



The Australian Veterinary
Association Limited

(ABN 63 008 522 852) AND CONTROLLED ENTITIES



ANNUAL
REPORT
2022



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AVA PRESIDENT'S REPORT 2022

It has been my pleasure and privilege to serve the membership over the past year as President and Chair of the organisation.

When I took the reins from Immediate Past President Warwick Vale in May, I quickly realised that despite several years as a director of the organisation, the role of the President was more demanding and diverse than I knew.

I have found myself being interviewed widely in the media, attending many meetings with government and industry stakeholders, participating in various meetings and forums with our partner international associations and meeting many of you, our members, at events around the country. We have been able to advance AVA activities in many areas whilst raising the profile of the profession. I am also acutely aware that the President doesn't operate on their own, and some of our members have contributed a great deal in the last year, particularly issues around Emergency Animal Diseases (EAD).

The year began with a level of uncertainty around many events due to COVID-19, however by March it became clear that face to face events and meetings would become the norm again. With this in mind, the AVA staff had to quickly ramp up for our first face-to-face AVA conference in two years and then run an extremely busy second half of the year as we held face to face SIG, Division and Branch events. In addition, we welcomed our new CEO, Dr David Andrews, in March. I have spent quite a bit of time with David helping him to understand the veterinary sector and the AVA, and I know we are in safe hands with him at the helm. Immediate Past President Warwick Vale also spent

considerable time helping Stephen Albin, our Interim CEO, and then David, navigate what is a complex organisation with multiple stakeholders. I thank Warwick for this work as I believe it has helped David and the rest of the staff settle quickly into a new way of working.

One of the main activities for the first part of the year was the development of the new Strategic Plan 2022-24, which the board signed off on in August 2022 and is now guiding our activities. This is particularly important for many areas of the AVA, particularly our increasing advocacy work, the complex continuing education and professional development environment and will help us to work better with the many groups that make up the AVA, including Special Interest Groups, Divisions, Branches, Committees and Working Groups. All these groups have had to deal with changes brought about from a staff restructure in 2021, and I thank all involved volunteers for their patience and understanding. What I think the whole board now appreciates is that change in such a complex organisation is slow and takes wide consultation, and that increasing the prominence of the AVA to the entire profession will take time.

However, I am very excited about the increase in some of our key metrics, as shown in the Advocacy section of this report, such as a 300% increase in media coverage in 2022 compared to 2021. As a Canberran and federal government employee (when not the President of the AVA),



I can attest that a high media profile absolutely gets noticed and opens doors. This has been an important aspect of our ability to access quite a number of high-profile politicians and gain support from key allies such as National Farmer Federation and the Australian Chamber of Commerce and Industry for our requests around a rural bonding scheme/HECS forgiveness for rural veterinary graduates, as well as the development of a strategy to stabilise the veterinary workforce overall. Other advocacy activities have started in 2022 and continued at full speed, including calling for increased funding for biosecurity surveillance activities, finalising an agreement for the engagement of private veterinarians during an EAD outbreak, calling for improvements to visa processing systems and times and raising awareness of the mental health challenges facing the profession.

Our various working groups and subcommittees, including Advocacy Advisory Forum and Council, Education Advisory Council and Policy Advisory Council have continued their incredible work across the year, and plans are in place for the new Membership Advisory Council. Our programs, including THRIVE (Mental health and wellness), Employer of Choice and Chartered Veterinary Practitioner have either started in 2022, or have continued tracking along well, with THRIVE featuring in our pre-budget submission, advocacy activities and in various pieces of press.

All these things cannot happen without a big, dedicated volunteer member base, of which we have approximately 300. I thank you all, and I encourage any other member who is interested in seeing the success and sustainability of our profession to continue, to get involved. There are always opportunities whether it be at a local level serving on a Branch committee right up to our national-based groups. Without you, the AVA does not exist and without the AVA serving and advocating for the profession, veterinary science and practice in Australia would look very different from how it does today. I'm excited to see where the initiatives we have started go. The AVA staff team and board are all working hard to make the AVA the best membership organisation it can be, and I am proud to lead such an incredible team. I thank them all for all their efforts, and I thank you all for the opportunity to serve as AVA President in 2022-2023.



AVA CEO REPORT 2022

I started as CEO of the AVA in March 2022, and I was very quickly impressed with the knowledge and dedication of the staff. I understand that the AVA operations had been through a few years of rapid change but we're now looking forward to setting a clear direction for the future.

With assistance from the board and involvement of all staff we worked on developing what has become the 2022-24 Strategic Plan. I am excited about the direction that this provides for the future, while it acknowledges the enormous amount of work that still happens day to day. The high-level themes of the Plan are shown on the next page and all the detail can be found on the AVA website.

The Goals of the plan are:



Lead

to be acknowledged as the peak association for all veterinarians



Promote

to increase the awareness of what the AVA does for veterinarians, and increase awareness of the importance of veterinarians to the public and governments



Engage

to better engage with the veterinary profession and key stakeholders



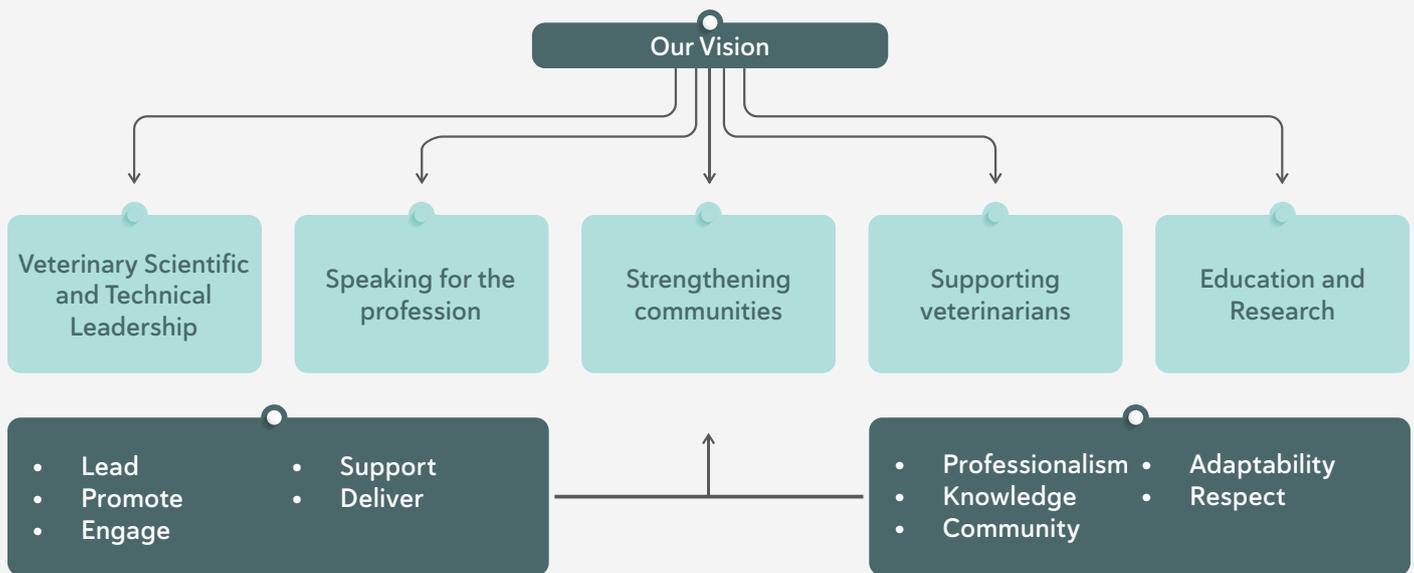
Support

to better support all veterinarians and create a sustainable profession



Deliver

to deliver outstanding organisational outcomes through continuous improvement of people and systems



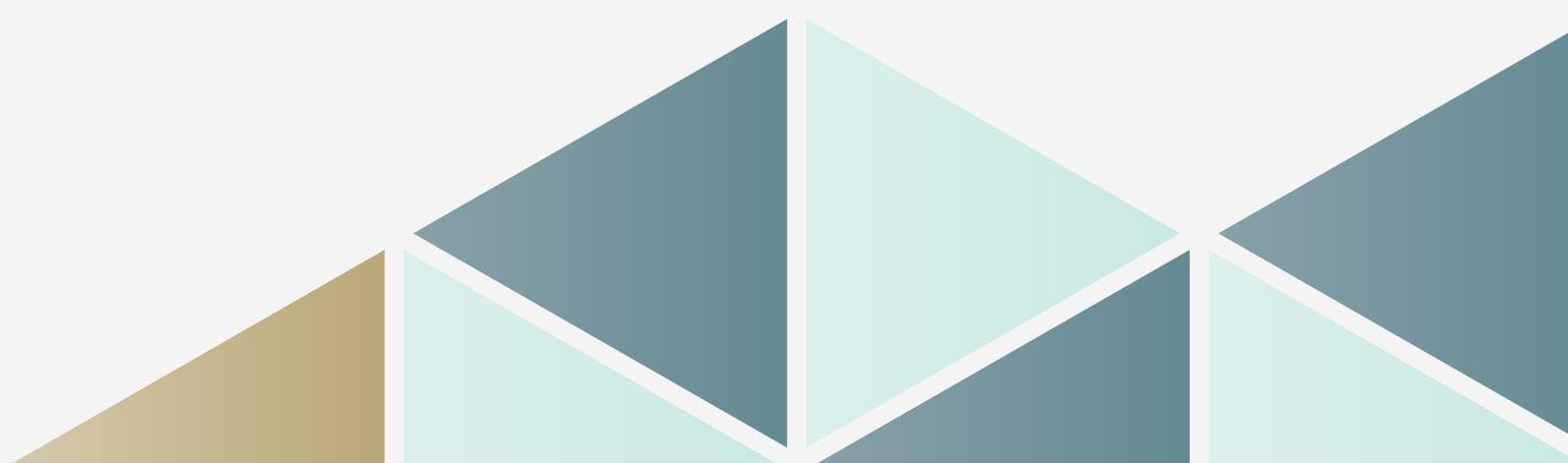
These are no easy goals to achieve and they will take longer than two years. However, I have found that the staff and volunteers are very committed to the overall success of the AVA through this plan.

Some of the highlights for me in my first year have been the great atmosphere, exhibition and science at the AVA Annual Conference on the Gold Coast, seeing the launch of the THRIVE veterinary wellness initiative, seeing the increased profile that has come from strong advocacy work and meeting many of our members at various face to face meetings.

Over the year, we saw increased interest from industry wanting to support the AVA. This has been partly due to the hard work by our staff and partly because I think they better appreciate the role the AVA plays in ensuring a strong and vibrant profession, upon which they rely for their own success.

This is one of a number of factors resulting in increased revenue for the AVA. The AVA is in a good financial position, as shown in our financial statements at the end of this report, but we all need to work hard to maintain this.

Running any industry association in the current environment is expensive. We are called on to provide continuing education and professional development: advocacy, social and networking events, policy for governments, community and the profession, mental health and wellness support and be a source of all news related to the profession. It's a big task for a relatively small team. I am very proud to lead the AVA team and I look forward to working with them and you, our members, in the years ahead.



