

AMA QUEENSLAND



# Annual Report 2016





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# President's Report

As I near the end of my two-year term as AMA Queensland President, it is with some sense of achievement but also a sharpened sense of the enormous work yet to be done that will require a clear and united focus from the profession to protect our professional integrity and freedoms.

In 2016, AMA Queensland had a number of advocacy wins as we continued to advocate for improvements in the Queensland health system. From cutting red tape around medical research to gaining a majority of medical representation on the Medical Board of Queensland. Our goal is for doctors to be free to undertake their important, lifesaving work in a system that values and respects them. Not the eviscerating, perfunctory regard that is becoming more common, but genuine deference and support for a medical-led system of health care that achieves superior outcomes for our patients.

I dedicated my second year as President to increase and empower medical leadership and, as a flow on effect, to improve organisational culture and patient safety. I see this as the vanguard of the re-empowerment of doctors. The AMA has a critical role in leading the profession forward on this – corridor conversations must be converted into real action in public and private sectors.

## ADVOCATING FOR SYSTEM IMPROVEMENT

In 2016, AMA Queensland strongly advocated for greater medical representation on the Queensland Board of the Medical Board of Australia (QBMA) and for a doctor to chair this important professional body. We were extremely pleased with the government's recent decision to appoint seven doctors as members of the twelve-person Board, with Dr Susan O'Dwyer as the Chair. Doctors providing expert advice on decisions that affect how they offer care, and the health care system as a whole, restores recognition of our important self-regulatory role.

AMA Queensland continued to campaign for increased transparency in the private health system. With the cost of private health insurance constantly rising and health insurers regularly changing (and downgrading) their policies, we called on the Federal Government to introduce greater regulation and oversight of health insurance to ensure honest advertising and open communication with patients. A doctor's first priority should be to provide the best treatment possible for their patients – not to be constrained by financially-motivated decision-making of insurers seeking to manage health care by stealth. We alerted patients to the vulnerabilities and gaps that may be present in their health cover and encouraged them to review their existing policies with GPs. We also highlighted that the trend to downgrade or cancel insurance policies is adding unbearable pressure to our public hospital system. Now that 'for-profit' companies dominate the private health insurance market, it is critical we protect a system in which patients, not profits, come first.

Queensland requires an effective health service complaints regulator. In 2016, we continued to campaign for increased fairness, efficiency and transparency of the Office of the Health Ombudsman (OHO). A well-resourced and appropriately governed regulator would help ensure the public is protected from both individual and broader systematic problems, and would also help to maintain high professional standards among the medical profession without being punitive. By ensuring a fair and fast response to the handling of medical complaints, the OHO would retain the trust and confidence of both the profession and the public. Early, appropriate and robust clinical input is absolutely required to achieve this.

In early 2016, we released a discussion paper calling on the Queensland Government to look at ways in which the Office of the Health Ombudsman (OHO) could be reformed. AMA Queensland's recommendations included amending legislation to ensure the Health Ombudsman is independent and impartial, establishing a health professional council to advise the Ombudsman's Office and appropriately resourcing the Ombudsman's Office to ensure complaints are handled within the allocated timeframes. Following our submission, an inquiry into the performance of the OHO was announced. We will continue to advocate for improved systems and processes and ensure the positive outcomes of the review are enacted.

The plea I always make to colleagues is to never resile from medical leadership positions at any level. For too long we have abandoned clinical leadership in the misguided hope that simply doing our jobs well would protect us – this painfully ignores the ruthless tribal interests that assail the profession without any such inhibitions. AMA Queensland hopes to work more closely with collegiate groups to develop leadership training programs that empower doctors to comfortably assume leadership roles. Other doctors must fearlessly support our colleagues who undertake these vital governance roles on our collective behalf.

## WORKING TOWARDS IMPROVED CLINICAL OUTCOMES

AMA Queensland believes doctors are our health system leaders and in 2016, we continued to advocate for a scope of practice model that ensures doctors and non-medical professionals are each performing roles for which they have appropriate training. Strong medical leadership is vital in delivering quality healthcare. Expanded scope reduces medical leadership and results in poorer outcomes for patients and long-term workforce issues for the health system at large. We must never be party to this.

The added costs of non-medical endoscopy are a good example of this – a practice thankfully now curtailed in Queensland. Most appropriately, however, we managed to change the prevailing

philosophy away from role substitution to increasing training of GP proceduralists, general physicians and general surgeons in endoscopy. This is not advocacy for the sake of job protection, but rather appropriately focusing on building true capacity in the system and supporting an efficient model of care that optimises patient outcomes. One of our main future tasks as a profession will be to alter the zeitgeist to once again value credible patient outcomes and evidence-based good practice, rather than softer outcome measures that emphasise tribal ideology or philosophy. The growing transparency and publication of health care outcomes, for example, by the Australian Commission for Safety and Quality in Health Care, should therefore be embraced by the profession as this trend will reinforce the importance medical-led model of care.

As part of our concerted campaign to develop an appropriate scope of practice model, in October we released a submission document to the Queensland Government making suggestions for the improvement of public maternity services, in response to the Rockhampton Hospital review. We called on the Health Minister to urgently reverse the midwife-only model of care trend across the public hospital system and return to an obstetrician-led model of care to protect Queensland mothers and their babies. Acceptance of this model of care, that is known to be associated with inferior outcomes, allows other nefarious role substitution models of care to gain traction.

A health system is not designed around those who will have a good outcome, but must focus on those that have pathology or complications and who will need help. It is simply inappropriate for a patient to meet the obstetrician/GP obstetrician for the first time during the midst of a calamity that may well have been preventable with earlier medical action. It is highly likely that true informed consent has not been allowed in these circumstances. Alternate models of maternity care that emphasise comfort seem to have assumed eclipsing importance at the expense of providing high quality outcomes and saving mothers and babies' injury and death. More insidious, however, are the malicious lies that undermine good medical practice in this space, for example, the mis-conceptions surrounding caesarean section and episiotomy. Other advocacy groups rebut AMA Queensland's arguments with the usual retorts around avaricious self-preservation, denial of a patient's choice and fear-mongering, without realising the greater falsehood in their own statements. The entire profession must be strong on this issue to prevent ill-informed ideology running our health care system.

I worry about the training we are providing new obstetricians whose only experience is public hospital maternity service department where a doctor's input is only at the discretion of a midwife, with reluctance and, in the words of some, only so the obstetrician/GP obstetrician can assume all of the medico-

legal risk. Midwife-only care with discretionary medical input is an egregious example of role substitution that involves greater rates of preventable harm to patients. This is why it should matter to all doctors and remain a focus for us.

In 2016, AMA Queensland liaised with the Torres Cape Hospital and Health Service (TCHHS) regarding the governance and service delivery issues impacting upon our members and their colleagues in the region. We helped re-establish a Queensland Health stakeholder forum to discuss progress on resolving these issues directly from the TCHHS executive and other stakeholders in the region, such as Apunipima and the Royal Flying Doctor Service. While progress has been slow, the process has yielded some initial positive steps, such as the decision taken by the TCHHS to engage Queensland Country Practice in finding solutions to workforce sustainability issues. In 2017, we will continue to remain involved and assist where we can to resolve these longstanding issues affecting members and their patients.

As I approach my final months as AMA Queensland President, I wish to thank our CEO, Board, Council and Secretariat staff for working as a team to keep AMA Queensland at the forefront of medico-political advocacy in Queensland. I would also like to take the opportunity to thank all AMA Queensland members for your feedback, your ideas, your energy, and your dedication to your patients, your peers, and the profession.



**Dr Christopher Zappala**  
President



*Honouring distinguished leaders in the medical field at Dinner for the Profession*

## RESEARCH RED TAPE

A number of members approached us in 2016 to raise the issue of a nonsensical administrative burden placed on researchers and work with us to find a solution. Medical researchers were stuck with the unnecessary administrative burden of requiring approval under the Public Health Act 2005 to access a patient's confidential information in circumstances where the next of kin had provided consent for the patient (who was unable to consent) to participate in a research project e.g. in the intensive care unit. The Act failed to recognise the ability of next of kin to allow patient health information to be released for research. AMA Queensland worked with our members and Queensland Health's Legislation and Policy Team to seek an amendment to the Hospital and Health Boards Act 2011 to enable more efficient disclosure of confidential patient information for research purposes. As a result of this consolidated team effort, the Bill was progressed as part of the Health and Other Legislation Amendment Bill 2016.

