

PERSONAL INJURY EDUCATION FOUNDATION LIMITED
ACN 118 018 992

ANNUAL FINANCIAL REPORT

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

PERSONAL INJURY EDUCATION FOUNDATION LIMITED
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FOR THE YEAR ENDED 30 JUNE 2013

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PERSONAL INJURY EDUCATION FOUNDATION LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2013

The directors present their report together with the financial report of the Personal Injury Education Foundation Limited (the Foundation) for the financial year ended 30 June 2013, and the auditor's report thereon.

1. Directors

The directors of the Foundation at any time during or since the end of the financial year are:

Name	Appointment Date	Resignation Date
Chris Latham (Chair)	2 May 2011	
David Krawitz	14 June 2006	
Jason Hammond	12 July 2007	
Denise Cosgrove	28 August 2008	
Andrew Fronsco	25 June 2009	
Anthony Fleetwood	19 March 2010	
Michelle Reynolds	19 October 2010	
Andrew Nicholls	18 January 2011	
Grant Speight	10 June 2011	
Diego Ascani	10 June 2011	
Geniere Aplin	8 June 2012	
Paul Smeaton	8 June 2012	
Bruce Crossett	8 August 2012	
Bradley Parker	30 November 2012	
Irene Violet	6 March 2013	
Jennifer Mitchell	6 March 2013	
Jason Lardelli	7 June 2013	
John McNamara	7 June 2013	
Michael Francis	7 June 2013	
Greg Tweedly	24 January 2006	6 July 2012
Robert Thomson	8 August 2012	18 September 2012
Sharon Stratford	6 August 2009	6 March 2013
Benjamin Bessell	25 November 2011	6 March 2013
Lesley Morrison	18 November 2010	7 June 2013
Jon Winsbury	18 August 2006	7 June 2013

2. Company Secretary

Mr. Nathan Clarke was appointed to the position of company secretary on 24 January 2006.

PERSONAL INJURY EDUCATION FOUNDATION LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2013

3. Objective and Strategies

The Foundation was incorporated on 24 January 2006. Its objective is to create leading education programs, initiatives and events focused on the needs of those working in the accident compensation industry.

The 2011-15 Strategic Plan approved by the Board sets out the following strategies to achieve the Foundation's objectives:

- Undertake a comprehensive review of the Foundation's postgraduate program, including structure, design and delivery to help ensure greater participation and sustainability.
- Develop a national version of the vocational qualifications in personal injury management.
- Review the feasibility and desirability of becoming a Registered Training Organisation.
- Develop, expand and promote the Foundation's membership and certification programs with the aim of developing a strong alumni network of personal injury management professionals.
- Develop, expand and promote the Foundation's:
 - Excellence in Personal Injury Management Awards
 - Personal Injury Management Conference and seminar series across Australia and New Zealand.
- Develop and expand the Foundation's online systems to allow wider participation in the Foundation's programs, initiatives and events and engagement between fellow professionals in the industry.
- Promote the benefits relating to:
 - program membership
 - working in the personal injury management profession.
- As the sole license holder for the International Disability Management Certification programs in both Australia and New Zealand (since 2012), continue to take an Australasian approach to the development of these programs.
- Expand the Foundation's *Certificate IV in Personal Injury Management (Return to Work)* qualification, and ensure that it continues to reflect the training needs of return to work professionals across Australia.
- Continue to work with international centres of excellence to provide further opportunities for collaboration and learning, with the feasibility of providing scholarships to be reviewed.

PERSONAL INJURY EDUCATION FOUNDATION LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2013

3. Objective and Strategies (continued)

The Board has endorsed a suite of key performance indicators to measure its performance under the Strategic Plan, including:

- Participants' satisfaction with the Foundation's education programs, initiatives and events.
- Number of enrolments in the Foundation's postgraduate programs.
- Number of applications for the Foundation's Certified Disability Management Professional (CDMP), Certified Return to Work Coordinator (CRTWC) and Certified Personal Injury Professional (CPIP) designations.

4. Principal Activity

Over the 2012/13 financial year, the Foundation's principal activity was the continual development and implementation of education programs designed for the personal injury management sector.