AVA VETERINARY AND PUBLIC AFFAIRS REPORT 2022

Advocacy is an essential element in the advancement of any profession.

In 2022, the AVA had an ambitious national advocacy plan that aimed to maintain and enhance the value of the veterinary profession, achieve workforce sustainability, and improve wellbeing. This plan had several objectives, and the AVA has made significant progress against them, in the face of a large number of reactive advocacy issues. Key advocacy issues for the AVA during 2022 were emergency animal disease, rescheduling of meloxicam and lidocaine, legislation – both veterinary and animal welfare, natural disaster response, workforce sustainability and prescribing guidelines.

The AVA Veterinary and Public Affairs Team is made up of the Advocacy and Policy Teams, and Special Interest Groups. The team made 88 submissions and responses in 2022, drawing on the expertise of our Special Interest Groups, Divisions and other working groups on a range of issues including animal welfare, biosecurity, veterinary education, and veterinary legislation.

The team have developed and cemented many new connections to advance the profession in 2022 through: one-on-one meetings with political, academic and business

leaders; keynote speeches; and participation in industry groups and panels. The team participated in over 400 meetings with external stakeholders during 2022.

A key goal for the AVA is raising public awareness and appreciation of veterinarians and the benefits they bring to society. In 2022 our increased media presence helped build the profile and importance of the veterinary profession. Known as reliable subject-matter experts, we are consulted by journalists for comment as the trusted voice of the profession on a range of topics. The AVA produced 18 media releases and had nearly 4000 media mentions in 2022 over a range of platforms including: TV, radio, print and online media, this was an increase of 300% compared to the previous year.

Through engagement with the advocacy forum representing all Special Interest Groups and Divisions as well as the advocacy advisory committee a large piece of work was undertaken clearly identifying underlying causes driving workforce sustainability issues. The framework developed and informed the national proactive advocacy plan for 2023.

Policy

Policies inform and underpin the AVA's advocacy work, and during 2022 there were 21 policies ratified by the AVA Board (comprising 9 new and 12 updated policies). There were an additional 14 policy drafts under review or development during 2022, to enter the 2023 policy cycle. Given the large number of policies in the AVA Policy Compendium, policy review and update has been identified as a priority for 2023.

Member engagement

The strength of our committees and working groups comes from the members who bring their skills, expertise and enthusiasm to advancing the veterinary profession through working in partnership with the AVA team.

We appreciate the many hours they devote to our profession. Under the Veterinary and Public Affairs umbrella the AVA team supports 20 Special Interest Groups, 8 Divisions, 2 national committees or councils and 3 national working groups, as well as a range of subcommittees. During 2022 close to 200 internal committee and working group meetings took place.

Communication

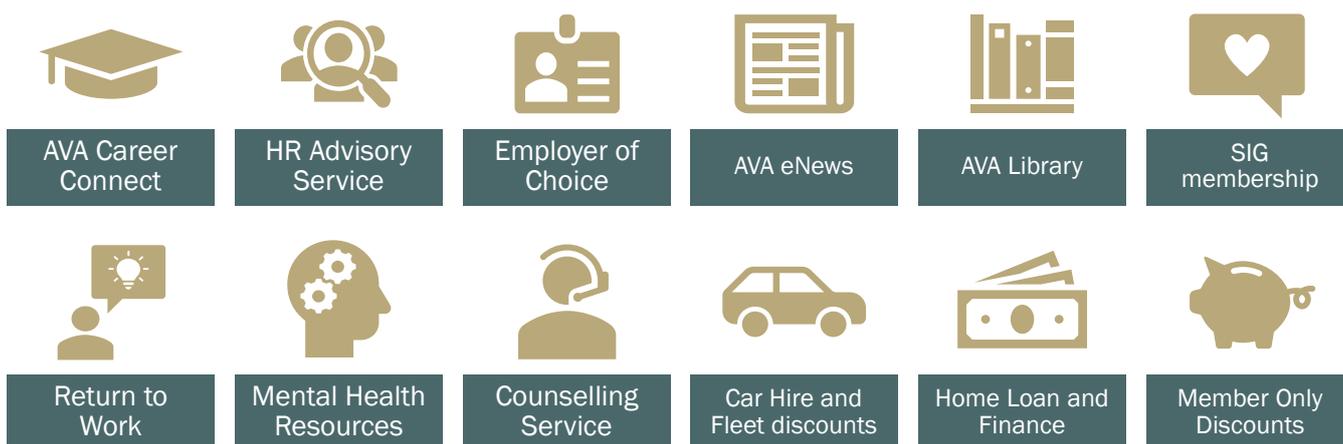
The news page became well established in 2022, with over 14,600 visits for the digital page. This is the area where all activities the AVA is involved in are collated, and then captured in a fortnightly newsletter. Due to the volume of activities reported on, the newsletter will be distributed weekly in 2023. Specific member updates around advocacy activity is published in the advocacy section of the members section bimonthly. Division and Special Interest Group newsletters continue to be a source of discipline and geographically specific information.

MEMBERSHIP & BUSINESS DEVELOPMENT 2022

Member Services

AVA membership had a great year in 2022. With the return of face-to-face education and events, members had the opportunity to interact, network and attend informative AVA events again. Members also had the opportunity to participate at a national level, regional level and local level - with increased volunteer activity on Advocacy, Education and SIG committees, and in the AVA Divisions and Branches.

AVA Members continued to receive a wide and valuable variety of member benefits in 2022, with an enhanced HR advisory service implemented in December 2022. Our membership benefits include:



New members joining the AVA saw a significant increase in the 12-months from December 2021 to December 2022. In total, 877 new veterinary members joined during the 2022 year, in comparison to 400 new veterinary members joining by December 2021. In addition, 321 new non-veterinary members joined during the 2022 year, in comparison to 156 new non-veterinary members in the previous year. 276 student members also joined in 2022, in comparison to 96 in December 2021.

Member Grade	Renewed	New Members up to December 2022	Total
Full Member	3187	549	3736
Full Member Concession	438	57	495
Full Member Partner	112	21	133
New Graduate Member (Yr 1-3)	893	233	1126
Overseas Member	37	6	43
Fellow Member	60	0	60
Life Member	110	11	121
Life Member Complimentary	342	0	342
Subtotal Veterinary Members	5179	877	6056
Associate Member	15	2	17
Industry Associate Member	100	43	143
AVSG Student Member	1134	276	1410
Honorary Member	13	0	13
Subtotal Non-Veterinary Members	1262	321	1583
Total Renewal	6441	1198	7639

Membership Data for 2022

AVA Team Membership is designed to incentivise employers to include AVA membership as an employee benefit. Team Memberships also grew to 75 Employers by December 2022, compared to 67 Employers in December 2021.

Team and Entity Memberships has grown in this 12-month period:

Membership Paid by	No.	%
Members themselves	6130	80%
Employers pay for Membership	1509	20%
TOTAL	7639	

Employer Paid	No.	%
Greencross, Apiam, RSPCA and SASH	833	55%
Other employers	676	45%
TOTAL (75 employers)	1509	

Corporate Supporters and Advertising

AVA Corporate Supporters were very excited to see a full return to face-to-face conferencing in 2022, with increased confidence to know it was sustainable, thus enabling 2022 marketing planning with certainty. The return on investment for AVA Corporate Supporters significantly improved from 2021 to 2022, in particular for Corporate Supporters requiring longer levels of engagement to convert.

There was an increased appetite for potential new client discussions, laying the foundation for some new clients in 2023. Corporate Supporter revenues increased in the 12 months from December 2021 to December 2022. Contracted revenue increased from \$1,385,610 in 2021 to \$1,535,000 in 2022. Advertisers saw increased open rates across all AVA publications in 2022, resulting in a high number of bookings and sales across all advertising channels. Contracted revenue increased from \$91,000 in 2021 to \$160,000 in 2022.

Corporate Supporter levels:



Silver - \$80K-120K

Gold - \$120K-180K

Platinum - \$180K plus

AVA Corporate Supporters:





ROYAL CANIN

Boehringer Ingelheim

Virbac

Boehringer Ingelheim

BOQ SPECIALIST

BOQ SPECIALIST

Three letters that are worth their weight in gold

OLYMPUS

ENDOSCOPIC SPECIALISTS

AUSTVET ENDOSCOPE

BRISTOL PAX

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2022: THE YEAR THAT WE RETURN TO FACE-TO-FACE EVENTS

As we emerged from the nationwide challenges of COVID disruptions across the whole of the veterinary profession, we took those first steps back towards normalcy by holding the first AVA Annual Conference in three years in May of 2022. Despite ongoing workforce challenges there was a feeling of hope and connection amongst the attendees at the AVA Annual Conference that exemplified why AVA's conferences and events are more than educational opportunities. They are a place to support and strengthen our community of veterinary professionals and to not only learn from our expert speakers but from each other as well. This uplifting feeling was a common thread throughout our events in 2022 which saw over 2400 members and other veterinary professionals turn out in record numbers to learn, connect with colleagues, and share ideas at 11 AVA National, Special Interest Group and Division conferences and 11 workshops.

2022 also saw the return of AVA's local events with over 1500 members and veterinary professional attending 125 Branch, Division and Special Interest Groups local events across the country. These grassroots events are a great way for members to network with other members and veterinary professionals in their local area while getting quality continuing education and professional development. These events are often a great example of how a strong veterinary community can provide support to veterinarians in rural communities.

While 2022 has been a great opportunity to return to face-to-face events, many veterinarians continue to experience the challenges of the workforce shortages and wanted to receive their continuing education and professional development online. The AVA through the Special Interest Groups held over 90 webinars in 2022 that were attended by more than 5100 veterinary professionals. AVA has also supported members and the larger profession by training more than 70 veterinarians through the Mental Health First Aid online workshops held throughout the year. The content development and delivery for the more than 200 online and face-to-face local and national educational events AVA held in 2022 relies on our network of over 300 Branch, Division and Special Interest Group volunteers. I would like to thank them for their dedication to providing high quality AVA continuing education and professional development throughout the year.

The ability for veterinary practitioners to access online education through AVA's self-paced learning and accreditations continues to grow. More than 1000 veterinary professionals completed our online education programs including Return To Work, PetPEP, the Diploma of Leadership and Management, Microchipping Accreditation Courses for Victoria and Queensland veterinarians, Australian Veterinary Journal Quiz and the Sheep, Camelid and Goat Veterinarians Conference on demand.

2022 also saw the ACV PREGCHECK™ Accreditation digitalised with 321 veterinarians achieving reaccreditation by completing their annual return. Six practices became AVA Employers of Choice in April of 2022. These were the first practices to achieve accreditation since the program's launch in 2021 with a further 12 practices becoming accredited before the end of the year.

The AVA continues to have a strong focus on supporting recent graduate veterinarians with the AVA Mentoring program. There continues to be a strong interest in being a mentor with over 360 members putting their hand be a mentor with more than 140 graduate mentees completing the program last year.

As AVA increases their commitment to the wellbeing of all veterinary professionals the Mental Health First Aid and Mentoring program will move under the newly developed THRIVE programme in 2023.

As we return to our new way of working post-COVID the AVA will look to learn from the past few years with the aim to provide a considered and accessible continuing education and professional development program for its members now in into the future.



