AMA ANNUAL REPORT 2013

AMA

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President's Report

The Year of Getting Smarter

The AMA was very busy on behalf of its members and the Australian community in 2013.

It was a Federal Election year, the AMA appointed a new Secretary General, and we embarked on a voyage of governance reform to make the AMA stronger and smarter in the years ahead.

It was another great year for AMA advocacy. We were prominent in politics and the media as we sought to shape health policy to deliver the best possible health services to the Australian population and the best possible working conditions for the medical profession.

I suppose you could say our unofficial theme for the year was 'getting smarter'. Politicians from all sides were proclaiming difficult economic circumstances and the need for restraint.

The AMA called for health policies that were based on smarter spending of valuable health funding. We stressed the need to concentrate on programs and services that worked. This meant a greater focus on general practice as the cornerstone of primary care.

This GP focus faced its usual challenges. Pharmacists, nurse practitioners, optometrists, chiropractors, podiatrists, and others all made claims to take on roles that are the natural and safe domain of doctors – and we actively opposed those claims.

But perhaps the biggest threat to the profession came from an unexpected and unlikely source – the Treasury.

As the Government looked desperately to make Budget savings in an election year, Treasury proposed a $2000 cap on work-related self-education expenses for professionals. The Government, foolishly, took it on as a policy proposal.

So, the Scrap the Cap movement was born. Led by the AMA, this campaign emboldened doctors and other professions in an unprecedented show of unity, which ultimately won the day.

There was plenty of action on other fronts.

It was a year in which the AMA took a stand and showed leadership on new and emerging issues that won us great support from the community.

We highlighted the potential catastrophic effects of changing weather patterns, and suggested primary care response strategies.

We made a submission on the need for health assessments on proposed new mining activities, including coal seam gas and traditional coal mining.

We made a submission on air quality and health.

We called for an independent expert panel to oversee the health of asylum seekers in detention.

We also commenced our campaign in support of Queensland hospital doctors, who were being coerced into signing unfair, one-sided contracts that stripped workplace rights and conditions they had worked for over many years. This campaign raged on into 2014.

The AMA lobbied hard on our long-running concerns over Medicare Locals and GP Super Clinics. This brought results with favourable responses from the new Coalition Government. Similarly, the new Government heeded our calls to review the implementation of the Personally Controlled Electronic Health Record (PCEHR).

We also achieved significant wins on medical training and medical research.

The AMA Public Hospital Report Card achieved huge media coverage and political reaction following its launch by all AMA Presidents, Federal and State. Each President gave personal and passionate pleas for 'smarter' public hospital funding and policy, based on their own experiences in the system.

The AMA continued its leading role in promoting immunisation in the community. We circulated evidence-based educational material to thousands of general practices around the country and made quality information available to the community through our website and publications.

And, as detailed in the Secretary General's Report, we made significant progress in our efforts to reform the governance of the Federal AMA. It is only fair that as we call on the Government to get 'smarter' with its operations that we do the same.

As this Annual Report is circulated to members, I will be nearing the end of my final term as Federal AMA President. It has been an absolute honour to serve the AMA and the medical profession as President for the last three years and as Vice President in the two years prior to that.

I thank you all for your support, confidence, and friendship.

The AMA is a wonderful organisation that does many good things for many people. I encourage you to maintain your support and your energy as the AMA goes through much-needed changes to make it even smarter.

Dr Steve Hambleton
President

Secretary General's Report

Seasons of Change

The year covered in this Annual Report has been an unusual one for the AMA in that for a considerable period it was without a Secretary General. My predecessor, Francis Sullivan, finished his term in December 2012, and I started in the role in early August 2013, the same day the Federal election campaign began.

During the interregnum, the AMA was capably managed by a combination of the AMA President, Dr Steve Hambleton, who spent extra time in Canberra working with the Secretariat, and Warwick Hough, who took on additional responsibilities as Operations Manager. Both undertook the challenging task while maintaining their own areas of activity, and are to be thanked for these efforts.

My initial impressions of the AMA are framed very much by the views of our members who have a deep commitment to, and interest in, health policy as it affects their patients and the communities within which they live. The AMA has a strong and respected voice because it reflects these views. This cannot be underestimated.

My first few months as Secretary General involved a wide range of activities, not the least of which was the development of a new constitution for the AMA. The need for a change in corporate structure has been recognised for many years. Federal Council represents the broad spread of member interests, but is too large to operate effectively as a governance board. The recommendation for constitutional change will be put to members at the Annual General Meeting in May 2014. The changes will establish a smaller 11-member board to manage governance issues, while Federal Council will remain in its role as the Association's policy-setting forum. Federal Council unanimously endorsed the changes at its meeting in November 2013, and recommended adoption by the membership.

On the political front, 2013 brought a change of national government with the election of Tony Abbott and his team. Health policy issues were kept in the background during the campaign itself, which was a very deliberate strategy. The new Government streamlined its departments, including a slimmed down Department of Health. The Ageing part of the portfolio moved to the Department of Human Services.

As a former Health Minister, Prime Minister Abbott is well aware of the challenges inherent in the health system, as is his Health Minister, Peter Dutton, who spent several years in Opposition in the shadow portfolio. The signals are that this is a Government that will challenge assumptions, and possibly some of the sacred cows, in health service funding.

Soon after its installation, the new Government scrapped the proposed $2000 cap on tax deductions for work-related self-educational expenses. This was a very satisfying outcome for the very effective AMA-led campaign against the measure. The proposed tax change would have had a particularly harsh impact on younger doctors and those in rural and regional areas.

The Government initiated early reviews into the operation of Medicare Locals, and the clinical utility of the Personally Controlled Electronic Health Record. Both were high on the list of issues raised by the AMA with the new Government. The Government restated its recognition of the centrality of primary health care to an effective health system. Work on the much-anticipated review of chronic disease items commenced, but was not completed by year end. The AMA argued that these Medicare items needed to be better structured, should involve less red tape, and must recognise quality care.

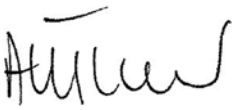
During 2013, the AMA continued to monitor the demand for training places for young doctors. By year end, most had been accommodated for 2014, but it is clear that availability will continue to be constrained. With heavy demands on the training system, concern is increasing about the quality of training and the career pathways available to members.

An issue that has been on the AMA agenda for some time, but which started to become more pressing in 2013, is expansion of scope of practice by non-medical health practitioner boards. Health Workforce Australia has investigated options for expansion of practice as a means of managing Australia's health workforce. The AMA convened a meeting of representatives of many of the Colleges and Associations that are most directly affected by these proposed changes. This issue will continue to be relevant in the coming year.

At an organisational level, the Federal AMA continued to work closely with the State and Territory AMAs. The Presidents of the State and Territory AMAs met with the Executive Council and the Chair of the Council of Doctors in Training in November to review the operational effectiveness of the Association, and to develop a roadmap to address those areas that required development. The recommendations from the discussion were agreed to by Federal Council and are in the process of implementation. One of the recommendations is to undertake the first national survey of members in 2014.

I have been appreciative of the support received from the members of Federal Council and the Secretariat during the time I have been part of the AMA during the year in review. I have attended as many Committee meetings and have visited as many of the State and Territory AMAs as has been possible in that time, and am constantly surprised by the variety of issues that the AMA deals with on a daily basis in representing its members.

The Secretariat that supports the Committees of Federal Council has many committed and knowledgeable people with strong loyalty to the Association. I acknowledge their support, and the experience and insight provided by the Executive Council. In particular, I acknowledge the enormous contribution made by the President, who has provided exceptional leadership to the AMA and its members during a testing year.



Anne Trimmer
Secretary General

Year in review

AMA President Dr Steve Hambleton attended the Chinese Medical Association Conference in Beijing.

January

Amid another hot summer, the AMA and other health groups joined forces to issue a health alert in response to heatwaves affecting much of Australia. In its Federal Budget Submission, the AMA called on the Federal Government to get smarter with health spending. AMA President Dr Steve Hambleton urged prioritisation of funding to programs and services where there is strong evidence of direct patient benefit. In a submission to the Senate Standing Committee on Environment and Communications, the AMA exposed fundamental gaps in Australia's ability to minimise and react to the effects on health of extreme weather events.

Dr Hambleton, backed by AMA leaders from around the country, launched the AMA Public Hospital Report Card 2013.

February

In response to the *Closing the Gap Prime Minister's Report 2013*, the AMA called on all Australian governments to renew their commitment to the COAG National Partnership Agreement on Closing the Gap. The AMA acknowledged that some improvements had been made but much more was needed to achieve health equality. The AMA released its *Position Statement on the Health Effects of Problem Gambling* and warned that problem gambling was a significant public health issue, especially for young men. The Independent Hospital Pricing Authority (IHPA) was advised by the AMA to include adequate funding for medical teaching and training in its new model of activity-based funding for medical research and training. The *2013 AMA Public Hospital Report Card* was launched jointly by the Federal and State AMA Presidents, and its key message – that the blame game between governments was hindering performance and productivity – sparked widespread and considerable political and media interest. The AMA supported the *beyondblue* National Mental Health Survey of Doctors and Medical Students. In response to AMA calls to end the public hospital funding blame game, the Federal Government reinstated funding to Victoria that had been cut due to updated population statistics. The ACCC agreed to an AMA application to allow GPs working in the same practice to agree on fees. AMA Vice President Professor Geoffrey Dobb used *DonateLife* Week to urge greater communication among family members and faith and culture communities about the benefits of organ donation.

Dr Hambleton met with The Greens' Health Spokesperson, Dr Richard Di Natale.

Dr Hambleton talks about immunisation with the media.

March

The decision by the Future Fund to exclude tobacco products from its investment portfolio was welcomed by AMA president Dr Steve Hambleton. The AMA announced it would work closely with the Medical Board of Australia to design a sustainable model of accessible services to help doctors look after their own health. United General Practice Australia (UGPA) lobbied the Government to rule out Medicare cuts in the Budget. On National Close the Gap Day, the AMA reiterated its call on all governments to work together on a national strategic plan to close the gap. AMA President Dr Steve Hambleton declared the AMA's support for moves to recognise Aboriginal peoples and Torres Strait Islanders in Australia's Constitution. The AMA slammed the Optometry Board of Australia for its decision to allow optometrists to independently manage patients with glaucoma. The AMA Junior Doctor Training, Education, and Supervision Survey found that the capacity of public teaching hospitals to meet the training needs of the growing number of medical students and trainees was being stretched to breaking point.

April

AMA Vice President Professor Geoffrey Dobb said the AMA strongly endorsed the overall vision of the McKeon Review to embed medical and health research into all aspects of the health system. The AMA also backed the Government's scheme to support living organ donors with paid leave for six weeks while they recovered from surgery. The *AMA Position Statement on the Health of Young People* included a call for a national health policy for young people. Indigenous medical students were encouraged to apply for the AMA Indigenous Peoples' Medical Scholarship. The *AMA Position Statement on Maternal Decision-Making* was released with a focus on pregnant women having the same right to privacy, body integrity, and to make their own informed, autonomous health care decisions as any competent individual. The *AMA Position Statement on Medical Ethics in Custodial Settings* detailed the AMA position that prisoners and detainees in custodial settings have a right to humane treatment, regardless of the reasons for their imprisonment, and should be treated with respect for their human dignity and privacy. The *AMA Position Statement on Community Aged Care Services* set out the role of doctors in the assessment and provision of aged care services in the community. The *AMA Position Statement on Quality and Safety in Hospital Practice* called for doctors to be partners with hospital mangers in the clinical governance of quality and safety systems in public and private hospitals. At a media conference at Parliament House in Canberra, AMA President Dr Steve Hambleton talked about the importance of maintaining and increasing immunisation rates in Australia. April marked

the beginning of the AMA campaign to Scrap the Cap on work-related self-education expenses, after the Government snuck out its ill-informed attempt to make savings by providing disincentives for further education. The AMA made a submission to the Senate Standing Committee Inquiry into the impacts on health of air quality in Australia. Dr Hambleton gave a speech on the future of the medical profession at the Medical Board of Australia National Conference. The AMA raised concerns about GPs being approached by technology company, IMS Health Australia, trying to collect personal and prescribing information about doctors.

Dr Hambleton was elected unopposed at the AMA National Conference to serve a third term as President.

May

An AMA online poll about the Government's proposed changes to work-related self-education expenses received more than 4200 responses from concerned doctors, with 98 per cent stating that the changes would seriously impair their professional development as a doctor. The AMA supported the Government's plan to increase the Medicare levy to partially fund the National Disability Insurance Scheme (NDIS). Dr Hambleton held a media conference at Parliament House to stress the AMA's opposition to the cap on work-related self-education expenses. The AMA circulated copies of the Australian Academy of Science publication, *The Science of Immunisation: Questions and Answers*, to 7500 GPs across the country to promote the health benefits of immunisation. Dr Hambleton slammed news in a Budget leak that the Government would freeze Medicare rebates as a cost saving measure. The AMA encouraged families to walk together for exercise as part of National Walk Safely to School Day. The AMA Federal Council passed a policy resolution calling on all Australian governments to ensure that all coal seam gas mining proposals were subject to rigorous health risk assessments. The Federal Council also resolved to support moves to strengthen immunisation requirements when children enrol in school. Ms Anne Trimmer was appointed new Secretary General of the Federal AMA. The AMA welcomed the release of the *Mason Review of Australian Government Health Workforce Programs*. The AMA National Conference was held in Sydney. Victoria and Queensland were joint winners of the AMA/ACOSH/ASH Dirty Ashtray Award for failing to do enough on tobacco control and stopping people from smoking. The AMA National Conference unanimously passed an urgency motion condemning the Government's decision to cap work-related self-education expenses. Dr Hambleton and Professor Dobb were returned for a third year as President and Vice President. Dr Iain Dunlop was elected Chair of Council and Dr Elizabeth Feeney was elected Treasurer. Dr Brian Owler and Dr Stephen Parnis were elected to the AMA Executive.