During the financial year, the Foundation also:

- Introduced Stage 2 of the new structure of the Personal Injury postgraduate program, including a new Dispute Management stream in the Graduate Certificate of Management (Personal Injury).
- Agreed to establish a Request for Tender process for the awarding of the postgraduate program contract from 2015-18.
- Introduced the *Certificate IV in Personal injury Management (Claims Management)* qualification.
- Continued to deliver the *Certificate IV in Personal Injury Management (Return to Work)* qualification, with significant structural changes (including a reduction in the number of modules and the incorporation of two specific modules for New Zealand participants).
- Continued to deliver the online training program *Understanding Accident Compensation in Australia and New Zealand*.
- Enhanced the online learning management system *Learning @ PIEF*, as well as the introduction of a new website and database for holders of Certified Personal Injury Professional and international disability management certifications.
- Started the development of a national version of the *Diploma of Personal Injury Management*, to be delivered from July 2013.
- Obtained PIEF Board approval to apply to become a Registered Training Organisation. The application is currently being considered by the Australian Skills Quality Authority.

PERSONAL INJURY EDUCATION FOUNDATION LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2013

4. Principal Activity (continued)

- Established the PIEF Postgraduate Scholarship Program (three part-funded places).
- Took over the exclusive New Zealand license of international disability management certification programs from the Accident Compensation Corporation (ACC) of New Zealand.
- Attended the 2012 IFDM held in London, United Kingdom.
- Held the Certified Disability Management Professional (CDMP) examination in Auckland.
- Established a strategic partnership with the Australian Society of Rehabilitation Counsellors.

5. Significant Changes in the State of Affairs

There were no significant changes in the state of affairs of the Foundation during the financial year.

6. Events Subsequent to Reporting Date

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Foundation, to affect significantly the operations of the Foundation, the results of these operations, or the state of affairs of the Foundation, in future financial years.

7. Likely Developments

There are no likely developments or foreshadowed developments that have not otherwise been disclosed in this report.

8. Environmental Regulation

The Foundation's operations are not subject to any significant environmental regulations under either Commonwealth or State legislation. However, the directors believe that the Foundation has adequate systems in place for the management of its environmental requirements and are not aware of any breach of those environmental requirements as they apply to the Foundation.

PERSONAL INJURY EDUCATION FOUNDATION LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2013

9. Indemnification and Insurance of Directors and Officers

Indemnification

The Foundation has agreed to indemnify the current and former directors and officers of the Foundation, against all liabilities to another person (other than the Foundation) that may arise from their position as directors or officers, except where the liability arises out of conduct involving a lack of good faith.

Insurance premiums

Since the end of the previous financial year, the Foundation has paid insurance premiums of \$3,991 (2012: \$3,819) in respect of professional indemnity, directors' and officers' liability and legal expenses' insurance contracts, for current and former directors and officers. The insurance premiums relate to:

- costs and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal and whatever their outcome; and
- other liabilities that may arise from their position, with the exception of conduct involving a wilful breach of duty or improper use of information or position to gain a personal advantage.

10. Information on Directors

The qualification, experience and special responsibilities of the Foundation's directors at 30 June 2013 are as follows:

Name	Qualification and Experience	Special Responsibilities
Chris Latham (Chair)	Chris is a qualified actuary who specialises in advice to accident compensation schemes. He is a Director at PricewaterhouseCoopers (PwC) and is a member of the board of the Institute for Safety, Compensation and Recovery Research. Chris holds a degree in Actuarial Science.	<ul style="list-style-type: none">• Chairman• Member of Executive Sub-committee

PERSONAL INJURY EDUCATION FOUNDATION LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2013

