



**AMA**  
(ACT) LIMITED

AUSTRALIAN MEDICAL ASSOCIATION (ACT) LIMITED

# Annual Report 2017



*... supporting doctors serving their communities*



**Annual Report**  
**of the**  
**Australian Medical Association (ACT) Limited**

(ACN 008 665 718)

*... supporting doctors serving their communities*

31 December 2017





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## AMA (ACT) LTD OFFICE BEARERS

### Directors

*President:*

Prof Stephen Robson

*President-elect:*

Dr Antonio Di Dio

*Hon Secretary:*

Dr Suzanne Davey

*Hon Treasurer:*

Dr Andrew Miller

*Other Directors:*

Dr Iain Dunlop AM

A/Prof Rashmi Sharma OAM

A/Prof Jeff Looi

Dr Elizabeth Gallagher

### Advisory Council

*Chair:*

A/Prof Rashmi Sharma OAM

*Members:*

Dr Mark Healsmith – dermatology

Dr Kieran Barr – doctors in training

Dr Karen Flegg – general practice

Mr Ian McConnell-Whalan – medical students

Dr Tween Low – obstetrics and gynaecology

Dr David Tridgell – ophthalmology

Dr Michael Gillespie – orthopaedics

Dr Michael Rosier – paediatrics

Dr Wayne Chou – pathology

Dr John Nicholls – physicians

Dr James Lim – surgery

Prof Stephen Robson – (AMA (ACT) President)

Dr Elizabeth Gallagher – (AMA Federal Councillor)

Dr Suzanne Davey – (AMA Council of General Practice)

Dr Rebeka Stepto – (AMA Council of Doctors in Training)

## AMA (ACT) LTD COMMITTEES

### Council of Doctors in Training

*Co-Chair:*

Dr Kieran Barr

Dr Rebeka Stepto

*Members:*

Dr Yi Deng

Dr Douglas Greer

Dr Sean Heywood

Dr Nic Holt

Dr Diana Kirk

Dr Kieran Neill

Dr Elise Warren

Dr Choon Lim Wong

Dr Haoming Zhuo

### General Practice Forum

*Chair:*

Dr Suzanne Davey

*Members:*

Dr Ian Brown

Prof Kirsty Douglas

Dr Stan Doumani

Dr Karen Flegg

Dr Martin Liedvogel

Dr Ian Pryor

Dr Sonia Res

Dr Mike Seah

A/Prof Rashmi Sharma OAM

Dr Nadeem Siddiqui

Dr Alex Stevenson

Dr Helen Toyne

Dr Tuan Tran

Dr Elizabeth Gallagher (ex officio)

## REPRESENTATIVES TO FEDERAL AMA

### AMA Federal Council

*Federal Councillor:*

Dr Elizabeth Gallagher

### AMA Board

*AMA (ACT) Appointee:*

Dr Iain Dunlop AM

### AMA Council of Doctors in Training

*AMA (ACT) Representatives:*

Dr Rebeka Stepto

### AMA Council of General Practice

*AMA (ACT) Representative:*

Dr Suzanne Davey

### AMA Council of Public Hospital Doctors

*AMA (ACT) Representative:*

Vacant

### AMA Health Financing and Economics Committee

*AMA (ACT) Representatives:*

Dr Andrew Miller

### AMA Indigenous Health Task Force

*AMA (ACT) Representative:*

Dr Nadeem Siddiqui

### AMA National Conference

*AMA (ACT) Delegates:*

Dr Iain Dunlop AM

Dr Antonio Di Dio

*Official Observer:*

Mr Peter Somerville

## AMA (ACT) LTD STAFF

*Chief Executive Officer and Company Secretary:*

Peter Somerville

*Manager, Workplace Relations and General Practice:*

Tony Chase

*Corporate Accountant:*

Tanya Smith

*Hospital Organiser:*

Anish Prasad (until October 2017)

*Executive Assistant:*

Karen Fraser

*Membership and Partner Relations Manager:*

Alison Hosking

## PRIZE WINNERS

### President's Prize

Prof Michael Levy – 2011

Mr Robert Hunt – 2012

Dr Jo-Anne Benson – 2013

Dr Iain Dunlop AM – 2014

Dr Peggy Brown – 2015

Dr Martin Liedvogel - 2016

### Student Prize for Leadership

Mr James McCracken – 2011

Mr Mark Russell – 2012

Mr Justin Rheese – 2013

Dr Kerrie Aust – 2014

Ms Lauren O'Rourke – 2015

Mr Christopher Wilder - 2016

Mr Ian McConnell-Whalan - 2017

## AMA ROLL OF HONOUR

### Presidents – ACT Branch of the Australian Medical Association Limited

Dr Brian Richards  
 Dr John Donovan  
 Dr Grahame Bates  
 Dr Robert Allan  
 Dr Mark Hurwitz  
 Dr Grahame Bates  
 Dr Deborah McKay  
 Dr Colin Andrews  
 Prof Peter Herdson  
 Dr Robert Allan  
 Dr Ian Pryor  
 Dr Charles Howse  
 Dr Andrew Foote

### Presidents – Australian Medical Association (ACT) Limited

Dr Paul Jones  
 Dr Iain Dunlop AM  
 Dr Andrew Miller  
 Dr Elizabeth Gallagher  
 Prof Stephen Robson

### AMA Fellows

Dr Robert Allan  
 Dr Grahame Bates  
 Dr John J Connors  
 Dr Raymond Cook  
 Dr William Coote  
 Dr Stanley Doumani  
 Dr Iain Dunlop AM  
 Dr John Eather  
 Dr Gerald Flynn  
 Dr Robert Green  
 Dr Anthony Griffin  
 Dr Charles Howse  
 Dr Peter Hughes  
 Dr Gary Jones  
 Dr Paul Jones  
 Dr David McNicol  
 Dr Ian Pryor  
 Dr Brian Richards  
 Dr Susan Richardson  
 Dr Alastair Robson