Dr Hambleton spoke with Alan Jones and Graham Richardson on Sky News.

June

The AMA Council of Doctors in Training established a coalition of peak medical student and junior doctor groups to lobby for more internships to match the growing number of medical graduates. Dr Hambleton took another swipe at the Optometry Board of Australia over its decision to allow optometrists to independently treat glaucoma patients without contact with an ophthalmologist. The AMA dismissed a Government discussion paper on reforms to deductions for education expenses as too late and too inflexible. A COAG report showed that genuine government cooperation could help close the gap. Professor Dobb welcomed a decision by the Department of Health and Ageing to issue new contracting guidelines to Medicare Locals for after-hours GP services, saying the previous arrangements were too onerous on GPs. The AMA urged Food Ministers to adopt the new health star rating system for food packaging, and the Ministers obliged the next day. Professor Dobb told Health Ministers they must urgently reach agreement on intern place numbers for 2014. Following AMA lobbying, the Fair Work Commission rejected a claim from the Australian Nursing Federation (ANF) for a low paid bargaining authorisation for practice nurses working in medical practices. The AMA reiterated its call for the Government to axe its flawed GP Super Clinics program.

Dr Hambleton addressed the National Press Club.

July

As the peak ophthalmology groups in Australia launched Supreme Court action against the Optometry Board's decision to allow optometrists to go beyond their scope of practice to independently treat glaucoma, Dr Hambleton called on the nation's Health Ministers to put pressure on the Optometry Board to stop the dangerous fragmentation of patient care. The AMA backed a move by the Australian Greens to launch a Senate Inquiry into the Government's cap on work-related self-education expenses. The AMA became a foundation member of the Scrap the Cap coalition of peak professional, education, and industry groups to fight the tax change. During NAIDOC Week, the AMA urged the Federal Government to make a healthy start in life for Indigenous children a policy priority. AMA Family Doctor Week was launched with the theme, "Your Family Doctor – Your Medical Home". Speaking at the National Press Club in Canberra, Dr Hambleton released the AMA's *Key Health Issues for the 2013 Federal Election* document. The AMA attacked the Federal Treasury over its lack of understanding of self-education for the medical profession, as evidenced by its Discussion Paper. The AMA welcomed the release of the National Aboriginal and Torres Strait Islander Health Plan. Dr Hambleton welcomed a commitment from the Coalition that it would Scrap the Cap if elected, and welcomed the Australian Greens policy to restore Medicare indexation. The AMA called for the proposed new health star rating system

for food packaging to be mandatory, following attempts by the food industry to undermine the system. Membership of the Scrap the Cap Alliance, led by the AMA, had grown to 75 organisations.

Dr Hambleton met with then Opposition Leader Tony Abbott to discuss making a health a priority during the election campaign.

August

The AMA welcomed the Government's announcement of an increase in tobacco excise over the next four years. Sniffing the political wind, the Government announced a deferral of the introduction of its proposed $2000 cap on work-related self-education expenses until 2015. The Greens backed an AMA plan for an independent health care panel for asylum seekers in detention. Dr Hambleton delivered a well-received speech to the Social Determinants of Health Alliance public forum in Sydney. Former AMA President Dr Mukesh Haikerwal resigned as head of clinical leadership and stakeholder management for the National Electronic Health Transition Authority (NEHTA). Following lobbying by the AMA, the Government announced an $8 million package to fund 60 intern places in regional and rural hospitals. Dr Hambleton commended the Senate Community Affairs Reference Committee on its report that responded strongly to community concerns about the health effects of air pollution. The Government announced that only parents who fully immunised their children would have access to the Family Tax Benefit Part A. As the September Federal Election drew nearer, the AMA was called upon to comment on the respective health policies from the major parties.

Dr Hambleton presented Ngaree Blow with the Indigenous Peoples' Medical Scholarship.

September

Dr Hambleton called on the next Government after the election to commission an urgent audit of the delivery of health services to Australian Defence Force personnel by Medibank Health Solutions (MHS). Doctors had reported long delays in receiving payment from MHS. Dr Hambleton said that all the major parties had big gaps in their election health policies, with Labor concentrating on hospital infrastructure and the Coalition focusing on primary care. The AMA *Position Statement on Clinical Academic Pathways in Medicine* set out ways to encourage more junior doctors to choose a clinical academic career path. The AMA Federal Council adopted the World Medical Association's *WMA Regulations in Times of Armed Conflict and Other Situations of Violence* as formal AMA policy. Dr Hambleton congratulated new Prime Minister Tony Abbott and the Coalition on their election win and quickly sought meetings with the new Government on its health policy platform. The Government announced its Ministry, with Peter Dutton named as Health Minister.

Dr Hambleton met with newly appointed Health Minister Peter Dutton.

October

The AMA rejected a rural health plan floated by the Grattan Institute, which included having pharmacists take over traditional GP roles. Dr Hambleton spoke about the need for doctors to look after their own health and the health of their colleagues in a speech to the Health Professionals' Health Conference. The AMA strongly opposed infant spinal manipulation practices used by chiropractors. On World Mental Health Day, the AMA encouraged workplaces, employers, and employees to work cooperatively to develop and support working environments that promote positive mental health. The AMA released its List of Medical Services and Fees 2013, with fees indexed, on average, by 2.93 per cent, well below the Labour Price Index of 3.19 per cent. The Labor Opposition announced Catherine King as Shadow Health Minister. The AMA Council of Doctors in Training urged Health Ministers to agree to start work on a new national medical training plan. Dr Hambleton called for a Parliamentary Inquiry into alcohol advertising and the ways that it targeted young people. The Federal AMA condemned the Queensland Government decision to force senior public hospital doctors on to unfair and unbalanced individual contracts.

Dr Hambleton called a press conference to congratulate the Government for scrapping the proposed $2000 cap on tax deductions for work-related self-education expenses.

November

The AMA welcomed the introduction of Medicare rebated GP-referred MRI items for patients who are 16 years of age and over, which followed the 2012 introduction of items for patients under 16, both of which the AMA had spent years lobbying for. After leading the Scrap the Cap campaign for some months, the AMA was pleased to welcome the new Government's decision to, indeed, scrap the cap on work-related self-education expenses. This was a huge win for AMA advocacy. Dr Hambleton slammed Health Ministers for signing off on new prescribing pathways that could harm patients by allowing non-medical health professionals to autonomously prescribe medications. The Federal AMA stepped up its opposition to the Queensland hospital doctor contracts as news of the draconian contracts spread nationally and internationally, sparking fears of an exodus of senior doctors from Queensland. Dr Hambleton sent a message to young people to behave healthily and responsibly during Schoolies Week. During Antibiotics Awareness Week, the AMA warned that over-prescribing of antibiotics was a threat to the wellbeing of Australians. Two new BEACH reports confirmed the key role of GPs as leaders in primary care. The AMA Submission to the National Commission of Audit sent a clear message – cut the red tape! The AMA *Position Statement on General Practice/Hospitals Transfer of Care Arrangements* was released. The AMA *Position Statement on Conscientious Objection* was released.

Dr Hambleton launched the AMA Indigenous Health Report Card.

December

The AMA *Position Statement on Medical Workforce and Training* highlighted that the health of the Australian population relied upon care from a highly skilled, well-trained medical workforce. The AMA *Position Statement on Ethical Issues in Reproductive Medicine* addressed ethical issues related to access to services, discrimination and stigmatisation, contraception, sterilisation, termination of pregnancy, assisted reproductive technologies, and surrogacy. The AMA *Position Statement on Patient Follow-Up, Recall, and Reminder Systems* recommended better systems for continuity of care. The AMA *Position Statement on Medical Practitioner Responsibilities with Electronic Communication of Clinical Information* provided a guide for doctors who use electronic communications for clinical information to minimise any risks to duty of care. The AMA *Position Statement on Technology-Based Patient Consultations* was released. Dr Hambleton and Assistant Minister for Health, Senator Fiona Nash, released the *AMA Indigenous Health Report Card 2012-13* at Parliament House in Canberra. The AMA and the Australian Academy of Science joined forces again to release the app version of the Academy's Science of Immunisation booklet. The AMA was shocked as the Government disbanded the Immigration Health Advisory Group for asylum seekers, which contained the AMA's Dr Choong-Siew Yong as a member. The AMA Submission to the Australian Government's Review of Medicare Locals called for a comprehensive overhaul and a name change.

AUSTRALIAN MEDICAL ASSOCIATION LIMITED
ABN 37 008 426 793
AND CONTROLLED ENTITIES

FINANCIAL REPORT

31 DECEMBER 2013

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Directors' report

The Directors present their report together with the financial report of the Consolidated Group, being the Australian Medical Association Limited (the Company) and its controlled entities for the year ended 31 December 2013 and the auditor's report thereon.

DIRECTORS

The Directors of the Company at any time during or since the end of the financial year are:

Name and Qualifications	Experience and Special Responsibilities
Mr Richard Arnold	Alternate Director, Australian Medical Association Limited, 22 March – 23 March 2013.
Dr Anthony Bartone MBBS, FRACGP, MBA	Director, Australian Medical Association Limited, 27 May 2012 -. Victorian State Branch Nominee. General Practitioner. Director, Australian Medical Association (Victoria) Limited. Treasurer, The Cosmetic Physicians Society of Australasia (CPSA).
Dr Peter Beaumont MBBS, FAMA	Director, Australian Medical Association Limited, 1995 - 1996, 2005 – 2009 and 27 May 2012 -. Northern Territory State Nominee. General Practitioner in Private Practice. Councillor, Australian Medical Association Northern Territory Incorporated, 2005 -. President, Australian Medical Association Northern Territory Incorporated, 2007 - 2009 and 2012 -. Treasurer, Australian Medical Association Limited, 1996. President, Australian Medical Association (Victoria) Limited, 1994 – 1996. Director, The Tasmanian Branch of the Australian Medical Association, 1978 – 1988.
Dr Richard Choong MB, BCH, BAO, LRCSI, LRCPI, FRACGP, FAMA	Director, Australian Medical Association Limited, 1 June 2008 -. Western Australia Area Nominee. Medical Practitioner in General Practice. President, Australian Medical Association (WA) Incorporated, June 2012 -. Chairman, Australian General Practice Accreditation Limited, 2006 -. Director, Quality in Practice Pty Ltd, 2006 -.
Dr David Cook MBBS, FACD	Alternate Director, Australian Medical Association Limited, 21 August – 22 August 2013.
Dr John Davis MBBS, BSc (Hons), BMedSc, FAMA, GAICD	Director, Australian Medical Association Limited, 8 May 2011 -. Tasmania State Nominee. General Practitioner.

Name and Qualifications	Experience and Special Responsibilities
Prof Geoffrey Dobb BSc (Hons), MBBS, FRCP, FRCA, FANZCA, FCICM, FAMA	Director, Australian Medical Association Limited, 23 October 2002 -. Vice President, Australian Medical Association Limited, 28 May 2011 -. Executive Councillor, Australian Medical Association Limited, 8 November 2009 -. Clinical Professor, School of Medicine and Pharmacology, The University of Western Australia. Chair, Southern Country Health Service (WA) Governing Council. Director, Critical Care, Royal Perth Hospital. Past President, Australian Medical Association (WA) Incorporated. Member, Australian Organ and Tissue Donation and Transplantation Advisory Council. Board Member, Australian Council on Healthcare Standards.
Dr Iain Dunlop MBBS (Hons), FRANZCO, FRACS	Director, Australian Medical Association Limited, 30 May 2010 -. Chairman of Council, Australian Medical Association, 24 May 2013 -. Executive Councillor, Australian Medical Association Limited, 29 May 2011 – 24 May 2013. Ophthalmologist Craft Group Nominee. Ophthalmologist. Immediate past President, Australian Capital Territory Branch of the Australian Medical Association Limited. Director, Vision 2020 Australia. Director, Sight For Life Foundation. Past Chairman, MSC, Sydney and Sydney Eye Hospital. Past President, Royal Australian and New Zealand College of Ophthalmologists. Chairman, Department of Health Ophthalmic Prostheses Clinical Advisory Group.
Dr Elizabeth Feeney MBBS, MHL, FANZCA, GAICD, FAMA	Director, Australian Medical Association Limited, 6 November 2010 -. Treasurer, Australian Medical Association Limited, 24 May 2013 -. Executive Councillor, Australian Medical Association Limited, 29 May 2011 – 24 May 2013. Director, AMA NT Pty Ltd, 12 June 2013 -. Director, AMA Commercial Pty Ltd, 12 June 2013 -. Director, Actraint No. 110 Pty Limited, 12 June 2013 -. Director, Australasian Medical Publishing Company Proprietary Limited, 4 June 2013 -. Director, AMA Pty Ltd, 12 June 2013 -. Anaesthetist.