2022 AWARD RECIPIENTS

Congratulations to the AVA's 2022 Award Recipients

AVA Fellow

- Dr Ken Jacobs
- Dr Patricia Ellis

Don Kerr Student Award

- Dr Amy Birch

Gilruth Prize

- Prof. Robin Gasser

Honorary Member

- Dr David R Lindsay
- Dr Pat Blackall

Kesteven Award

- Dr Charles El Hage

Meritorious Service Award

- Dr Amanda-lee Charman
- Dr Angela Offord
- Dr Edith Hampson
- Dr Holly Lewis

President's Award

- Dr Nick Sangster





TREASURER'S REPORT 2022

The AVA entered 2022 with uncertainty still surrounding many aspects of AVA operations due to COVID and its associated disruptive effects. The residual impacts of COVID on 2022 operations included the cancellation of VetFest and the postponement of the Australian Cattle Veterinarians conference by 8-months which was also shortened and delivered as a symposium on Emergency Animal Diseases. Despite this, our conferences went predominately as planned which was the main driver in delivering an operating surplus for the AVA parent entity of \$429,839 in comparison to a deficit of \$586,080 reported in 2021.

In addition to delivering the AVA education and events program and advocating on behalf of the profession, AVA budgeted for and delivered on the following initiatives:

- AVA Chartered Veterinary Practitioner content development
- PREGCHECK™ digitalisation
- THRIVE initiative
- Constitutional change preparation
- Learning Management System upgrade

Operating result

In 2022, the consolidated operating result including the trusts for the AVA was a surplus of \$309,152 compared to a deficit of \$707,402 in 2021.

Within this figure, the AVA parent entity result was an operating surplus of \$429,839 which was \$422,897 better than budget and \$1,015,919 better than the 2021 reported deficit of \$586,080.

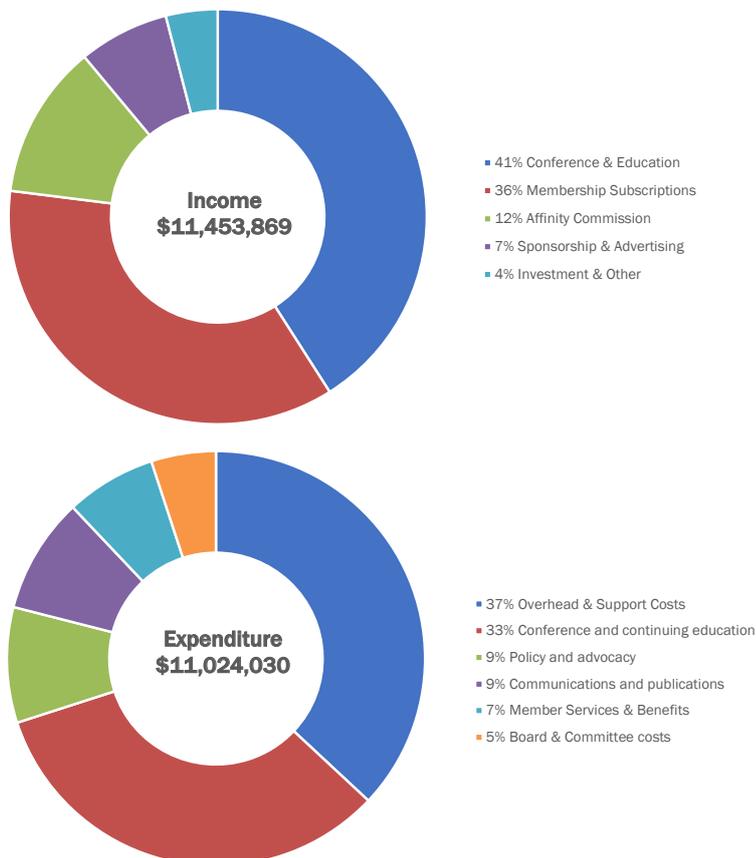
The reason for the difference between the consolidated and parent entity operating result is the net deficit of \$120,687 recorded by the AVA Trusts, primarily driven by the \$138k deficit reported by the Australian Veterinary Association Benevolent Fund (AVABF) as a result of financial support provided to Australian veterinarians during the financial year (\$180k).

Total comprehensive result

The combined outcome of the consolidated operating result and Other Comprehensive Income is a reported Total Comprehensive Loss of \$299,611 compared to a loss of \$44,618 in 2021.

The consolidated Other Comprehensive Income result for 2022 is a deficit of \$608,763 compared to a surplus of \$662,784 in 2021. These results are driven by realised and unrealised losses / gains in Macquarie investment portfolios held by AVA and ACAHF.

Distribution of AVA parent entity 2022 Income and Expenditure



Balance sheet

AVA's balance sheet remains strong with net assets increasing by 1.9% to \$9,544,526. As at 31 December 2022 AVA's parent entity held \$13,256,187 in total assets.

Investment

AVA has a relatively balanced mix of cash, commercial property and shares. As at the end of December 2022, AVA funds are invested as follows:

- Shares \$3.2M
- Property \$3.9M
- Cash \$3.9M

The shares are the most volatile but suited to the long-term investment horizon of the AVA with growth and dividend yield. Dividends are utilised to further the purposes of the AVA.

Audit and Risk Committee

The Audit and Risk Committee changed at the 2022 AGM, with the composition being myself (Chair), Dr Bronwyn Orr (President), Dr David Beggs (Director), Dr Gemma Chuck (Director), Dr Warwick Vale (Director), Dr David Andrews (CEO) and Mr Michael Ghattas (Head of Corporate Services). I'd like to thank the committee and the AVA team for their work in navigating AVA through the challenging times we have experienced.

I also thank all our members and stakeholders who have also experienced challenging circumstances and continued to support the AVA.

After four and a half years on the AVA Board, this report is my last duty. I would like to thank President Dr Bronwyn Orr, my fellow directors and the AVA team for their dedication and willingness to adapt. The AVA has a great future.

Dr David Petersen
Treasurer

DIRECTORS' REPORT

The Directors of The Australian Veterinary Association Limited (“AVA” or “the Company”) present their report together with the financial statements of The Australian Veterinary Association Limited and Controlled Entities (“Economic Entity”) for the financial year ended 31 December 2022.

Directors

The names of each person who has been a director during the year and to the date of this report are:

- ▶ Dr Bronwyn Orr
- ▶ Dr Matthew David Petersen
- ▶ Dr Diana Barker
- ▶ A/Prof David Beggs (Appointed May 2022)
- ▶ Dr Gemma Chuck
- ▶ Dr Sally Colgan
- ▶ Dr Alan Guilfoyle
- ▶ Dr Nicholas Sangster (Ceased May 2022)
- ▶ Dr Warwick Jonathon Vale
- ▶ Dr Alistair Webb

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Information on Company Secretary

Michael Ghattas, BBus, CPA
Company Secretary since 21 December 2018

Principal activities

The principal activities of the Economic Entity during the financial year focused on the advancement of veterinary and allied sciences and included:

Advocacy

- representing veterinary professionals in Australia
- promoting the value of the profession to the public, industry and government
- providing leadership and expert scientific advice on animal health, welfare and production to members, industry and government
- stimulating and contributing to informed debate on issues of scientific and professional importance
- developing technical evidence-based policy on animal health and welfare issues
- developing scientific guidelines for members on a range of topics, e.g., Antimicrobial Prescribing Guidelines
- making science-based submissions in response to developments in government policy and legislation which may affect the conduct of veterinary science within Australia
- providing scientific advice on issues of veterinary or public health significance, adverse events associated with pet food, major animal welfare incidents, emergency animal diseases, and natural disasters affecting animals or the profession
- representing the AVA as a member of key national and international committees dealing with veterinary scientific issues.

Principal activities (continued)

Education

- providing high standard continuing education and professional development, including the AVA Annual Conference, various Divisional and Special Interest Group conferences all of which provide the latest scientific and professional updates to members
- evening seminars, webinars, self-paced learning, accreditations and workshops
- publication of the Australian Veterinary Journal, Australian Veterinary Practitioner, Companion, Australian Equine Veterinarian, The Australian Cattle Veterinarian and Skirting the Issues
- publication of other scientific newsletters, journals, communications and materials and the maintenance of the Vet Ed library.

Community

- providing a forum for members to exchange information and ideas, and access to AVA services
- meetings through Special Interest Groups, Divisions and Branch networks.

Support

- programs to support members with their professional journey and wellbeing including the THRIVE wellness initiative, early career mentoring, HR Advisory Service for employees and employers, and an Employee Assistance Program supporting members through natural disasters, e.g., floods in many areas in 2022.

There were no significant changes in the nature of the Economic Entity's principal activities during the financial year.

Operating results

The consolidated surplus from operations for the year ended 31 December 2022 was \$309,152 (2021: deficit \$707,402).

Review of operations

A review of the operations of the Economic Entity during the financial year is contained in the report of AVA's President. The Economic Entity comprises The Australian Veterinary Association Limited, including 8 Divisions, 20 Special Interest Groups and 36 Branches in addition to the AVA National Group and 4 Trusts. Being a not-for-profit entity, the Company does not seek to maximise profits but to undertake activities with available income. On the foregoing basis, it is expected that the Economic Entity will generate surpluses in some years (to be carried forward for future use) and deficits in some years (representing the expenditure of past or future surpluses).

Vision, purpose, objectives and AVA strategy

The objects of the Company are set out in its Constitution.

The Australian Veterinarian Association is the peak body for the veterinary profession. We champion and empower the veterinary profession to thrive by providing a voice, education, community and support.

The strategic priorities of the Company are:

1. our profession (which includes)
 - planning an effective veterinary workforce
 - supporting the veterinary workforce to be mentally fit and sustainable over a long working career; and
 - improved regulation of the profession, including those that support veterinarians
2. improving animal welfare
3. providing access to high quality education on the latest scientific advances in veterinary medicine.

These strategic priorities underpin the continuing foundation provided by the range of core scientific activities delivered each year by the AVA.

Among the projects already planned or underway are:

1. be the leading voice for the profession, ensuring that quality veterinary medicine remains available across all of Australia
2. continue to develop our wellness and mental health strategy for the profession, ensuring ongoing viability and access to veterinarians
3. re-evaluation of the AVA continuing education and professional development offerings to align with needs and modern delivery methods. The AVA Chartered Veterinary Practitioner program, a new initiative, has been launched in 2023

Vision, purpose, objectives and AVA strategy- (continued)

1. progress work that improves legislation impacting our members, advocating for national harmonisation and providing an optimal regulatory environment for the veterinary profession and associated support personnel
2. advocacy to make it easier for international, appropriately qualified and experienced, veterinarians to move to Australia and boost workforce
3. advocacy to seek HELP relief for veterinarians willing to work in underserved regional areas
4. promote AVA's Employer of Choice and Return to Work programs to assist our members with workforce issues
5. continue to build on AVA's Digital Transformation to provide better engagement with members and easier access to tools which assist the profession
6. improve engagement with the public around the importance of the veterinary profession in keeping the animals of Australia healthy and maintain animal welfare
7. continued development of best-practice Antimicrobial Prescribing Guidelines for livestock species and horses.