### 50 Year Members

Dr Brewster Ashley  
 Dr Roma Bedford  
 Dr Peter Black  
 Dr Peter Brown  
 Dr David Coles  
 Dr John Donovan  
 Dr Eric Fitzsimons  
 Dr Peter Giffard  
 Dr Kenneth Goard  
 Dr Tony Griffin  
 Dr Valerie Hill  
 Dr Ann Hosking  
 Dr Mary Hoyle  
 Dr Peter Hughes  
 Dr Angus McIntosh  
 Dr Neville Newman  
 Dr Selwyn Peter Trenerry  
 Dr Robert Vance  
 Dr Helen Wiles  
 Dr Peter H Wilson  
 Dr Jenson Wong-See

### Vale

Dr Winton Fitt  
 Dr Lindsay Grigg



## AMA ACT PRESIDENT'S REPORT 2017

### Prof Stephen Robson



The last 12 months have been especially busy for the AMA ACT and, as always, we have faced a number of challenges. Fortunately, I have had the assistance of our excellent CEO Peter Somerville and his staff, and a skilled and engaged Board.

### ACT Health

#### *Data*

The year started with ACT Health failing to submit their public hospital data to the AIHW and subsequent inclusion in the AMA's Public Hospital Report Card. This turned out to be the tip of the iceberg with Health Minister, Meegan Fitzharris, ordering an urgent review into ACT Health's data collection.

#### *Mental Health*

Along with my colleague Professor Jeff Looi, we met with Mental Health Minister, Shane Rattenbury, about a number of serious issues that have arisen with mental health services in Canberra. While workforce has been the major focus, including the implications that followed a series of resignations of senior staff from the adult mental health unit, other issues such as access to child and adolescent services, and cover in the Emergency Department at Canberra Hospital, were also key.

#### *Doctors Health*

The AMA places a high priority on the the health and wellbeing of our colleagues. The number of doctors who

take their own lives highlights the stress and pressures of a life in medicine. Unfortunately, one of the impediments to doctors seeking care for themselves is the issue of mandatory reporting. The frustratingly-slow progress of COAG deliberations over mandatory reporting have been consistently raised with both the ACT Health Minister and the Director-General of ACT Health.

Although they may have been well-intentioned when introduced, the mandatory reporting laws require reform. The national reporting legislation came into force with creation of the Medical Board of Australia back in 2010, and political pressure was brought to bear at the time, taking the position that the harms could be prevented if doctors had to report concerns about their colleagues. Doctors thereafter - including those who were treating their colleagues - had an explicit legal obligation to report those colleagues who could be 'putting the public at risk.' The exception was the state of Western Australia which, to their credit, legislated an exemption from mandatory reporting obligations for doctors treating their colleagues.

At the time, the AMA voiced alarm that by interfering with the doctor-patient relationship when doctors treated their own, colleagues with mental health issues, or substance misuse problems would avoid the treatment they needed for fear of coming to the attention of registration authorities.

Many professional groups now see the fatal flaw in mandatory reporting laws, and I was pleased to see Dr Greg Kesby, Chair of the Medical Board of NSW, publicly

support changes to mandatory reporting laws to exempt doctors reporting colleagues under their care. According to Dr Kesby, “such changes would not diminish protection of the public but instead ... enhance the level of protection by encouraging medical practitioners to seek and engage in appropriate healthcare.”

### General Practice

Once again this year, AMA (ACT) has, in all its discussions with both the ACT Health Minister and ACT Health emphasised the central role Canberra’s General Practitioners play in patient care. Not only are GPs a cost-efficient means of delivering care but patients with an ongoing relationship with their GP have been shown to experience better health outcomes.

An important issue for our discussions has been after hours primary care and how GPs might be assisted to extend their hours to complement other local services. For example, additional nursing resources, funded by the ACT Government, could be made available to existing GPs via a competitive tender process on the basis that extended after hours primary care services are provided on a “walk-in” basis. The AMA (ACT) believes placing nurses in primary care team setting would be beneficial to GPs, nurses and, importantly, patients.

### Workplace Relations

The AMA (ACT) has focussed a considerable amount of energy on workplace relations over 2017. Tony Chase, our highly experienced Manager of Workplace Relations and General Practice has made a major difference to our capabilities in this area.

While a major focus has been on the salaried doctors bargaining, Tony and Anish Prasad (our Organiser until December 2017) have made a significant difference to our junior doctors, our GPs and private specialists. The expert advice and assistance the AMA (ACT) can now provide is a significant benefit available to members.

### Community

Alcohol-fuelled violence remains an important issue in the ACT, as it is around the country. FARE - the

Foundation for Alcohol Research and Education – in partnership with the AMA (ACT), Deakin University, and the Australian Federal Police Association, jointly sponsored the ‘Driving Change’ forum. The forum took an unflinching front-line perspective on alcohol-related harms, and we heard from Professor Jonathan Shepherd, who was visiting Australia to assist with the ‘Driving Change’ research study at Calvary Hospital, will be a key participant in the study.

Once again, the AMA (ACT) was pleased to organise and sponsor the ‘Art In, Butt Out’ competition and public health campaign to have year 8 students create an anti-smoking message for their peers. The AMA (ACT) was pleased to join with ACT Health, the Heart Foundation, Winunga Nimityjah AHS, the ACT Cancer Council and Canberra ASH to support the initiative.