10. Information on Directors (Continued)

David Krawitz	David is the Chief General Manager, Workers Compensation at Allianz Australia. He holds a Master of Business Administration and a Bachelor of Arts (Psychology) degree.	<ul style="list-style-type: none"> • Member of Strategy Execution Sub-committee • Member of the Education & Certification Sub-Committee
Jason Hammond	Jason is the National Manager, Workers Compensation at QBE Australia. He holds a Bachelor of Business (Accounting) degree and is an Australian CPA.	<ul style="list-style-type: none"> • Member of Strategy Execution Sub-committee
Denise Cosgrove	Denise is the Chief Executive of WorkSafe Victoria. She holds a Bachelor of Arts (French) degree and a Post Graduate Diploma in Human Resource Management.	<ul style="list-style-type: none"> • Member of Executive Sub-committee • Member of Strategy Execution Sub-committee
Andrew Fronsco	Andrew is the General Manager, Personal Injury Management at the Territory Insurance Office. He holds a Master of Business Administration and a Doctorate degree in insurance.	<ul style="list-style-type: none"> • Member of Strategy Execution Sub-committee • Member of Education and Certification Sub-committee
Anthony Fleetwood	Anthony is the Chief Operations Officer at Employers Mutual Limited. He holds a Bachelor of Commerce (Accounting) degree and is a member of the Institute of Chartered Accountants in Australia.	<ul style="list-style-type: none"> • Member of Education and Certification Sub-committee
Michelle Reynolds	Michelle is the Chief Executive Officer at WorkCover WA. She holds a Bachelor of Arts and a Master of Business Administration.	<ul style="list-style-type: none"> • None

PERSONAL INJURY EDUCATION FOUNDATION LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2013

10. Information on Directors (Continued)

Andrew Nicholls	Andrew is the General Manager of the NSW Motor Accidents Authority. He holds an Executive Master of Public Administration program, an Honours degree in political science and a Master's degree in public management.	<ul style="list-style-type: none">• Member of Strategy Execution Sub-committee
Grant Speight	Grant is the General Manager, Human Resources at the Insurance Commission of Western Australia. He holds a Masters of Human Resource Management, is a Fellow of the Australian Human Resources Institute and an Associate Fellow of the Australian Institute of Management.	<ul style="list-style-type: none">• Member of Education and Certification Sub-committee
Diego Ascani	Diego is the Head of Workers Compensation at Xchanging Australia. He holds a Bachelor of Commerce, Bachelor of Law and a Master of Business Administration. He is also an Associate of the Insurance Institute of South Africa.	<ul style="list-style-type: none">• Member of Education and Certification Sub-committee
Geniere Aplin	Geniere is the General Manager, Workers Compensation Insurance for the WorkCover Authority NSW. She holds a Master of Business Administration from the Australian Graduate School of Management, University of NSW and a Bachelor of Laws, Queensland University of Technology.	<ul style="list-style-type: none">• Member of Executive Sub-committee

PERSONAL INJURY EDUCATION FOUNDATION LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2013

10. Information on Directors (Continued)

Paul Smeaton	Paul is the Executive General Manager, Statutory Claims, Suncorp. He has a Bachelor's Degree majoring in Management and a Directors Course Diploma from the Australian Institute of Company Directors.	<ul style="list-style-type: none"> Member of the 2012 Personal Injury Management Conference Sub-committee
Bruce Crossett	Bruce is the Senior Manager, Recovery Division at the Transport Accident Commission. He holds a Masters of Business Leadership with distinction from RMIT University.	<ul style="list-style-type: none"> Member of Executive Sub-committee
Bradley Parker	Bradley is the Assistant Director, WorkCover Tasmania. He holds various tertiary qualifications in Engineering, Health and Safety, and Public Sector Management.	<ul style="list-style-type: none"> None
Irene Violet	Irene is the General Manager, Corporate Services, WorkCover Queensland. She holds Bachelor degrees in Health Science and Psychology, and has a Master of Business Administration.	<ul style="list-style-type: none"> Member of Strategy Execution Sub-committee
Jennifer Mitchell	Jennifer is the Head of Workers Compensation, Fee States, CGU. She has a strong background in workers' compensation and financial services and holds a law degree.	<ul style="list-style-type: none"> None
Jason Lardelli	Jason is the Acting General Manager, Recovery & Support Group, Comcare. He holds a Bachelor's degree in Business Economics and a Master's degree in Health Management.	<ul style="list-style-type: none"> None

PERSONAL INJURY EDUCATION FOUNDATION LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2013

10. Information on Directors (Continued)

John McNamara	John is the Executive General Manager - Statutory Workers Compensation, Gallagher Bassett. He has been employed in the insurance industry for over 23 years holding a range of senior management positions within Victoria and South Australia.	• None
Michael Francis	Michael is the General Manager, Scheme Improvement & Regulation, WorkCover Corporation of South Australia. He has an extensive background in workers' compensation, particularly within the Queensland system.	• None