Key performance measures

The Company measures its performance in achieving its objectives through quantitative and qualitative benchmarks set out in the Strategic Plan of a relevant year. The benchmarks are used by the Directors to assess the financial sustainability of the company and whether the Company's short-term and long-term objectives are being achieved.

A key benchmark in assessing the financial stability of the parent company has been the performance against the Company's approved annual budget. The AVA parent entity result was a surplus of \$429,839 (2021-deficit \$586,080) representing a positive variance of \$422,897 to the budget target surplus of \$6,942.

Significant changes in state of affairs

No significant changes in the Economic Entity's state of affairs occurred during the financial year.

Events subsequent to reporting date

A conditional offer has been received on the property held in Adelaide for which the Board have considered.

Aside from this, no other matter or circumstances have arisen since 31 December 2022 that significantly affected or may significantly affect:

- a. the operations of the Economic Entity
- b. the results of those operations; or
- c. the state of affairs of the Economic Entity in the financial year subsequent to 31 December 2022.

Likely developments

No information is included in this report as it is the opinion of the Directors that the disclosure of this information would prejudice the interests of the Economic Entity.

Dividends

The Company's constitution precludes the payment of dividends. Accordingly, the Directors do not recommend the payment of a dividend. No dividend has been paid or declared since the commencement of the financial year.

Directors' benefits

All transactions with related entities are made on normal commercial terms and conditions.

ITVet Pty Ltd, a company associated with David Beggs who is a Director of the Company has contractual agreements to provide Software Maintenance and Support, ACV Scientific Officer services and AVJ editor services to the Company. David Beggs benefits from the service fee payable to ITVet Pty Ltd.

The President and Directors who serve in an honorary capacity are entitled to receive a reimbursement for actual expenses incurred as well as an honorarium for their services as Directors of the Company. Directors' interests were identified ahead of every meeting.

Information on Directors

Dr Bronwyn Orr

BVSc, MSc, MANZCVS (Animal Welfare), PhD, GAICD

AVA President since May 2022. AVA Vice President from May 2021 – May 2022. AVA Board Director since May 2019. AVAWE Policy Councillor 2016–2019. AVA Member since 2014. Graduate of the Australian Institute of Company Directors. Pets in the Park Executive Committee member 2016 (QLD) and 2017–2019 (ACT). TGA AEC Category C member since 2019. JCU Outstanding Early Career Alumni Award 2018. Casual shelter veterinarian at RSPCA ACT since 2017. RSPCA Australia Scientific Officer for Companion Animals 2017–2019. Casual academic at The University of Sydney since 2018. Game Management Authority (GMA) Non-Executive Director June 2020 – May 2022. Senior Veterinary Officer at the Commonwealth Department of Agriculture, Water and the Environment since May 2020. Casual emergency veterinarian at Canberra Veterinary Emergency Service from 2021. Director of the Walk In Clinic for Animals Pty Ltd since November 2022.

Dr Matthew David Petersen

BSc BVMS, GAICD

AVA Board Director since November 2018. AVA Treasurer since May 2022. Chair Nominations and Remuneration Committee from May 2020 to May 2022. Graduated Australian Institute of Company Directors 2021. ACV Treasurer 2012–2016. AVA Meritorious Service Award 2016. Member ACV World Buiatrics 2014 Cairns organising committee. ACV President 2007–2008. ACV President Elect 2006–2007. ACV Vice President 2008–2009. ACV NSW State Representative 2004–2007. ACV conference organiser 2006 Port Macquarie. ACV PREGCHECK examiner (manual & ultrasound). Member Veterinary Programming Committee Charles Sturt University 2006–2009. AVA and ACV member since 1990. Shareholder and director Southern Riverina Vets and prior entities 1986–2015. Apiam Animal Health 2015–2019. Director and shareholder Cowbank Pty Ltd. Own and operate an irrigated beef farm

Dr Diana Barker

BVSc, MBA, MANZCVS (Small Animal Surgery)

AVA Board Director since May 2021. Chair Nominations and Remuneration Committee since May 2021. Director of Evvet group of Veterinary practices and Ripponlea Veterinary Hospital, all small animal practices in Melbourne, Victoria. Committee governance experience in not for profit and government organisations. Mental Health First Aid qualified. Previous committee member of MMPB and Victorian Division and ongoing contributor. Professional interests are Veterinary mental health and well-being, Veterinary workforce sustainability, Business Strategy, Building Culture, Diversity, Small animal surgery and Student mentoring and training.

A/Prof David Beggs,

BVSc MVS PhD FAVA, GAICD

AVA Board director since 2022. AVJ Editor since 2019. ACV Scientific Officer 2008-2022. Scientific Convenor, World Buiatrics Congress, 2014. AVA National Conference Convenor 2010-2013. Victorian Vet Board member (inc. deputy president) 2010-2019. Awarded AVA Meritorious Service Award (2012), President's Award (2015), Fellowship (2017). AVA Member since 1990. Extensive experience in mixed-practice as both employee and partner (20 years) and academia (12 years). Published 35+ peer reviewed papers supervised 25+ post-graduate vet degree students. Masters degree in Dairy cattle medicine & Production, 1998. PhD in animal welfare of dairy cattle, 2018. Cert IV in Assessment and Training, 2014. Board member and chair of not-for-profit (Mpower Inc) 2005-2021. Author of Biocheck® and BullReporter®.

Dr Gemma Chuck

BVetMed, PhD

AVA Board Director since May 2021. Member of Australian Cattle Veterinarians (ACV) Executive Committee 2016-2022. Scientific Convenor for ACV 2022 to present. Member of Western District (Victoria) AVA Branch Committee 2012-2020. AVA and ACV Member since 2007. Adjunct Senior Lecturer at James Cook University, School of Veterinary and Biomedical Sciences 2020-22. Adjunct Lecturer at Charles Sturt University since 2020. University of Melbourne Dairy Cattle Health and Production Residency 2010-2013. Dairy veterinarian and consultant in private practice. Employed at Apiam Animal Health since 2016 in Dairy Operations Team. Now Technical Services Lead for Production Animals and Graduate Development Program Leader since 2021. WestVic Dairy Board Director 2015-2018.

Dr Sally Colgan

BVSc, DipVetClinStud, Diplomate ACVS, MAICD

AVA Board Director since May 2020. AVA Member since 1990. AVI President 2012 and 2018-2020. Member of the Australian Institute of Company Directors since 2018. AVI Committee member (2006–2022), EVA committee member since 2002. Diploma Veterinary Clinical Studies. Diplomate American College Veterinary Surgeons since 2001. Founder, owner and Managing Director SCEC/Eurofins SCEC 2002–2016. Managing Director, Eurofins Animal Health 2016–2018. Director, Vets Beyond Borders 2019. Chief Executive Officer, Vets Beyond Borders March 2020–October 2022. Category A member Schools Animal Care and Ethics Committee & DPI Forestry Corporation of NSW.

Dr Alan Guilfoyle

BVSc

AVA Board Director since May 2020. Member Australian Institute of Company Directors since 2020. AVA member since 1969. Graduated University Queensland 1971. Founder (1976)/Director Clermont Veterinary Surgery. ACV Bovine Practitioner of the Year 2014. AVA Meritorious Service Award (ACV) 2016. Member ACV Executive Committee since 2016. Member ACV Bull Subcommittee. ACV PREGCHECK and BULLCHECK examiner. Adjunct Senior Lecturer James Cook University.

Dr Nicholas Sangster

BSc (Hons), BVSc (Hons), PhD, DipEVPC, MAICD

AVA Board Director from May 2019 to May 2022. AVA Treasurer and Chair of the Audit and Risk Committee from May 2021 to May 2022. Associate Editor for the Australian Veterinary Journal. Past member of the Cattle and Sheep SIGs of the AVA. Other awards include Fellow of the Australian Society for Parasitology and Diplomate of the European Veterinary Parasitology College. University academic and researcher including roles as Professor in Veterinary Parasitology (Sydney) and Professor in Veterinary Pathobiology and Head of School of Animal and Veterinary Sciences (Charles Sturt). Registered Specialist in Veterinary Parasitology and a private consultant in antiparasitic agents. Previous engagements with Australian Pesticides and Veterinary Medicines Authority (APVMA), Animal Health Australia, Veterinary Surgeons Board of NSW, Editor-in-Chief International Journal for Parasitology, the World Organisation for Animal Health (OIE) and Council of Veterinary Deans of Australia and New Zealand.

Dr Warwick Jonathon Vale

BSc BVMS (Hons II) FAVA

AVA President from May 2020 to May 2022. AVA Treasurer from May 2019–May 2020. AVA Board Director since November 2018. Graduated from Murdoch University 1989. Past Partner of Midland/Bullsbrook Veterinary Hospitals, Valley Equine Veterinary Services and large mixed practices in WA. Now actively working in Vale Veterinary and Consulting Services clinical practice. Has extensive board/committee governance experience in not-for-profit organisations. Both AVA, SIG and Division experience. Member AVA for 29+ years. Previously Divisional Committee Member (WA). Past President EVA 2012, Treasurer EVA Executive Committee 2001–2007. Awarded AVA Meritorious Service Award 2010 and AVA Fellowship 2018. Professional interests are Equine Practice, Medication Control Horses, FEI Veterinarian, Practice Management, Student mentoring and training, Association Governance, Professional Collegiality.

Dr Alistair Webb

BVSc(Hons), MANZCVS (Feline Med), MAICD

AVA Board Director since May 2021. AVA Vice President since May 2022. AVA Member since 1987. Current Principal of Rangeside Veterinarians – small animal practice in Toowoomba, Qld. Darling Downs & SW Qld AVA Branch President 1996-1998 and 2005 to 2014. Qld AVA Division President 2000 and Division Executive member 1997–2001 and 2013–2016. Qld Division Policy Councilor 1998–2001. ASAV Executive member from 2015 to 2021 and ASAV President 2018–2021. Director of Australian Companion Animal Health Foundation (ACAHF) since March 2022. Deputy Chair and Category A member of the University of Southern Queensland Animal Ethics committee since 2011. Chair of the AVA Chartered Veterinarian (CVP) Education Committee since 2019.



Meetings of Directors

During the financial year, 8 meetings of Directors were held. Attendances were:

	Number eligible to attend	Number attended
Bronwyn Orr	8	8
Matthew David Petersen	8	8
Diana Barker	8	8
David Beggs	5	5
Gemma Chuck	8	7
Sally Colgan	8	7
Alan Guilfoyle	8	8
Nicholas Sangster	2	2
Warwick Jonathon Vale	8	6
Alistair Webb	8	8

Members Limited Liability

The Company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the Company is wound up, the Constitution states that each member is required to contribute a maximum of \$50 each towards meeting any outstanding obligations of the Company. At 31 December 2022, the total amount that members of the Company are liable to contribute if the Company is wound up is \$371,800 (2021: \$418,200).

Insurance for Company Officers

During and since the financial year the Company has paid, or agreed to pay, premiums in respect of contracts insuring persons who are or have been a Company Officer, against certain liabilities incurred in that capacity. Company Officer for this purpose means any Director or Secretary of the Company and includes any other person who is concerned, or takes part, in the management of the Company, including Trustees of the four trusts: Australian Veterinary Association Benevolent Fund (AVABF), Australian Companion Animal Health Foundation (ACAHF), Australian Veterinary Association Animal Welfare Trust (AVAAWT), and The Stephen Rose Foundation.