### Final Thanks

My thanks to the AMA (ACT) Board for their support, advice and assistance over the course of 2017. Of course, our secretariat staff once again played a key role in all that we do and I’d like to thank and recognise their key role.

I’d also like to thank all of our members and recognise the contribution you make to our work. The strength of the AMA (ACT) is the fact that it truly represents across the profession – from interns to retired doctors, whether you’re a young fellow or a ‘grizzled veteran’. Across sectors – public, private, government or wherever you are as a medical practitioner – the AMA is there for you and ready to help, assist, advise and advocate. We’re only a call away.

## REPORT FROM THE TREASURER

**Dr Andrew Miller**



The AMA (ACT)'s financial statements for the 2017 financial year are presented in the Annual Report. These have been prepared and audited in accordance with company law.

The Company has returned a loss for the 2017 year. This is our first reported loss for some years.

Total AMA (ACT) revenue for 2017 increased to \$597,003 compared with \$578,689 for 2016 and \$587,291 in 2015. Membership revenues have increased by \$3,236 to \$225,111. Sponsorship revenue increased by over 100% from 2016 to \$41,803. This has been partially offset by a reduction in commission revenues to \$116 from \$4,349 last year. The Board recognises that the financial sector operating environment, which has hitherto underpinned our commission income, is changing. We have determined to regard commission income in the future as a windfall rather than a budgeted income stream.

Whilst the Canberra Doctor brought in more revenue, \$122,090 compared with \$119,935 in 2016; this is still below the record return of \$130,639 in 2015. Strict cost control of printing and distribution means that the net return for 2017 is still above 2016. Income from the Specialist and Allied Health Directory has declined to \$27,885 from \$36,381 in 2016. The profit margin from these publishing activities is 58%, which is comparable to the 59% return in 2016.

The DHAS is now supported by AHPRA, resulting in a change to the DHAS funding model. Funding from 2017

is via paid advertising in the Canberra Doctor publication. AMA (ACT) will be reimbursed by the DHAS for any sundry expenses incurred, which are expected to be minimal.

Company expenses have increased to \$632,285, representing a significant increase over \$572,981 in 2016. This is attributable to a strategic decision to increase visibility of the organisation and to increase member support, particularly in relation to employment matters.

Members' equity at the end of the year stood at 371,406; reduced as expected from 2016 by the reported operating deficit. The current ratio at year end was a healthy 1.54. The company remains able to meet its liabilities as and when they fall due.

The relationship between AMA (ACT) and AMA Ltd (Federal AMA) is again evolving as AMA Ltd undergoes a financial restructure to ensure long term viability. As a part of this AMA Ltd has sold AMA House, but will retain naming rights and will remain a long term tenant. The AMA (ACT) Board considered it important for AMA (ACT) to remain an occupant in AMA House; and so in order to secure our financial position, and for the first time, a formal lease has been signed between AMA (ACT) and AMA Ltd; which will carry over to the new building owner. As part of the new MOU signed between AMA (ACT) and AMA Ltd we now receive a rent reimbursement from AMA Ltd to cover this new cost. In 2018 this will appear as revenue, with corresponding expense in the same manner as the current notional AMA Federal rental subsidy that the company has been booking since our

last MOU in anticipation of our relationship continuing to evolve. These figures may be seen in the 2017 Statement of Comprehensive Income on page 20 (expenses) and page 28 (note 3: revenue). In 2018 the booked figures will reflect the lease arrangements.

The primary focus of the Company is the provision of membership services including individual and craft group support and advocacy. 2016 saw the introduction of initiatives to increase engagement in the public hospitals; as well as an upscaling in industrial activities both in the public and private sector. We are continuing this drive, associated with some staffing restructuring. The increase in junior doctor memberships reported in 2016 has been sustained in 2017, with a substantial renewal rate in the transition from PGY1 to PGY2. It remains a major strategic goal to retain these newly recruited members throughout their professional careers.

The AMA (ACT) remains in a solid financial position despite this year's reported loss. The Board is comfortable that with a long term strategic view it can turn the financial performance around whilst enhancing member services, as well as continue to strengthen its membership base.

I would like to thank Tanya Smith the company accountant for her assistance through the year and in preparation of this report. I would also like to thank our CEO Peter Somerville and our hardworking secretariat staff for all the good humour and hard work that they bring to keep our organisation operating as efficiently and effectively as it does.

A handwritten signature in blue ink, appearing to be 'Peter Somerville', written in a cursive style.

AUSTRALIAN MEDICAL ASSOCIATION (ACT) LIMITED  
FINANCIAL REPORT  
FOR YEAR ENDED 31 DECEMBER 2017

## DIRECTORS' REPORT

Your Directors submit their report for the year ended 31 December 2017.

### Directors

The names and details of the Company's Directors in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

*Dr Suzanne Davey*  
BSc (Hons), MB BS, DCH, DRCOG

*Dr Antonio Di Dio*  
MB BS, DipRACOG, FRACGP

*Dr Iain Dunlop AM*  
MB BS (Hons) FRANZCO, FRACS

*Dr Elizabeth Gallagher*  
B Med, BMedSc, FRANZCOG

*A/Prof Jeffrey Looi*  
MB BS, MD, FRANZCP, AFRACMA

*Dr Andrew Miller*  
MB BS, BSc(Med) FACD

*Prof Stephen Robson*  
MB BS, FRANZCOG

*A/Prof Rashmi Sharma OAM*  
BSc, MB BS, DRANZCOG, FRACGP, Grad Cert in Higher Education, GAICD

All Directors are members of the Australian Medical Association (ACT) Limited.

### Company Secretary Peter Somerville

Peter Somerville has been the Company Secretary of the Australian Medical Association (ACT) Limited since August 2015.