## A CHALLENGING 2017

2017 will no doubt bring new challenges and opportunities for the medical profession. In helping shape a health care system that is fair, sustainable and supports better health outcomes for patients, we will continue to work to maximize our impact, to leave a positive mark on the future and the profession, and to make meaningful differences in the lives of patients, medical students and doctors in Queensland. Only the Australian Medical Association has the reach and capability to represent the profession as a whole – and united action will be critical for us to represent ourselves and our patients' interests in a system that regrettably sometimes loses sight of evidence-based, good practice and becomes lost in ideology and policy.



*Dr Chris Zappala, Dr Steve Hambleton and Minister for Health the Hon Cameron Dick at our Member Breakfast forum in Cairns*



*Our Council of Doctors in Training exploring current junior doctor issues at the 2016 Junior Doctor Conference*

# CEO's Report

During 2016, AMA Queensland was at the forefront of many key issues affecting members, working to improve the healthcare system for doctors and their patients. We made significant steps toward achieving the goals we set in the previous year.

We launched Part Four of the *Health Vision*, our five-year blueprint for advocacy, with Health Vision Part Five to be released in early 2017.

As part of our effort to better support the health and wellbeing of members, we called for all the Hospital and Health Service (HHS) and medical practices in Queensland to adopt the *Tristan Jepson Guidelines*. The *Tristan Guidelines* promote physiologically healthy medical workplaces and encourage working environments that emphasise values such as trust, honesty, fairness and respect.

In response to the Medical Board of Australia's report on revalidation, we advocated for a fair and feasible revalidation model that will not add additional work without tangibly benefitting patients and the whole health system.

During the year, we also undertook a major refurbishment of the AMA Queensland building with the aim to provide modern facilities for our staff, improving workflow, communications and, overall, strengthen culture across the organisation. The refurbishment includes well-equipped meeting and audio-visual facilities to better host our regular member events and meetings.



## AMA Queensland CEO Jane Schmitt opening our 2016 Women in Medicine Breakfast

### MEMBERSHIP

Throughout the year, our team visited members and students in hospitals, practices and universities throughout the state. Over 60 dedicated membership recruitment events were organised or sponsored throughout 2016, including a comprehensive range of student and junior doctor member recruitment events, hospital presentations and practice visits.

We ran a successful 2016 *intern readiness campaign*, hosting a range of events for final year students about to embark on their intern year, with a 30 per cent increase in intern sign ups, as at December 2016. These events help to equip graduating students with knowledge to survive and thrive in their first year as interns and provide an important opportunity to educate budding interns on the benefits of AMA Queensland membership.

2016 saw the launch of AMA Queensland's first *Resident Hospital Health Check* – a comprehensive survey to analyse how hospitals are doing on key performance areas, such as addressing bullying and harassment, work hours and overtime, and access to professional development leave. Over 350 doctors in training completed this survey in 2016, and the 2017 report will benchmark cultural improvements made in hospitals over the last 12 months.

Continuing our commitment to support local doctors and their patients in Far North Queensland, in November we hosted a free breakfast with the Health Minister forum in Cairns with over 50 members in attendance. The forum has become a key annual event in North Queensland (rotating between Cairns and Townsville) that ensures local members have a means of meeting the Minister and providing their feedback on local issues.



## Honouring distinguished leaders in the medical field at our 2016 Dinner for the Profession

### ANNUAL MEMBER EVENTS

AMA Queensland provided a range of comprehensive member events and professional development opportunities in 2016, including our third Annual Junior Doctor Conference, *Women in Medicine Breakfast*, the *AMA Queensland Annual Conference* in India and our first-ever combined *Private Practice and Medico-Legal Conference* in late October.

Events including the *Building your career through medical research and Maximising your chance of success for a college interview* were offered via live webinar to support the professional development needs of our regional and rural members.

We rolled out our *Resilience on the Run* program at a number of hospitals across the state, including Princess Alexandra, Logan, Redlands and Rockhampton Hospitals. The program aims to provide junior doctors with practical skills in resilience and wellbeing needed to survive and thrive in the challenging field of medicine. Over 260 interns have completed this course since its inception in 2015. We are working with other hospitals to further implement this initiative in 2017.

In June, AMA Queensland hosted the second annual *Dinner for the Profession*. The event, which incorporated the Presidential Inauguration, was a chance for the profession to join together in an elegant setting, welcome our new president and to award student prizes and awards of distinction.

### PUBLIC HEALTH CAMPAIGNS

We expanded our *Health Hubs* to further locations around the State, including Cairns and the Gold Coast. The *Health Hubs* were established in 2015 as a way to promote healthier communities, improve access to GP services and provide simple health checks, such as BMI and blood pressure tests. The *Health Hubs* proved an effective way to support positive health outcomes and raise awareness about the importance of regular medical checks. In 2017 we will be further expanding the Health Hubs to other locations around the state.

As part of our war on obesity, we launched our *Walk the Talk* campaign, encouraging Queensland doctors to lead by example, walking the talk. Doctors spend so much time focusing on their patients' health and sometimes need a gentle reminder to follow their own advice. The campaign touched on simple steps towards better health.

## WORKPLACE RELATIONS

Our Workplace Relations Team assisted doctors with over 5,693 inquiries.

Direct assistance provided to members in private practice ranged from advice on managing employment disputes, contract reviews and support developing practice procedures and policies and issues around starting and exiting private practice.

Our team supported members engaged by Queensland Health and private hospitals in resolving concerns regarding award entitlements, terms and conditions of employment, registration matters, transfer of entitlements, leave requests, overpayment of wages, rosters and concerns regarding workplace bullying and harassment.

The support from the department also extended out to regional members with a series of workplace relations training across 15 different locations throughout Queensland. Presented to doctors, practice managers and their staff, the workshops focused on avoiding unfair dismissals, managing underperformance, dealing with complaints, managing difficult staff members and navigating pay disputes. The workshops were very well-attended with over 500 attendees in total. We are currently planning our 2017 regional seminar series, which is a mainstay of our professional development program.



### *Dr Bill Boyd and Dr Shaun Rudd our first combined Private Practice and Medico-Legal Conference*

## CORPORATE PARTNERS

We continued to nurture and grow our strong commercial relationships with our valued corporate partners in the legal, insurance, finance and accounting, wealth creation, lifestyle, travel and automotive sectors, promoting their exclusive member-only benefits through our suite of publications and newsletters and sponsored events. Corporate partner support allows us to offer many professional development programs free of charge or at cost to members, such as our third *Junior Doctor Conference*.

We were pleased to welcome Doctors' Health Fund as a new a trusted, preferred provider of AMA Queensland in 2016. Doctors' Health Fund is a restricted private health fund originally created by the AMA in 1977 to serve the medical community. Now part of Avant Mutual, thousands of doctors trust Doctors' Health Fund for better cover, better extras, and better value health insurance. Doctors' Health Fund stands alone as the fund created and ultimately owned, by doctors.

## CONSTITUTIONAL AMENDMENTS

On 12 November 2016, members voted to adopt a new constitution for the Association. This was another sensible and contemporary step forward for AMA Queensland to promote diversity, expertise and flexibility to co-opt required experience and skills to its Board, Council and committees.

Some of the key elements of the new Constitution included:

- ▶ Allowing for up to two skilled directors to be appointed to the Board, introducing specialist governance skills onto the Board;
- ▶ Adding a further membership category, called associate membership for persons who are not a medical practitioner but have provided honourable and substantial service to the profession; and
- ▶ Enshrining the role of Council in the Constitution, however, through new terms of reference, allowing the Council the flexibility to co-opt individuals to assist on specific policy matters as required.

The new Constitution will allow AMA Queensland to better respond to the needs of members and emergent issues of our health system.

## FINANCIAL RESULTS

For the year ended 31 December 2016, AMA Queensland posted a net profit after tax of \$170,716.

This was a solid result and continues the trend of strong surplus outcomes for the Association achieved over the past eight years.

## LOOKING AHEAD TO 2017

2017 promises to be a busy year, with the final chapter of the *AMA Queensland's Health Vision* to be released early in the year and the framework for our advocacy work going forward. We will provide the Queensland Government with a Pre-Budget Submission, which we hope, will result in targeted investments in the 2017 Budget. We have already started looking ahead to the 2017 State election to consider what we will request the major parties to commit to.

We remain committed to building the best healthcare system possible in Queensland and will continue to work with stakeholders and advocate on behalf of our members, patients, and the profession.

I would like to extend a sincere gratitude to the AMA Queensland Board and Council for their support and continued hard work over the last year. Additionally, I would like to thank the AMA Queensland team whose dedication, innovation and hard work was critical to reaching our lofty goals in 2016.

A handwritten signature in black ink, appearing to read 'Jane Schmitt'.