The insurance contracts prohibit disclosure of the nature of the liabilities insured by the contracts and the amount of the premiums.

Indemnity and insurance of Directors and Officers

The Company has, to the extent permitted by law, entered into agreements to indemnify its directors and officers for all losses or liabilities incurred as an Officer of the Company or a related company. This includes losses or liabilities incurred as an Officer of a Company where such office is held for the benefit of the Company.

No claim has been made against or by the Company in relation to any such indemnities or insurance policies during the financial year ended 31 December 2022.

Indemnity and insurance of Auditors

No indemnities have been given or insurance premiums paid, during or since the end of the year, for any person who is or has been an auditor of the Company.

Environmental issues

The Economic Entity's operations are not subject to significant environmental regulation under the law of the Commonwealth or any State or Territory.

Proceedings on behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the financial year.

Rounding of amounts to nearest dollar

In accordance with ASIC Corporations (Rounding of Financial/Directors' Reports) Instrument 2016/191, the amount in the Directors' Report have been rounded to the nearest dollar, unless otherwise stated.

Auditors' Independence Declaration

A copy of the Auditors' Independence Declaration as required under Section 307C of the Corporations Act 2001 is set out on page 48.

This declaration is made in accordance with a resolution of the Board of Directors.



Matthew David Petersen
Director and Honorary Treasurer



Bronwyn Orr
Director and President

Dated at Sydney 4 April 2023.

Financial Statements

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2022	Notes	2022 \$	2021 \$
Revenue from contract with customers			
Membership and subscriptions		4,181,377	4,148,928
Sponsorship		288,042	342,165
Affinity commissions		1,346,407	1,245,300
Communications and publications		467,484	350,136
Conferences and education		4,691,984	1,185,519
Other revenue			
Interest		56,896	20,123
Investment income		247,869	239,696
Donations and bequests		79,770	34,096
Government subsidies		41,457	455,009
Other revenue		224,801	209,209
Total revenue		11,626,087	8,230,181
Expenses			
Service expenses		(982,902)	(819,739)
Sponsorship, marketing and promotions expenses		(9,884)	(75,275)
Conferences and continuing education expenses		(3,615,123)	(1,270,605)
Communications and publications expenses		(1,004,540)	(1,466,497)
Occupancy expenses		(115,317)	(94,525)
Finance costs		(2,332)	(22,702)
Policy and advocacy		(1,059,256)	(477,886)
Administration expenses		(3,970,029)	(4,306,988)
Other operating expenses		(549,721)	(454,240)
Total expenses		(11,309,104)	(8,988,457)
Surplus/(Deficit) from ordinary activities before income tax expense		316,983	(758,276)
Income tax expense relating to ordinary activities	3(b)	-	-
Surplus/(Deficit) from ordinary activities after income tax expense		316,983	(758,276)
Realised/unrealised (loss)/gain on financial assets at fair value through profit and loss		(7,831)	50,874
Surplus/(Deficit) from ordinary activities after income tax expense, realised/unrealised (loss)/gain on financial assets at fair value through profit and loss	17	309,152	(707,402)
Items that may not be reclassified to profit or loss			
Net realised/unrealised (loss)/gain on financial assets at fair value through other comprehensive income	18	(608,763)	662,784
Total comprehensive (loss)/income for the year		(299,611)	(44,618)

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 31 DECEMBER 2022	Notes	2022 \$	2021 \$
ASSETS			
Current assets			
Cash and cash equivalents	19	4,632,285	4,416,266
Trade and other receivables	7	643,952	1,033,151
Inventories		27,702	30,991
Other current assets	8	408,210	431,346
Total current assets		5,712,149	5,911,754
Non-current assets			
Financial assets	9	6,087,578	6,443,501
Property and equipment	10	3,836,046	3,923,230
Right of use assets	11	55,442	286,326
Intangible assets	12	1,252,832	1,502,742
Total non-current assets		11,231,898	12,155,799
Total assets		16,944,047	18,067,553
LIABILITIES			
Current liabilities			
Trade and other payables	13	633,185	559,095
Contract liabilities	14	2,463,148	3,162,159
Lease liabilities	15	30,567	34,672
Provisions	16	477,437	420,127
Total current liabilities		3,604,337	4,176,053
Non-current liabilities			
Lease liabilities	15	25,168	234,065
Provisions	16	57,374	100,656
Total non-current liabilities		82,542	334,721
Total liabilities		3,686,879	4,510,774
Net assets		13,257,168	13,556,779
EQUITY			
Retained earnings	17	7,401,767	7,085,040
Reserves	18	5,855,401	6,471,739
Total equity		13,257,168	13,556,779

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2022	Retained Earnings \$	Asset Revaluation Reserve \$	FVOCI Reserve \$	Capital Profits Reserve \$	Total \$
Balance at 1 January 2021	7,784,867	935,535	841,137	4,039,858	13,601,397
Total comprehensive income/(loss)					
Deficit from operating activities after income tax, realised/unrealised (loss)/gain on financial assets at fair value through profit and loss	(707,402)	-	-	-	(707,402)
Other comprehensive income/(loss)					
Change in fair value of financial assets at fair value through other comprehensive income	-	-	662,784	-	662,784
Total comprehensive income/(loss)	(707,402)	-	662,784	-	(44,618)
Transfer of depreciation on appraisal of property from retained earnings to asset revaluation reserve	7,575	(7,575)	-	-	-
Balance at 31 December 2021	7,085,040	927,960	1,503,921	4,039,858	13,556,779
Total comprehensive income/(loss)					
Surplus from operating activities after income tax, realised/unrealised (loss)/gain on financial assets at fair value through profit and loss	309,152	-	-	-	309,152
Other comprehensive income/(loss)					
Change in fair value of financial assets at fair value through other comprehensive income	-	-	(608,763)	-	(608,763)
Total comprehensive (loss)/income	309,152	-	(608,763)	-	(299,611)
Transfer of depreciation on appraisal of property from retained earnings to asset revaluation reserve	7,575	(7,575)	-	-	-
Balance at 31 December 2022	7,401,767	920,385	895,158	4,039,858	13,257,168

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022	Notes	2022 \$	2021 \$
Cash flow from operating activities			
Receipts from members' subscriptions		4,753,935	4,551,834
Receipts from other ordinary activities		7,358,726	4,728,971
Payments to suppliers and employees		(11,318,528)	(8,938,748)
Net payments to Australian Taxation Office for GST		(536,018)	(504,939)
Investment income received		247,869	239,696
Interest received		56,896	20,123
Net cash provided by operating activities		562,880	96,937
Cash flow from investing activities			
Proceeds from sale of financial assets at fair value through other comprehensive income		439,743	725,899
Payments for purchases of financial assets at fair value through other comprehensive income		(646,899)	(1,080,388)
Net investments of term deposits		-	93,697
Payments for purchases of intangible assets		(84,372)	(164,487)
Payments for purchases of property and equipment		(55,333)	(12,781)
Net cash used in investing activities		(346,861)	(438,060)
Net increase/(decrease) in cash held		216,019	(341,123)
Cash and cash equivalents at the beginning of the financial year		4,416,266	4,757,389
Cash and cash equivalents at end of the financial year	19	4,632,285	4,416,266

The accompanying notes form part of these financial statements.



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

NOTE 1. CORPORATE INFORMATION

The Australian Veterinary Association Limited is an unlisted public company limited by guarantee, incorporated and domiciled in Australia. The financial report covers the consolidated group of The Australian Veterinary Association Limited as an individual parent entity (“the Company”) and The Australian Veterinary Association Limited and the controlled entities as a consolidated group (“the Group” or “Economic Entity”). The address of the Company’s registered office and principal place of business is Unit 40, 6 Herbert Street, St Leonards, NSW 2065.

The financial report is a general purpose financial report that has been prepared in accordance with the Australian Charities and Not-for-profits Commission Act 2012, and Australian Accounting Standards - Simplified Disclosures, Interpretations and other applicable authoritative pronouncements of the Australian Accounting Standards Board.

The principal activities of the Group during the financial year focused on the advancement of veterinary and allied sciences.

NOTE 2. BASIS OF PREPARATION

(a) Statement of compliance

The financial statements are general purpose financial statements that have been prepared in accordance with

Australian Accounting Standards – Simplified Disclosures. This includes compliance with the recognition and measurement requirements of all Australian Accounting Standards, Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the disclosure requirements of AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities and the Corporations Act 2001, as appropriate for not-for-profit oriented entities.

This financial report is the first financial report of the association prepared in accordance with Australian Accounting Standards - Simplified Disclosures. The prior year financial report was prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements. The transition from the previous financial reporting framework to Australian Accounting Standards - Simplified Disclosures has not affected the Group’s reported financial position, financial performance and cash flows.

The financial statements except for the cash flow information, have been prepared on an accrual basis and are based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

The financial statements are presented in Australian dollars, which is the Economic Entity's functional and presentation currency.

The financial statements were authorised for issue on 4 April 2023.

NOTE 3. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Accounting policies

(a) Principles of consolidation

An entity is consolidated when the substance of the relationship between an entity and the Company indicates that the entity is "controlled" by the Company. The power to appoint or force resignation of trustees in accordance with the Trust Deed is an indication of this control.

The controlled entities are:

- Australian Companion Animal Health Foundation (ACAHF)
- Australian Veterinary Association Benevolent Fund (AVABF)
- Australian Veterinary Association Animal Welfare Trust (AVAAWT)
- The Stephen Rose Foundation.

All controlled entities have the same financial year-end as that of the Company.

All inter-company (Company-Trust) balances and transactions between entities in the Group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of the controlled entities have been changed where necessary to ensure consistency with those policies applied by the Company.

Where controlled entities have entered or left the economic entity during the year, their operating results have been included/excluded from the date control was obtained or until the date control ceased.

(b) Income tax

No income tax is payable by the Group as it has been advised on 30 October 1981 by the Deputy Commissioner of Taxation that it is exempt from income tax under the terms of section 50(5) of the Income Tax Assessment Act. As part of the self-assessment regime the Group sought professional advice during 2013, 2017 and 2019 which affirmed that there had been no substantial change in

purpose of the Group since October 1981 and that the Group could continue as a tax-exempt entity.

(c) Property and equipment

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

Property

Freehold land and buildings are measured on the fair value basis, being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction. It is the policy of the Company to have an independent valuation every three years, with annual appraisals being made by the Directors. Independent valuations of all properties were carried out in 2020 by registered valuers in each State or Territory of the fair market value of land and buildings based on existing use and the values advised provide the basis of property valuations in the financial statements. Newly acquired properties are valued at fair value.

At the end of each reporting period, the Directors update their assessment of the fair value of each property, taking account of the most recent independent valuations. In the event the carrying amount of these assets is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised.

The Directors have reviewed the key assumptions adopted by the valuers in 2020 and do not believe there has been a significant change in the assumptions at 31 December 2022. The Directors therefore believe the carrying amount of the land and buildings correctly reflects the fair value less costs to sell at 31 December 2022.