### Dividends

Under the Constitution of the Company, no distribution is available to members.

### Principal Activity

The principal activity of the Company was to promote and safeguard the provision of high quality medical services to the community.

### For the Association

- Ensure financial viability
- Maintain and enhance governance capabilities
- Ensure seamless transition from one Board and Advisory Council to the next
- Publish "Canberra Doctor" and other periodic publications as required
- Grow membership

### For The Membership

- Lead, represent, inform and serve the profession
- Develop member benefits
- Promote ethical standards
- Promote the profession as an asset to the community
- Influence government and set the agenda in relation to public health
- Develop relationships with other health professionals and other stakeholders
- Maintain and enhance communication with ACT government, hospital administrators and other relevant parties in regard to hospital/patient services

### For The Community

- Promote good health and health care
- Lobby and advise government on public and community health issues
- Act as a patient advocate
- Influence the community to improve health outcomes

### Performance Measurement

The Board and Management monitor the Company's overall performance throughout the year, by consideration and observation of a number of quantitative and qualitative performance indicators. These are summarised below.

- Financial Management accounts are prepared prior to board meetings and at least 4 times annually and compared with the annual budget, revised projections and prior year figures. These accounts measure the financial viability of the Company and demonstrate the level of growth in membership subscriptions from year to year as well as other commercial and semi-commercial arrangements.
- Risk management strategies across the organisation are documented and reviewed bi-annually.
- Reports on growth in membership numbers and trends by category, are generated throughout the year.
- The value of member benefits available is largely quantifiable and reviewed annually.
- The Board assesses, as an ongoing process, the value, expenditure and income of new members' benefits and initiatives before offering products and services to the members.
- The volume, quality, size and regularity, and expenditure and income of publication, of "Canberra Doctor" and other publications is also compared throughout the year and annually.
- Feedback from the medical profession, other health professionals, related councils and entities, hospitals, politicians and bureaucrats, and the community is constantly monitored by management and reported to the Board for consideration and action if required.
- The volume of requests for AMA (ACT) input/ advice from the medical profession, other health professionals, related councils and entities, hospitals, politicians and bureaucrats, and the community, and the quality and timeliness of the AMA ACT response is also constantly monitored by management and reported to the Board for consideration and action if required.

### **Operating Results**

Net deficit for the year ended 31 December 2017 after income tax is (\$35,282). (2016: surplus of \$5,708).

### **Performance**

#### ***Financial***

This year income has increased by approximately 3% on 2016. However, expenses have increased by just over 10% on last year, resulting in a deficit result. Employee expenses were higher in 2017, with both Tony Chase and Anish Prasad employed for most of the year, and their positions only partly funded by Specialist Wealth Group. The focus has been on developing existing and potential new sources of revenue, including sponsorship by Specialist Wealth Group and in-house Private Practice workshops. The effect of all aspects of operations on the financial performance and viability of the Company is monitored closely throughout the year.

#### ***Membership Growth***

During the year the Company experienced steady growth in membership numbers.

#### ***Canberra Doctor***

The Canberra Doctor newspaper continues to be a popular and widely read publication within the medical community. The newspaper was published 10 times during the year and provides a regular source of up-to-date information on the political landscape and other issues relevant to the medical profession and the patients they treat. Canberra Doctor also continues to be the vehicle by which practitioners promote their professional services to colleagues.

#### ***AMA ACT Advocacy***

The Advisory Council and the Board continued during the year to engage with politicians across the party-political divide and with senior departmental employees, and with other related organisations and mainstream media on issues of concern to the members locally. Canberra Doctor was utilised to inform the profession of the activities undertaken on their behalf.

### **Significant Changes in the State of Affairs**

No significant changes in the state of the affairs of the Company occurred during the year.

### Significant Events After the Balance Date

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

### Likely Developments and Expected Results

The likely developments in the operation of the Company involve the continued pursuit of its principal activities.

### Environmental Regulation and Performance

The Company is not subject to any particular or significant environmental regulations.

### Membership Obligations

The Company is a public company limited by guarantee by the members. Pursuant to the Constitution, each member of the Company undertakes to contribute to the property of the Company in the event of it being wound up. The maximum contribution per member in accordance with the guarantee is \$10.

### Indemnification and Insurance of Directors

During the year, the Company has paid premiums in respect of a contract insuring all the Directors of the Australian Medical Association (ACT) Limited against any liability incurred in their role as Directors of the company, except where:

- (a) the liability arises out of conduct involving a wilful breach of duty; or
- (b) there has been a contravention of Section 232(5) or (6) of the *Corporations Act 2001*.

The total amount of insurance contract premiums paid in 2017 was \$1,496 (2016: \$2,238).

### Directors' Remuneration

No Directors' remuneration was paid during the year.

### Directors' Meetings

During the year 6 board meetings were held.

The number of meetings of Directors held during the year and the number of meetings attended by each director were as follows:

	Number of meetings held while in office	Number of meetings attended
Dr Suzanne Davey	6	5
Dr Antonio Di Dio	6	6
Dr Iain Dunlop AM	6	4
Dr Elizabeth Gallagher	6	5
A/Prof Jeffrey Looi	6	4
Dr Andrew Miller	6	5
Prof Stephen Robson	6	6
A/Prof Rashmi Sharma OAM	6	2

### Auditor's Independence Declaration

The Directors have received a declaration of independence from the auditor and this is attached. The Directors are satisfied that the nature and scope of non-audit services has not compromised the auditor's independence.

Signed in accordance with a resolution of the Directors.