PERSONAL INJURY EDUCATION FOUNDATION LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2013

11. Meetings of Directors

The numbers of meetings of the Foundation's directors held during the financial year, and the numbers of meetings attended by each director are as follows:

Name	Number of Board Meetings Held	Number of Board Meetings Attended
Chris Latham (Chair)	3	3
David Krawitz	3	2
Jason Hammond	3	1
Denise Cosgrove	3	3
Andrew Fronsko	3	2
Anthony Fleetwood	3	3
Michelle Reynolds	3	1
Andrew Nicholls	3	2
Grant Speight	3	1
Diego Ascani	3	2
Geniere Aplin	3	2
Paul Smeaton	3	2
Bruce Crossett	3	1
Bradley Parker	2	2
Irene Violet	1	0
Jennifer Mitchell	1	0
Jason Lardelli	1	0
John McNamara	1	1
Michael Francis	1	1
Greg Tweedly *	0	0
Robert Thomson *	0	0
Sharon Stratford	2	2
Benjamin Bessell	2	1
Lesley Morrison	2	2
Jon Winsbury	2	0

* No Board meetings were held prior to the date of the Director's resignation.

PERSONAL INJURY EDUCATION FOUNDATION LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2013

12. Winding-up of the Foundation

If the Foundation is wound up each Ordinary Member undertakes to contribute an amount not exceeding \$25,000 to the Foundation for the:

- payment of debts and liabilities of the Foundation and payment of costs, charges and expenses of winding up; and
- adjustment of the rights of the contributories amongst themselves.

As the Foundation had 24 Ordinary Members as at 30 June 2013, the total amount that they are liable to contribute if the Foundation is wound up is \$600,000.

13. Non-audit Services

The Foundation's auditor, RSM Bird Cameron, have not performed any non-audit services in addition to their audit duties during the financial year.

14. Lead Auditor's Independence Declaration

The lead auditor's independence declaration is set out on page 32 and forms part of the directors' report for the financial year ended 30 June 2013.

This report is made with a resolution of the directors:



Chris Latham

Chair

Dated at Melbourne this 18th day October 2013

PERSONAL INJURY EDUCATION FOUNDATION LIMITED

COMPREHENSIVE INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2013

	Notes	2013 \$	2012 \$
Revenue			
Membership revenue		675,000	667,950
Conference registrations and sponsorships		289,678	108,571
Education and training		343,560	303,041
Examination and certification revenue		56,934	13,809
Interest income from bank deposits		22,880	26,461
Other income		1,776	-
		1,389,828	1,119,832
Expenses			
Administrative support services		1,004,470	762,109
Travel expenses		53,211	21,282
Professional services		266,424	166,561
Conference expenses		166,226	50,978
Other expenses	7	43,438	41,906
		1,533,769	1,042,836
Net result for the year		(143,941)	76,996
Other comprehensive income		-	-
Total comprehensive income for the year		(143,941)	76,996

The comprehensive income statement is to be read in conjunction with the notes to the financial statements set out on pages 18 to 29.

PERSONAL INJURY EDUCATION FOUNDATION LIMITED

BALANCE SHEET AS AT 30 JUNE 2013

	Notes	2013 \$	2012 \$
Current Assets			
Cash and cash equivalents	8	307,263	394,057
Receivables	9	159,841	51,597
Accrued revenue		12,203	-
		479,307	445,654
Non-current Assets			
Equipment	10	635	1,906
Intangibles	11	6,666	13,333
		7,301	15,239
TOTAL ASSETS		486,608	460,893
Current Liabilities			
Trade payables		21,852	-
Accrued expenditure	12	261,427	258,372
Unearned revenue		144,749	-
		428,028	258,372
Non-current Liabilities		-	-
TOTAL LIABILITIES		428,028	258,372
NET ASSETS		58,580	202,521
Equity			
Accumulated funds		58,580	202,521
TOTAL EQUITY		58,580	202,521

The balance sheet is to be read in conjunction with the notes to the financial statements set out on pages 18 to 29.