Increases in carrying amount arising on revaluation of buildings are credited to asset revaluation reserve in the statement of changes in equity. Decreases that offset previous increases of the same asset are charged against the asset revaluation reserves directly in the statement of changes in equity. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the comprehensive income and depreciation based on the asset's original cost is transferred from the retained earnings to asset revaluation reserve.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

The buildings, which are a component of the total valuation of each property, are isolated from the land component and depreciated over expected life of 40 years, consistent with AASB 116 – Property, Plant and Equipment.

Office furniture, fittings and equipment

Office furniture, fittings and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amounts of office furniture, fittings and equipment are reviewed annually by Directors to ensure they are not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

Depreciation

The depreciable amount of all property and equipment, excluding freehold land, is depreciated on a straight-line basis over their estimated useful lives to the Company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of depreciable asset	Depreciation rate
Buildings	2.5%
Office furniture and fittings	5-10%
Equipment	25-33%
Leasehold improvements	10%

The assets' residual values and useful lives are reviewed and adjusted if appropriate at each statement of financial position date.

An asset's carrying amount is written down immediately to recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount. These gains and losses are included in the comprehensive income and transferred to capital profits reserve. Amounts included in the asset revaluation reserve relating to the asset sold are reversed to the capital profits reserve.

Impairment of assets

At each reporting date, the Economic Entity reviews the carrying values of its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less cost to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.

Intangible assets

Intangible assets acquired separately are recorded at cost less accumulated amortisation and impairment. Amortisation is charged on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method is reviewed at the end of each annual reporting period, with any changes in these accounting estimates being accounted for on a prospective basis.

For intangible assets arising from development is recognised if, and only if, the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use
- the intention to complete the intangible assets and use it
- the ability to use the intangible asset
- how the intangible asset will generate probable future economic benefits
- the availability of adequate technical, financial and other resources to complete the development and to use the intangible assets; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Systems and software

Systems and software costs are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 7 years.

(d) Financial instruments

Recognition and initial measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the Economic Entity becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income are reflected at fair value. Unrealised and realised gains and losses arising from changes in fair value, or on disposal of the financial assets, are taken directly to asset revaluation reserve in equity.

Financial assets at fair value through profit and loss

Financial assets at fair value through profit and loss are reflected at fair value. Unrealised and realised gains and losses arising from changes in fair value, or on disposal of the financial assets, are taken directly to profit and loss account.

Derecognition

Financial assets are derecognised, where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the Economic Entity no longer has any significant continuing involvement in the risks and benefits associated with the asset.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method, less any allowance for expected credit losses.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment of financial assets

The Economic Entity applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables from initial recognition (this has replaced the incurred loss model). All the trade receivables of the Company share the same credit risk characteristics. Indicators that there is no reasonable expectation of recovery include, amongst others, the Standard & Poor's credit risk rating of a debtor, and a failure to make contractual payments for a period of greater than 30 days past due.

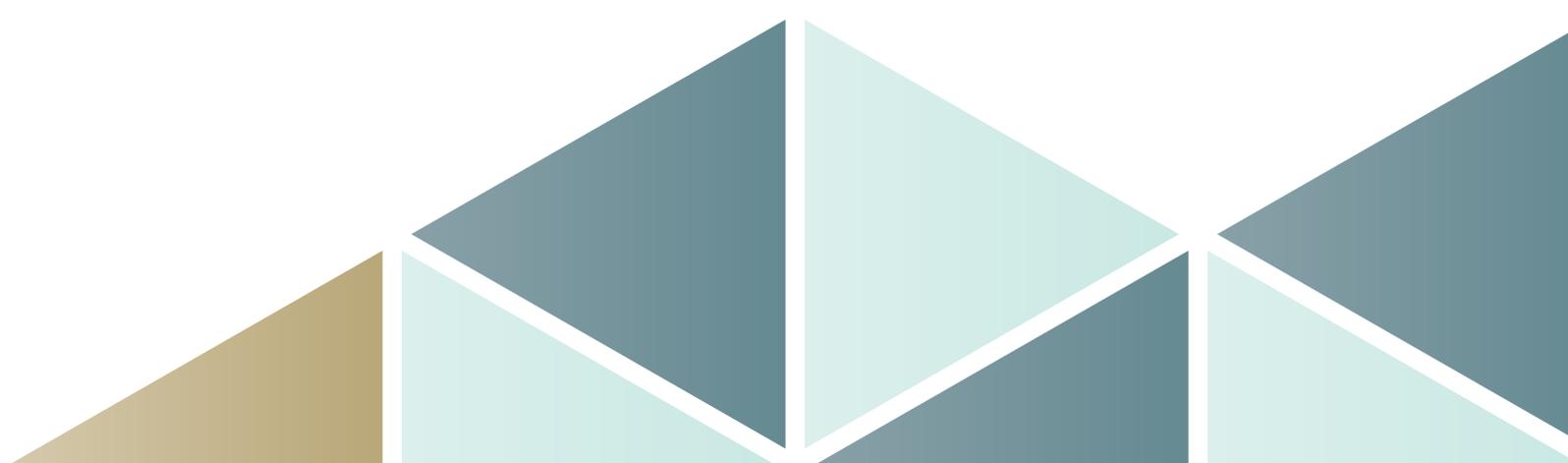
Impairment losses on trade receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item. As at 31 December 2022, there are no expected credit losses recognised (31 December 2021: nil).

(e) Employee benefits

Short-term employee benefits

Provision is made for the Company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages and salaries. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Company's obligations for short-term employee benefits such as wages and salaries are recognised as a part of current trade and other payables in the statement of financial position.



Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on Australian corporate bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as a part of employee benefits expense.

The Company's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

(f) Provisions

Provisions are recognised when the Economic Entity has legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result, and that outflow can be reliably measured.

(g) Cash and cash equivalents

For the purposes of the statement of cash flows, cash includes cash on hand and at call deposits with banks or financial institutions, investments in money market instruments maturing within less than three months and net of bank overdrafts.

(h) Revenue

Revenue recognition policy for revenue from Contracts with Customers (AASB 15)

AASB 15 requires revenue to be recognised when control of a promised good or service is passed to the customer at an amount which reflects the expected consideration.

The customer for these contracts is the member or third-party recipient.

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
5. recognise revenue.

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.

The following specific recognition criteria should also be met before revenue is recognised:

- membership subscriptions are brought to account as income at the time these are received except that where members' subscriptions are received in respect of a future financial period, the income is deferred and subsequently recognised in that future period.
- interest revenue is recognised on a proportional basis using the effective interest method applicable to the financial assets.
- affinity commission is recognised when the right to receive the income has been established.
- conferences and events revenue which includes sponsorships and delegates fees are recognised upon commencement of the conferences and events.
- advertising revenue for the publishing activity of the Company is recognised when the particular article is due to be published.
- dividend and distribution revenue are recognised when the right to receive the income has been established.
- grant income is recognised on completion of grant performance obligation.

All revenue is stated net of the amount of Goods and Services Tax (GST).

Revenue recognition policy for revenue streams which are either not enforceable or do not have sufficiently specific performance obligations (AASB 1058)

Grant income

Assets arising from grants in the scope of AASB 1058 are recognised at their fair value when the asset is received. These assets are generally cash but may be property which has been donated or sold to the company at significantly below its fair value.

Once the asset has been recognised, the Group recognises any related liability amounts (e.g. provisions, financial liabilities).

Once the assets and liabilities have been recognised then income is recognised for any difference between the recorded asset and liability.

(i) Contract liabilities

Contract liabilities generally represent the unspent grants or other revenues received on the condition that specified services are delivered or conditions are fulfilled. The services are usually provided, or the conditions usually fulfilled within 12 months of receipt of the grant / revenues.

Where the amount received is in respect of services to be provided over a period that exceeds 12 months after the reporting date or the conditions will only be satisfied more than 12 months after the reporting date, the liability is presented as non-current.

(j) Leases

At inception of a contract, the Group assesses whether a lease exists i.e., does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- the contract involves the use of an identified asset – this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right, then there is no identified asset
- the Group has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use
- the Group has the right to direct the use of the asset i.e., decision-making rights in relation to changing how and for what purpose the asset is used.

The Group has elected not to separate non-lease components from lease components and have accounted for all leases as a single component.

At the lease commencement, the Group recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the group believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives.

The right-of-use asset is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of assets accounting policy. The right-of-use asset is assessed for impairment indicators at each reporting date.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Group's incremental borrowing rate of 8% is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the company's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group has elected to apply the exceptions to lease accounting for leases of low-value assets. For these leases, the Group recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

Significant estimates and judgements

Incremental borrowing rate – Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Group estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

(k) Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Economic Entity during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(l) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis except that the GST component of investing and financing activities, which are disclosed as operating cash flows.

(m) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

(n) Fair value of assets and liabilities

The Economic Entity measures some of its assets at fair value. Fair value is the price the group would receive to sell an asset in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset (i.e. the market with the greatest volume and level of activity for the asset) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

(o) Rounding of amounts to nearest dollar

In accordance with ASIC Corporations (Rounding of Financial/Directors' Reports) Instrument 2016/191, the amounts in the Financial Report have been rounded to the nearest dollar, unless otherwise stated.

(p) Critical accounting estimates and judgments

The Directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data obtained both externally and within the Economic Entity.

Estimation of useful lives of assets

The Company determines the estimated useful lives and related depreciation and amortisation charges for its property and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Impairment of non-financial assets

The Company assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Employee benefits provision

As discussed in Note 3 (e), the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

(q) New or amended Accounting Standards and Interpretations adopted

The Economic Entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.



NOTE 4. PARENT ENTITY DISCLOSURES

In accordance with the Corporations Amendment (Corporate Reporting Reform) Act 2010 and the Corporations Act 2001 the following summarised parent entity information is set out below. As at, and throughout, the financial year ended 31 December 2022 the parent company was The Australian Veterinary Association Limited.

Note 3a provides details as to the identity of the controlled entities (being AVA Trusts) which are consolidated with those of The Australian Veterinary Association Limited itself to create these consolidated financial statements.

Note 3a also provides further details as to the principles of consolidation used in the preparation of these consolidated financial statements.