**Jane Schmitt**  
Chief Executive Director

# Directors' Report

Your Councillors present their report on the company and its controlled entities for the financial year ended 31 December 2016.

## COUNCILLORS

The names of the Councillors in office at any time during or since the end of the year are:

Councillor	Responsibility	Councillor	Responsibility	Councillor	Responsibility
Dr Christopher J Zappala*	President	Dr Kimberley Bondeson	Councillor	Dr Scott Horsburgh	Councillor
Dr Shaun T Rudd*	Past President and Chair of Council	Mr Douglas Brown	Student Observer	Dr Sharon Kelly	Councillor
Dr William Boyd*	Vice President	Dr Lisa Byrom	Councillor	Prof Steve Kisely	Councillor
Dr Kirsten Price*	Hon Secretary	Dr Thomas Campbell	Councillor	Dr Luke Lawton	Councillor
Dr Bavahuna Manoharan*	Treasurer	Dr Matthew Cheng	Councillor	Ms Honor Magon	Councillor
Dr Dilip Dhupelia*	Board Director	Dr Sarah Coll	Councillor	Dr John F Murray	Councillor
Dr James Finn*	Board Director	Dr Katherine Gridley	Councillor	Dr Paul Neeskens	Councillor
Dr Richard A Kidd*	Board Director	Dr John Hall	Councillor	Dr Alex Ritchie	Councillor
Dr Tom Arthur	Councillor	Associate Professor Geoffrey Hawson	Councillor	Dr Anil Sharma	Councillor
Dr Sharmila Biswas*	Councillor	Dr Wayne M Herdy	Councillor	Dr Josie Sundin	Councillor
		Dr Brad Horsburgh	Councillor	Dr Harley Wilson	Councillor
				Dr Nicholas Yim	Councillor

\*Indicates the Directors of the company during or since the end of the year.

## COUNCILLORS 2016

Details of Councillors' experience and qualifications are as follows:

### Dr Tom Arthur

Councillor, Gold Coast Area.  
Councillor 5 years. Chair, AMA Queensland Council of Doctors in Training 2014/15.

**Qualifications:** BSc MBBS, GradDipAppAnat.

**Experience:** Registrar (Surgery); Medical Practitioner 7 years.

### Dr Sharmila Biswas

Councillor, Far North Area.  
Councillor 8 years. Hon. Secretary 2011/12/13. Board of Directors 2010/11/12/13. 2015/16. Member, AMA Queensland Policy Committee.

**Qualifications:** MBCh.B, DCH.  
**Experience:** General Practitioner in Far North Queensland 23 years, Senior Medical Officer at Wuchopperen Health Service – a community-controlled Aboriginal and Torres Strait Islander Health Service – 14 years. Clinical Reference Lead with the Australian Digital Health Agency previously known as National e-Health Transition Authority and VMO at Cairns Private Hospital Pre-Admission Clinic. President, Cairns LMA. Member, The Clinical Council at Cairns Hospital.

### Dr Kimberley Bondeson

Councillor, Greater Brisbane Area.  
Councillor 7 years. Member, AMA Queensland Council of General Practice; and Ethics and Medico-Legal Committee.

**Qualifications:** B.Sc (Hons), MBBS, FRACGP, DAME.

**Experience:** General Practitioner in Margate, Aviation Medicals. President, Redcliffe & District LMA. Director, Medical Benevolent Association of Queensland (MBAQ).

### Dr William Boyd

Vice President 2015/16/17.  
Councillor 16 years. Chair of Council 2007/08, 2014/15. Board of Directors 2014/15/16/17. Executive Council Member 2005/06/07/08. Hon. Secretary 2005/06/07. Member, AMA Queensland Policy Committee 2014/15/16.

**Qualifications:** M.B.Ch.B. (Dundee), FRCOG, FRANZCOG, GAICD.

**Experience:** Specialist Obstetrician/Gynaecologist. Adjunct Senior Lecturer, James Cook University. Chair, AMA Queensland State Conference Committee 2008.

### Mr Douglas Brown

Student Observer, Medical Student Group Representative 2015/16/17.

**Qualifications:** Bachelor of Medical Studies, ATCL (Comms), PCCS (Comms), Candidate for Doctor of Medicine.

**Experience:** President, MSSBU; Clinical Vice-President, MSSBU; Treasurer, QLD MSC; Officer Cadet (RAAF).

### Mr Lisa Byrom

Councillor, Greater Brisbane Area.  
Councillor 2015/16/17. Executive, AMA Queensland Council of Doctors in Training.

**Qualifications:** BPhy, MBBS, MPhil.

**Experience:** Dermatology Registrar.

### Dr Thomas Campbell

Councillor, Greater Brisbane Area.  
Councillor 3 years. Member, AMA Queensland Ethics and Medico-Legal Committee.

**Qualifications:** MBBS, DPhil (Oxon).  
**Experience:** Doctor in Training, Research Scientist.

### Dr Matthew Cheng

Councillor, Doctors in Training Representative.  
Councillor 1 year. Chair, Council of Doctors in Training; Office Bearer, ASMOFQ.

**Qualifications:** Amusa, BSc, MBBS (Hons).

**Experience:** Junior Doctor Research Fellow (Plastic and Reconstructive Surgery) PA Hospital. Principal House Officer (Plastic and Reconstructive Surgery) RBWH. Medical Practitioner 4 years.

### Dr Sarah Coll

Councillor, Specialist Craft Group.  
Councillor 2015/16/17.

**Qualifications:** MBBS, FRACS, AOA.  
**Experience:** Specialist Orthopaedic Surgeon. 13 years working for Queensland Health and 11 years in private practice.

### Dr Dilip Dhupelia

Councillor, Part-time Medical Practitioner Craft Group.  
Councillor 3 years. Board Director, AMA Queensland, 2014/15/16/17; Chair, AMA Queensland Governance

Committee; Member, AMA Queensland Council of General Practice; Member, Federal AMA Council of General Practice; Member, Federal AMA Council of Rural Doctors.

**Qualifications:** LRCPS (Ire.), Dip. Obst. ACOG, FRACGP, FARGP, AFRACMA, FAICD.

**Experience:** Clinical Director, Queensland Country Practice, Rural and Remote Medical Support Unit, Darling Downs Hospital and Health Service; Part-Time General Practitioner, Smartclinics Family Medical Centre, Toowong; Member, Clinical Advisory Group, Brisbane North Primary Health Network; Board Director, General Practice Training Queensland.

### Dr James Finn

Councillor, Full-time Salaried Medical Practitioner Craft Group.  
Councillor 2015/16/17. Board of Directors 2016/17. AMA Queensland Real Time Prescription Reporting Sub Committee.

**Qualifications:** DipT, BEd, MBBS, FRACGP, FACRRM, FACHAM(RACP).  
**Experience:** Staff Specialist in addiction medicine, elected as the AMA Representative on the QCAA and the Chief Health Officer's Workforce Committee. ASMOFQ State Secretary and Executive Councillor, Federal ASMOF.

### Dr Katherine Gridley

Councillor, Greater Brisbane Area.  
Councillor 2016/17. Deputy Chair,



# Directors' Report

Council of Doctors in Training;  
DHASQ Doctor in Training  
Representative.

**Qualifications:** BSc MBBS  
PGCertAeromed.

**Experience:** Advanced Trainee,  
Australasian College for Emergency  
Medicine.

## Dr John Hall

Councillor, Downs and West Area.  
Councillor 4 years. Board of  
Directors 2013/14.

**Qualifications:** BSc (Hons) MBBS,  
FACRRM, FRACGP, DRANZCOG (adv),  
Grad.Dip.Rural, Dip ACSCM.

**Experience:** Rural Generalist  
2004-present; SMO GP Obstetrics  
Stanthorpe 2004-2008; Medical  
Superintendent Oakey Hospital  
2008-2016; Principal of Downs  
Rural Medical Oakey 2008-present;  
VMO Dalby/Moree 2008-present.  
Past President Rural Doctors  
Association of Queensland 2008.  
Vice President, Rural Doctors  
Association of Australia 2013 –  
present.

## Associate Professor Geoffrey Hawson

Councillor, Retired Doctors Craft  
Group.

**Qualifications:** MBBS, FRACP,  
FACHPM, FRCPA.

**Experience:** Previous President  
Redcliffe and District LMA 1999-  
2000. Graduated in 1969. Trained  
at Mater, RBH, PAH. Director of  
Haematology/Oncology TPCH  
1981-1995; Director Oncology  
Palliative Care Redcliffe 1995-  
1999; Haematologist/Medical  
Oncologist Nambour 2001-2017.  
Registered with AHPRA as Clinical  
Haematologist; Medical Oncologist  
and Palliative Care Physician.