PERSONAL INJURY EDUCATION FOUNDATION LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2013**

	2013 \$	2012 \$
Balance at beginning of the year	202,521	125,525
Total comprehensive income for the year	(143,941)	76,996
Balance at end of the year	58,580	202,521

The statement of changes in equity is to be read in conjunction with the notes to the financial statements set out on pages 18 to 29.

PERSONAL INJURY EDUCATION FOUNDATION LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2013

	Notes	2013 \$	2012 \$
Cash flows from operating activities			
Membership fees received		740,685	739,495
Sponsorship fees received		122,760	31,646
Conference fees received		200,080	70,958
Education and training fees received		411,067	293,252
Other income received		63,000	14,940
Payments to suppliers		(1,650,642)	(1,057,306)
Interest received		22,880	26,461
Goods and services tax refunded (paid)		1,600	(16,924)
Net cash from operating activities	8	(88,570)	102,522
Cash flows from investing activities			
Payments for intangibles		-	(20,000)
Net cash used in investing activities		-	(20,000)
Cash flows from financing activities		-	-
Net (decrease) increase in cash and cash equivalents held		(88,570)	82,522
Cash and cash equivalents at beginning of the year		394,057	311,535
Effects of exchange rate changes on cash held in foreign currencies		1,776	-
Cash and cash equivalents at end of the year	8	307,263	394,057

The cash flow statement is to be read in conjunction with the notes to the financial statements set out on pages 18 to 29.

PERSONAL INJURY EDUCATION FOUNDATION LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

1. Reporting Entity

The Personal Injury Education Foundation Limited (the Foundation) was established on 24 January 2006 to develop and implement postgraduate qualifications in personal injury.

The Foundation is a separate legal entity and registered as a public company limited by guarantee under the *Corporations Act 2001*. It is domiciled in Australia and its registered office is Ground Floor, 222 Exhibition Street, Melbourne, Victoria 3000.

2. Basis of Preparation

(a) Statement of Compliance

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards (AAS), which include Interpretations issued by the Australian Accounting Standards Board (AASB), and the *Corporations Act 2001*.

The financial statements were approved by the directors and authorised for issue on 18 October 2013.

(b) Australian Accounting Standards Issued but not yet Effective

The AASB has issued the following amendments to Australian Accounting Standards, which are applicable to the Foundation with effect from 1 January 2013:

AASB	Title	Operative Date
13	Fair Value Measurement	1 January 2013
119	Employee Benefits	1 January 2013
2011-8	Amendments to Australian Accounting Standards arising from AASB 13	1 January 2013
2011-10	Amendments to Australian Accounting Standards arising from AASB 119	1 January 2013
2012-5	Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle (AASB 1, AASB 101, AASB 116, AASB 132, AASB 134 and Interpretation 2)	1 January 2013
2012-6	Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transition Disclosures (AASB 9, AASB 2009-11, AASB 2010-7, AASB 2011-7 and AASB 2011-8)	1 January 2013
9	Financial Instruments	1 January 2015

PERSONAL INJURY EDUCATION FOUNDATION LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

2. Basis of Preparation (continued)

(b) Australian Accounting Standards Issued but not yet Effective (continued)

AASB	Title	Operative Date
2009-11	Amendments to Australian Accounting Standards arising from AASB 9	1 January 2015
2010-7	Amendments to Australian Accounting Standards arising from AASB 9	1 January 2015

These amendments are not effective for the annual reporting period ended 30 June 2013 and have not been applied in preparing the Foundation's financial statements. Details of the impact of adopting AASB 9, AASB 2009-11 and AASB 2010-7 have not yet been assessed. The other new or revised standards are not expected to have a significant impact on the Foundation's financial statements. The Foundation will apply these standards for the annual reporting periods beginning on or after the operative dates set out above.

(c) Basis of Measurement

The financial statements have been prepared on the historical cost basis except for equipments and financial instruments at fair value through comprehensive operating statement which are measured at fair value.

(d) Use of Estimates and Judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

(e) Functional and Presentation Currency

These financial statements are presented in Australian dollars, which is the Foundation's functional currency.