Name and Qualifications	Experience and Special Responsibilities
Dr Peter Ford MBBS, FRACGP, Dip RACOG, FAMA	Director, Australian Medical Association Limited, 30 May 2004 – 24 May 2013. Treasurer, Australian Medical Association Limited, 6 November 2009 – 24 May 2013. General Practitioner in Private Practice, Tea Tree Gully, South Australia. Director, Actraint No. 110 Pty Limited, 6 November 2009 – 24 May 2013. Director, AMA Pty Limited, 6 November 2009 – 24 May 2013. Director, AMA Commercial Pty Ltd, 6 November 2009 – 24 May 2013. Director, AMA Member Services Pty Limited, 6 November 2009 – 24 May 2013. Director, AMA NT Pty Ltd, 26 May 2011 – 24 May 2013. Director, Australasian Medical Publishing Company Proprietary Limited, 12 November 2009 -. Past President, Australian Medical Association (South Australia) Incorporated. Clinical Lecturer, The University of Adelaide, Department of General Practice. Member, Professional Services Review Tribunal, December 2009 – 2011. Councillor, Australian Medical Association (South Australia) Incorporated. Clinical Examiner, RACGP.
Dr Michael Gannon MBBS (WA), MRCPI, FRANZCOG	Director, Australian Medical Association Limited, 27 May 2012 -. Western Australia State Nominee. Lead Obstetrician, Perinatal Loss Service, King Edward Memorial Hospital. Vice President, Australian Medical Association (WA) Incorporated. Head of Department, Obstetrics & Gynaecology, St John of God Hospital Subiaco. RANZCOG Representative, Perinatal & Infant Mortality Committee. Member, Cases Committee, MDA National Insurance. Clinical Lecturer, School of Women's & Infants Health, University of Western Australia. Clinical Lecturer, Department of Obstetrics & Gynaecology, University Notre Dame Fremantle.
Prof Gary Geelhoed MBBS, FRACP, FACEM, MD	Director, Australian Medical Association Limited, 1 June 2008 -. Paediatricians Craft Group Nominee. Medical Practitioner. Past President, Australian Medical Association (WA) Incorporated. Chief Medical Officer, Western Australia.
Dr Michael Gliksman BMed (Hons), LLB, MPH, PhD, FAFOEM (RACP), FAFPHM (RACP)	Director, Australian Medical Association Limited, 12 September 2011 -. New South Wales State Nominee. Physician. Chairman, Australian Medical Association (NSW) Limited, Professional Ethics Committee.

Name and Qualifications	Experience and Special Responsibilities
Assoc Prof John Gullotta AM BMed (Hons), BPharm (Syd) FRACGP, FAMA	Director, Australian Medical Association Limited, 29 May 2005 -. New South Wales / Australian Capital Territory Area Nominee. General Practitioner in Private Practice, Matraville, New South Wales. Branch Councillor, Australian Medical Association (NSW) Limited, 2010 -. President, Australian Medical Association (NSW) Limited, 2004 – 2006. Director and Branch Councillor, Australian Medical Association (NSW) Limited, 1996 – 2009. Adjunct Associate Professor, Central Clinical School. Faculty of Medicine, University of Sydney, 2005 -. Member, Code of Conduct Committee, Medicines Australia, 2003 -. Member, Advisory Committee on Non Prescription Medicines (ACNM), 2007 -. Member, Advisory Committee on Medicines Scheduling (ACMS), 2010 -. Chairman Advisory Board, AMA NSW Charitable Foundation, 2006 -.
Dr Steven Hambleton MBBS, FAMA	Director, Australian Medical Association Limited, 31 May 2009 -. President, Australian Medical Association Limited, 28 May 2011 -. Vice President, Australian Medical Association Limited, 31 May 2009 – 28 May 2011. General Practitioner in Private Practice. Director, AMA Commercial Pty Ltd, 21 June 2011 -. Director, Actraint No. 110 Pty Limited, 31 May 2009 -. Director, AMA Pty Limited, 31 May 2009 -. Director, Australasian Medical Publishing Company Proprietary Limited, 14 August 2009 -. Chairman, Australasian Medical Publishing Company Proprietary Limited, 16 June 2011 -. Director, AMA NT Pty Ltd, 7 July 2011 -. Acting CEO, The Queensland Branch of Australian Medical Association, October 2008 – December 2008. President, The Queensland Branch of Australian Medical Association, June 2005 – June 2006. President, AMA Q Foundation, 2009 -. GP Member, National Immunisation Committee, May 2006 – 2010. Committee Member, Pharmaceutical Benefits Advisory Committee, 2007 – 2009.
Dr Bradley Horsburgh MBBS, FRACS, FRANZCO	Director, Australian Medical Association Limited, 31 May 2013 -. Ophthalmologist Nominee. Ophthalmologist. Director, Royal Australian and New Zealand College of Ophthalmologists (RANZCO). Vice President, Treasurer, Royal Australian and New Zealand College of Ophthalmologists (RANZCO). Past President, Australian Society of Ophthalmologists.
Dr Andrew Jackson MBBS	Alternate Director, Australian Medical Association Limited, 26 May – 26 May 2013.

Name and Qualifications	Experience and Special Responsibilities
Clinical Prof Makhan Khangure MBBS, MRCP FRC, RRANZCR	Director, Australian Medical Association Limited, 30 May 2010 -. Radiologists Craft Group Nominee. Radiologist. Past President, The Royal Australian and New Zealand College of Radiologists. Director, Australian Medical Association (WA) Incorporated. Member, The Royal Australian and New Zealand College of Radiologists. Chief Accreditation Officer for vocational training in radiology. Member, Education Board, The Royal Australian and New Zealand College of Radiologists. Member Panel of Clinical Experts, DOHA Prosthesis List Advisory Committee. Councillor, Specialist Medical Review Council (part time) Under Veterans' Entitlement Act.
Dr Omar Khorshid MBBS, FRACS, FAOrthA, Adv Dip Mgt	Director, Australian Medical Association Limited, 2005 – 2008, 30 May 2010 -. Orthopaedic Craft Group Nominee. Orthopaedic Surgeon, Fremantle Hospital, Head of Department Rockingham General Hospital. Medical Co-director Surgical and Specialist Services Division, Rockingham General Hospital. Chair, WA Regional Training Committee, Australian Orthopaedic Association.
Dr Richard Kidd BHB, MBChB, Dip Obs, FAMA, Specialist VR General Practitioner	Director, Australian Medical Association Limited, 17 June 2011 -. Queensland State Nominee. General Practitioner with special interests in Aged Care, Mental Health, Palliative Care and Medical Education. Director, The Queensland Branch of Australian Medical Association, 2010 -. President, The Queensland Branch of Australian Medical Association, 2011 – 2012. President-Elect, The Queensland Branch of Australian Medical Association, 2010 – 2011. Chair, The Queensland Branch of Australian Medical Association, Council of General Practice.
Dr Robyn Langham MBBS, PhD, FRACP, GAICD	Director, Australian Medical Association Limited, 23 May 2013 -. Victoria Area Nominee. Nephrologist. Board Member, Australian Medical Association (Victoria) Limited.
Dr Andrew Lavender MBBS, FFARCSI, FRCA	Director, Australian Medical Association Limited, 1 June 2008 – 27 May 2013. South Australia / Northern Territory Area Nominee. Specialist Anaesthetist. Deputy Director, Department of Anaesthetist, Royal Adelaide Hospital, 2006 -. Director, Doctors' Health SA, 2011 -. Director, Australian Medical Association (South Australia) Incorporated, May 2001 – 2012. President, Australian Medical Association (South Australia) Incorporated, May 2009 – May 2011. Vice President, Australian Medical Association (South Australia) Incorporated, May 2007 – May 2009. Treasurer, Australian Medical Association (South Australia) Incorporated, May 2005 – May 2007.

Name and Qualifications	Experience and Special Responsibilities
Prof Stephen Lee AM MBBS (Hons 1), DDM (Sydney), FACD, FAMA	Director, Australian Medical Association Limited, 1 October 2002 -. Dermatologists Craft Group Nominee. Clinical Professor in Dermatology, Sydney Medical School, The University of Sydney. Visiting Professor, China Medical University, China. Head, Department of Dermatology, Concord Repatriation General Hospital, Sydney. Senior Visiting Dermatologist, Royal Prince Alfred Hospital Sydney.
Dr Alexandra Markwell BSc, MBBS (Hon 1), FACEM, MAIDC	Director, Australian Medical Association Limited, 27 May 2012 – 24 June 2013. Queensland State Branch Nominee. President, The Queensland Branch of Australian Medical Association, 15 June 2012 – 14 June 2013. Director, The Queensland Branch of Australian Medical Association, 17 June 2011 -. Director, AMA Queensland Foundation, 15 June 2012 – 14 June 2013.
Dr Helen McArdle BMedSc, MBBS, MPH, FAFOEM, FRACMA, FAICD	Director, Australian Medical Association Limited, 20 March 2013 -. Tasmania Area Nominee. Deputy Chairman, Southern Cross Care (TAS) Inc. Chairman, Post Graduate Medical Council of Tasmania. Medical Practitioner. Fellow of the Australian Institute of Company Directors. Specialist Medical Administrator.
Dr Roderick McRae MBBS (Hons), BMedSc (Hons), MBioeth, JD, GDLP, PGDipPCCE, FAMA	Director, Australian Medical Association Limited, 31 May 2009 – 24 May 2013. Chairman of Council, Australian Medical Association Limited, 1999 – 2001, 31 May 2009 – 24 May 2013. Medical Practitioner, Legal Practitioner. Director, Australasian Medical Publishing Company Proprietary Limited, 1999 – 2001, 14 August 2009 – 23 May 2013. Chairman, Australasian Medical Publishing Company Proprietary Limited, 27 November 2009 – 16 June 2011. Director, Australasian Medical Publishing Company Proprietary Limited, 4 June 2013 -. Director, AMA NT Pty Ltd, 26 January 2013 – 26 July 2013 and 18 November 2010 – 7 July 2011. Director, Australian Medical Association (Victoria) Limited, 26 May 2009 -. Past Member, Australian Medical Council. Part-Time Member, Administrative Appeals Tribunal. Council Member, Australian Council on Healthcare Standards. Director, Solutions Plus Training Pty Ltd. Vice President, Australian Salaried Medical Officers' Federation. President, Australian Salaried Medical Officers' Federation (Victorian Branch).

Name and Qualifications	Experience and Special Responsibilities
Dr William Milford MBBS (Hons), MRANZCOG	Director, Australian Medical Association Limited, 27 May 2012 – 31 December 2013. Doctors in Training Special Interest Group Nominee. Senior Registrar, Obstetrics and Gynaecology. Trainee Committee Chair, Royal Australian and New Zealand College of Obstetricians and Gynaecologists.
Dr Andrew Miller MBBS (Hons) (UNSW), BSc(Med) (Hons) UNSW, FACD	Director, Australian Medical Association Limited, 27 May 2012 -. Dermatologist. President, Australian Medical Association (ACT) Limited. Head of Department, Dermatology Department, The Canberra Hospital. Chairman, NSW Faculty, Australasian College of Dermatologists. Graduate of the Australian Institute of Company Directors.
Dr Patricia Montanaro MBBS, FRACGS	Director, Australian Medical Association Limited, 21 August 2013 -. Alternate Director, Australian Medical Association Limited, 22 – 23 March 2013. South Australia / Northern Territory Area Nominee. General Practitioner. President, Australian Medical Association (South Australia) Incorporated.
Dr Brian Morton AM MBBS, FRACGP, FAMA	Director, Australian Medical Association Limited, 20 June 2006 -. General Practitioners Craft Group Nominee. General Practitioner in Private Practice. Past President, Australian Medical Association (NSW) Limited. Councillor, Australian Medical Association (NSW) Limited. Past Director and Board Member, Australian Medical Association (NSW) Limited. Deputy Director, Professional Services Review Panel.
Assoc Prof David Mountain MBBS, FACEM	Director, Australian Medical Association Limited, 28 May 2006 -. Emergency Physicians Craft Group Nominee. Academic Emergency Medicine Physician, Sir Charles Gairdner Hospital. Immediate Past President, Australian Medical Association (WA) Incorporated. Spokesperson on Emergency Medicine and a Specialist in Emergency Medicine.
Dr Andrew Mulcahy BMedSc, MBBS, FFARACS, FANZCA	Director, Australian Medical Association Limited, 5 June 2013 -. Anaesthetist Craft Group Nominee. Specialist Anaesthetist in Private Practice. Member, Tasmanian Medical Board. Past Member, Medical Council of Tasmania. Past Board Member, Medical Protection Society of Tasmania. Past President, Australian Society of Anaesthetists.
Dr Nicholas Musgrave MBBS	Alternate Director, Australian Medial Association Limited, 22 – 23 November 2013.