FOR THE YEAR ENDED 31 DECEMBER 2022	2022 \$	2021 \$
Profit and loss and other comprehensive income of the parent entity:		
REVENUE		
<i>Operating activities</i>		
Membership and subscriptions	4,181,377	4,148,927
Sponsorship	288,042	342,041
Affinity commissions	1,346,407	1,245,300
Communications and publications	467,484	350,136
Conferences and education	4,691,984	1,185,519
Interest	51,771	12,638
Investment income	152,532	143,122
Government subsidies	41,457	455,008
Other revenue	240,646	222,627
Realised/Unrealised (loss)/gain on managed funds	(7,831)	50,874
Total revenue	11,453,869	8,156,192
EXPENSES		
Service expenses	748,252	604,416
Sponsorship, marketing and promotions expenses	860	75,275
Conferences and continuing education expenses	3,615,123	1,270,605
Communications and publications expenses	1,004,541	1,466,497
Occupancy expenses	115,317	94,525
Policy and advocacy expenses	1,059,256	477,886
Administration expenses	3,928,337	4,258,757
Finance cost	2,623	40,071
Other operating expenses	549,721	454,240
Total expenses	11,024,030	8,742,272
Surplus / (Deficit) for the year	429,839	(586,080)

NOTE 4 PARENT ENTITY DISCLOSURES (CONTINUED)**Items that may be classified to profit or loss**

Realised/unrealised gain on property	-	-
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Items that may not be classified to profit or loss

Realised gain/ (loss) on financial assets at fair value through other comprehensive income	13,750	78,511
Unrealised (loss)/gain on financial assets at fair value through other comprehensive income	(265,493)	254,923
Total other comprehensive (loss)/ income	(251,743)	333,434

Total comprehensive income/(loss) for the year	178,096	(252,646)
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Financial position of the parent entity

Current assets	4,918,174	4,862,039
Non-current assets	8,338,013	9,035,440
Total assets	13,256,187	13,897,479

Current liabilities	3,629,119	4,296,984
Non-current liabilities	82,542	234,065
Total liabilities	3,711,661	4,531,049

Net assets	9,544,526	9,366,430
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Total equity of the parent entity comprising of

Capital profits reserve	4,039,858	4,039,858
Asset revaluation reserve	920,385	927,960
FVOCI reserve	680,516	932,260
Retained earnings	3,903,767	3,466,352
Total equity	9,544,526	9,366,430

NOTE 5. DISAGGREGATION OF REVENUE

The disaggregation of revenue from contracts with customers is as follows:

Timing of revenue recognition

At a point in time	6,793,917	3,123,120
Transferred over time	4,181,377	4,148,928
	10,975,294	7,272,048

NOTE 6. PROFIT FROM ORDINARY ACTIVITIES

Profit from ordinary activities has been determined after:

Expenses

Depreciation and amortisation	516,781	492,982
Provision for employee entitlements	14,028	(83,071)

NOTE 7. TRADE AND OTHER RECEIVABLES**Current**

Trade receivables	458,920	802,486
Other receivables	200,032	250,665
Allowance for expected credit losses	(15,000)	(20,000)
	643,952	1,033,151

NOTE 8. OTHER ASSETS**Current**

Prepayments	408,210	431,346
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NOTE 9. FINANCIAL ASSETS**Non-current**

Financial assets at fair value through profit and loss

Managed funds	308,556	330,426
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Financial assets at fair value through other comprehensive income

Listed shares	5,779,022	6,113,075
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Total	6,087,578	6,443,501
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NOTE 10. PROPERTY AND EQUIPMENT

Freehold land at valuation	915,023	915,023
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Buildings at valuation	2,934,977	2,934,977
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Less accumulated depreciation	(144,915)	(73,374)
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	2,790,062	2,861,603
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Office furniture and equipment at cost	1,861,931	1,806,597
--	-----------	-----------

Less accumulated depreciation	(1,730,970)	(1,659,993)
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	130,961	146,604
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Total property and equipment	3,836,046	3,923,230
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NOTE 10 PROPERTY AND EQUIPMENT (CONTINUED)

(a) Movements in carrying amounts

Movements in the carrying amounts for each class of property and equipment between the beginning and the end of the current financial year.

FOR THE YEAR ENDED 31 DECEMBER 2022	Freehold Land \$	Buildings \$	Office Furniture and Equipment \$	Total \$
Balance at 1 January 2022	915,023	2,861,603	146,604	3,923,230
Additions	-	-	55,333	55,333
Depreciation	-	(71,540)	(70,977)	(142,517)
Carrying amount at 31 December 2022	915,023	2,790,063	130,960	3,836,046

Independent valuations of all land and buildings were carried out in 2020 by registered valuers in each State or Territory of the fair market value of land and buildings based on existing use and the values advised have been included in these financial statements.

The Directors have reviewed the key assumptions adopted by the valuers in 2020 and do not believe there has been a significant change in the assumptions at 31 December 2022. The Directors therefore believe the carrying amount of the land and buildings correctly reflects the fair value less costs to sell at 31 December 2022.

FOR THE YEAR ENDED 31 DECEMBER 2022	2022 \$	2021 \$
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NOTE 11. RIGHT OF USE ASSETS

Buildings	63,362	384,288
Accumulated depreciation	(7,920)	(97,962)
Total	55,442	286,326

Movements in carrying amounts

FOR THE YEAR ENDED 31 DECEMBER 2022	2022 \$	2021 \$
Balance at 1 January	286,326	331,129
Additions	63,362	-
Disposal	(254,265)	-
Depreciation	(39,981)	(44,803)
Carrying amount at 31 December 2022	55,442	286,326

FOR THE YEAR ENDED 31 DECEMBER 2022	2022 \$	2021 \$
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NOTE 12. INTANGIBLE ASSETS

Software at cost	2,771,608	2,688,909
Less accumulated amortisation	(1,581,951)	(1,247,669)
Total software	1,189,657	1,441,240
Work in progress - development cost	63,175	61,502
Total	1,252,832	1,502,742

NOTE 12. INTANGIBLE ASSETS (CONTINUED)

(a) Movements in carrying amounts

Movements in the carrying amounts for each class of intangible assets between the beginning and the end of the current financial year.

	Software \$	Development cost \$	Total \$
Balance at 1 January 2022	1,441,240	61,502	1,502,742
Additions	21,197	63,175	84,372
Reclassification	61,502	(61,502)	-
Amortisation expense	(334,281)	-	(334,281)
Carrying amount at 31 December 2022	1,189,658	63,175	1,252,833

FOR THE YEAR ENDED 31 DECEMBER 2022	2022 \$	2021 \$
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NOTE 13. TRADE AND OTHER PAYABLES

Current

Trade payables	246,376	222,360
Accruals	340,460	321,722
Net GST payable	46,349	15,013
	633,185	559,095

NOTE 14. CONTRACT LIABILITIES

Current

Income received in advance:		
Membership subscriptions	2,106,043	1,992,156
Conference income	45,615	454,563
Other income in advance	311,490	715,440
	2,463,148	3,162,159

NOTE 15. LEASE LIABILITIES

Current

Building leases	30,567	34,672
Non-current		
Building leases	25,168	234,065
	55,735	268,737

The Company has leases and rental over buildings and office equipment.

Information relating to the leases and rental agreements in place and associated balances and transactions are provided below.

Terms and conditions of leases

(a) Buildings

Commercial lease

The Company leases a corporate office building in ACT for the corporate office. The lease term is for 2 years. The corporate office lease contains an annual fixed 3% increase where the lease payments are adjusted at the anniversary date.

(b) Office equipment

Rental for office equipment such as photocopier and printers are generally for a 3-5 year term and are treated as leases of low value assets.

Lease impact in the Statement of Profit and Loss and Other Comprehensive Income

The amounts recognised in the statement of profit and loss and other comprehensive income relating to leases where the Company is a lessee are shown below.

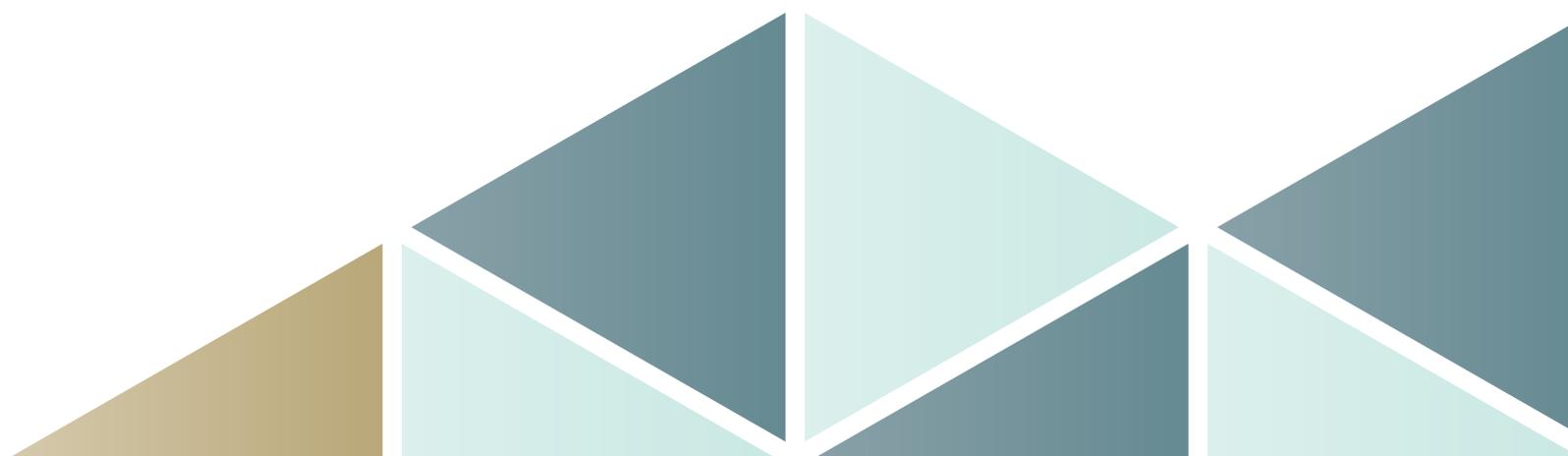
FOR THE YEAR ENDED 31 DECEMBER 2022	2022	2021
	\$	\$
Interest on lease	2,332	22,702
Expenses relating to leases of low-value assets	24,985	21,206
	40,295	43,908

Maturity analysis of future lease payment - Property

FOR THE YEAR ENDED 31 DECEMBER 2022	2022	2021
	\$	\$
No later than 1 year	33,928	55,017
Later than 1 year and not later than 5 years	26,014	259,358
Later than 5 years	-	22,783
	59,942	337,158

Maturity analysis of future lease payment - Office Equipment

FOR THE YEAR ENDED 31 DECEMBER 2022	2022	2021
	\$	\$
No later than 1 year	3,606	3,606
Later than 1 year and not later than 5 years	5,409	9,015
Later than 5 years	-	-
	9,015	12,621



FOR THE YEAR ENDED 31 DECEMBER 2022	2022	2021
	\$	\$
NOTE 16. PROVISIONS		
Current		
Employee benefits	477,437	420,127
Non-current		
Employee benefits	57,374	100,656
Total	534,811	520,783

A provision has been recognised for employee entitlements relating to annual leave and long service leave. In calculating the present value of the future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been included in Note 3(e).

FOR THE YEAR ENDED 31 DECEMBER 2022	2022	2021
	\$	\$
NOTE 17. RETAINED EARNINGS		
Balance at 1 January	7,085,040	7,784,867
Transfer of depreciation on appraisal of property to asset revaluation reserve	7,575	7,575
Surplus/(Deficit) from operating activities	309,152	(707,402)
Balance at 31 December	7,401,767	7,085,040

FOR THE YEAR ENDED 31 DECEMBER 2022	2022	2021
	\$	\$
NOTE 18. RESERVES		
Asset Revaluation Reserve		
Balance at 1 January	927,960	935,535
Change in fair value of the assets:		
Realised/unrealised gain on property	-	-
Transfer of realised gain on sale of property	-	-
Transfer of depreciation on appraisal of property from retained earnings	(7,575)	(7,575)
Balance at 31 December	920,385	927,960
FVOCI Reserve		
Balance at 1 January	1,503,921	841,137
Change in fair value of financial assets at fair value through other comprehensive income:		
Realised gain	18,889	70,048
Unrealised (loss)/gain	(627,652)	592,736
Balance at 31 December	895,158	1,503,921
Capital Profits Reserve		
Balance 1 January	4,039,858	4,039,858
Transfer of realised gain on property	-	-
Balance 31 December	4,039,858	4,039,858
Total Reserves Balance at 31 December	5,855,401	6,471,739

Asset Revaluation Reserve

This reserve records the Economic Entity's appraisal increase of its revalued property at fair value through other comprehensive income.