PERSONAL INJURY EDUCATION FOUNDATION LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

3. Significant Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and have been applied consistently by the Foundation.

(a) Revenue

Membership revenue

Members are required to pay annual membership fees, covering the period from 1 July to 30 June of each financial year. Revenue from membership fees is recognised over the annual membership period, membership fees relating to periods subsequent to reporting date are included in liabilities as unearned revenue.

Conference registrations and sponsorships

Conference registration and sponsorship revenues are recognised on an accruals basis.

Education and training

Education and training revenues are recognised on an accruals basis.

(b) Administrative Support Services

All administrative support services for the Foundation are provided by WorkSafe Victoria. An administrative support service fee is charged by WorkSafe Victoria to the Foundation on a quarterly basis as recompense for the services performed.

(c) Financial Instruments

Non-derivative financial instruments

Non-derivative financial instruments comprise receivables, cash and cash equivalents, and payables. Cash and cash equivalents comprise cash balances and call deposits.

These non-derivative financial instruments are recognised initially at fair value, plus for instruments not at fair value through comprehensive operating statement any directly attributable transaction costs. Subsequent to initial recognition non-derivative financial instruments are described below.

Other non-derivative financial instruments are measured at amortised cost using the effective interest method, less any impairment losses.

PERSONAL INJURY EDUCATION FOUNDATION LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

3. Significant Accounting Policies (continued)

(d) Taxation

The Foundation is endorsed as a charitable entity under sub-division 50-B of the *Income Tax Assessment Act 1997*.

(e) Equipment

Equipment is measured initially at cost and subsequently at fair value. Fair value is determined by reference to the asset's depreciated cost, less impairment.

Depreciation is provided on a straight-line basis to write-off the assets over their estimated useful lives to the Foundation. The useful life of the Foundation's equipment is 3 years (2012: 3 years).

The estimated useful lives and depreciation methods are reviewed at the end of each annual reporting period.

(f) Intangible assets

Intangible assets represent identifiable non-monetary assets without physical substance, and are recognised at cost. Costs incurred subsequent to initial recognition are capitalised when it is expected that additional future economic benefits will flow to the Foundation.

Amortisation is allocated to intangible assets with finite useful lives on a systematic basis over the asset's useful life. The amortisation period and the amortisation method for intangible assets with a finite useful life are reviewed at least at each year end. In addition an assessment is made at each reporting date to determine whether there are indicators that the intangible assets concerned are impaired. If so, the assets concerned are tested as to whether their carrying value exceeds their recoverable amount.

The useful life of the Foundation's intangible assets is 3 years (2012: 3 years).

(g) Impairment

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

PERSONAL INJURY EDUCATION FOUNDATION LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

3. Significant Accounting Policies (continued)

(g) Impairment (continued)

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in the comprehensive income statement. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised.

(h) Finance Income

Finance income comprises interest income on funds invested. Interest income is recognised on an accrual basis using the effective interest method.

(i) Employee Benefits

The Foundation does not directly employ staff and consequently no provisions for employee benefits are held, such as annual or long service leave.

(j) Goods and Services Tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the Australian Tax Office (ATO) is included as a current asset or liability in the balance sheet.

Cash flows are included in the cash flow statement on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

PERSONAL INJURY EDUCATION FOUNDATION LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

3. Significant Accounting Policies (continued)

(k) Commitments

Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable contractual sources and are disclosed at their nominal value, inclusive of GST.

4. Determination of Fair Values

A number of the Foundation's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Receivables

The fair value of receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date.

Non-derivative financial liabilities

The fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

5. Financial Risk Management

The Foundation has exposure to credit, liquidity and market risks arising from the use of financial instruments, and this note provides information about the Foundation's exposure to each of the above risks, their objectives, and policies and processes for measuring and managing these risks. Further quantitative disclosures are included throughout these financial statements.

The Board has overall responsibility for the establishment and oversight of the risk management framework.

PERSONAL INJURY EDUCATION FOUNDATION LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

5. Financial Risk Management (continued)

(a) Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Foundation, and arises principally from the Foundation's receivables.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

(b) Liquidity Risk

Liquidity risk arises from the Foundation being unable to meet its financial obligations as they fall due.