Director - Prof Stephen Robson



Director - Dr Andrew Miller

Canberra

11 April 2018





**Auditor's Independence Declaration  
Under Section 307c of the Corporations Act 2001 to the Directors of  
Australian Medical Association (ACT) Limited**

I declare that, to the best of my knowledge and beliefs, during the year ended 31 December 2017 there have been:

- i. no contraventions of the independence requirements of the Corporations Act 2001 in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

**Nexia Duesburys (Audit)**  
Canberra, 11 April 2018

**R C Scott**  
Partner

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## **Independent Auditor's Report To the Members of Australian Medical Association (ACT) Limited**

### **Report on the Audit of the Financial Report**

#### **Opinion**

We have audited the financial report of Australian Medical Association (ACT) Limited (the Company), which comprises the statement of financial position as at 31 December 2017, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of Australian Medical Association (ACT) Limited is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the Company's financial position as at 31 December 2017 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements 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 responsibility for the audit of the financial report section of our report. We are independent of the Company 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 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 in the Company's Directors' Report for the year ended 31 December 2017, but does not include the financial report and the auditor's report thereon.

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

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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 inconsistent 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 the other information we are required to report that fact. We have nothing to report in this regard.

#### **Directors' responsibility 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 – Reduced Disclosure Requirements 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibility 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.

A further description of our responsibilities for the audit of the financial report is located at The Australian Auditing and Assurance Standards Board website at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of our auditor's report.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



**Nexia Duesburys (Audit)**  
Canberra, 11 April 2018



**R C Scott**  
Partner



## DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of the Australian Medical Association (ACT) Limited, we state that:

In the opinion of the Directors:

- (a) the financial statements and notes of the Company are in accordance with the *Corporations Act 2001*, including:
  - (i) giving a true and fair view of the Company's financial position as at 31 December 2017 and of its performance, as represented by the results of its operations and its cash flows, for the year ended on that date; and
  - (ii) complying with Accounting Standards - Reduced Disclosure Requirements and *Corporations Regulations 2001* and other authoritative pronouncements of the Australian Accounting Standards Board; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board:



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Director - Prof Stephen Robson  
Canberra



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Director - Dr Andrew Miller

11 April 2018

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 \$	2016 \$
<b>REVENUE FROM CONTINUING OPERATIONS</b>	3	<b>597,003</b>	578,689
Salaries and employee benefits expense		<b>(380,172)</b>	(323,826)
Depreciation expense	4	<b>(11,253)</b>	(11,860)
Printing and postage expenses		<b>(9,907)</b>	(7,035)
Telephone and internet expense		<b>(3,733)</b>	(1,777)
Meeting and seminar expenses		<b>(19,990)</b>	(22,582)
Bank and credit card charges		<b>(2,972)</b>	(897)
Rates and body corporate		<b>(22,215)</b>	(20,371)
Rent expense -Federal AMA		<b>(87,330)</b>	(87,330)
Legal expenses		-	(3,288)
Canberra Doctor expenses		<b>(52,494)</b>	(50,634)
Specialist Directory expenses		<b>(10,354)</b>	(13,142)
Other expenses from ordinary activities		<b>(31,865)</b>	(30,239)
<b>SURPLUS FROM CONTINUING OPERATIONS BEFORE INCOME TAX</b>		<b>(35,282)</b>	5,708
INCOME TAX	5	-	-
<b>NET SURPLUS FOR THE YEAR</b>		<b>(35,282)</b>	5,708
Other comprehensive income, net of tax		-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>(35,282)</b>	5,708

## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2017

	Notes	2017 \$	2016 \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	15	259,206	266,231
Trade and other receivables	6	10,299	17,465
Other current assets	7	1,646	1,153
<b>Total Current Assets</b>		<b>271,151</b>	284,849
NON-CURRENT ASSETS			
Plant and equipment	8	7,057	4,907
Investments	9	269,384	278,516
<b>Total Non-Current Assets</b>		<b>276,441</b>	283,423
<b>TOTAL ASSETS</b>		<b>547,592</b>	568,272
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	11	71,562	89,258
Deferred revenue	12	89,787	53,102
Borrowings	14	-	-
Provisions	13	14,837	19,224
<b>Total Current Liabilities</b>		<b>176,186</b>	161,584
<b>TOTAL LIABILITIES</b>		<b>176,186</b>	161,584
<b>NET ASSETS</b>		<b>371,406</b>	406,688
<b>MEMBER' FUNDS</b>			
Retained earnings		371,406	406,688
<b>TOTAL MEMBERS' FUNDS</b>		<b>371,406</b>	406,688

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2017

	2017	2016
	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from members and customers (inclusive of GST)	<b>614,508</b>	538,577
Payments to suppliers and employees (inclusive of GST)	<b>(617,502)</b>	(532,376)
Interest received	<b>1,064</b>	1,900
NET CASH FLOWS (USED IN)/FROM OPERATING ACTIVITIES	<b>(1,930)</b>	8,101
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	<b>(5,095)</b>	(1,958)
NET CASH FLOWS FROM INVESTING ACTIVITIES	<b>(5,095)</b>	(1,958)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	<b>(7,025)</b>	6,143
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<b>266,231</b>	260,088
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>259,206</b>	266,231

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2017

	2017 Retained earnings \$	2016 Retained earnings \$
<b>RETAINED EARNINGS</b>		
At 1 January	406,688	400,980
Surplus for the year	(35,282)	5,708
Other comprehensive income	-	-
At 31 December	<u>371,406</u>	<u>406,688</u>



## NOTES TO THE FINANCIAL STATEMENTS

31 December 2017

### NOTE 1. CORPORATE INFORMATION

Australian Medical Association (ACT) Limited (the Company) is a not for profit public company limited by guarantee, incorporated in the Australian Capital Territory under the Corporations Act 2001. The financial statements cover the Company as an individual entity.