## Dr Wayne M Herdy

Councillor, North Coast Area.  
Councillor 13 years. Executive  
Council Member 2004/05. 2006/07.  
Member, AMA Queensland Council  
of General Practice; and Ethics and  
Medico-Legal Committee.

AMA Federal Council 8 years.

**Qualifications:** MBBS (Qld), BA  
(Hons) (UQ), LI B (QUT), LI M (QUT),  
FACLM 1995.

**Experience:** Family Practice 43  
years. President, Sunshine Coast  
LMA 7 years (current V-P). President,  
Redcliffe & District LMA 2 years  
(current V-P). LtCol Army Reserve  
(ret).

## Dr Brad Horsburgh

Councillor, Greater Brisbane Area.  
Councillor 2 years. Board of  
Directors 2014/15. AMA Federal  
Council – Ophthalmology  
Representative 2012-2016.

**Qualifications:** MBBS, FRACS,

FRANZCO.

**Experience:** Medical Practitioner  
31 years. VMO Ophthalmologist at  
Royal Brisbane Women's Hospital  
since 2001. Board Member and  
Chair, Queensland Eye Hospital 11  
years through 2011. Board Member,  
RANZCO 2011-2016. Treasurer,  
Vice President RANZCO 2012-2014.  
President, RANZCO 2014-2016.  
President, Australian Society of  
Ophthalmologists 2009-2011.

## Dr Scott Horsburgh

Councillor, General Practitioner  
Craft Group.

Councillor 2016/17.

**Qualifications:** MBBS, FRACGP.

**Experience:** Medical Officer, Royal  
Australian Navy. Member, Clinical  
Council of the Brisbane South  
Primary Health Network.

## Dr Sharon Kelly

Councillor, Specialist Craft Group.  
Councillor 7 years. Chair of Council  
2011/12/13/14. Board of Directors  
2010/11/12/13/14. Chair,  
AMA Queensland VMO Committee.  
Member, AMA Queensland  
Nomination & Remuneration  
Committee.

**Qualifications:** MBBS (Hons), FRACS.

**Experience:** Private Specialist  
Practitioner 21 years Metropolitan  
VMO Unit Director.

## Dr Richard Kidd

Councillor, General Practitioner  
Craft Group.

Councillor 10 years. Past  
President 2012/13. President  
2011/12. President-Elect  
2010/11. Board of Directors  
10/11/12/13/14/15/16/17.  
Executive Council Member  
2008/09/10. Chair,  
AMA Queensland Council of  
General Practice. Member, Finance  
Risk & Audit Committee. Director,  
AMA Federal Board 2014/15/16/17;  
AMA Federal Councillor. Chair,  
AMA Federal Obesity Working  
Group. Chair, AMACGP. Chair,  
AMA Healthy Ageing Committee.  
Member, AMA Indigenous Taskforce;  
Medical Practice Committee;  
Defence Health Working Group;  
and End of Life Working Group.  
AMA Queensland Representative  
on: QNPAC; GPOAC to Qld Health;  
GPAC; and GP Alliance. GP Alliance  
Representative on Queensland  
Clinical Senate.

**Qualifications:** BHB, MB ChB, Dip  
Obs. FAMA (Fellow of AMA).

**Experience:** IMG (NZ) 2 years  
voluntary work in PNG. General  
Practitioner 33 years, Aged Care/  
Mental Health/Palliative Care.  
Member, Queensland Persistent  
Pain State-wide Steering  
Committee.

## Professor Steve Kisely

Councillor, Greater Brisbane Area.  
Councillor 2015/16/17. Member,  
Federal AMA Council 2016/17.

Member, AMA Queensland Ethics  
and Medico-Legal Committee.

**Qualifications:** MD, PhD, Grad Dip  
Ed, FRANZCP, FRCPsych, FFPH (UK),  
FAFPHM, FACHAM (RACP).

**Experience:** Professor at UQ,  
Clinician at IGH and PAH. 25  
years' practice in UK, Canada  
and Australia. Member, Advisory  
Committee on the Safety of  
Medicines for the TGA. Editorial  
Boards of *Australasian Psychiatry*  
& *Canadian Journal of Psychiatry*.  
Member, National Advisory  
Committee for Mental Health,  
Public Health Agency of Canada  
(2006-8). Various roles in British  
Medical Association (1990-98)  
including BMA Council (1992),  
Deputy Chair of the UK-wide Junior  
Doctors Committee (1992-93),  
Committees for Community Care,  
Public & Community Health.  
Distinguished Fellow of the  
Canadian Psychiatric Association.

## Dr Luke Lawton

Councillor, North Area. Councillor  
3 years.

**Qualifications:** BAppSc  
(Biochemistry), MBBS (Hons) (UQ),  
MPH (Aeromedical Retrieval)  
FACEM.

**Experience:** Emergency Physician,  
Retrieval Physician, Medical  
Practitioner 13 years.

## Ms Honor Magon

Councillor, Medical Student Group  
Representative.

Councillor 2015/16/17.

**Experience:** Chair,  
Queensland Medical Students'  
Council; Convenor, AMSA National  
Leadership Development Seminar;  
Sponsorship Officer 2016, UQMS;  
Promotions Officer, AMSA National  
Convention 2016; Junior AMSA  
Representative 2015, UQMS.

## Dr Bavahuna Manoharan

Councillor, Greater Brisbane Area.  
Councillor 7 years. Treasurer  
2014/15/16/17. Board of Directors  
2014/15/16/17. Member,  
AMA Queensland Council of  
Doctors in Training; Finance, Risk &  
Audit Committee; and Governance  
Committee.

**Qualifications:** MBBS, BSc.

**Experience:** Surgical Registrar  
in Brisbane and the Gold Coast,  
Resident training at Royal  
Brisbane & Women's Hospital  
and Greenslopes Private Hospital.  
Co-Convenor, AMA Queensland  
CDT Junior Doctor Conferences  
2014/15/16.

## Dr John F Murray

Councillor, Specialist Craft Group.  
Councillor 21 years. Executive  
Council Member 2009/10. Member,  
AMA Queensland Council of  
Salaried Doctors; and Ethics and  
Medico-Legal Committee.

**Qualifications:** MBBS (Qld),  
FFARACS.

**Experience:** Medical Practitioner  
45 years.

## Dr Paul Neeskens

Councillor, General Practitioner  
Craft Group.  
Councillor 3 years.

**Qualifications:** MBBS, M. Epi (Clin).  
**Experience:** General Practitioner 30  
years. Treasurer, Fraser Coast LMA.

## Dr Kirsten Price

Councillor, General Practitioner  
Craft Group.  
Councillor 12 years. Hon. Secretary  
2008/09, 2014/15/16/17. Treasurer  
2010/11. Board of Directors  
008/09/10/11/14/15/16/17.  
Member, AMA Queensland Ethics  
and Medico-Legal Committee;  
and Nomination & Remuneration  
Committee.

**Qualifications:** MBBS (Qld) 1992,  
MBA, DFFP (Lond), FRACGP, GAICD.  
**Experience:** General Practitioner  
20 years. Breast Physician/Medical  
Administration/General Practice/  
Surgical Assistant.

## Dr Alex Ritchie

Councillor, Specialist Craft Group.  
Councillor 2016/17.

AMA Queensland Junior Doctor  
Representative, Nambour Hospital.  
**Qualifications:** BPhy, MBBS.  
**Experience:** President and  
Treasurer, University of Queensland  
Medical Society. Fellowship in  
lung cancer screening and early  
diagnosis, British Columbia Cancer  
Centre, Canada. President's Medical  
Liaison Committee for MD  
National 2005-2013.

## Dr Shaun Rudd

Chair of Board and Council  
2015/16/17.  
Councillor 13 years. Queensland  
Representative, Federal AMA  
Council. Executive Member, Federal  
AMA Council of General Practice.  
Past President, AMA Queensland  
2014/15. Fellow of the AMA.  
Member, Management Committee  
of the Australian Doctors Fund.  
**Qualifications:** MB BCH BAO  
Queens University Belfast 1978.

## Dr Anil Sharma

Councillor, IMG Craft Group.  
Councillor 5 years. Member,  
AMA Queensland IMG Committee.  
**Qualifications:** MD. FRANZCO.  
**Experience:** Consultant

# Directors' Report

Ophthalmologist, Private Practice, Mater Hospital, Rockhampton. President, Central Queensland LMA 2011/12.

## Dr Josie Sundin

Councillor, Greater Brisbane Area. Councillor 4 years. Board of Directors 2014/15. Chair, AMA Queensland Ethics and Medico-Legal Committee.