The Foundation manages liquidity risk by maintaining adequate cash balances by continuously monitoring forecast and actual cash flows and matching the maturity profiles of the financial assets and liabilities.

(c) Market Risk

Market risk is the risk that changes in market prices such as interest rates will affect the Foundation's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Foundation is exposed to interest rate risk through its holding of cash and cash equivalents.

The Foundation manages interest rate risk by ensuring cash balances are not excessive to its operating requirements.

PERSONAL INJURY EDUCATION FOUNDATION LIMITED

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

6 Remuneration of Auditors **2013** **2012**
\$ **\$**

Audit of the Foundation's financial report - auditor of the Foundation	15,000	15,000
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7 Other Expenses

General insurance	3,991	3,819
Meeting expenses	740	1,536
Printing	20,170	9,841
Depreciation on equipment	1,271	1,271
Amortisation on intangibles	6,667	6,667
Other expenses	10,599	18,772
	43,438	41,906

8 Cash and Cash Equivalents

Bank deposits held at call	307,263	394,057
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Reconciliation of net result to net cash from operating activities

Net result for the year	(143,941)	76,996
Depreciation on equipment	1,271	1,271
Amortisation on intangibles	6,667	6,667
Net foreign exchange (gain) loss	(1,776)	-
Movements in assets and liabilities:		
(Increase) decrease in receivables	(108,244)	14,987
(Increase) decrease in prepayments	-	7,500
(Increase) decrease in accrued revenue	(12,203)	-
Increase in payables	21,852	-
Increase in accruals	3,055	49,704
Increase (decrease) in unearned revenue	144,749	(54,603)
Total adjustments	55,371	25,526
Net cash from operating activities	(88,570)	102,522

PERSONAL INJURY EDUCATION FOUNDATION LIMITED

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

9 Receivables	2013 \$	2012 \$
Sundry debtors	133,203	38,390
Net GST receivable	26,638	13,207
	159,841	51,597

10 Equipment

Computer equipment	3,812	3,812
Accumulated depreciation	(3,177)	(1,906)
Balance at end of the year, at fair value	635	1,906
Movements in carrying amounts		
Balance at beginning of the year	1,906	3,177
Addition	-	-
Depreciation	(1,271)	(1,271)
Balance at end of the year	635	1,906

11 Intangibles

<i>Computer software</i>		
At cost	20,000	20,000
Accumulated amortisation	(13,334)	(6,667)
Balance at end of the year	6,666	13,333
Movements in carrying amounts		
Balance at beginning of the year	13,333	20,000
Addition	-	-
Amortisation	(6,667)	(6,667)
Balance at end of the year	6,666	13,333

12 Accruals

WorkSafe Victoria - Administrative support services payable	213,698	201,452
Other Accruals	47,729	56,920
	261,427	258,372

PERSONAL INJURY EDUCATION FOUNDATION LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

13 Financial Instruments

Exposure to credit, liquidity and interest rate risks arises in the normal course of the Foundation's business.

(a) Credit Risk

The Foundation's maximum exposure to credit risk at reporting date in relation to each class of financial assets is the carrying amount of those assets as reported on the balance sheet.

\$1,530 of the Foundation's receivables at 30 June 2013 were past due (2012: \$1,920). However, no allowance for impairment in respect of these receivables was required at reporting date.

(b) Liquidity Risk

The table below summarises the maturity profile of the Foundation's financial liabilities at reporting date.

	Less than 6 months	6 to 12 months	1 to 5 years	More than 5 years	Contractual cash flow	Carrying amount
	\$	\$	\$	\$	\$	\$
30 June 2013						
Financial Liabilities						
Trade payables	21,852	-	-	-	21,852	21,852
Accruals	261,427	-	-	-	261,427	261,427
	283,279	-	-	-	283,279	283,279

	Less than 6 months	6 to 12 months	1 to 5 years	More than 5 years	Contractual cash flow	Carrying amount
	\$	\$	\$	\$	\$	\$
30 June 2012						
Financial Liabilities						
Trade payables	-	-	-	-	-	-
Accruals	258,372	-	-	-	258,372	258,372
	258,372	-	-	-	258,372	258,372

(c) Fair Value

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value. The carrying amounts of receivables and accruals are assumed to approximate their fair values due to their short term nature.

