1,140,830	1,041,817
NON-CURRENT LIABILITIES			
Lease liabilities	12	32,328	-
Provisions for employee benefits	14	47,561	27,750
TOTAL NON-CURRENT LIABILITIES		79,889	27,750
TOTAL LIABILITIES		1,220,719	1,069,567
NET ASSETS		402,958	495,237
EQUITY			
Retained earnings		402,958	495,237
TOTAL EQUITY		402,958	495,237

The Company has initially applied AASB 16 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 117 and related interpretations.

The accompanying notes form part of these financial statements.

Health Information Management Association of Australia Limited

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Statement of Changes in Equity For the Year Ended 30 June 2020

2020

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2019	495,237	495,237
Loss for the year	(92,279)	(92,279)
Balance at 30 June 2020	402,958	402,958

2019

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2018	383,840	383,840
Profit for the year	111,397	111,397
Balance at 30 June 2019	495,237	495,237

The accompanying notes form part of these financial statements.

Health Information Management Association of Australia Limited

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Statement of Cash Flows For the Year Ended 30 June 2020

	2020	2019
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	2,470,258	2,369,953
Payments to suppliers and employees	(2,521,327)	(2,474,718)
Interest received	13,557	27,276
Net cash (used in) operating activities	<u>(37,512)</u>	<u>(77,489)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(1,249)	(5,633)
Decrease/(Increase) in term deposits	199,486	(192,299)
Net cash provided by/(used in) investing activities	<u>198,237</u>	<u>(197,932)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net increase/(decrease) in cash held	160,725	(275,421)
Cash and cash equivalents at beginning of year	<u>216,264</u>	<u>491,685</u>
Cash and cash equivalents at end of financial year	6 <u><u>376,989</u></u>	<u><u>216,264</u></u>

The accompanying notes form part of these financial statements.

Health Information Management Association of Australia Limited

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Notes to the Financial Statements For the Year Ended 30 June 2020

The financial report covers Health Information Management Association of Australia Limited as an individual entity. Health Information Management Association of Australia Limited is a not-for-profit Company, registered and domiciled in Australia.

The functional and presentation currency of Health Information Management Association of Australia Limited is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012*.

2 Change in Accounting Policy

Leases - Adoption of AASB 16

The Company has adopted AASB 16 *Leases* using the modified retrospective (cumulative catch-up) method from 1 July 2019 and therefore the comparative information for the year ended 30 June 2019 has not been restated and has been prepared in accordance with AASB 117 *Leases* and associated Accounting Interpretations.

Impact of adoption of AASB 16

The impact of adopting AASB 16 is described below:

Company as a lessee

Under AASB 117, the Company assessed whether leases were operating or finance leases based on its assessment of whether the significant risks and rewards of ownership had been transferred to the Company or remained with the lessor. Under AASB 16, there is no differentiation between finance and operating leases for the lessee and therefore all leases which meet the definition of a lease are recognised on the statement of financial position (except for short-term leases and leases of low value assets).

The Company has elected to use the exception to lease accounting for short-term leases and leases of low value assets, and the lease expense relating to these leases are recognised in the statement of profit or loss on a straight line basis.

Practical expedients used on transition

AASB 16 includes a number of practical expedients which can be used on transition, the Company has used the following expedients:

- lease liabilities have been discounted using the Company's incremental borrowing rate at 1 July 2019;
- right-of-use assets at 1 July 2019 have been measured at an amount equal to the lease liability adjusted by the amount of any prepaid or accrued lease payments;
- a single discount rate was applied to all leases with similar characteristics;
- used hindsight when determining the lease term if the contract contains options to extend or terminate the lease;

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Notes to the Financial Statements For the Year Ended 30 June 2020

Financial statement impact of adoption of AASB 16

The Company has recognised right-of-use assets of \$139,100 and lease liabilities of \$139,100 at 1 July 2019, for leases previously classified as operating leases.

The weighted average lessee's incremental borrowing rate applied to lease liabilities at 1 July 2019 was 0.78%.

	\$
Operating lease commitments at 30 June 2019 financial statements	84,636
Discounted using the incremental borrowing rate at 1 July 2019	84,450
Add:	
Extension options reasonably certain to be exercised not included in the commitments note	54,650
Lease liabilities recognised at 1 July 2019	139,100

3 Summary of Significant Accounting Policies

(a) Revenue and other income

For comparative year

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Sale of goods

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

Revenue from contracts with customers

For current year

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Notes to the Financial Statements

For the Year Ended 30 June 2020

3 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue from contracts with customers

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

(b) Income Tax

The Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(c) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a net basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(d) Directors remuneration

The directors are reimbursed for out of pocket expenses incurred in the performance of their duties in attendance of directors meetings. The directors received no other benefits.

(e) Inventories

Inventories acquired at no cost, or for nominal consideration are valued at the current replacement cost as at the date of acquisition, which is the deemed cost.

(f) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Company, commencing when the asset is ready for use.

Notes to the Financial Statements For the Year Ended 30 June 2020

3 Summary of Significant Accounting Policies

(f) Property, plant and equipment

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Computer Equipment	15%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(g) Financial instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)
- fair value through other comprehensive income - debt investments (FVOCI - debt)

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Notes to the Financial Statements

For the Year Ended 30 June 2020

3 Summary of Significant Accounting Policies

(g) Financial instruments

Financial assets

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at FVTPL.

Net gains or losses, including any interest or dividend income are recognised in profit or loss (refer to hedging accounting policy for derivatives designated as hedging instruments.)