Name and Qualifications	Experience and Special Responsibilities
Assoc Prof Brian Owler MBBS, PhD, FRACS, GAICD	Director, Australian Medical Association Limited, 20 June 2011 -. Executive Councillor, Australian Medical Association Limited, 26 May 2013 -. Surgeon Craft Group Nominee. Neurosurgeon. President, Australian Medical Association (NSW) Limited, June 2012 -.
Dr Stephen Parnis MBBS, DipSurgAnat, FACEM, GAICD	Director, Australian Medical Association Limited, 29 May 2011 -. Salaried Doctors Special Interest Group Nominee. Emergency Physician, John Fawkner Private Hospital and St Vincent's Hospital Melbourne. President, Australian Medical Association (Victoria) Limited, May 2012 -. Vice President, Australian Medical Association (Victoria) Limited, 2006 – May 2012. Director, Australian Medical Association (Victoria) Limited, 2006 -. Executive Councillor, Australian Medical Association Limited, 26 May 2013 -. State and Federal Councillor, Australian Salaried Medical Officers Federation, 2009 -.
Dr Garrard Pearce MBBS, FAFRM, FRACGP, BHA, MOHS	Director, Australian Medical Association Limited, 27 May 2012 – 20 March 2013. Tasmanian Area Nominee. Consultant, Rehabilitation Medicine. Director of Community, Aged Care and Rehabilitation, Royal Hobart Hospital.
Dr Gino Pecoraro MBBS, MRACOG, FRACOG	Director, Australian Medical Association Limited, 18 June 2010 -. Obstetrician and Gynaecologist Craft Group Nominee. Obstetrician and Gynaecologist. President, The Queensland Branch of Australian Medical Association, June 2010 – June 2011. Director, The Royal Australian and New Zealand College of Obstetricians and Gynaecologists.
Dr Christian Rowan MBBS (QLD) MDiplTrade (Mon), FRACGP, FARGP, FACRRM, FRACMA, FAChAM (RACP)	Director, Australian Medical Association Limited 24 June 2013 -. Queensland State Branch Nominee. President, The Queensland Branch of Australian Medical Association 2013 -. President-Elect 2012 – 2013. Director, The Queensland Branch of the Australian Medical Association 2011 -. Addiction Medicine Specialist. Medical Administrator. Deputy Chief Medical Officer, Uniting Care Health. Director of Medical Services, St Andrew's War Memorial Hospital. Medical Director, Addiction Sciences Queensland.

Name and Qualifications	Experience and Special Responsibilities
Dr Beverly Rowbotham MBBS (Hons 1), MD, FRACP, FRCPA, FFSc (RCPA), GAICD	Director, Australian Medical Association Limited, 30 May 2010 -. Pathologists Craft Group Nominee. Haematologist and Pathologist. Director, Avant Mutual Group Limited, 1 July 2010 -. Director, Royal College of Pathologists of Australasia Quality Assurance Programs Pty Ltd, July 2010 -. Past President, Royal College of Pathologists of Australasia. Former Director and Chair, The Association for Childhood Language and related Disorders, 2000 – 2012. Member, Medical Services Advisory Committee. Member, NPAAC. Clinical Lead, NEHTA.
Dr Peter Sharley OAM MBBS, Dip RACOG, Dip Av Med, Dip Bus Mgt, GAICD, FANZCA, FCICM	Director, Australian Medical Association Limited, 26 May 2011 -. South Australia State Nominee. Medical Practitioner. Immediate Past President, Australian Medical Association (South Australia) Incorporated. Fellow, College of Intensive Care Medicine. Fellow, ANZ College of Anaesthetists. Deputy Director, Royal Adelaide Hospital Intensive Care Unit SA. Board Member, DRS HEALTH SA. Board Member and Councillor, AMA SA. Board Member, SA Post Graduate Medical Association. Board Member, GP Partners Australia. SA Regional Chair, College of Intensive Care Medicine. Co-opted Board Member, College of Intensive Care Medicine. Senior Clinical Lecturer, University of Adelaide. Vice President and Club Doctor, Adelaide University Football Club.
Dr Douglas Travis MBBS, FRACS	Director, Australian Medical Association Limited, 27 May 2007 – 20 March 2013. Executive Councillor, Australian Medical Association Limited, 29 May 2011 – 24 May 2012. Victoria Area Nominee. Urologist. President, Australian Medical Association (Victoria) Limited, 22 May 2007 – 26 June 2009. Head of Urology, Western Health.
Mr Benjamin Veness BAcc (UTS)	Director, Australian Medical Association Limited, 1 January 2013 – 31 December 2013. The Australian Medical Students' Association Nominee. Medical Student. Director, The Australian Medical Students' Association 2011 – 2013. President, The Australian Medical Students' Association, 1 January 2013 – 31 December 2013. Chairman, The Australian Medical Students' Association 2011 – 2012. Graduate of the Australian Institute of Company Directors. Senate Member, The University of Sydney, 2010 – 2012.

Name and Qualifications	Experience and Special Responsibilities
Dr Richard Whiting FRACP	Director, Australian Medical Association Limited, 27 May 2012 -. Physicians Craft Group Nominee. Consultant Physician.
Dr Anne Wilson MBBS	Alternate Director, Australian Medical Association Limited, 22 November – 23 November 2013.
Dr Mark Yates MBBS, FRACP	Alternate Director, Australian Medical Association Limited, 22 November – 23 November 2013.
Dr Choong-Siew Yong MBBS, FRANZCP, FAMA, Cert. Child and Adol. Psych.	Director, Australian Medical Association Limited, 29 May 2000 – 27 May 2007, 1 June 2008 -. Psychiatrists Craft Group Nominee. Psychiatrist. Vice President, Australian Medical Association Limited, May 2005 – 27 May 2007. President, Australian Medical Association (NSW) Limited, 2002 – 2004. Chairman, Health Committee Medical Council of NSW, 2011 -. Chairman, CME Committee, Royal Australian and New Zealand College of Psychiatrists, 2011 -. Director, Hunter Postgraduate Medical Institute 2011-.
Dr Simon Zidar MBBS, BMBS	Director, Australian Medical Association Limited, 26 May 2013 – 5 June 2013.

Directors' report

PRINCIPAL ACTIVITIES

Australian Medical Association Limited (AMA) is a public company limited by guarantee. The AMA represents and advocates for the registered medical practitioners of Australia and the medical students of Australia. The members of the AMA are simultaneously members of the State and Territory AMAs which are separate legal entities.

The principal activities during the reporting year were to:

- Promote and advance ethical behaviour by the medical profession and protect the integrity and independence of the doctor-patient relationship;
- Promote and advance public health;
- Protect the academic, professional and economic independence and the wellbeing of medical practitioners; and
- Preserve and protect the political, legal and industrial interests of medical practitioners.

The AMA provides services and communications to its members. Through a subsidiary the AMA publishes and circulates the *Medical Journal of Australia*. Within the Consolidated Group (the Group) the AMA owns property and also provides services to members in the Northern Territory.

STRATEGIC DIRECTION

In 2013 the national leadership of the AMA considered the strategic direction for the coming year. The leadership identified a series of strategic objectives to make the AMA a more effective organisation in the short term, to underpin longer term growth.

The strategic direction for the AMA will be evidenced in:

- Taking leadership in medico-political policy development, advocacy, and communication;
- Engaging collaboratively with State and Territory AMAs to deliver a more efficient and seamless member experience;
- Building membership through increased relevance to all sectors of the doctor community;
- Modernising the governance of the AMA to provide for a more efficient, sustainable and agile organisation;
- Evaluating financial investments and commercial partnerships to derive maximum benefit and reduce reliance on membership fees; and
- Creating a high performance workplace with committed and engaged staff.

The strategic direction was endorsed by the Federal Council of the AMA with a longer term strategic plan to be developed in 2014 for the following period.

REVIEW AND RESULT OF OPERATIONS

The consolidated profit after income tax was $1,051,154 (2012: $499,186).

The operations of the Group during the financial year included: promoting the interests of the medical profession in the medico-political arena and also in the more general sphere, advocating for patient health and the health of the community, servicing members through the provision of a range of membership services and benefits, publishing, among other things, the highly recognised and peer reviewed scientific journal the *Medical Journal of Australia*, the management and rental of commercial properties and maintenance and operation of a comprehensive data base containing both member and non-member information.

DIVIDENDS

The Constitution of the Company does not permit the distribution of dividends to members.

STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Group during the financial year under review which are not disclosed in the financial statements.

EVENTS SUBSEQUENT TO BALANCE DATE

No matter or circumstance has arisen since the end of the financial year to the date of this report which has significantly affected or may significantly affect the operations of the economic entity, the results of those operations or the state of affairs of the economic entity in subsequent financial years.

LIKELY DEVELOPMENTS

There are no specific likely developments in the operations of the Group other than those mentioned elsewhere in the financial statements in the coming financial year.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's independence declaration as required under s307C of the Corporations Act 2001 is set out on page 66.

INDEMNIFICATION AND INSURANCE OF OFFICERS AND AUDITORS

Indemnification

Since the end of the previous financial year, the Group has not indemnified or made a relevant agreement indemnifying against a liability of any person who is or has been an officer or auditor of the Group.

Insurance premiums

During the financial year the Company has paid premiums on behalf of the entities in the Group in respect of Directors' and Officers' Liabilities and Professional Indemnity for the year ended 31 December 2013. Such insurance premiums insure against certain liability (subject to specific exclusions) of persons who are or have been Directors or Executive Officers of the Company and its subsidiaries.

During the financial year the Company has paid premiums to insure the above Directors, together with Officers of the Group, against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct whilst acting in the capacity of Directors and Officers of the Group, other than conduct involving a wilful breach of duty in relation to the Group.

INFORMATION ON DIRECTORS

Thirty-three of the Directors in office at the date of this report are medically qualified. A further Director is at an advanced stage of medical study.

The Directors include the four Executive Officers appointed at the last National Conference of the Company, State Office representatives appointed by the eight State and Territory AMAs, six Area Representatives from the state geographical areas, a Representative elected from each of the thirteen Craft Groups embracing Physicians, Paediatricians, Orthopaedic Surgeons, Psychiatrists, General Practitioners, Pathologists, Radiologists, Surgeons, Ophthalmologists, Obstetricians and Gynaecologists, Anaesthetists, Dermatologists and Emergency Physicians, as well as two Special Interest Groups - full time Salaried Doctors (including academic and research doctors), Doctors in Training and a representative of The Australian Medical Students' Association Limited.

As such, the Directors are able to bring a profound source of medical and business knowledge to bear on the affairs of the Company and medical practice in Australia.

DIRECTORS' INTERESTS

Since the end of the previous financial year no Director has received or become entitled to receive a benefit, other than:

(a) a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the financial statements (Note 22);

(b) the fixed salary of an employee of the Company or an entity in the Group;

by reason of a contract made by the Company or a related corporation with the Director, or with a firm of which he/she is a member, or with a company in which he/she has a substantial financial interest.

DIRECTORS' MEETING ATTENDANCE

During the financial year ended 31 December 2013, there were 16 Executive Council teleconferences, 6 Executive Council meetings, 5 Federal Council meetings, 3 Audit Committee video/teleconferences and 8 Finance Committee video/teleconferences.

The number of Directors' meetings each Director was eligible to attend and actually attended:

	Executive Council Teleconferences		Executive Council Meetings		Federal Council Meetings	
Federal Councillor:	**Eligible to Attend**	**Meetings Attended**	**Eligible to Attend**	**Meetings Attended**	**Eligible to Attend**	**Meetings Attended**
Dr Steven Hambleton	16	16	6	6	5	5
Prof Geoffrey Dobb	16	15	6	6	5	5
Dr Iain Dunlop	16	15	6	6	5	5
Dr Roderick McRae	5	4	3	2	2	2
Dr Elizabeth Feeney	16	16	6	6	5	5
Dr Peter Ford	5	5	3	3	2	2
Assoc Prof Brian Owler	11	11	3	3	5	5
Dr Stephen Parnis	11	10	3	3	5	5
Mr Richard Arnold (Alt)					1	1
Dr Anthony Bartone					5	5
Dr Peter Beaumont					5	5
Dr Richard Choong					5	5
Dr David Cook (Alt)					1	1
Dr John Davis					5	3
Dr Michael Gannon					5	5

	Executive Council Teleconferences		Executive Council Meetings		Federal Council Meetings	
Federal Councillor:	**Eligible to Attend**	**Meetings Attended**	**Eligible to Attend**	**Meetings Attended**	**Eligible to Attend**	**Meetings Attended**
Prof Gary Geelhoed					5	1
Dr Michael Gliksman					5	1
Assoc Prof John Gullotta					5	4
Dr Bradley Horsburgh					2	2
Dr Andrew Jackson (Alt)					1	1
Clinical Prof Makhan Khangure					5	5
Dr Omar Khorshid					5	5
Dr Richard Kidd					5	5
Dr Robyn Langham					4	1
Dr Andrew Lavender					3	3
Prof Stephen Lee					5	4
Dr Alexandra Markwell					3	2
Dr Helen McArdle					5	5
Dr William Milford					5	5
Dr Andrew Miller					5	5
Dr Patricia Montanaro					3	3
Dr Brian Morton					5	4
Assoc Prof David Mountain					5	5
Dr Andrew Mulcahy					2	2
Dr Nicholas Musgrave (Alt)					1	1
Dr Gerrard Pearce					0	0
Dr Gino Pecoraro					5	5
Dr Christian Rowan					3	3
Dr Beverley Rowbotham					5	3
Dr Peter Sharley					5	3
Dr Douglas Travis					1	1
Mr Benjamin Veness					5	5
Dr Richard Whiting					5	5
Dr Anne Wilson (Alt)					1	1
Dr Mark Yates (Alt)					1	1
Dr Choong-Siew Yong					5	3
Dr Simon Zidar					1	1

	Audit Committee Video/Teleconferences		Finance Committee Video/ Teleconferences	
Federal Councillor:	**Eligible to Attend**	**Meetings Attended**	**Eligible to Attend**	**Meetings Attended**
Dr Steven Hambleton			8	7
Prof Geoffrey Dobb			8	4
Dr Iain Dunlop			8	7
Dr Roderick McRae			2	2
Dr Elizabeth Feeney	3	2	8	8
Dr Peter Ford	1	1	2	2
Dr Anthony Bartone			6	5
Dr Peter Beaumont			2	1
Dr Richard Choong	1	1	8	7
Dr John Davis	1	0		
Prof Garry Geelhoed	1	0		
Assoc Prof John Gullotta			2	1
Clinical Prof Makhan Khangure	3	2		
Dr Andrew Lavender			2	1
Dr Andrew Miller	1	1	6	6
Assoc Prof Brian Owler	2	2	6	5
Dr Beverley Rowbotham	2	2		
Dr Peter Sharley	2	1	6	4
Mr Benjamin Veness			6	2

There are a number of other committees on which Directors of the Company sit. Details of these committees are included elsewhere in the annual report.

