

MODERN MEDICAL ADMINISTRATION TRUST
ACN 104 762 272
Financial Statements
For the Year ended 30 June 2014

MODERN MEDICAL ADMINISTRATION TRUST

Balance Sheet As at 30 June 2014

	Note	2014 \$	2013 \$
Current Assets			
Cash and Cash Equivalents	6	829	1,313
Trade and Other Receivables	7	239,870	187,265
Total Current Assets		<u>240,699</u>	<u>188,578</u>
Non-Current Assets			
Intangible Assets	8	-	87
Total Non-Current Assets		<u>-</u>	<u>87</u>
Total Assets		<u>240,699</u>	<u>188,665</u>
Current Liabilities			
Trade and Other Payables	9	91,120	71,607
Financial Liabilities	10	169,766	129,833
Provisions	11	14,923	14,923
Total Current Liabilities		<u>275,809</u>	<u>216,363</u>
Total Liabilities		<u>275,809</u>	<u>216,363</u>
Net Assets		<u>(35,110)</u>	<u>(27,698)</u>
Trust Funds			
Settlement Sum		120	120
Retained Profits		<u>(35,230)</u>	<u>(27,818)</u>
Total Trust Funds		<u>(35,110)</u>	<u>(27,698)</u>

*The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached .*

MODERN MEDICAL ADMINISTRATION TRUST
Profit and Loss Statement
For the Year ended 30 June 2014

	2014 \$	2013 \$
Income		
Administrative Fees	367,115	301,697
Interest Received	240	4
	<u>367,355</u>	<u>301,701</u>
Expenditure		
Accountancy Fees	8,725	8,725
Advertising	5,966	7,796
Amortisation	86	86
Bank Charges	2,446	1,708
Computer Expenses	11,767	5,797
Conferences & Seminars	-	1,320
Employees' Amenities & Staff Meetings	27,668	17,195
Filing Fees	230	227
Insurance	9,562	10,954
Interest Paid	1,926	1,389
Legal Costs	-	880
Postage	101	443
Printing & Stationery	1,013	1,938
Rent	6,600	6,600
Payroll Tax	12,966	10,469
Salaries & Wages - Employees	249,117	197,978
Subscriptions	1,468	3,910
Superannuation Contributions - Employees	24,369	15,447
Telephone	<u>10,756</u>	<u>10,438</u>
	374,766	303,300
Loss before Income Tax	<u><u>(7,411)</u></u>	<u><u>(1,599)</u></u>

*The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached .*

MODERN MEDICAL ADMINISTRATION TRUST

Notes to the Financial Statements For the Year ended 30th June 2014

1. Summary of Significant Accounting Policies

(a) Basis of Preparation

The trustees have prepared the financial statements of the trust on the basis that the trust is a non-reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the trust deed, the information needs of stakeholders and for the basis of preparation of the income tax return.

The financial statements have been prepared in accordance with the significant accounting policies disclosed below which the trustees have determined are appropriate to meet the purposes of preparation. Such accounting policies are consistent with the previous period unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes.

(b) Cash and Cash Equivalents

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

Bank overdrafts also form part of cash equivalents and presented within current liabilities on the balance sheet.

(c) Provisions

Provisions are recognised when the trust has a 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.

(d) Employee Benefits

Provision is made for the trust's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

Defined Contribution Schemes

Obligations for contributions to defined contribution superannuation plans are recognised as an employee benefit expense in profit or loss in the periods in which services are provided by employees.

(e) Borrowings

Secured and unsecured loans have been obtained. While some loans are interest free, these have not been discounted to present values. Carrying amounts therefore represent amounts expected to be repaid at settlement. Unsecured loans are considered to be repayable at call and therefore presented as current liabilities.

MODERN MEDICAL ADMINISTRATION TRUST

Notes to the Financial Statements For the Year ended 30th June 2014

(f) **Leases**

Finance Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to the trust, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the trust will obtain ownership of the asset or over the term of the lease.

(g) **Revenue and Other Income**

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

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

All revenue is stated net of the amount of goods and services tax (GST).

Sale of Goods

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

Interest Revenue

Interest is recognised using the effective interest method.

Rendering of Services

Revenue in relation to rendering of services is recognised depends on whether the outcome of the services can be measured reliably. If this is the case then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period.

If the outcome cannot be reliably measured then revenue is recognised to the extent of expenses recognised that are recoverable.

(h) **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 Taxation Office (ATO). 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 are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the balance sheet.

MODERN MEDICAL ADMINISTRATION TRUST

Notes to the Financial Statements For the Year ended 30th June 2014

	2014 \$	2013 \$
2. Profit for the Year		
Profit before income tax expense from continuing operations includes the following specific expenses:		
Charging as Expense		
Finance Costs	1,926	1,389
3. Expenses		
Employee Benefits Expense	273,486	213,425
Depreciation and Amortisation Expenses	86	86
Advertising	5,966	7,796
Bank Charges	2,446	1,708
Insurance	9,562	10,954
Postage	101	443
Printing & Stationery	1,013	1,938
Rent	6,600	6,600
Telephone	10,756	10,438
Other Expenses	62,824	48,523
	<u>372,840</u>	<u>301,911</u>
4. Finance Costs		
Interest Paid		
ATO	<u>1,926</u>	<u>1,389</u>
	<u>1,926</u>	<u>1,389</u>
5. Revenue		
Sales Revenue		
Rendering Services	<u>367,115</u>	<u>301,697</u>
	<u>367,115</u>	<u>301,697</u>
Other Income		
Interest Received	<u>240</u>	<u>4</u>
	<u>240</u>	<u>4</u>
	<u>367,355</u>	<u>301,701</u>