The Company holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

The Company's financial assets measured at FVTPL comprise derivatives [insert details of other financial assets carried at FVTPL] in the statement of financial position.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost
- debt investments measured at FVOCI

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Company uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held); or

Notes to the Financial Statements

For the Year Ended 30 June 2020

3 Summary of Significant Accounting Policies

(g) Financial instruments

Financial assets

- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise trade payables and deferred.

(h) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(i) Leases

For comparative year

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

Notes to the Financial Statements

For the Year Ended 30 June 2020

3 Summary of Significant Accounting Policies

(i) Leases

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(j) Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

(k) Adoption of new and revised accounting standards

The Company has adopted all standards which became effective for the first time at 30 June 2020, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company or refer to Note 2 for details of the changes due to standards adopted.

4 Critical Accounting Estimates and Judgments

Those charged with governance make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - impairment of property, plant and equipment

The Company assesses impairment at the end of each reporting period by evaluating conditions specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

Key estimates - Employee entitlements

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

Health Information Management Association of Australia Limited

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Notes to the Financial Statements For the Year Ended 30 June 2020

5 Revenue and Other Income

	2020	2019
	\$	\$
- Rendering of services and sale of goods	2,096,135	2,643,851
Total Revenue	2,096,135	2,643,851

Other Income

- Rent concessions	13,421	-
- Government subsidies	221,000	-
	234,421	-

6 Cash and Cash Equivalents

Cash at bank and in hand	376,989	216,264
	376,989	216,264

7 Trade and other receivables

CURRENT

Trade receivables	113,040	147,953
Job keeper receivable	57,000	-
Total current trade and other receivables	170,040	147,953

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

8 Inventories

CURRENT

At cost:

Merchandise	2,680	1,039
Educational book supplies	6,847	2,328
	9,527	3,367

Health Information Management Association of Australia Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2020

9 Other Financial Assets

	2020	2019
	\$	\$
CURRENT		
Bank term deposits	940,063	1,139,549
Total	940,063	1,139,549

10 Property, plant and equipment

PLANT AND EQUIPMENT		
Plant and equipment		
At cost	20,577	19,328
Accumulated depreciation	(13,120)	(11,803)
Total property, plant and equipment	7,457	7,525

(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Plant and Equipment	Total
	\$	\$
Year ended 30 June 2020		
Balance at the beginning of year	7,525	7,525
Additions	1,248	1,248
Depreciation expense	(1,316)	(1,316)
Balance at the end of the year	7,457	7,457

11 Other Assets

Prepayments	34,346	50,146
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12 Leases

Right-of-use assets

	Buildings	Total
	\$	\$
Year ended 30 June 2020		
Balance at beginning of year	139,100	139,100
Depreciation charge	(53,845)	(53,845)
Balance at end of year	85,255	85,255

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Notes to the Financial Statements For the Year Ended 30 June 2020

13 Trade and Other Payables

	2020	2019
	\$	\$
CURRENT		
Trade payables	1,285	26,003
GST payable	48,223	59,428
Sundry payables and accrued expenses	71,088	97,806
Deferred income	695,513	542,390
Other Payable	15,832	15,663
	<u>831,941</u>	<u>741,290</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

14 Employee Benefits

Current liabilities		
Long service leave	105,852	132,704
Provision for employee benefits	149,052	167,823
	<u>254,904</u>	<u>300,527</u>
Non-current liabilities		
Provision for long service leave	47,561	27,750

15 Key Management Personnel Remuneration

Key management personnel comprised of two employees over the period. The total remuneration paid to key management personnel of the Company is \$ 202,256 (2019: \$ 181,813).

16 Contingencies

In the opinion of those charged with governance, the Company did not have any contingencies at 30 June 2020 (30 June 2019:None).

17 Events after the end of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

18 Statutory Information

The registered office and principal place of business of the company is:

Health Information Management Association of Australia Limited
Level 1, 51 Wicks Road
North Ryde, NSW, 2113

Health Information Management Association of Australia Limited


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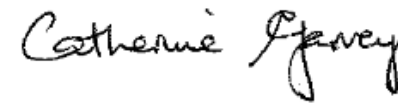
Responsible Persons' Declaration

The responsible persons declare that in the responsible persons' opinion:

- there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Director

Cheens Lee (President)

Director

Catherine Garvey (Senior Vice President/Treasurer)

Dated this 9th day of October 2020



Health Information Management Association of Australia Limited

Independent Audit Report to the members of Health Information Management Association of Australia Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Health Information Management Association of Australia Limited, which comprises the statement of financial position as at 30 June 2020, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the responsible persons' declaration.

In our opinion the financial report of Health Information Management Association of Australia Limited has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the Registered Entity's financial position as at 30 June 2020 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Registered Entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Responsible Entities for the Financial Report

The responsible persons of the Registered Entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the ACNC Act, and for such internal control as the responsible entities determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.



Health Information Management Association of Australia Limited

Independent Audit Report to the members of Health Information Management Association of Australia Limited

In preparing the financial report, the responsible persons are responsible for assessing the Registered Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the responsible entities either intends to liquidate the Registered Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Registered Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Registered Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the responsible entities.
- Conclude on the appropriateness of the responsible entities' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Registered Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Registered Entity to cease to continue as a going concern.



Health Information Management Association of Australia Limited

Independent Audit Report to the members of Health Information Management Association of Australia Limited

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Moore Australia Audit (NSW)

Charles Oosthuizen
Partner - Audit and Assurance

Level 14, 9 Castlereagh Street, Sydney, NSW
09 October 2020