**Qualifications:** MBBS (Qld), FRANZCP.

**Experience:** Adult General and Forensic Psychiatrist; Board Member, Queensland Board of the Medical Board of Australia 2014/15; Deputy Chair, Workers Compensation Regulatory Authority.

## Dr Harley Wilson

Councillor, Capricornia Area. Councillor 2015/16/17.

**Qualifications:** MBBS, RACGP, MPH and TM, FACRRM.

**Experience:** 4 years' experience in Central Queensland rural towns and GP in Rockhampton 1982-2007. Now semi-retired various locums. Secretary, Capricornia Division.

## Dr Nicholas Yim

Councillor, General Practitioner Craft Group.

Councillor 2016/17.

**Qualifications:** MBBS BPharm.

**Experience:** Secretary, Fraser Coast LMA.

## Dr Christopher Zappala

President 2015/16/17. Councillor 11 years. President-Elect

2014/15. Treasurer 2008/09/10, 2012/13/14. Hon. Secretary 2010/11. Executive Council

Member 2007/08/09/10. Board of Directors 2012/13/14/15/16/17.

Member, AMA Queensland Finance Risk & Audit Committee; Policy Committee; VMO Committee; Governance Committee; and AMA Medical Workforce Committee.

Chair, AMA DIT Committee 2004.

**Qualifications:** MD, MHM, MBBS(Hons), AMusA, GCAE, FRACP.

**Experience:** Thoracic & Sleep Physician. Medical Practitioner 20 years.

## COUNCIL MEETINGS ATTENDED WHILE A COUNCIL MEMBER

1 January 2016 to 31 December 2016

Name	Meetings held	Attendance	Change of office
Dr T Arthur	5	3	
Dr S Biswas	5	4	
Dr K Bondeson	5	5	
Dr W Boyd	5	5	
Mr D Brown	5	2	
Dr L Byrom	5	3	
Dr T Campbell	3	3	Appointed 11/06/2016; Retired 12/11/2016
Dr M Cheng	3	2	Appointed 11/06/2016
Dr S Coll	5	4	
Dr D Dhupelia	5	5	
Dr J Finn	5	4	
Dr K Gridley	3	2	Appointed 11/06/2016
Dr J Hall	5	3	
A/P G Hawson	3	3	Appointed 11/06/2016
Dr W Herdy	3	0	Retired 10/06/2016; Appointed 12/11/2016
Dr B Horsburgh	2	0	Retired 10/06/2016
Dr S Horsburgh	3	3	Appointed 11/06/2016
Dr S Kelly	2	2	Retired 10/06/2016
Dr R Kidd	5	5	
Prof S Kisely	5	3	
Dr L Lawton	2	0	Retired 10/06/2016
Ms H Magon	5	3	
Dr B Manoharan	5	3	
Dr J Murray	5	4	
Dr P Neeskens	3	1	Retired 11/08/2016
Dr K Price	2	1	
Dr A Ritchie	3	2	Appointed 11/06/2016
Dr S Rudd	5	5	
Dr A Sharma	5	4	
Dr J Sundin	2	0	Retired 10/06/2016
Dr H Wilson	5	1	
Dr N Yim	1	1	Appointed 12/11/2016
Dr C Zappala	5	5	

## BOARD MEETINGS ATTENDED WHILE A BOARD DIRECTOR

1 January 2016 to 31 December 2016

Name	Meetings held	Attendance	Change of office
Dr S Biswas	3	2	Retired 26/04/2016
Dr W Boyd	7	7	
Dr D Dhupelia	7	6	
Dr J Finn	4	3	Appointed 26/07/2016
Dr R Kidd	7	6	
Dr B Manoharan	7	6	
Dr K Price	7	7	
Dr S Rudd	7	7	
Dr C Zappala	7	7	

# Directors' Report

## PRINCIPAL ACTIVITY

The principal activity of the Association during the financial year was to provide dedicated and ongoing professional representation to our members through support, leadership, promotion and advocacy to advance the medical profession.

## OBJECTIVES AND STRATEGY

The Association's short term objectives are:

- ▶ Further develop the value propositions for all members to achieve;
  - ▶ Increased member growth;
  - ▶ Increased member retention;
- ▶ Strengthen the use of technology to broaden communication with members and the public; and
- ▶ Roll out a public health campaign targeting the signs of stress and anxiety and suicide risks.

The Association's long term objectives are:

- ▶ To strengthen the health system for the benefit of all Queenslanders;
- ▶ To have a united, substantial and significant membership;
- ▶ To be highly respected by internal and external stakeholders; and
- ▶ To advance the medical profession at all stages of their career.

To achieve these objectives, the Association has adopted the following strategies

- ▶ Build strong partnerships with our members and the community via excellent and cutting edge communications and outstanding customer service;
- ▶ Build on our strong brand and profile through use of media and technology ;
- ▶ Maintain and enhance a robust culture that values staff and provides outstanding customer service by engaging staff in both process and outcomes;
- ▶ Implementation of operational practices that are effective, professional and efficient; and
- ▶ Maintain and enhance contemporary governance practices and regulatory compliance through training and monitoring.

To monitor and measure performance against objectives, the Association:

- ▶ Adopts a budget at the commencement of each year and monitors performance against this budget;
- ▶ Establishes membership targets and reports progress towards this target to the Board of Directors at meetings throughout the year;
- ▶ Sets priority projects for the business and monitors these and reports to the Board on progress; and
- ▶ Establishes programs for members and the community and monitors delivery and effectiveness of these programs at Director and Council meetings.

The financial position of the company improved with total equity of \$4,787,021 at year end, after a profit in the year of \$170,716. The Directors are satisfied with the financial performance of the company in the current economic and medical professional environment.

## INFORMATION ON COMPANY SECRETARY

The Company Secretary for the entire year was Ms Jane Schmitt. Qualifications: LLB, LLM, B.Bus. Experience: Lawyer and experienced executive manager.

## MEMBERS LIABILITY

The Association is a public company limited by guarantee incorporated under the Corporations Act 2001. There is a liability of \$1 per member in the event of winding up the Association. As at 31 December 2016 the number of members was 5,672 (2015: 5,851).

## AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's declaration as required under section 307C of the Corporations Act 2001 is set out on page 12.

Signed in accordance with a resolution of Directors.



**Dr Christopher Zappala**  
President

**Dated at Brisbane on 21st March 2017**

# Auditor's Independence Declaration

UNDER SECTION 307C OF THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF THE QUEENSLAND BRANCH OF  
AUSTRALIAN MEDICAL ASSOCIATION LIMITED

I declare that, to the best of my knowledge and belief, for the year ended 31 December 2016, there have been no contraventions:

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



**Nexia Brisbane Audit Pty Ltd**  
Registered Audit Company 299289  
Level 28, 10 Eagle Street, Brisbane, QLD, 4000

*Liability limited by a scheme approved under Professional Standards Legislation*



**N D Bamford**  
Director

**Dated at Brisbane on 21st March 2017**

# Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2016

	Notes	2016 \$	2015 \$
<b>Revenue</b>	2	4,392,111	4,807,841
<b>Expenses</b>			
- Council, President and Executive Support		880,454	838,633
- Membership, Marketing, Public Relations and Media		1,365,093	1,339,761
- Workplace Relations and Policy		509,473	551,038
- Corporate Services		1,466,375	1,405,734
<b>Profit/(loss) before income tax expense</b>	3	170,716	672,675
<b>Income tax (expense)/benefit</b>	4	-	11,867
<b>Profit/(loss) for the year</b>		170,716	684,542
<b>Other comprehensive income</b>			
Items that may be reclassified subsequently to profit or loss:			
Fair value gains/(losses) on available for sale financial assets, net of tax	15	(94,890)	(24,347)
<b>Other comprehensive income for the year</b>		(94,890)	(24,347)
<b>Total comprehensive income for the year</b>		75,826	660,195
Total comprehensive income attributable to members of the entity		75,826	660,195