MODERN MEDICAL ADMINISTRATION TRUST

Notes to the Financial Statements For the Year ended 30th June 2014

	2014 \$	2013 \$
6. Cash and Cash Equivalents		
Cash on Hand	120	120
CBA 10603438 (Service)	709	1,193
	<u>829</u>	<u>1,313</u>
7. Trade and Other Receivables		
Current		
Loans to Associated Entities		
Modern Medical Balwyn	76,785	80,627
Modern Medical Craigieburn	110,897	76,095
Modern Medical Bayswater	48,585	22,515
Modern Medical Spotswood	-	8,028
Modern Medical Wyndham Vale	3,603	-
Total Trade and Other Receivables	<u>239,870</u>	<u>187,265</u>
8. Intangible Assets		
Non-Current		
Formation Expenses	432	432
less Accumulated Amortisation	(432)	(345)
Total Intangible Assets	<u>-</u>	<u>87</u>
9. Trade and Other Payables		
Current		
Sundry Creditors	59,831	42,280
Trade Creditors	5,658	4,929
CBA Business Credit Card	14,892	14,552
SGL Payable	3,702	3,941
Provision for GST	7,037	5,905
	<u>91,120</u>	<u>71,607</u>
Total Trade and Other Payables	<u>91,120</u>	<u>71,607</u>

MODERN MEDICAL ADMINISTRATION TRUST

Notes to the Financial Statements For the Year ended 30th June 2014

	2014 \$	2013 \$
10. Financial Liabilities		
Current		
Loans to Associated Entities		
Modern Medical Caroline Springs	128,923	97,762
Caroline Springs Specialist Centre	7,722	14,578
GP Express (Caroline Springs)	7,024	7,024
Modern Medical Spotswood	8,217	-
Payroll Tax Accrual	12,966	10,469
Payroll Expense Accrual	4,914	-
	<u>169,766</u>	<u>129,833</u>
Total Financial Liabilities	<u>169,766</u>	<u>129,833</u>
11. Provisions		
Current		
Provision for Annual Leave	14,923	14,923
Total Provisions	<u>14,923</u>	<u>14,923</u>

MODERN MEDICAL ADMINISTRATION TRUST
Directors' Declaration of the Trustee Company
for the Year Ended 30 June 2014

The directors of the trustee company have determined that the trust is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The directors of the trustee company declare that:

1. the financial statements and notes, as set out in the financial statements, present fairly the trust's financial position as at 30 June 2014 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements;
2. in the directors' opinion, there are reasonable grounds to believe that the trust 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 of the trustee company.


T CAMERON
Director


J K SCHULZ
Director

Dated this.....day of.....2015

MODERN MEDICAL ADMINISTRATION TRUST

Compilation Report To MODERN MEDICAL ADMINISTRATION TRUST

We have compiled the accompanying special purpose financial statements of MODERN MEDICAL ADMINISTRATION TRUST, which comprise the balance sheet as at 30 June 2014, the income statement for the year then ended, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial statements have been prepared is set out in Note 1.

The Responsibility of the Trustees

The Trustees are solely responsible for the information contained in the special purpose financial statements and have determined that the basis of accounting used is appropriate to meet their needs.

Our Responsibility

On the basis of information provided by the Trustees, we have compiled the accompanying special purpose financial statements in accordance with the basis of accounting adopted and APES 315: Compilation of Financial Information.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the Trustees provided, in compiling the financial statements. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

The special purpose financial statements were compiled exclusively for the benefit of the Trustees. We do not accept responsibility to any other person for the contents of the special purpose financial statements.

JKS TAX & ACCOUNTING SERVICES

Accountants & Advisors

Melbourne



G S GIERAK

11 November 2015

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
MODERN MEDICAL ADMINISTRATION TRUST**

Report on the Financial Report

We have audited the accompanying Special financial report of Modern Medical Administration Trust, which comprises the balance sheets as at 30 June 2013 and 30 June 2014 and the corresponding statements of profit or loss, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the entity.

Directors' responsibility for the Financial Report

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

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Special financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's opinion

In our opinion:

- (a) the financial report of Modern Medical Administration Trust is in accordance with the *Corporations Act 2001*, including:
- (i) giving a true and fair view of the entity's financial position as at 30 June 2013 and 30 June 2014 and of its performance for the years ended on that date; and
 - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.
- (b) the special purpose financial report also complies with International Financial Reporting Standards.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)

Stantons International Audit & Consulting Pty Ltd



Martin Michalik
Director

West Perth, Western Australia
22 December 2015

22 December 2015

Board of Directors
Modern Medical Administration Trust
Suite 408, Level 4,
434 St Kilda Road
Melbourne VIC 3004

Dear Directors

RE: MODERN MEDICAL ADMINISTRATION TRUST

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Modern Medical Administration Trust.

As Audit Director for the audit of the financial statements of Modern Medical Administration Trust for the years ended 30 June 2013 and 30 June 2014, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit;
and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours faithfully

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
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(An Authorised Audit Company)



Martin Michalik
Director