Australian Medical Association Limited is a company limited by guarantee. Every member of the Company undertakes to contribute to the assets of the Company in the event of the same being wound up during the period of membership or within one year afterwards for payment of the debts and liabilities of the Company contracted before the time at which membership ceases and the costs, charges and expenses of winding up the same and for the adjustment of the rights of the contributories among themselves such amount as may be required not exceeding the sum of one guinea.

Signed in accordance with a resolution of the Directors.

Dr S Hambleton
Director
Australian Medical Association Limited

Dr E Feeney
Director
Australian Medical Association Limited

Dated this 24th day of April 2014.

Statement of comprehensive income

For the year ended 31 December 2013

	Note	CONSOLIDATED 2013 $	CONSOLIDATED 2012 $
Revenue		20,085,568	19,772,948
Other income		226,839	520,157
	2	20,312,407	20,293,105
Employee benefits expense		(10,786,885)	(10,964,663)
Depreciation and amortisation expense		(736,446)	(735,668)
Impairment losses on receivables		(14,193)	(16,277)
Cost of goods sold		(49,044)	(59,501)
Finance costs		(120,670)	(120,656)
Production costs - *Medical Journal of Australia*		(1,233,610)	(1,240,647)
Financial assistance – States and Territories		(83,389)	(239,438)
Federal Council and committees		(636,780)	(679,312)
Secretariat travel and accommodation		(387,657)	(419,143)
Production and publications		(150,121)	(144,512)
National Conference		(455,093)	(572,225)
Outside bodies and overseas affiliations		(250,005)	(246,205)
Campaigns and projects		(151,043)	(193,644)
Cost of collection contribution		(194,572)	(182,134)
Insurance		(173,817)	(194,244)
Consultants		(694,656)	(373,703)
Communication costs		(208,061)	(190,200)
Office and administration costs		(435,617)	(436,022)
Sponsorship and commission		(60,878)	(45,689)
Other expenses	2	(2,437,332)	(2,822,414)
		(19,259,869)	(19,876,297)
Profit before income tax		1,052,538	416,808
Income tax expense	4	(1,384)	82,378
Profit for the year		1,051,154	499,186
Other comprehensive income			
Revaluation of property, plant and equipment		-	-
Income tax on other comprehensive income		-	-
Other comprehensive income for the year, net of income tax		-	-
Total comprehensive income for the year		1,051,154	499,186

(Notes to and forming part of these financial statements are annexed)

Statement of financial position

For the year ended 31 December 2013

	Note	CONSOLIDATED 2013 $	CONSOLIDATED 2012 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	5,025,403	4,084,224
Trade and other receivables	6	1,808,581	2,186,982
Inventories	7	35,085	30,116
Prepayments		459,800	659,145
Income tax receivable	12	612,633	186,258
TOTAL CURRENT ASSETS		7,941,502	7,146,725
NON-CURRENT ASSETS			
Other investments	8	1	1
Intangible assets	9	52,204	67,602
Investment properties	10	937,353	1,049,475
Property, plant and equipment	11	12,163,358	12,538,166
Deferred tax assets	13	181,261	181,978
TOTAL NON-CURRENT ASSETS		13,334,177	13,837,222
TOTAL ASSETS		21,275,679	20,983,947
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	14	2,335,917	2,942,692
Interest bearing loans and borrowings	15	293,000	273,000
Employee benefits	16	1,260,816	1,110,604
Income tax payable	12	-	-
TOTAL CURRENT LIABILITIES		3,889,733	4,326,296
NON-CURRENT LIABILITIES			
Interest bearing loans and borrowings	15	1,013,000	1,306,000
Employee benefits	16	89,893	119,752
TOTAL NON-CURRENT LIABILITIES		1,102,893	1,425,752
TOTAL LIABILITIES		4,992,626	5,752,048
NET ASSETS		16,283,053	15,231,899
EQUITY			
Asset revaluation reserves		4,794,167	4,794,167
Retained earnings		11,488,886	10,437,732
TOTAL EQUITY		16,283,053	15,231,899

(Notes to and forming part of these financial statements are annexed)

Statement of changes in equity

For the year ended 31 December 2013

	Attributed to equity holders of the parent		
	Retained Earnings $	Asset Revaluation Reserves $	Total Equity $
CONSOLIDATED			
At 1 January 2012	9,938,546	4,794,167	14,732,713
Profit for the year	499,186	-	499,186
Other comprehensive income	-	-	-
At 31 December 2012	10,437,732	4,794,167	15,231,899
Profit for the year	1,051,154	-	1,051,154
Other comprehensive income	-	-	-
At 31 December 2013	11,488,886	4,794,167	16,283,053

(Notes to and forming part of these financial statements are annexed)

Statement of cash flows

For the year ended 31 December 2013

	Note	CONSOLIDATED 2013 $	CONSOLIDATED 2012 $
CASH FLOW FROM OPERATING ACTIVITIES			
Membership subscriptions received		11,754,221	10,988,168
Commissions received		1,179,723	1,267,668
Other receipts, including sales and subscriptions		10,043,177	10,494,374
Interest received		150,271	180,055
Interest paid		(120,670)	(120,656)
Income tax paid - net		(427,042)	(195,689)
Payments to suppliers and employees		(21,141,608)	(21,559,854)
NET CASH FLOW PROVIDED BY OPERATING ACTIVITIES	21(b)	1,438,072	1,054,066
CASH FLOW FROM INVESTING ACTIVITIES			
Payments for intangible assets		(2,491)	(9,900)
Payments for investment properties		(1,186)	(8,554)
Payments for property, plant and equipment		(252,549)	(156,226)
Proceeds from sale of property, plant and equipment		2,000	2,684
Proceeds from other investments		35,173	7,593
Dividends received		160	75
NET CASH FLOW USED IN INVESTING ACTIVITIES		(223,893)	(163,968)
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of bank borrowings		(273,000)	(255,000)
NET CASH FLOW USED IN FINANCING ACTIVITIES		(273,000)	(255,000)
Net increase in cash held		941,179	635,098
Cash and cash equivalents at the beginning of the year		4,084,224	3,449,126
Cash and cash equivalents at the end of the year	5	5,025,403	4,084,224

(Notes to and forming part of these financial statements are annexed)

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements and notes represent those of Australian Medical Association Limited (the Company) and its controlled entities.

The separate financial statements of the parent entity, Australian Medical Association Limited, have not been presented within this financial report as permitted by amendments made to the *Corporations Act 2001*.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*.

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. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards (IFRS). Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements 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 financial statements were approved by the Executive Council on 24 April 2014.

(a) Principles of consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Australian Medical Association Limited at the end of the reporting period. A controlled entity is any entity over which Australian Medical Association Limited has the power to govern the financial and operating policies so as to obtain benefits from its activities.

Where controlled entities have entered or left the Group during the year, the financial performance of those entities is included only for the period of the year that they were controlled. A list of controlled entities is contained in Note 20 to the financial statements.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the consolidated group have been eliminated in full on consolidation.

Non-controlling interests, being the equity in a subsidiary not attributable, directly or indirectly, to a parent, are shown separately within the equity section of the consolidated statement of financial position and statement of comprehensive income. The non-controlling interests in the net assets comprise their interests at the date of the original business combination and their share of changes in equity since that date.

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Functional and presentation currency

These consolidated financial statements are presented in Australian dollars, which is the functional currency of the Group.

(c) Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions based on historical knowledge and best available current information that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company. Actual results may differ from these estimates.

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

Key estimates and judgements

The Company assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the Company that may be indicative of impairment triggers.

(d) Revenue recognition

Goods Sold

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns, allowances and trade discounts. Revenue is recognised when persuasive evidence exists, usually in the form of an executed sales agreement, that the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods and the amount of revenue can be measured reliably. If it is probable that discounts will be granted and the amount can be measured reliably, then the discount is recognised as a reduction of revenue as the sales are recognised.

Commissions

When an entity in the Group acts in the capacity of an agent rather than as the principal in a transaction, the revenue recognised is the net amount of commission made by the Group.

Membership subscriptions and other services

Revenue from the membership subscriptions and other services rendered are recognised in profit or loss in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is determined by reference to the membership year.

Rental Income

Rental income is recognised in the statement of comprehensive income in the reporting period in which it is received, over the term of the lease in accordance with the lease agreement. Lease incentives granted are recognised as an integral part of the total rental income over the term of the lease.

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Finance income and expenses

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues in profit and loss, using the effective interest method.

Finance expenses comprise interest expense on borrowings. All borrowing costs are recognised in profit or loss using the effective interest method.

(f) Tax consolidation

Australian Medical Association Limited and its wholly-owned Australian subsidiaries formed an income tax consolidated group under the tax consolidation legislation with effect from 1 January 2011. Australian Medical Association Limited is the head entity of the Group.

Each entity in the Group recognises its own current and deferred tax assets and liabilities. Such taxes are measured using the 'separate taxpayer within group' approach to allocation. Current tax liabilities/(assets) and deferred tax assets arising from unused tax losses and tax credits in the subsidiaries are immediately transferred to the head entity.

The tax consolidated group has entered a tax funding arrangement whereby each company in the Group contributes to the income tax payable by the Group in proportion to their contribution to the Groups' taxable income. Differences between the amounts of net tax assets and liabilities derecognised and the net amounts recognised pursuant to the funding arrangement are recognised as either a contribution by, or distribution to the head entity.

(g) Goods and services tax

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

Trade receivables and trade payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the Australian Tax Office (ATO) is included as a current liability in the statement of financial position. Other receivables and other payables are stated with the amount of GST excluded.

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

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Non–derivative financial instruments

The Group initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group no longer recognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method of asset valuation, less any impairment losses. Loans and receivables comprises cash and cash equivalents and trade and other receivables.

Available for sale financial assets

The Group's investment in equity securities are classified as available for sale financial assets. Subsequent to initial recognition, they are measured at fair value except for unit trusts that do not have a quoted market price in an active market and where the fair value is insignificant and cannot be measured reliably.

Financial liabilities

Financial liabilities are recognised initially at fair value plus any attributable transaction costs. Subsequent to initial recognition, the financial liabilities are measured at amortised cost using the effective interest rate method. Financial liabilities comprise loans and borrowings, trade and other payables.

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(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.

(j) Trade and other receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

(k) Trade and other payables

Trade and other payables represent the liabilities for goods and services received by the Group that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(l) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(m) Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(n) Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Property, plant and equipment (continued)

When parts of an item of property, plant and equipment have different lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised net, within profit or loss. When revalued assets are sold, the amounts included in the revaluation reserve are transferred to retained earnings.

Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated.

The estimated depreciation rates for the current and comparative periods are as follows:

	2013	2012
Buildings	2.5% – 4%	2.5% – 4%
Office Furniture	5% – 25%	5% – 25%
Office Equipment	10% – 50%	10% – 50%
Fixtures and Fittings	5%	5%
Motor Vehicles	12.5%	12.5%
Personal Computer Network	20% – 27%	20% – 27%
Computer Hardware	20% – 33.33%	20% – 33.33%
Computer Software	25%	25%
Items less than $300	100%	100%

Depreciation methods, useful lives and residual values are reassessed at the reporting date.

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) Intangible assets

Intangible assets that are acquired by the Group, which have finite lives, are measured at cost less accumulated depreciation and accumulated impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss when incurred.

Amortisation

Amortisation is calculated over the cost of the asset, or another amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use. The estimated depreciation rates for the current and comparative periods are as follows:

	2013	2012
Membership Database	20%	20%
IT Project Development Costs	20% – 33.33%	20% – 33.33%
Website	20% – 33.33%	20% – 33.33%

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(p) Investment properties

Investment property is held either to earn rental income and capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property is measured at cost less accumulated depreciation and accumulated impairment losses. Direct lease costs incurred in negotiating and arranging operating leases over investment property are added to the carrying amount and recognised as an expense over the lease term.