FVOCI Reserve

This reserve reflects the realised and unrealised gains/losses on its financial assets at fair value through other comprehensive income.

Capital Profits Reserve

This reserve records the Economic Entity's realised gains and losses on the disposals of its property.

FOR THE YEAR ENDED 31 DECEMBER 2022	2022	2021
	\$	\$
NOTE 19. CASH FLOW INFORMATION FOR CASH AND CASH EQUIVALENTS		
Cash on hand and cash in bank	2,557,345	1,814,095
Short term placements	2,074,940	2,602,171
	4,632,285	4,416,266

FOR THE YEAR ENDED 31 DECEMBER 2022	2022	2021
	\$	\$
NOTE 20. AUDITOR'S REMUNERATION		
Audit Fees	50,680	41,400
	50,680	41,400

NOTE 21. MEMBERS GUARANTEE

The company is limited by guarantee. If the Company is wound up, the Constitution states that each member is required to contribute a maximum of \$50 each towards meeting any outstanding obligations of the Company. As at 31 December 2022, the number of members was 7,436 (2021: 8,364).

FOR THE YEAR ENDED 31 DECEMBER 2022	2022	2021
	\$	\$
NOTE 22. KEY MANAGEMENT PERSONNEL COMPENSATION		
Total compensation	1,213,594	2,559,705

NOTE 23. RELATED PARTIES

Directors: The names of persons who were Directors at any time during the year are set out in the "Directors' Report" on page 1.

Information relating to the remuneration of Directors is included in Note 22 as part of remuneration provided to key management personnel. The following are the transactions between the Directors and the Company during the year:

Service Fee paid to ITVet Pty Ltd, a company associated with David Beggs for:

- Software Maintenance & Support amounted to \$3,959.01
- ACV Scientific Officer amounted to \$14,515.73
- AVJ Editor services amounted to \$49,125.00

During the year, interest paid to controlled entities amounted to \$292 (2021: \$17,370) and loans between controlled entities amounted to \$42,441 (2021: \$37,374).

Apart from the above, there were no other transactions with related parties.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

NOTE 24. COMPANY DETAILS

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

Unit 40, 6 Herbert Street
St Leonards, NSW 2065

NOTE 25. SUBSEQUENT EVENTS

A conditional offer has been received on the property held in Adelaide for which the Board have considered.

Aside from this, no other matter or circumstances have arisen since 31 December 2022 that significantly affected or may significantly affect:

- a. the operations of the Economic Entity
- b. the results of those operations; or
- c. the state of affairs of the Economic Entity in the financial year subsequent to 31 December 2022.

NOTE 26. FAIR VALUE MEASUREMENTS

The Economic Entity has the following assets, as set out in the table below, that are measured at fair value on a recurring basis after their initial recognition. The Economic Entity does not subsequently measure any liabilities at fair value on a recurring basis and has no assets or liabilities that are measured at fair value on a non-recurring basis.

When estimating the fair value of an asset or liability, the group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Inputs to valuation techniques used to measure fair value are categorised into three levels according to the extent to which the inputs are observable:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the group can access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

FOR THE YEAR ENDED 31 DECEMBER 2022	Notes	2022 \$	2021 \$
Recurring fair value measurements			
Financial assets			
Financial assets at fair value through profit and loss			
Managed funds	9	308,556	330,426
Financial assets at fair value through other comprehensive income			
Listed shares	9	5,779,022	6,113,075
Property and equipment			
Freehold land	10	915,023	915,023
Buildings	10	2,790,062	2,861,603

Managed funds are stated at the redemption price quoted by the investment managers at the reporting date.

The redemption price is based on the market value of the underlying investments on the same date net of the costs of realisation (Level 1).

For investments in listed shares, the fair values have been determined based on closing quoted bid prices at the end of the reporting period (Level 1).

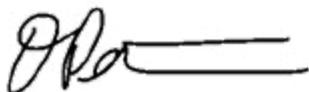
For freehold land and buildings, the fair values are based on a directors' valuation taking into account an external independent valuation performed in the 2020 year (Level 3).

DIRECTORS' DECLARATION

The Directors of The Australian Veterinary Association Limited ("the Company") declare that:

1. the financial statements and notes as set out on pages 26 - 46, are in accordance with the Corporations Act 2001:
 - a. comply with Accounting Standards – Simplified Disclosures and the Corporations Regulations 2001; and
 - b. give a true and fair view of the financial position as at 31 December 2022 and of the performance for the year ended on that date of the Economic Entity; and
3. in the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Matthew David Petersen
Director and Honorary Treasurer



Bronwyn Orr
Director and President

Dated at Sydney 4 April 2023.

Level 16, Tower 2 Darling Park
201 Sussex Street
Sydney NSW 2000

Postal Address
GPO Box 1615
Sydney NSW 2001

p. +61 2 9221 2099
e. sydneypartners@pitcher.com.au

**Auditor's Independence Declaration
To the Directors of Australian Veterinary Association Limited
ABN 63 008 522 852**

In relation to the independent audit for the year ended 31 December 2022, to the best of my knowledge and belief there have been:

- (i) No contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- (ii) No contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

This declaration is in respect of the Australian Veterinary Association Limited and its Controlled Entities during the year.



S S Wallace
Partner

Pitcher Partners
Sydney

4 April 2023

**Independent Auditor's Report
To the Members of The Australian Veterinary Association Limited
ABN 63 008 522 852**

Report on the Audit of the Financial Report

We have audited the financial report of The Australian Veterinary Association Limited ("the Company") and its Controlled Entities ("the Group") which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and the directors' declaration.

Opinion

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- a) Giving a true and fair view of the Group's financial position as at 31 December 2022 and of its financial performance for the year then ended; and
- b) Complying with Australian Accounting Standards – Simplified Disclosures and the *Corporations Regulations 2001*.

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 Group in accordance with the auditor independence requirements of the *Corporations Act 2001* 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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the Directors of the Company, would be in the same terms if given to the Directors as at the time of this auditor's report.

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

Other Information

The Directors are responsible for the other information. The other information comprises the information included in Director's Report for the year ended 31 December 2022 but does not include the financial report and our auditor's report thereon.

**Independent Auditor's Report
To the Members of Australian Veterinary Association Limited
ABN 63 008 522 852**

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially consistent with the financial report, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

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 the 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 this 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Group's

**Independent Auditor's Report
To The Members of Australian Veterinary Association Limited
ABN 63 008 522 852**



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 Group to cease to continue as a going concern.

- 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.

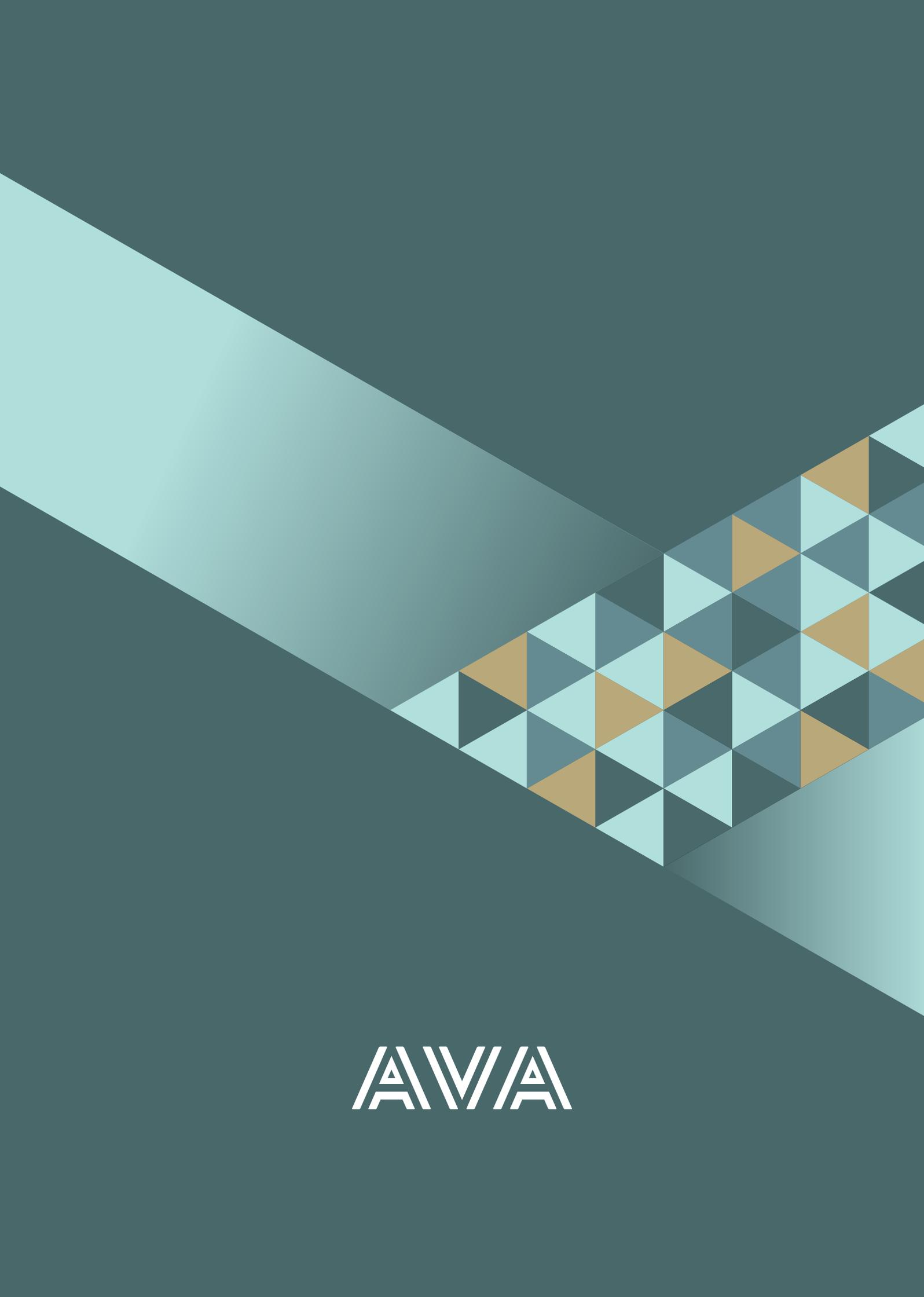
A handwritten signature in black ink that reads "Wallace".

S S Wallace
Partner

4 April 2023

A handwritten signature in black ink that reads "Pitcher Partners".

Pitcher Partners
Sydney



AVA