The accompanying notes form part of the financial statements

# Statement of Financial Position for the year ended 31 December 2016

<b>Current assets</b>			
Cash and Cash Equivalents	6	3,297,448	3,673,878
Trade and Other Receivables	7	421,020	239,063
Current Tax Assets	8	-	44,587
Other Assets	9	78,222	93,238
<b>Total current assets</b>		3,796,690	4,050,766
<b>Non-current assets</b>			
Deferred Tax Assets	8	73,292	73,292
Financial Assets	10	1,395,699	1,696,189
Investment Property	11	241,513	245,692
Property, Plant and Equipment	12	1,770,088	1,162,748
<b>Total non-current assets</b>		3,480,592	3,177,921
<b>Total assets</b>		7,277,282	7,228,687
<b>Current liabilities</b>			
Trade and Other Payables	13	2,218,750	2,343,010
Short Term Provisions	14	177,894	148,747
Current Tax Liabilities	8	497	-
<b>Total current liabilities</b>		2,397,141	2,491,757
<b>Non-current liabilities</b>			
Trade and Other Payables	13	18,407	18,407
Long Term Provisions	14	72,613	5,228
Deferred Tax Liabilities	8	2,100	2,100
<b>Total non-current liabilities</b>		93,120	25,735
<b>Total liabilities</b>		2,490,261	2,517,492
<b>Net assets</b>		4,787,021	4,711,195
<b>Members' equity</b>			
Reserves	15	(92,563)	2,327
Retained Earnings		4,879,584	4,708,868
<b>Total members' equity</b>		4,787,021	4,711,195

The accompanying notes form part of these financial statements

# Statement of Cash Flows for the year ended 31 December 2016

	Notes	2016 \$	2015 \$
<b>Cash flow from operating activities</b>			
Subscription Receipts from Members		2,639,467	2,627,090
Other Receipts		1,428,961	1,388,880
Payments to Suppliers and Employees		(4,136,555)	(3,866,809)
Interest Received		73,782	60,660
Income Tax (Paid)/Received		45,084	(19,952)
Dividends received		67,944	79,316
Net Cash Provided by (used in) Operating Activities	19(a)	<u>118,683</u>	<u>269,185</u>
<b>Cash flow from investing activities</b>			
Purchase of Property, Plant and Equipment		(750,782)	(73,342)
Receipts from Disposal of Assets		-	-
Proceeds from sale of Investment Property		-	942,500
Proceeds from sale of Financial Assets		2,215,825	2,007,033
Purchase of Financial Assets		(1,960,156)	(2,492,928)
Net Cash Provided by (used in) Investing Activities		<u>(495,113)</u>	<u>383,263</u>
Net Increase/(decrease) in Cash Held		(376,430)	652,448
Cash and cash equivalents at the Beginning of Year		3,673,878	3,021,430
Cash and cash equivalents at the End of Year	19(b)	<u>3,297,448</u>	<u>3,673,878</u>

The accompanying notes form part of these financial statements

# Statement of Changes in Equity for the year ended 31 December 2016

	Financial Assets Revaluation Reserve \$ (Note 15)	Retained Earnings \$	Total \$
Balance at 1 January 2015	26,674	4,024,326	4,051,000
Profit/(Loss) for the Year	-	684,542	684,542
Other comprehensive income	(24,347)	-	(24,347)
Balance at 31 December 2015	<u>2,327</u>	<u>4,708,868</u>	<u>4,711,195</u>
Profit/(Loss) for the Year	-	170,716	170,716
Other comprehensive income	(94,890)	-	(94,890)
Total Comprehensive Income	<u>(94,890)</u>	<u>170,716</u>	<u>75,826</u>
Balance at 31 December 2016	<u>(92,563)</u>	<u>4,879,584</u>	<u>4,787,021</u>

The accompanying notes form part of these financial statements

# Notes to Financial Statements for the year ended 31 December 2016

## 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The Queensland Branch of Australian Medical Association Limited applies Australian Accounting Standards - Reduced Disclosure Requirements as set out in AASB 1053: Application of tiers of Australian Auditing Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements.

### Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below. They have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on 21 March 2017 by the Directors of the company.

### Accounting Policies

#### (a) Income Tax

The Queensland Branch of Australian Medical Association Limited adopts the "principle of mutuality" for taxation purposes, where assessable income consists only of moneys derived from external (non-member) sources.

The income tax expense (benefit) for the year comprises current income tax expense (benefit) and deferred tax expense (benefit).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (benefit) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss.

Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused

tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

#### (b) Property, Plant and Equipment

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

##### Property

Freehold land and buildings are measured on the cost basis. The carrying amount of freehold land and buildings is reviewed annually by the Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amount.

##### Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by the Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

##### Depreciation

Buildings are depreciated using the straight line basis, all other fixed assets, but excluding freehold land are depreciated on a diminishing value basis, over their useful lives to the company commencing from when the asset is held ready for use.

The useful lives used for each class of depreciable assets are:

# Notes to Financial Statements for the year ended 31 December 2016

## 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

### Class of Fixed Asset Useful Lives

Buildings - 40 years

Plant and equipment 4 – 20 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each financial year.

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of profit or loss and other comprehensive income.

### (c) Investment Property

Investment property comprising freehold office complexes is held to generate long term rental yields. All tenant leases are on an arm's length basis. Investment property is measured on the cost basis, less depreciation and impairment losses.

Investment property consists of the portion of land and buildings owned by the company which are leased to other entities. The cost of the land and buildings is split between Investment Properties and Property, Plant and Equipment based on the floor space.

The buildings have been depreciated using the straight line basis, over their useful lives to the company commencing from when held ready for use.

The useful lives of the buildings are 40 years.

### (d) 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 company are classified as finance leases.

Finance leases are capitalised by recognising an asset and a liability at the lower of the amounts equal to their 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 diminishing value basis over their estimated useful lives where it is likely that the company will obtain ownership of the asset or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

### (e) Financial Instruments

#### Initial recognition and measurement

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

#### Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as: (i) the amount at which the financial asset or financial liability is measured at initial recognition; (ii) less principal repayments; (iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and (iv) less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

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

#### (i) Financial assets at fair value through profit or loss

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

#### (ii) 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 subsequently measured at amortised cost.

#### (iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

#### (iv) Available-for-sale investments

Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or



# Notes to Financial Statements for the year ended 31 December 2016

## 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any remeasurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets, when they are not expected to be sold within 12 months after the end of reporting period. All other available-for-sale financial assets are classified as current assets.

### (v) *Financial liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

### **Impairment**

At the end of each reporting period, the company assesses 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 profit or loss immediately. Also any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

### **Derecognition**

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

### (f) **Impairment of Assets**

At the end of each reporting period, the Company assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

### (g) **Employee Benefits**

#### **Short-term employee benefits**

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

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

#### **Other long-term employee benefits**

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

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

### (h) **Provisions**

Provisions are recognised when the company 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. Provisions are measured using best estimate of the amounts required to settle the obligation at reporting date.

### (i) **Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

### (j) **Revenue**

Revenue from subscriptions is recognised upon receipt from members. Subscriptions received relating to a future year are carried forward as subscriptions received in advance.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

Interest revenue is recognised using the effective interest rate method.

# Notes to Financial Statements for the year ended 31 December 2016

## 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the sale of goods is recognised upon delivery of the goods to the customer.

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

### (k) Trade and Other Payables

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

### (l) Goods and Services Tax (GST)

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

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 statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

### (m) Comparative Figures

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

When the company applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period will be disclosed.

### (n) Critical Accounting Estimates and Judgements

The Directors evaluate estimates and judgments incorporated into the financial report 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.

Key judgements taken in preparation of the financial report are the determination member activities for tax calculations (note 4), the use of fair value for financial assets (note 10) and cost for property (notes 11 and 12).

### (o) Fair Value of Assets and Liabilities

The Company measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

“Fair value” is the price the Company would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

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

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

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

The fair value of liabilities may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

# Notes to Financial Statements for the year ended 31 December 2016

## 2 REVENUE

	Notes	2016 \$	2015 \$
Council, President and Executive Support		22,498	18,105
Membership, Marketing, Public Relations and Media		3,449,932	3,318,405
Workplace Relations and Policy		132,073	188,543
Corporate Services		645,882	628,375
Interest - unrelated parties		73,782	60,660
Profit on sale of Investment Property	11	-	514,437
Dividends received - unrelated parties		67,944	79,316
		<u>4,392,111</u>	<u>4,807,841</u>

## 3 PROFIT FOR THE YEAR

Profit before income tax includes the following specific items of revenue and expense:

### (a) Revenue

Net profit on sale of listed investments		<u>56,951</u>	<u>9,801</u>
--	--	---------------	--------------

### (b) Expenses

Auditors' Remuneration	5	17,500	18,500
Depreciation			
- Investment Property		4,179	23,536
- Buildings		68,524	37,286
- Motor Vehicle		3,593	3,593
- Plant and Equipment		71,325	45,902
Total Depreciation		<u>147,621</u>	<u>110,317</u>
Bad and Doubtful Debts-Trade Receivable		-	-
Rental Expense on Operating Leases - minimum lease payments		7,800	7,800
Employee Benefits			
- Wages		2,142,684	2,090,979
- Superannuation		188,954	186,965
Total Employee Benefits		<u>2,331,638</u>	<u>2,277,944</u>

## 4 INCOME TAX EXPENSE/(BENEFIT)

### (a) The components of tax expense (benefit) comprise

Current tax		-	-
Deferred tax		-	(863)
Prior year over/underprovision		-	(11,004)
		<u>-</u>	<u>(11,867)</u>

### (b) The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax expense as follows:

Prima facie tax payable on profit from ordinary activities before income tax at 30% (2015:30%)		<u>51,214</u>	<u>201,803</u>
Add (Less) Tax effect of:			
- tax loss and deferred tax assets not recognised		42,274	47,754
- non-deductible items		61,392	40,373
- capital tax losses now recognised		(17,084)	(154,331)
- profit attributed to member activities		(137,796)	(136,462)
- under/over provision for income tax in prior year		-	(11,004)
Income tax attributable to the entity		<u>-</u>	<u>(11,867)</u>

The estimated tax effect of income tax losses not booked of \$90,028 (2015: \$47,754) is available to be recouped from future non-mutual income. i.e. taxable income from external sources. The company also has an unbooked capital tax loss in excess of \$80,000 (2015: \$100,000) available to be recouped against future assessable gains (\$56,591 recouped in current year).