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

	2013	2012
Buildings	2.5% – 4%	2.5% – 4%

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) Leased assets

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset – but not the legal ownership – are transferred to entities in the consolidated group, are classified as finance leases.

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

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term. Operating leases are not recognised in the statement of financial position.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(r) Impairment

Financial assets

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

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. An impairment loss in respect of an available for sale financial asset is calculated by reference to its current fair value.

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

All impairment losses are recognised in profit or loss. Any cumulative loss in respect of an available for sale financial asset recognised previously in equity is transferred to profit or loss.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups.

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) Impairment (continued)

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

Impairment losses recognised in prior periods are assessed at each reporting date for indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised.

(s) Employee Benefits

Short-term benefits

Liabilities for employee benefits for wages and salaries (including superannuation), annual leave and long service leave represent present obligations resulting from employees' services provided to reporting date and are calculated at undiscounted amounts based on remuneration wage and salary rates that the Group expects to pay as at reporting date including related on-costs, such as workers compensation insurance and payroll tax.

Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods plus related on costs. That benefit is discounted to determine its present value and the fair value of any related assets is deducted. The discount rate is the yield at the reporting date on Commonwealth Government bonds that have maturity dates approximating the terms of the Group's obligations.

(t) Grants

Grants are recognised initially as deferred income when there is reasonable assurance that they will be received and that the Group will comply with the conditions associated with the grant. Grants that compensate the Group for expenses incurred are recognised in profit or loss on a systematic basis in the same periods in which the expenses are recognised.

(u) Parent entity financial information

The financial information for the Parent Entity, as disclosed in note 26 has been prepared on the same basis as the consolidated financial statements, except as set out below.

Investments in controlled entities

Investments in controlled entities, are accounted for at cost in the financial statements of the Parent Entity. Dividends received from controlled entities are recognised in the Parent Entity's statement of comprehensive income.

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(v) New standards and interpretations issued but not yet effective

Reference	Title	Summary	Application date (financial years beginning)	Expected Impact
AASB 9	*Financial Instruments*	Replaces the requirements of AASB 139 for the classification and measurement of financial assets. This is the result of the first part of Phase 1 of the IASB's project to replace IAS 39.	1 January 2017	Minimal Impact
2009-11	*Amendments to Australian Accounting Standards arising from AASB 9*	Amends AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 and 1038 and Interpretations 10 and 12 as a result of the issuance of AASB 9.	1 January 2015	Minimal Impact
2010-7	*Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)*	Amends AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 and 1038 and Interpretations 2, 5, 10, 12, 19 and 127 for amendments to AASB 9 in December 2010.	1 January 2015	Minimal Impact
AASB 10	*Consolidated Financial Statements*	Replaces the requirements of AASB 127 and Interpretation 112 pertaining to the principles to be applied in the preparation and presentation of consolidated financial statements.	1 January 2014	Minimal Impact
AASB 12	*Disclosure of Interests in Other Entities*	Replaces the disclosure requirements of AASB 127 and AASB 131 pertaining to interests in other entities.	1 January 2014	Minimal Impact
AASB 127	*Separate Financial Statements*	Prescribes the accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when an entity prepares separate financial statements.	1 January 2014	Minimal Impact
2011-7	*Amendments to Australian Accounting Standards arising from AASB 10,11, 12,127,128*	Amends AASB 1,2,3,5,7,9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 13, 136, 138, 139, 1023 and 1038 and Interpretations 5, 9, 16 and 17 as a result of the issuance of AASB 10, 11, 12, 127 and 128	1 January 2014	Minimal Impact

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(v) New standards and interpretations issued but not yet effective (continued)

Reference	Title	Summary	Application date (financial years beginning)	Expected Impact
2011-4	*Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements*	This Standard amends AASB 124 *Related Party Disclosures* to remove all the individual key management personnel (KMP) disclosures contained in Aus paragraphs 29.1 to 29.9.3.	1 July 2013	Disclosure only
2013-8	*Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities – Control and Structured Entities*	This Standard adds Appendix E Australian Implementation Guidance for Not-for-Profit Entities to AASB 10 as an integral part of that Standard. The appendix explains the control principles in AASB 10 from the perspective of not-for-profit entities.	1 January 2014	Minimal Impact

		CONSOLIDATED	
		2013 $	2012 $
NOTE 2	**REVENUE AND EXPENSES**		
	Revenue		
	Subscription income	11,041,402	10,459,219
	Sales revenue	5,695,413	5,773,022
	Commission	1,149,402	1,283,591
	Service fee	60,000	121,818
	Rent	1,593,200	1,520,748
	Advertising - *Australian Medicine*	80,302	45,496
	Sponsorship	228,366	296,110
	Interest	150,443	181,348
	Medical fees list revenue	78,389	78,212
	AMA House conference facility	8,491	13,309
	Dividend income	160	75
	Other income		
	Other revenue including recoveries	226,839	520,157
		20,312,407	20,293,105
	Contributions to employee superannuation plans	808,423	780,721
	Rental expense on operating leases	31,596	65,678
	Other expenses		
	Direct operating expenses of investment properties (Note 10)	75,076	29,114
	Repairs and maintenance	382,478	440,070
	Merchant fees	151,878	135,187
	Licences and fees	126,277	132,836
	Legal fees	39,715	323,529
NOTE 3	**AUDITORS' REMUNERATION**		
	Audit services		
	Auditors of the Group		
	RSM Bird Cameron Partners		
	- Audit of financial report	55,180	56,350
	Other services		
	Auditors of the Group		
	RSM Bird Cameron Partners		
	- Taxation services	30,863	88,928
		86,043	145,278

		CONSOLIDATED	
		2013 $	2012 $
NOTE 4	INCOME TAX		
	Current tax expense		
	Current year provision for income tax	25,669	284,140
	Franking credits	(120)	(83)
	Adjustments for prior years	(24,883)	(753,021)
		666	(468,964)
	Deferred tax expense		
	Origination and reversal of temporary difference	(123,047)	(146,706)
	Adjustments for prior years	123,765	533,293
	Total income tax expense in income statement	1,384	(82,377)
	Profit before tax	1,052,538	416,808
	Income tax using the domestic corporation tax rate of 30% (2012: 30%)	315,761	125,924
	Increase in income tax expense due to:		
	Mutual expenditure	3,450,167	3,002,944
	Non-deductible expenses	13,921	11,833
	Intercompany transactions	3,619	(4,500)
	Sundry	24,604	26,267
	Decrease in income tax expense due to:		
	Mutual income	(3,904,737)	(3,023,919)
	Fully franked dividends	(120)	(83)
	Sundry	(713)	(1,115)
		(97,498)	137,351
	Over provided in prior years	(24,883)	(753,021)
	Over provision for prior year	123,765	533,293
	Income tax expense on pre-tax net profit	1,384	(82,377)
	Attributable to:		
	Continuing operations	1,384	(82,377)

		CONSOLIDATED	
		2013 $	2012 $
NOTE 5	**CASH AND CASH EQUIVALENTS**		
	Cash at bank and on hand	5,025,403	4,084,224

Included in the cash and cash equivalents is an amount of $530,115 (2012: $461,202) which the Company, as one of multiple stakeholders, manages on behalf of the stakeholders of the Private Mental Health Alliance, Centralised Data Management Service, Private Mental Health Consumer Carer Network (Australia) and Private Mental Health Alliance Quality Improvement Project.

NOTE 6	**TRADE AND OTHER RECEIVABLES**		
	Current		
	Trade receivables	1,133,418	1,420,353
	Impairment losses	(72,433)	(64,000)
		1,060,985	1,356,353
	Other receivables	747,596	830,629
		1,808,581	2,186,982
	The movement in allowance for impairment losses during the year was:		
	Balance at 1 January	64,000	52,879
	Impairment loss recognised	8,433	11,121
	Balance at 31 December	72,433	64,000

NOTE 7	**INVENTORIES**		
	Current		
	Membership products	-	-
	Finished goods	35,085	30,116
		35,085	30,116

		CONSOLIDATED	
		2013 $	2012 $
NOTE 8	**OTHER INVESTMENTS**		
	Available for sale financial assets		
	Shares in AMA Member Services Pty Limited	1	1

The changes in the fair value of the available for sale financial asset has not been accounted for as it is insignificant to the Group.

NOTE 9	**INTANGIBLE ASSETS**		
	Membership database - at cost	733,325	733,325
	Less accumulated amortisation	(703,080)	(691,256)
		30,245	42,069
	Website - at cost	55,943	55,943
	Less accumulated amortisation	(38,975)	(32,910)
		16,968	23,033
	IT Project development - at cost	4,991	2,500
	Less accumulated amortisation	-	-
		4,991	2,500
	Total Intangible assets	52,204	67,602

Movement in carrying amounts:

Consolidated	Opening WDV 1 Jan 12	Additions	Amortisation	Closing WDV 31 Dec 12	Additions	Disposals	Amortisation	Closing WDV 31 Dec 13
Membership database	54,035	-	(11,966)	42,069	-	-	(11,824)	30,245
Website	7,421	24,263	(8,651)	23,033	-	-	(6,065)	16,968
IT Projects	16,863	9,900	(24,263)	2,500	7,491	(5,000)	-	4,991
	78,319	34,163	(44,880)	67,602	7,491	(5,000)	(17,889)	52,204

		CONSOLIDATED	
		2013 $	2012 $
NOTE 10	**INVESTMENT PROPERTIES**		
	Units 1 and 2 Tourism House – at cost	2,610,408	2,610,408
	Add net capitalised lease costs	24,684	32,389
	Less accumulated depreciation	(1,697,739)	(1,593,322)
	Total investment property	937,353	1,049,475

Movement in carrying amounts:

Consolidated	Opening WDV 1 Jan 12	Additions: capital leased costs	Expensing of capitalised leased costs	Depreciation	Closing WDV 31 Dec 12	Additions: capital leased costs	Expensing of capitalised leased costs	Depreciation	Closing WDV 31 Dec 13
Tourism House, Units 1 and 2	1,165,690	(4,973)	(6,826)	(104,416)	1,049,475	1,186	(8,891)	(104,417)	937,353

A valuation of units 1 and 2 of Tourism House was performed during January 2012. The valuation was prepared by Ms Sandra Howells AAPI, Certified Practising Valuer, of Egan National Valuers (ACT). As at 13 January 2012, Units 1 and 2 of Tourism House were valued at $4,935,000 ($5,080,000 at 1 February 2010). As this value is in excess of the written down values disclosed above, no adjustment is necessary nor has been made within the financial statements.

		CONSOLIDATED	
		2013 $	2012 $
NOTE 11	PROPERTY PLANT AND EQUIPMENT		
	Property, Clarence St Sydney - at cost	5,904,832	5,904,832
	Less accumulated depreciation	(983,553)	(825,561)
	Less impairment loss	(864,336)	(864,336)
		4,056,943	4,214,935
	Leasehold land, AMA House - at cost	1,600,000	1,600,000
	Buildings, AMA House - at cost	9,449,482	9,449,482
	Add net capitalised lease expenditure	5,571	15,503
	Less accumulated depreciation	(4,252,267)	(4,016,030)
		5,202,786	5,448,955
	Property, Parap Rd, Parap - at cost	381,397	381,395
	Less accumulated depreciation	(26,224)	(17,228)
		355,173	364,167
	Office furniture - at cost	2,647,210	2,621,054
	Less accumulated depreciation	(2,501,097)	(2,398,455)
		146,113	222,599
	Office equipment - at cost	262,963	254,679
	Less accumulated depreciation	(190,339)	(181,583)
		72,624	73,096
	Fixtures and fittings - at cost	4,025,576	3,905,977
	Less accumulated depreciation	(3,428,537)	(3,383,187)
		597,039	522,790
	Motor vehicles - at cost	28,915	28,915
	Less accumulated depreciation	(14,002)	(10,387)
		14,913	18,528
	Computer hardware - at cost	336,519	294,755
	Less accumulated depreciation	(273,705)	(246,955)
		62,814	47,800

		CONSOLIDATED	
		2013 $	2012 $
NOTE 11	**PROPERTY PLANT AND EQUIPMENT (continued)**		
	Computer software - at cost	163,738	127,334
	Less accumulated depreciation	(128,384)	(124,469)
		35,354	2,866
	Assets less than $300 - at cost	60,819	54,949
	Less accumulated depreciation	(60,819)	(54,949)
		-	-
	Personal computer network - at cost	122,484	116,464
	Less accumulated depreciation	(102,885)	(94,034)
		19,599	22,430
	Total property, plant and equipment	12,163,358	12,538,166

A valuation of AMA House and the leasehold land on which it stands was performed during February 2012. The valuation was prepared by Ms Sandra Howells AAPI, Certified Practising Valuer, of Egan National Valuers (ACT). As at 6 February 2012 AMA House and the leasehold land on which it stands were valued at $17,885,000 ($17,850,000 at 1 February 2010). Because these values are in excess of the written down values disclosed in the financial statements, no adjustment is necessary nor has been made within the financial statements.

Independent valuations of AMPCo House were performed during January and March 2012. Mr Tony Lenard, AAPI, Certified Practising Valuer, of Egan National Valuers (NSW), and Mr T Hudson, BA. AAPI, Certified Practising Valuer of VALCO NSW PTY LTD, prepared these valuations respectively. As both valuations supported the written down value of $4,372,925 disclosed in the financial statements at 31 December 2011, no adjustment is necessary nor has been made within the financial statements.