The nature of the operations and principal activities of the Company are described in the Directors' report.

### NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of Preparation

The Australian Medical Association (ACT) Limited has elected to adopt the Australian Accounting Standards–Reduced Disclosure Requirements (established by AASB 1053 Application of Tiers of Australian Accounting Standards and AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements).

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standards (Reduced Disclosure Requirements of the Australian Accounting Standards Board).

A number of new or revised Australian Accounting Standards are effective for the first time in the current financial year. These standards have had no material impact on the entity.

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

The following is a summary of the material accounting policies adopted by the Company in the preparation of the financial statements. Unless otherwise stated, the accounting policies adopted are consistent with those of the previous year.

The financial report is presented in Australian dollars which is the Company's functional and presentation currency. The amounts presented in the financial report have been rounded to the nearest dollar.

#### (a) Plant and Equipment

Plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

- Plant and equipment – over 3 to 12 years
- Fittings and fixtures – over 6 to 17 years

#### Impairment

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

If any indication exists and where carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount. The recoverable amount of plant and equipment is the greater of fair value less costs to sell and value in use. In assessing value in use, the estimated future

cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

(b) **Investment Property**

Land and buildings are measured at cost including transaction costs and initial direct costs of negotiating operating leases less accumulated depreciation on buildings and initial direct operating lease costs and less any impairment losses recognised after the date of the revaluation.

Depreciation is calculated on a straight-line basis over the estimated useful life of the property as follows:

Investment property – over 50 years

Initial Direct Operating Lease costs – over the life of the lease

(c) **Taxes**

*Income tax*

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from, or paid to, the taxation authorities based on the current period's taxable income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is provided on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

*Goods and Services Tax*

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

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

(d) **Financial Instruments**

*Recognition*

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 profit or loss*

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139 Financial Instruments: Recognition and Measurement.

Derivatives are also categorised as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the profit or loss in the period in which they arise.

*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.

*Held-to-maturity investments*

These investments have fixed maturities, and it is the intention to hold these investments to maturity. Any held-to-maturity investments held are stated at amortised cost using the effective interest rate method.

*Available-for-sale financial assets*

Available-for-sale financial assets include any financial assets not included in the above categories.

Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the investment revaluation reserve.

#### *Financial liabilities*

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

#### *Fair value*

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

#### *Impairment*

At the end of the reporting period, an assessment is made whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the profit or loss.

### (e) **Employee Benefits**

#### *Wages, Salaries and Annual Leave*

Liabilities for wages, salaries and annual leave expected to be settled within 12 months of the reporting date are recognised in respect of employee's service up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled, plus related on-costs.

#### *Long Service Leave*

All other employee benefit liabilities are measured at the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. In determining the present value of future cash outflows, the interest rates attaching to government guaranteed securities which have terms to maturity

approximating the terms of the related liability are used.

### (f) **Cash and Cash Equivalents**

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are included within interest-bearing loans and borrowings in current liabilities on the balance sheet.

### (g) **Receivables**

Trade receivables are recognised and carried at original invoice amount less an allowance for impairment.

Collectibility of trade receivables is reviewed on an ongoing basis. Individual debts that are known to be uncollectible are written off when identified. An impairment provision is recognised when there is objective evidence that the company will not be able to collect the receivable.

### (h) **Investments**

Unlisted shares and investment property are carried at cost.

### (i) **Leases**

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

#### *Operating Leases*

The minimum lease payments of operating leases, where the lessor effectively retains substantially all of the risks and benefits of ownership of the leased item, are recognised as an expense on a straight-line

basis over the lease term. Operating lease incentives are recognised as a liability when received and subsequently reduced by allocating lease payments between rental expense and reduction of the liability.

(j) **Payables**

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payment in respect of the purchase of these goods and services.

(k) **Borrowings**

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Interest is charged as an expense as it accrues.

(l) **Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

*ACT Subscription Fees*

Subscription fees are accounted for on a straight-line basis over the subscription period.

*Grants*

Income arising from the contribution of an asset to the entity is recognised when, and only when all of the following conditions have been satisfied:

- the entity obtains control of the contribution or the right to receive the contribution;
- it is probable that the economic benefits

comprising the contribution will flow to the entity; and

- the amount of the contribution can be measured reliably.

*Levy and Functions*

Revenue is recognised when the Company's right to receive payment is established.

*Sundry income*

Sundry income is recognised when the Company's right to receive payment is established.

*Commission*

Revenue is recognised when the service is rendered or when the fee in respect of the service is receivable.

*Interest*

Revenue is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

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

(m) **Comparatives**

Where necessary, comparatives have been reclassified for consistency.

(n) **Critical Accounting Estimates and Judgements**

The directors evaluate estimates and judgements 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 Company.

The directors do not believe that there were any key estimates or key judgements used in the development of the financial statements that give rise to a significant risk of material adjustment in future.

**NOTE 3. REVENUE FROM CONTINUING OPERATIONS**

	2017	2016
	\$	\$
Subscriptions	225,111	221,875
Canberra Doctor	122,090	119,935
Specialist Directory	27,885	36,381
Federal AMA Rental Contribution	87,330	87,330
Federal AMA Member Subsidy	5,875	4,845
Doctors' Health Advisory Funding	-	4,849
Rental income from investment property	79,260	77,972
Commission	116	4,349
Sponsorship	41,803	20,364
Sundry (2017: includes Function and Event Income)	7,533	789
	<b>597,003</b>	<b>578,689</b>

The Federal AMA Rental Contribution relates to the recognition and disclosure of non-monetary contribution, consistent with Australian accounting standards, regarding the use of Federal AMA premises rent free. Figures are estimated and based on current market rent. The amount fully offsets Rent Expense.