# Notes to Financial Statements for the year ended 31 December 2016

## 5 AUDITORS' REMUNERATION

	Notes	2016 \$	2015 \$
Remuneration of the auditor for:			
Auditing the Financial Report		17,500	16,500
Taxation, Accounting and Other Services Provided by Related Practice of the Auditor		1,800	2,000
		<u>19,300</u>	<u>18,500</u>

## 6 CASH ASSETS

Cash at Bank		3,296,848	3,673,278
Cash on Hand		600	600
		<u>3,297,448</u>	<u>3,673,878</u>

## 7 TRADE AND OTHER RECEIVABLES

CURRENT			
Trade and Sundry Receivables		421,020	239,063
Less Provision for Impairment		-	-
		<u>421,020</u>	<u>239,063</u>

## 8 TAX

### (a) Liabilities

#### CURRENT

Income Tax		497	-
------------	--	-----	---

#### NON CURRENT

Deferred tax liability comprises:

Tax allowances relating to prepaid expenditure		2,100	2,100
Total		<u>2,100</u>	<u>2,100</u>

### (b) Assets

#### CURRENT

Income tax receivable		-	44,587
-----------------------	--	---	--------

#### NON CURRENT

Deferred tax assets comprise:

Tax allowance relating to provisions		54,283	54,283
Tax allowance relating to property, plant & equipment		514	514
Tax losses		18,495	18,495
Total		<u>73,292</u>	<u>73,292</u>

### (c) Reconciliations

#### (i) Gross Movements

The overall movement in the deferred tax accounts is as follows:

Opening balance		71,192	70,329
Charge/(Credit) to statement of comprehensive income	4	-	863
Closing balance		<u>71,192</u>	<u>71,192</u>

#### (ii) Deferred Tax Liability

The movement in deferred tax liability for each temporary difference during the year is as follows:

Prepaid expenditure			
Opening balance		2,100	2,057
Charge/(Credit) to the statement of comprehensive income		-	43
Closing balance		<u>2,100</u>	<u>2,100</u>

#### (iii) Deferred Tax Assets

The movement in deferred tax assets for each temporary

# Notes to Financial Statements for the year ended 31 December 2016

## 8 TAX CONTINUED

difference during the year is as follows:

Provisions

Opening balance

Charge/(Credit) to the statement of comprehensive income

Closing balance

Property, Plant and Equipment

Opening balance

Charge/(Credit) to the statement of comprehensive income

Closing balance

Tax Losses

Opening balance

Charge/(Credit) to the statement of comprehensive income

Closing balance

Notes

2016  
\$

2015  
\$

54,283

53,377

-

906

54,283

54,283

514

514

-

-

514

514

18,495

18,495

-

-

18,495

18,495

## 9 OTHER ASSETS

CURRENT

Prepayments

78,222

93,238

## 10 FINANCIAL ASSETS

NON CURRENT

Available-for-sale Financial Assets at fair value

Listed Investments

1,395,698

1,696,188

Unlisted Investments at cost

- Shares in AMA Member Services Pty Ltd

1

1

Total Available-for-sale Financial Assets

1,395,699

1,696,189

Available-for-sale financial assets comprise investments in the ordinary issued capital of various entities.

There are no fixed returns or fixed maturity dates attached to these investments.

Movement in the year is:

Balance at beginning of year

1,696,189

1,224,840

Purchases in year

1,960,156

2,492,928

Disposals

(2,165,756)

(1,997,232)

Fair Value Measurement Gain/(Loss)

(94,890)

(24,347)

1,395,699

1,696,189

Listed investments are the only assets of the company measured at fair value on a recurring basis after initial recognition. Fair value is determined by reference to closing quoted bid prices at balance date.

## 11 INVESTMENT PROPERTY

Land and Building - AMA Place and Hunstanton (at cost)

426,344

426,344

Less Accumulated Depreciation

(184,831)

(180,652)

241,513

245,692

(a) **Movements in carrying amounts**

Balance at the Beginning of Year

245,692

697,291

Additions

-

-

Disposals

-

(428,063)

Depreciation Expense

(4,179)

(23,536)

Balance at End of Year

241,513

245,692

# Notes to Financial Statements for the year ended 31 December 2016

## 11 INVESTMENT PROPERTY CONTINUED

Notes

2016  
\$

2015  
\$

Investment property is depreciated using the straight line basis over its useful life to the company, 40 years. In 2015 a portion of the property was sold for gross proceeds of \$942,500, giving rise to a profit on sale of \$514,437. An independent valuation of land and buildings was undertaken on 16 December 2014 by Herron Todd White. The valuation was undertaken as part of the company's policy to obtain valuations of land and buildings every three years. The valuation indicated a market value of \$438,281 for the property still held. Rental income derived was \$69,615 (2015: \$151,180) and direct operating expenses were \$33,032 (2015: \$108,942).

## 12 PROPERTY, PLANT AND EQUIPMENT

Land and buildings - AMA House & Hunstanton (at cost)	2,228,630	1,712,474
Less Accumulated Depreciation	(733,004)	(723,954)
	<u>1,495,626</u>	<u>988,520</u>
Motor Vehicle (at cost)	28,747	28,747
Less Accumulated Depreciation	(10,480)	(6,887)
	<u>18,267</u>	<u>21,860</u>
Equipment and Furniture (at cost)	539,350	676,735
Less Accumulated Depreciation	(283,155)	(524,367)
	<u>256,195</u>	<u>152,368</u>
	<u>1,770,088</u>	<u>1,162,748</u>

	Land and Buildings \$	Motor Vehicle \$	Equipment & Furniture \$	Total \$
<b>(a) Movements in Carrying Amounts (2016 year)</b>				
Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year				
Balance at the Beginning of the Year	988,520	21,860	152,368	1,162,748
Additions*	575,630		175,152	750,782
Disposals	-	-	-	-
Depreciation Expense	(68,524)	(3,593)	(71,325)	(143,442)
Carrying Amount at the End of the Year	<u>1,495,626</u>	<u>18,267</u>	<u>256,195</u>	<u>1,770,088</u>

### (b) Movements in Carrying Amounts (2015 year)

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

Balance at the Beginning of the Year	1,025,806	25,453	124,927	1,176,186
Additions	-	-	73,343	73,343
Disposals	-	-	-	-
Depreciation Expense	(37,286)	(3,593)	(45,902)	(86,781)
Carrying Amount at the End of the Year	<u>988,520</u>	<u>21,860</u>	<u>152,368</u>	<u>1,162,748</u>

An independent valuation of land and buildings was undertaken on 16 December 2014 by Herron Todd White. The valuation was undertaken as part of the company's policy to obtain valuations of land and buildings every three years, based on the current market values. The valuation indicated a market value of \$2,251,719.

\*At 31 December 2016 the company has further commitments of \$372,000 for premises refurbishments.