NOTE 11 PROPERTY PLANT AND EQUIPMENT (continued)

Movement in carrying amounts:

Consolidated	Opening WDV	Additions	Disposals	Depreciation	Capitalised lease costs	Capitalised lease costs expensed	Closing WDV
Property, Clarence St Sydney	4,214,935	-	-	(157,992)	-	-	4,056,943
Leasehold land, AMA House	1,600,000	-	-	-	-	-	1,600,000
AMA House	5,448,955	-	-	(236,237)	-	(9,932)	5,202,786
Property, Parap Rd Parap	364,167	-	-	(8,994)	-	-	355,173
Office furniture	222,599	26,452	-	(102,938)	-	-	146,113
Office equipment	73,096	16,197	(3,285)	(13,384)	-	-	72,624
Fixtures and fittings	522,790	119,599	-	(45,350)	-	-	597,039
Motor vehicles	18,528	-	-	(3,615)	-	-	14,913
Computer hardware	47,800	41,764	-	(26,750)	-	-	62,814
Computer software	2,866	36,404	-	(3,916)	-	-	35,354
Assets < $300	-	6,113	-	(6,113)	-	-	-
PC network	22,430	6,020	-	(8,851)	-	-	19,599
	12,538,166	252,549	(3,285)	(614,140)	-	(9,932)	12,163,358

NOTE 12 CURRENT TAX ASSETS AND LIABILITIES

Current tax assets represent the amount of income taxes recoverable in respect of current and prior periods and that arise from the payment of tax in excess of the amounts due to the relevant tax authority.

The current tax asset for the Group of $612,633 (2012: $186,258) represents the amount of income taxes receivable in respect of current and prior periods.

NOTE 13 DEFERRED TAX ASSETS AND LIABILITIES

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
Consolidated	2013	2012	2013	2012	2013	2012
Property, plant and equipment	(6,300)	(5,700)	-	-	(6,300)	(5,700)
Accruals	14,329	44,805	-	-	14,329	44,805
Employee benefits	151,592	123,038	-	-	151,592	123,038
Impairment losses on receivables	21,730	19,200	-	-	21,730	19,200
Other	-90	636	-	-	-90	636
Carried forward losses		-	-	-		-
Tax assets	181,261	181,979	-	-	181,261	181,979
Net tax assets	181,261	181,979	-	-	181,261	181,979

Movement in temporary differences

Consolidated	Balance 1 Jan 12	Recognised in income	Recognised in equity	Balance 31 Dec 12	Recognised in income	Recognised in equity	Balance 31 Dec 13
Property, plant and equipment	345,188	(350,888)	-	(5,700)	(600)	-	(6,300)
Accruals	16,186	28,619	-	44,805	(30,476)	-	14,329
Employee benefits	181,518	(58,480)	-	123,038	28,554	-	151,592
Provisions	18,339	861	-	19,200	2,530	-	21,730
Other items	6,282	(5,646)	-	636	(726)	-	(90)
Carried forward losses	1,053	(1,053)	-	-	-	-	-
	568,566	(386,587)	-	181,979	(718)	-	181,261

	CONSOLIDATED	
	2013 $	2012 $
NOTE 14 TRADE AND OTHER PAYABLES		
Current		
Trade creditors	498,833	962,886
Other creditors and accruals	1,224,599	1,189,929
Income in advance	612,485	789,877
	2,335,917	2,942,692
NOTE 15 INTEREST BEARING LOANS AND BORROWINGS		
Current		
Bill facility - secured (Note 17)	293,000	273,000
	293,000	273,000
Non-current		
Bill facility - secured (Note 17)	1,013,000	1,306,000
	1,013,000	1,306,000

The loans and borrowings are secured by registered first mortgage over land and buildings located at 277 Clarence Street, Sydney NSW 2000 and a registered equitable mortgage over the whole of its assets and undertakings including uncalled capital.

NOTE 16 EMPLOYEE BENEFITS		
Current		
Liability for long service leave	601,043	499,738
Liability for annual leave	659,773	610,866
	1,260,816	1,110,604
Non-current		
Liability for long service leave	89,893	119,752
Total employee benefits	1,350,709	1,230,356

NOTE 17 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Risk management

The Board of Directors, through its Audit and Risk Finance Committees, manages the financial risks relating to the operations of the Group. The Group adopts prudent risk based management procedures. The Audit and Risk Committee oversees how the Group complies with the Group's risk management procedures. The Group does not enter into or trade financial instruments for speculative purposes.

The Group's activities expose it to the following risks from the use of financial instruments:

(a) Credit risk

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted the policy of only dealing with credit worthy counter parties and obtaining sufficient collateral or other security where appropriate as a means of mitigating the risk of financial loss from defaults.

The carrying amount of the Group's financial assets represents the maximum credit exposure.

	CONSOLIDATED	
	2013 $	2012 $
Cash and cash equivalents	5,025,403	4,084,224
Trade and other receivables	1,808,581	2,187,011
Available for sale financial assets	1	1
	6,833,985	6,271,236

The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, as disclosed in note 6, represents the Group's maximum exposure to credit risk.

(b) Market risk

Market risk is the risk that changes in market prices such as currency rates, interest rates and equity prices will affect the Group's income. The objective of market risk management is to manage and control market risk exposure within acceptable parameters whilst optimising the return.

NOTE 17 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

(b) Market risk (continued)

(i) Interest risk

At the reporting date the interest rate profile of the Group's interest-bearing financial instruments was:

	CONSOLIDATED CARRYING AMOUNT	
	2013 $	2012 $
Fixed rate instruments		
Financial liabilities	(1,306,000)	(1,579,000)
	(1,306,000)	(1,579,000)
Variable rate instruments		
Financial assets	5,023,643	4,082,464
Financial liabilities	-	-
	5,023,643	4,082,464

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore a change in interest rates at the reporting date would not affect profit or loss.

A change of 100 basis points in interest rates would have increased or decreased the Group's equity by $13,060 (2012: $15,790).

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates would have increased or decreased the Group's equity by $50,236 (2012: $40,825). This analysis assumes that all other variables remain constant. The analysis was performed on the same basis for 2012.

(ii) Currency risk

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign currency. The Group's exposure to currency rate risk is immaterial as the Group trades predominantly in Australian dollars.

(iii) Equity risk

The Group's exposure to equity risk is immaterial as the Group does not have significant investments in equity which can fluctuate in price.

NOTE 17 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

(c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its normal financial obligations as they fall due. The Group manages liquidity risk by maintaining adequate reserves and banking facilities and by continuously monitoring forecast and actual cash flows.

The following are the contractual maturities of financial liabilities; including estimated interest payments and excluding the impact of netting agreements:

Consolidated	Carrying amount $	Contractual cash flows $	6 months or less $	6-12 months $	1-2 years $	2-5 years $	More than 5 years $
Non-derivative financial liabilities							
Bill facility - secured, fixed at 7.25%	1,306,000	(1,393,855)	(185,903)	(186,927)	(371,164)	(649,861)	-
Trade and other payables	2,335,917	(2,335,917)	(2,335,917)	-	-	-	-
	3,641,917	(3,729,772)	(2,521,820)	(186,927)	(371,164)	(649,861)	-

(d) Fair values versus carrying amount

Except as disclosed below, the fair values of financial assets and liabilities, are not significantly different from the carrying amounts shown in the Statement of Financial Position:

	31 December 2013		31 December 2012	
Consolidated	Carrying Amount $	Fair Value $	Carrying Amount $	Fair Value $
Liabilities carried at amortised cost				
Bill facility - secured, fixed at 7.25%	(1,306,000)	(1,325,903)	(1,579,000)	(1,606,980)
	(1,306,000)	(1,325,903)	(1,579,000)	(1,606,980)

(e) Capital management

The Group maintains a strong funding structure so as to enable it to continue operations to promote its core objectives. The strong funding structure is maintained through the optimisation of banking facilities and the preservation of revenue.

	CONSOLIDATED	
	2013 $	2012 $
NOTE 18 OPERATING LEASES		
Leases as lessee:		
Non-cancellable operating lease rentals are payable as follows:		
Not later than 1 year	31,477	31,596
Later than 1 year but not later than 5 years	19,494	24,021
	50,971	55,617
Leases as lessor:		
The Group leases out its investment property under operating leases (see note 10). The future minimum rent receivable under non-cancellable leases are as follows:		
Investment property:		
Not later than 1 year	503,603	485,277
Later than 1 year but not later than 5	902,917	1,366,386
	1,406,520	1,851,663
Other Property:		
Not later than 1 year	402,080	871,202
Later than 1 year but not later than 5	120,279	136,316
	522,359	1,007,518
Total:		
Not later than 1 year	905,683	1,356,479
Later than 1 year but not later than 5	1,023,197	1,502,702
	1,928,880	2,859,181

The Group has entered into commercial property leases on its investment property and other property. Tourism House is classified as an investment property because no member of the group occupies any floor area of that property. The lease for that property is under a term of 5 years and nine months, commencing 1 January 2011 and ending 30 September 2016.

Lease payments escalate each year by CPI. The future minimum rent receivable has been calculated on the assumption that CPI will average 2.75% each year. This estimate is based on an estimated CPI increase from December 2012 to December 2013 and those anticipated for the remainder of the lease contract. The lease does not contain any contingent rentals.

AMA House is not classified as an investment property because the parent entity occupies the 4th floor of that property. Several leases, for different terms exist over tenancies within the property, with some leases expiring at 31 December 2013. Some tenancies were vacant at 31 December 2013. Where there is no certainty that a lease commitment exists or will exist at a point in the future, no rent receivable has been disclosed. Some leases have fixed percentage annual escalations and some escalations are linked to CPI.

NOTE 18 OPERATING LEASES (continued)

TThe future minimum rent receivable has been calculated on the assumption that where applicable, CPI will average 2.75% and fixed % escalations apply in accordance with existing lease contracts. CPI of 2.75% is based on an estimated CPI increase from December 2012 to December 2013 and those anticipated for the remainder of the lease contract.

During the year ended 31 December 2013, $1,593,200 was recognised as rental income in the Statement of Comprehensive Income (2012: $1,520,748).Direct operating expenses recognised in the Statement of Comprehensive Income relating to property was $1,142,404 (2012: $920,198).

	CONSOLIDATED	
	2013 $	2012 $
NOTE 19 COMMITMENTS		
Building maintenance expenditure commitment:		
Not later than 1 year	21,554	19,983
Later than 1 year but not later than 5 years	-	7,515
	21,554	27,498

NOTE 20 CONTROLLED ENTITIES

Parent entity		
Australian Medical Association Limited	n/a	n/a
Controlled entities		
Australasian Medical Publishing Company Proprietary Limited	1	1
AMA Pty Limited	2	2
AMA Property Trust	-	-
AMA Commercial Pty Ltd	2	2
AMA NT Pty Ltd	1	1
Actraint No. 110 Pty Limited	2	2
AMA Investment Trust	-	-
	8	8

The controlled entities, Australasian Medical Publishing Company Proprietary Limited, AMA Pty Limited, AMA Commercial Pty Ltd, AMA NT Pty Ltd and Actraint No. 110 Pty Limited, are incorporated in Australia and are 100% controlled by the Australian Medical Association Limited. AMA Pty Limited acts as trustee for the AMA Property Trust. Actraint No. 110 Pty Limited acts as trustee for the AMA Investment Trust. The Australian Medical Association Limited owns 100% of units in the AMA Investment Trust. The AMA Investment Trust owns 100% of units in the AMA Property Trust.

	Note	CONSOLIDATED 2013 $	2012 $
NOTE 21(a) CASH AND CASH EQUIVALENTS			
Cash at bank and on hand	5	5,025,403	4,084,224

The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in note 17.

NOTE 21(b) RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit after income tax		1,051,154	499,186
Less items classified as investing activities:			
Dividends received		(160)	(75)
Receipts from investment		(35,172)	(7,953)
Add/(less) non-cash items:			
Depreciation and amortisation		736,446	735,668
Net loss on sale of non current assets		6,285	3,097
Expensed previously capitalised costs on investment property		18,823	23,841
Increase in provision for employee entitlements		120,353	27,896
		1,897,729	1,281,660
Changes in operating assets and liabilities:			
Decrease - trade and other receivables		577,745	300,585
Decrease / (increase) - inventories		(4,969)	12,159
Decrease - trade and other payables		(606,775)	(262,242)
Decrease - provision for tax liabilities		(425,658)	(278,096)
Cash flows from operating activities		1,438,072	1,054,066

NOTE 22 DIRECTOR AND EXECUTIVE DISCLOSURE

Transactions with Directors and Key Management Personnel

During the year the Group paid a premium to insure the Directors and Officers of the Group as disclosed in the Directors Report.

In addition to remuneration paid to Executive Councillors, the Group also provides remuneration in the form of Directors' fees and allowances to eligible Directors.

Key Management Personnel are remunerated in the form of salaries or under contract.