**NOTE 4. EXPENSES AND LOSSES**

	2017	2016
	\$	\$
Depreciation		
Fittings and fixtures	874	874
Plant and equipment	1,247	1,365
Investment property	9,132	9,621
<b>Total depreciation expense</b>	<b>11,253</b>	<b>11,860</b>
Direct operating expenses of the investment property	22,215	20,371

**NOTE 5. INCOME TAX**

	2017	2016
	\$	\$
The prima facie tax on operating profit differs from the income tax provided in the accounts as follows:		
Prima facie tax payable on operating profit at 27.5%	<b>(9,703)</b>	1,627
Add/(less) tax effect of:		
- non-deductible expenses attributable to members	<b>76,714</b>	61,813
- non-assessable member income	<b>(63,521)</b>	(64,615)
- timing difference not brought to account	<b>(4,151)</b>	4,039
- other non-deductible expenses	<b>2,586</b>	2,734
- current year deficit/(surplus) not brought to account	<b>(1,925)</b>	(5,598)
Income tax (benefit)/expense attributable to operating result	-	-
Unrecognised deferred tax assets on temporary differences	<b>8,282</b>	23,378
Unrecognised deferred tax assets on losses carried forward	<b>67,735</b>	69,660

**NOTE 6. TRADE AND OTHER RECEIVABLES**

	2017	2016
	\$	\$
Trade debtors	<b>10,299</b>	11,757
Sundry debtors	-	5,708
	<b>10,299</b>	17,465

**Terms and conditions**

Trade debtors are non-interest bearing and generally on 30 day terms.

At 31 December 2017, the ageing analysis of trade receivables is as follows:

	Total Trade Receivables \$	0-30 days \$	31-60 days (PDNI*) \$	61-90 days (PDNI*) \$	+91 days (PDNI*) \$	+91 days (CI**) \$
<b>2017</b>	<b>10,299</b>	<b>9,024</b>	<b>1,275</b>	-	-	-
2016	11,757	5,725	5,232	-	800	-

\*Past due not impaired (PDNI)

\*\* Considered impaired (CI)

**NOTE 7. OTHER CURRENT ASSETS**

	2017	2016
	\$	\$
Prepayments	1,646	1,153

**NOTE 8. PLANT AND EQUIPMENT**

	2017	2016
	\$	\$
Fixtures and fittings:		
At cost	37,382	37,382
Accumulated depreciation	(36,072)	(35,198)
	<u>1,310</u>	<u>2,184</u>
Plant and equipment:		
At cost	30,888	31,291
Accumulated depreciation	(25,141)	(28,568)
	<u>5,747</u>	<u>2,723</u>
<b>Total plant and equipment</b>	<u><b>7,057</b></u>	<u>4,907</u>
Total plant and equipment		
At cost	68,270	68,673
Accumulated depreciation	(61,213)	(63,766)
<b>Total written down amount</b>	<u><b>7,057</b></u>	<u>4,907</u>

a) Reconciliation of carrying amounts at beginning and end of the period

Fixtures and fittings		
Balance at beginning of year	2,184	3,058
Depreciation expense	(874)	(874)
Additions	-	-
Disposals	-	-

## NOTE 8. PLANT AND EQUIPMENT (cont'd)

	2017	2016
	\$	\$
<b>Balance at end of year</b>	<b>1,310</b>	2,184
Plant and equipment		
Balance at beginning of year	<b>2,723</b>	<b>2,130</b>
Depreciation expense	<b>(1,247)</b>	<b>(1,365)</b>
Additions	<b>5,095</b>	<b>1,958</b>
Disposals	<b>(824)</b>	-
<b>Balance at end of year</b>	<b>5,747</b>	<b>2,723</b>

## NOTE 9. INVESTMENTS

	2017	2016
	\$	\$
Investments at cost comprise:		
Investment property	<b>456,587</b>	456,587
Direct initial operating lease costs	<b>9,783</b>	9,783
	<b>466,370</b>	466,370
Less: Accumulated depreciation	<b>(196,987)</b>	(187,855)
	<b>269,383</b>	278,515

The Directors' current estimate of the fair value of the investment property (Unit 6 and 7, 15 Napier Close, Deakin) is \$775,000. This amount is based on an independent valuation performed by Colliers International Pty Limited as at 31 December 2015.

Shares – unlisted (AMA Member Service Pty Limited)

1	1
<b>269,384</b>	278,516



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**NOTE 10. MEMBERS' GUARANTEES**


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The Company is a public company limited by guarantee by the members. Pursuant to the Constitution, each member of the Company undertakes to contribute to the property of the Company in the event of it being wound up. The maximum contribution per member in accordance with the guarantee is \$10.

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**NOTE 11. TRADE AND OTHER PAYABLES**


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	2017	2016
	\$	\$
Federal AMA Subscriptions Payable – 2017 and 2018 subscriptions	<b>36,637</b>	28,234
Federal AMA GST Payable	<b>3,647</b>	2,807
Sundry Creditors	<b>15</b>	-
GST Payable	<b>6,339</b>	11,621
PAYG Tax Payable	<b>4,601</b>	16,617
Superannuation Payable	<b>8,519</b>	7,282
Accruals – Other	<b>11,804</b>	22,697
	<b>71,562</b>	89,258

*Terms and conditions*

Terms and conditions relating to the above financial instruments:

- (a) Trade creditors are non-interest bearing and are normally settled in 30 days.
- (b) Federal AMA Subscriptions (related party) liabilities are non-interest bearing and are settled within one month of collection of the subscription fee. Further details are set out in Note 16.
- (c) All other creditors are non-interest bearing and have an average term of 30 days.