(d) Interest Rate Risk

The interest rate profile of the Foundation's interest-bearing financial instrument at reporting date is summarised below.

	2013 \$	2012 \$
Variable rate instruments		
Bank deposits	307,263	394,057

14 Commitments

Other Operating Commitments

Amounts payable under non-cancellable other operational contractual agreements:

	2013 \$	2012 \$
Due within one year	36,375	22,000
Due later than one year and less than five years	109,125	-
	145,500	22,000

PERSONAL INJURY EDUCATION FOUNDATION LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

15 Contingent Assets and Contingent Liabilities

The Foundation has no contingent assets or contingent liabilities at the reporting date.

16 Related Party Disclosures

(a) Transactions with Director-related Entities

The Directors of the Foundation are detailed in the Directors' Report.

The aggregate amounts recognised during the financial year relating to transactions with director-related entities were as follows:

Director (s)	Director-related entity	Type of transaction	2013 \$	2012 \$
Chris Latham	PwC Australia	Conference sponsorship revenue	30,000	15,000
Denise Cosgrove	Accident Compensation Corporation of New Zealand	Conference sponsorship revenue	2,491	-
Jason Lardelli	Comcare	Conference sponsorship revenue	496	-
Grant Speight	Insurance Commission of Western Australia	Conference sponsorship revenue	1,500	-
Andrew Nicholls	NSW Motor Accidents Authority	Conference sponsorship revenue	1,500	-
Andrew Fronsko	Territory Insurance Office	Conference sponsorship revenue	1,500	8,000
Andrew Fronsko & Bruce Cossett	Transport Accident Commission	Conference sponsorship revenue	1,500	-
Geniere Aplin	WorkCover Authority NSW	Conference sponsorship revenue	2,181	1,500
Sharon Stratford & Irene Violet	WorkCover Queensland	Conference sponsorship revenue	2,658	-
Robert Thomson & Michael Francis	WorkCover Corporation of South Australia	Conference sponsorship revenue	463	-
Michelle Reynolds	WorkCover WA	Conference sponsorship revenue	562	-
Greg Tweedly & Denise Cosgrove	WorkSafe Victoria	Conference sponsorship revenue	1,619	-
Robert Thomson & Michael Francis	WorkCover Corporation of South Australia	Award sponsorship expenditure	(2,500)	(2,000)
Greg Tweedly & Denise Cosgrove	WorkSafe Victoria	Administrative support services expenditure	(1,004,470)	(762,109)

PERSONAL INJURY EDUCATION FOUNDATION LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

16 Related Party Disclosures (continued)

(a) Transactions with Director-related Entities (continued)

In addition, all members of the Foundation pay a standard membership fee which is set annually by the Foundation. The membership fees for the year were \$36,900 for executive members, \$11,000 for Group A non-executive members and \$5,500 for Group B non-executive members (2012: \$36,000, \$10,800 and \$5,400 respectively).

Members are entitled to participate in conferences, seminars and other educational courses of the Foundation at discounted prices. During the year, director-related entity members participated in educational events of the Foundation. In addition employees of the Foundation attended various fee based educational events provided by director-related entities.

Transactions with director-related entities are made on normal commercial terms and conditions and equivalent to those that prevails in an arm's length transaction.

Assets and liabilities arising from the transactions with director-related entities at report date were as follows:

Assets and liabilities	Director-related entity	Type of transaction	2013	2012
			\$	\$
Accruals	WorkSafe Victoria	Administrative support services expenditure	(213,698)	(201,452)

(b) Transactions with Key Management Personnel

Directorships of the Foundation are honorary positions. No salaries, compensation or other benefits were paid or are payable to the directors in their capacity as Board members and to other key management personnel.

PERSONAL INJURY EDUCATION FOUNDATION LIMITED

DIRECTORS' DECLARATION FOR THE YEAR ENDED 30 JUNE 2013

In the opinion of the directors of the Personal Injury Education Foundation Limited (the Foundation):

- (a) the financial statements and notes set out on pages 14 to 29, are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Foundation's financial position as at 30 June 2013 and of its performance, for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- (b) there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:



Chris Latham

Chair

Dated at Melbourne this 18th day of October 2013