# Notes to Financial Statements for the year ended 31 December 2016

## 13 TRADE AND OTHER PAYABLES

	Notes	2016 \$	2015 \$
<b>CURRENT UNSECURED LIABILITIES</b>			
Trade Payables		248,698	315,048
Sundry Payables		10,625	10,625
Remittance due Federal Office, Australian Medical Association		998,418	1,016,669
Subscriptions Received in Advance		909,700	937,307
Other Income Received in Advance		29,921	12,123
GST Liability		21,388	51,238
		<u>2,218,750</u>	<u>2,343,010</u>
<b>NON-CURRENT UNSECURED LIABILITIES</b>			
Deposits received		<u>18,407</u>	<u>18,407</u>
<b>Financial liabilities at amortised cost classified as trade and other payables</b>			
Trade and other payables:			
Total Current		2,218,752	2,343,010
Total Non-current		<u>18,407</u>	<u>18,407</u>
		<u>2,237,159</u>	<u>2,361,417</u>
Less Subscriptions received in advance		(909,700)	(937,307)
Less Other income received in advance		(29,921)	(12,123)
Financial liabilities as trade and other payables	20	<u>1,297,538</u>	<u>1,411,987</u>

## 14 PROVISIONS

<b>Employee Provisions</b>			
Balance at the Beginning of the Year		153,975	146,218
Additional Provisions Raised During the Year		238,877	176,687
Amount Used		<u>(142,345)</u>	<u>(168,930)</u>
Carrying Amount at the End of the Year		<u>250,507</u>	<u>153,975</u>
<b>Analysis of Total Provisions</b>			
Current		177,894	148,747
Non-current		<u>72,613</u>	<u>5,228</u>
		<u>250,507</u>	<u>153,975</u>
Number of Employees at Year End		26	27

Provision for employee benefits represents amounts accrued for annual leave and long service leave. The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurements and recognition criteria for employee benefits has been discussed in Note 1 (g).

## 15 RESERVES

### Financial Assets Revaluation Reserve

The Financial Assets Revaluation Reserve records revaluations of available-for-sale financial assets (see Note 10). No tax applies to this item. These revaluations may be subsequently reclassified to profit or loss.

# Notes to Financial Statements for the year ended 31 December 2016

## 16 CAPITAL AND LEASING COMMITMENTS

	2016 \$	2015 \$
Operating Lease Commitments- Non Cancellable operating leases contracted for but not capitalised in the financial statements.		
Payable - Minimum Lease Payment		
Due - Not Later than 1 year	3,250	7,800
Due - Later than 1 year but not Later than 5 years	-	3,250
	<u>3,250</u>	<u>11,050</u>

The non-cancellable operating lease is for office equipment for a 3 year period. There were no finance lease commitments.

## 17 KEY MANAGEMENT PERSONNEL COMPENSATION

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, including any director (whether executive or otherwise) of that entity is considered key management personnel.

The President received a stipend during the year of \$96,609 (2015: \$99,200).  
No other councillors or directors received any remuneration (2015: Nil).

Compensation to other key management personnel (excluding the President)		
Salaries and other benefits	724,324	710,750
Superannuation	54,737	53,854
	<u>779,061</u>	<u>764,604</u>

## 18 MEMBERS' LIABILITY

The Association is a public company limited by guarantee. There is a liability of \$1 per member in the event of the winding up of the Association.  
At 31 December 2016 the number of members was 5,672 (2015: 5,851).

## 19 STATEMENT OF CASH FLOW INFORMATION

<b>(a) Reconciliation of cash flow from operations with profit/(loss) after income tax</b>		
Profit/(loss) after Income Tax	170,716	684,542
Non Cash Flows in Profit/(loss)		
Depreciation	147,621	110,317
Loss on disposal of fixed assets	-	-
Gain on sale of Investment Property	-	(514,437)
Net gain on disposal of shares	(56,952)	(9,801)
Changes in Assets (increase)/decrease		
Trade and other receivables	(181,957)	(71,018)
Other Assets- Current	15,016	(2,786)
Current Tax Asset	44,587	(30,956)
Deferred Tax Assets	-	(906)
Changes in Liabilities increase/(decrease)		
Trade and other payables	(117,378)	96,430
Provisions-Short and long term	96,532	7,757
Current Tax Liability	497	-
Deferred Tax Liability	-	43
	<u>118,683</u>	<u>269,185</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES		

### (b) Reconciliation of cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments net of any outstanding overdrafts. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:



# Notes to Financial Statements for the year ended 31 December 2016

## 19 STATEMENT OF CASH FLOW INFORMATION CONTINUED

	Notes	2016 \$	2015 \$
Cash at Bank		3,296,848	3,673,278
Cash on Hand		600	600
		<u>3,297,448</u>	<u>3,673,878</u>

### (c) Non Cash Financing and investing activities

There were no significant non cash financing and investing activities during the year.

### (d) Credit standby arrangements and loan facilities

The Association no longer has a bank overdraft (2015: \$300,000).

## 20 FINANCIAL RISK MANAGEMENT

The company's financial instruments consist mainly of deposits with banks, Investment in shares and units in listed entities, accounts receivable and payable. The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

Financial assets			
Cash and cash equivalents	6	3,297,448	3,673,878
Trade and other receivables	7	421,020	239,063
Available-for-sale financial assets	10	<u>1,395,699</u>	<u>1,696,189</u>
Total financial assets		<u>5,114,167</u>	<u>5,609,130</u>
Financial liabilities			
Financial liabilities at amortised cost:			
- trade and other payables (excl revenue received in advance)	13	<u>1,297,538</u>	<u>1,411,987</u>
Total financial liabilities		<u>1,297,538</u>	<u>1,411,987</u>

### Fair Values

The only Assets measured at fair value on a recurring basis after initial recognition are available-for-sale financial assets (refer Note 10). For listed available-for-sale financial assets, the fair values have been based on closing quoted bid prices at the end of the reporting period. There are no other assets or liabilities measured at fair value on a recurring basis, or non-recurring basis subsequent to initial recognition.

### Risk Management Strategy

The directors' overall risk management strategy seeks to assist the company in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

The finance committee, consisting of senior executives of the company, meets on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts. The finance committee's overall risk management strategy seeks to assist the company in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

The finance committee operates under policies approved by the Board of Directors.

## 21 RELATED PARTY TRANSACTIONS

During the year The Queensland Branch of Australian Medical Association Limited invoiced and received payments from AMAQ Foundation for the provision of staff and office services \$26,116 (2015: \$9,830) and Resilience on the Run Project \$Nil (2015: \$31,422). The amount received from AMAQ Foundation in 2016 was \$26,116 (2015: \$41,252). The services charged were under normal commercial terms. AMAQ Foundation is a related party as Dr Christopher Zappala is a director of both entities.

The company acts as agent for Australian Medical Association Ltd (AMA) and collects subscriptions on their behalf from AMA Queensland members and remits those amount to AMA. The balance of those amounts owing to AMA at balance date was \$998,418 (2015: \$1,016,669). The company earned a fee of \$68,992 (2015: \$43,164) from AMA for providing this service. AMA is a related party as Dr Richard Kidd and Dr Bavahuna Manoharan are directors of both entities.

Directors of the company pay member subscriptions to the company in the ordinary course of business.

## 22 ASSOCIATION DETAILS

The registered office and principal place of business is The Queensland Branch of Australian Medical Association Limited, 88 L'Estrange Terrace, Kelvin Grove, Queensland 4059.

# Directors' Declaration

The Directors of The Queensland Branch of Australian Medical Association Limited declare that:

1. the financial statements and notes, as set out on pages 13 to 25 are in accordance with the *Corporations Act 2001* and:
  - (a) comply with Accounting Standards - Reduced Disclosure Requirements; and
  - (b) give a true and fair view of the financial position of the company as at 31 December 2016 and of its performance for the year ended on that date;
2. in the Directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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



**Dr Christopher Zappala**  
President

**Dated at Brisbane on 21st March 2017**

# Audit Report

## INDEPENDENT AUDIT REPORT TO THE MEMBERS OF THE QUEENSLAND BRANCH OF AUSTRALIAN MEDICAL ASSOCIATION LIMITED

### OPINION

We have audited the financial report of The Queensland Branch of Australian Medical Association Limited (the company), which comprises the statement of financial position as at 31 December 2016, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration on the annual statements giving a true and fair view of the financial position and performance of the company.

In our opinion the accompanying financial report of The Queensland Branch of Australian Medical Association 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 2016 and of its financial performance for the year 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 Responsibilities 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.

### INFORMATION OTHER THAN THE FINANCIAL REPORT AND AUDITOR'S REPORT THEREON

The directors of the company are responsible for the other information. The other information comprises the information included in the company's annual report for the year ended 31 December 2016, but does not include

the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially 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 this other information, we are required to report that fact. We have nothing to report in this regard.

### RESPONSIBILITIES OF THE DIRECTORS FOR THE FINANCIAL REPORT

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – 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 ability of the company 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 RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL REPORT

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

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

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

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

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 Brisbane Audit Pty Ltd  
Registered Audit Company 299289  
Level 28, 10 Eagle Street, Brisbane, QLD, 4000



N D Bamford  
Director

Dated at Brisbane on 21st March 2017

Liability limited by a scheme approved under Professional Standards Legislation



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