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**NOTE 12. DEFERRED REVENUE**


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	2017	2016
	\$	\$
Deferred Revenue – membership dues received in advance	<b>67,390</b>	43,339
Deferred Revenue – Canberra Doctor pre-paid advertising	<b>22,397</b>	9,763
Prepaid Office rental	-	-
	<b>89,787</b>	53,102

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**NOTE 13. PROVISIONS**

	2017	2016
	\$	\$
<i>Current</i>		
Employee benefits	<b>14,837</b>	19,224
<b>Reconciliation of provision for employee benefits</b>		
<i>Annual leave</i>		
Balance at beginning of year	<b>19,224</b>	13,998
Net movement in provision during the year	<b>(4,387)</b>	5,226
Balance at end of year	<b>14,837</b>	19,224
<i>Long Service Leave</i>		
Balance at beginning of year	-	5,226
Net movement in provision during the year	-	(5,226)
Balance at end of year	-	-
<i>Total provision for employee benefits</i>		
Balance at beginning of year	<b>19,224</b>	19,224
Net movement in provisions during the year	<b>(4,387)</b>	-
Balance at end of year	<b>14,837</b>	19,224

**NOTE 14. BORROWINGS**

	2017	2016
	\$	\$
Financing facilities available		
At reporting date, the following financing facilities had been negotiated and were available:		
Total facilities		
– loan from related parties: AMA Federal	<b>50,000</b>	50,000
Facilities used at reporting date		
– loan from related parties: AMA Federal	-	-
Facilities unused at reporting date		
– loan from related parties: AMA Federal	<b>50,000</b>	50,000

**NOTE 15. CASH AND CASH EQUIVALENTS**

	2017	2016
	\$	\$
Cash balance comprises:		
– cash at bank	258,981	266,006
– petty cash	225	225
	<u>259,206</u>	<u>266,231</u>

**NOTE 16. RELATED PARTY DISCLOSURES**

	2017	2016
	\$	\$
<b>Transactions with related parties</b>		
A proportion of subscription fees received by the Company relate to Federal AMA subscriptions. Federal AMA subscriptions (including GST) are received on behalf of and remitted to the Federal AMA on an arm's length basis.		
Federal AMA subscriptions owing at beginning of year	31,040	48,991
Federal AMA subscriptions received during the year	216,616	166,507
Subscriptions remitted to the Federal AMA during the year	(207,372)	(184,458)
Balance of subscriptions owing at end of year	40,284	31,040
Loan from Federal AMA owing at beginning of year	-	-
Loan received from /(repaid to) Federal AMA during the year	-	-
Balance of loan owing at end of year	-	-
Balance owing to Federal AMA at end of year	<u>40,284</u>	<u>31,040</u>

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**NOTE 17. KEY MANAGEMENT PERSONNEL**


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Key management personnel is defined by AASB 124 “Related Party Disclosures” as those persons having the authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director of the Company.

The aggregate remuneration paid to key management personnel during the financial year is as follows:

	<b>2017</b>	2016
	\$	\$
Total key management personnel compensation	<b>120,413</b>	121,155

During the year, the Company paid premiums of \$1,496 (2016: \$2,238) to insure the directors and officers of the Company. None of the Directors received, or became entitled to receive, any other remuneration during the year. Directors are not reimbursed for their costs of attending meetings.

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**NOTE 18. COMMITMENTS**


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**Leasing commitments**

Operating lease commitments receivable – company as lessor

The Company has a non-cancellable commercial lease with an unrelated party at Napier Close, Deakin.

This lease has a remaining term of 1 year and 6 months, expiring on 30 June 2019.

Future minimum rental receivable under this operating lease as at 31 December are as follows:

	<b>2017</b>	2016
	\$	\$
Within one year	<b>79,620</b>	78,180
Between one and three years	<b>39,810</b>	117,270
	<b>119,430</b>	195,450

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**NOTE 19. SEGMENT INFORMATION**


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The Company operates in one business and geographical segment, being to promote and safeguard the provision of high quality medical services to the community in Australia.

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**NOTE 20. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**


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The Company's principal financial instruments comprise receivables, payables, cash and cash equivalents, short term investments and the unsecured loan. The main purpose of these financial instruments is to raise finance for the Company's operations.

The totals for each category of financial instruments, measure in accordance with AASB139 as detailed in the accounting policies to these financial statements, are as follows:

	2017	2016
	\$	\$
<b>Financial Assets</b>		
Cash and cash equivalents	259,206	266,231
Trade and other receivables	10,299	17,465
	<b>269,505</b>	<b>283,696</b>
<b>Financial liabilities</b>		
Financial liabilities at amortised cost:		
Trade and other payables	71,562	89,258
Borrowings	-	-
	<b>71,562</b>	<b>89,258</b>

*Net fair values*

Financial assets and financial liabilities are carried at their net fair value at the end of the reporting period. The carrying values of financial assets and financial liabilities approximate their net fair values due to their short term maturity or market interest rate. No financial assets or financial liabilities are traded on organised markets in standardised form.

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**NOTE 21. EVENTS AFTER THE REPORTING PERIOD**


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The financial statements were authorised for issue by the board of directors on the date of signing the attached Directors' Declaration. The directors have the right to amend the financial statements after they are issued.

There are no events after the reporting date that require amendment of, or further disclosure in, the financial statements.

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**NOTE 22. CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

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The Company has no contingent liabilities or assets at the end of the financial year.

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**NOTE 23. REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS**

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BARTON ACT 2600





**AMA**

**(ACT) LIMITED**

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