	CONSOLIDATED	
	2013 $	2012 $
NOTE 22 DIRECTOR AND EXECUTIVE DISCLOSURE (continued)		
The Directors and Key Management Personnel compensations are as follows:		
Short-term employee benefits	2,653,125	3,079,641
Superannuation contributions	256,422	300,991
Termination benefits	-	104,888
	2,909,547	3,485,520

Apart from the details disclosed in this note, no Director has entered into a material contract with the Group since the end of the previous financial year and there were no material contracts involving Directors' interests subsisting at year end.

NOTE 23 TRUST FUNDS

The Group manages monies held in trust for a number of funds. The net values of the assets of those funds are as follows:

	2013 $	2012 $
The Mervyn Archdall Medical Monograph Fund	27,487	28,646
The Federal Medical War Relief Fund	14,181	15,797
The Federal Independence Fund	4,536	6,515

AMA Pty Limited acts as trustee for The Indigenous Peoples' Medical Scholarship Trust Fund. The net value of the assets of the Trust at 31 December 2013 is $195,205 (2012: $199,121).

NOTE 24 SUBSEQUENT EVENTS

No matter or circumstance has arisen since the end of the financial year to the date of this report, which has significantly affected or may significantly affect the operations of the economic entity, the results of those operations or the state of affairs of the economic entity in subsequent financial years.

NOTE 25 COMPANY DETAILS

The Group comprises the parent entity, Australian Medical Association Limited, (the Company) and its controlled entities, being:

- Australasian Medical Publishing Company Proprietary Limited;
- AMA Pty Limited;
- The AMA Property Trust;
- AMA Commercial Pty Ltd;
- AMA NT Pty Ltd;
- Actraint No.110 Pty Limited; and
- The AMA Investment Trust.

The parent entity, the Australian Medical Association Limited, is a company limited by guarantee, incorporated and domiciled in Australia. The registered office of the Company is 4th Floor, 42 Macquarie Street, Barton ACT 2600. The Company promotes the interests of the medical profession in the medico political arena and also in the more general sphere, advocates for patient health and the health of the community.

Australasian Medical Publishing Company Proprietary Limited is a company limited by shares, incorporated and domiciled in Australia. The registered office of this company is 277 Clarence Street, Sydney NSW 2000. This company publishes the highly recognised and peer reviewed scientific journal, *Medical Journal of Australia* and maintains and operates a comprehensive database containing both member and non-member information.

AMA Pty Limited is a company limited by shares, incorporated and domiciled in Australia. The registered office of this company is 4th Floor, 42 Macquarie Street, Barton ACT 2600. This company acts as trustee for the AMA Property Trust. The Trust owns, manages and rents commercial properties in Barton, ACT.

AMA Commercial Pty Ltd is a company limited by shares, incorporated and domiciled in Australia. The registered office of this company is 4th Floor, 42 Macquarie Street, Barton ACT 2600. This company manages the commercial member benefits program and associated commercial contracts.

AMA NT Pty Ltd is a company limited by shares, incorporated and domiciled in Australia. The registered office of this company is 4th Floor, 42 Macquarie Street, Barton ACT 2600. This company purchased a commercial property in Darwin, Northern Territory on 1 February 2011 and provided services to members of the AMA in the Northern Territory from 1 November 2011.

Actraint No 110 Pty Limited is a company limited by shares, incorporated and domiciled in Australia. The registered office of this company is 4th Floor, 42 Macquarie Street, Barton ACT 2600. This company acts as trustee for the AMA Investment Trust.

NOTE 26 PARENT ENTITY

As at, and throughout the financial year ended 31 December 2013, the parent company of the Group was the Australian Medical Association Limited. The following information has been extracted from the books and records of the parent and has been prepared in accordance with the accounting standards.

	2013 $	2012 $
(a) Financial information		
Profit for the year	207,535	(31,982)
Total comprehensive income	207,535	(31,982)
Statement of financial position		
Assets		
Current assets	2,462,352	2,229,273
Total assets	12,372,144	12,099,428
Liabilities		
Current liabilities	1,635,414	2,885,533
Total liabilities	1,654,051	2,936,608
Equity		
Retained earnings	10,718,093	9,162,820
Total equity	10,718,093	9,162,820

(b) Guarantees

No cross guarantees have been provided by the Australian Medical Association Limited and its controlled entities.

(c) Other commitments

There have been no contractual commitments entered into by the Australian Medical Association Limited for the acquisition of property, plant or equipment.

(d) Contingent liabilities

There are no contingent liabilities at the reporting date.

Directors' declaration

The Directors of the Company declare that:

1) the financial statements and notes, set out on pages 31 to 64 are in accordance with the *Corporations Act 2001*, and

   i) comply with Australian accounting standards; and

   ii) gives a true and fair view of the financial position as at 31 December 2013 and of the performance for the year ended on that date, of the Company and consolidated Group.

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 Directors dated this 24th day of April 2014.

Dr S Hambleton
Director
Australian Medical Association Limited

Dr E Feeney
Director
Australian Medical Association Limited

RSM Bird Cameron Partners

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Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

As lead auditor for the audit of the financial report of Australian Medical Association Limited and its Controlled Entities for the year ended 31 December 2013 I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

RSM BIRD CAMERON PARTNERS
Chartered Accountants

GED STENHOUSE
Partner

RSM Bird Cameron Partners

Canberra, Australian Capital Territory
Dated: 24 April 2014

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUSTRALIAN MEDICAL ASSOCIATION LIMITED

We have audited the accompanying financial report of Australian Medical Association Limited ("the company"), which comprises the consolidated balance sheet as at 31 December 2013, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statements for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards 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 is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

RSM Bird Cameron Partners

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUSTRALIAN MEDICAL ASSOCIATION LIMITED

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Australian Medical Association Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

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

(i) giving a true and fair view of the consolidated entity's financial positions as at 31 December 2013 and of their performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

RSM Bird Cameron Partners
Chartered Accountants

Canberra, Australian Capital Territory
Dated: 24 April 2014

GED STENHOUSE
Partner

RSM Bird Cameron Partners

COMMITTEE LISTS

AMA Council of Doctors in Training

The AMA Council of Doctors in Training (AMACDT) continued to achieve results on policy issues relevant to junior doctors. In 2013, strong advocacy from the AMA and other groups saw the Commonwealth Government scrap the proposed $2000 cap on tax deductions for work-related self-education expenses. The AMA was also successful in convincing the new Commonwealth Government to fund an additional 100 intern places in the private sector in 2014, to commit to double the GP teaching incentive payment, and to invest more funds in rural and regional GP teaching infrastructure.

Other key areas of activity for the AMACDT for 2013 included: securing the establishment of a National Medical Training Advisory Network (NMTAN), the development of five-year national medical training plans, and ensuring the quality of clinical training was maintained to maximise the benefit of increasing student numbers. The Council also helped improve funding arrangements for public hospital services to ensure proper resources for teaching, training and research and, in turn, secure high quality training places for medical graduates.

The Council continued to ensure the interests of junior doctors were well represented on more than 30 different committees and working groups that focus on medical education and training. The Council published a number of perspective pieces and letters to the editor in peer reviewed medical journals, and members made presentations at multiple conferences throughout the year.

Dr Will Milford
Chair

AMA Council of Doctors-in-Training	
Dr Will Milford	Chair – Federal Council (until December)
Dr Cassandra Host	AMA Member* (until December)
Dr Melita Cirillo	AMA Member*
Dr Ross Penglase	AMA Member (until May)
Dr Selena Watchorn	AMA Member (from June)
Dr Andrew Shepherd	AMA Member
Dr Sally Banfield	AMA Member*
Dr Pasqualina Coffey	AMA Member*
Dr Shehnarz Salindera	AMA Member (until December)
Dr Michael Lumsden-Steel	AMA Member*
Dr Julian Grabek	AMA Member*
Dr Vanessa Grayson	AMA Member (until December)
Dr Lisa Tescher	AMA Member (until May)
Dr Bernadette Wilks	AMA Member (from June)
Mr Ben Veness	Australian Medical Students' Association Representative

*Co-chairs/Alternating members

AMA Council of General Practice

The AMA Council of General Practice (AMACGP) provided policy leadership for the AMA on key general practice and primary health care issues in 2013.

During 2013, the Federal AMA and AMA Victoria successfully challenged an attempt by the Australian Nursing Federation to impose a new multi-employer collective agreement for practice nurses in hundreds of general practices across a number of states.

The AMA worked to protect GPs from potential risks under competition laws, succeeding in our application to the Australian Competition and Consumer Commission (ACCC) for an authorisation allowing GPs working in the same practice to agree on the fees charged to patients attending that practice. The Authorisation also covers:

- collective bargaining, as a single GP practice, in relation to the provision of VMO services to public hospitals; and
- collective bargaining, as a single GP practice, with Medicare Locals, in relation to the provision of Medicare Local services.

The Council articulated a strong policy agenda for general practice in the lead up to the 2013 Federal election. Key policy wins secured as part of the election campaign included:

- a comprehensive review of Medicare Locals;
- a commitment to double the PIP teaching incentive; and
- a commitment to deliver 175 more GP infrastructure grants worth up to $300,000 each.

The new Government moved quickly to get its review of Medicare Locals underway, with the AMA calling for significant reforms so that a future network of primary health care organisations is:

- GP-led and locally responsive;
- focused on supporting GPs in caring for patients, working collaboratively with other health care professionals;
- not overburdened by excessive paperwork and policy prescription;
- focused on addressing service gaps, not replicating existing services; and
- better aligned with Local Hospital Networks, with a strong emphasis on improving the primary care/hospital interface

The AMA also campaigned for the withdrawal by Medicare Locals of onerous contracts for GP after-hours services. In response, the Australian Medicare Local Alliance issued a new, more reasonable, template contract. Most Medicare Locals moved to adopt this new contract or withdraw many of the more unreasonable provisions contained in earlier contracts.

Reform of the Chronic Disease Items under the Medicare Benefit Schedule was also the focus of the Council during 2013, and it remains committed to delivering improvements in this area so that the relevant items better match clinical practice and recognise high quality GP care.

Committee lists

Other key areas of work for the AMACGP included:

- developing the *AMA Position Statement on Hospitals/General Practice and Transfer of Care Arrangements;*
- strong input to the AMA submission to the National Commission of Audit;
- strong input to the AMA response to the Coalition's *Deregulation Reform Discussion Paper*;
- contributing to the successful *Scrap the Cap* campaign;
- undertaking comprehensive work on barriers to teaching in general practice;
- exploring opportunities and identifying strategies for engaging with private health insurers; and
- overseeing Family Doctor Week 2013, which strongly promoted the central role of GPs in the health system.

The AMACGP contributed to the work of a range of consultative committees, including the Department of Human Services Stakeholders Consultative Group and Health Professional Online Services External Sub-Committee, the Department of Health and Ageing National Immunisation Committee, Patient-Centred Medical Home Consultative Group, General Practice Roundtable, Mental Health Nurse Program Expert Reference Group, Practice Incentives Program Advisory Group, Horvath Review Implementation Steering Committee, Horvath Review Working Party of Experts, and the General Practice Recognition Eligibility Committee, the Australian Commission on Safety and Quality in Health Care - National Residential Medication Chart Reference Group, and the Professional Services Review Advisory Committee.

Dr Brian Morton
Chair

Committee lists

AMA Council of General Practice	
Dr Brian Morton	Chair- Federal Council
Dr Richard Kidd	Federal Council (until May), Queensland and Deputy Chair (from June)
Dr Richard Choong	Federal Council
Dr John Gullotta AM	Federal Council
Dr Peter Beaumont	Federal Council
Dr Bernard Pearn-Rowe	AMA member and Convenor
Dr Stephen Wilson	AMA member
Dr Dimitri Andropov	AMA member
Dr Shaun Rudd	AMA member
Dr Emily Farrell	AMA member (until June)
Dr Barri Phatarfod	AMA member (until September)
Dr Geoff White OAM	AMA member
Dr Kean-Seng Lim	AMA member (September)
Dr Roger Sexton	AMA member (until September)
Dr Chris Clohesy	AMA member
Dr Patricia Montanaro	AMA member
Dr Cathy Hutton	AMA member, Deputy Chair (until June)
Dr Tony Bartone	Federal Council (from June)
Dr Michael Levick	AMA member (from June)
Dr John Davis	AMA member (until May)
Dr Anne Wilson	AMA member (from May)
Dr Suzanne Davey	AMA member
Dr Cassandra Host	Doctors in Training Representative (until October)
Dr David Rivett OAM	Observer- Rural Medical Committee
Ms Catherine Pendrey	Australian Medical Students' Association Representative (until May)
Mr Richard Arnold	Australian Medical Students' Association Representative (from May)

Committee lists

Audit and Risk Committee

The Audit and Risk Committee's prime functions include:

- assessing management policies on the adequacy and effectiveness of internal accounting controls and financial reporting systems;
- reviewing audit plans and recommendations of the external auditors;
- reviewing the results of audits and the implementation of audit recommendations on accounting policies and procedures; and
- identifying the risks facing the AMA Group preparing a 'risk register', and ensuring processes and procedures are put into place to mitigate those risks.

The Audit and Risk Committee met three times during 2013 by teleconference and by videoconference.

The Committee met on 17 April 2013 under Dr Elizabeth Feeney as Chairman and reviewed the 2012 financial reports for the AMA Group of Entities, considered the result of the external audit for that year and considered the recommendations made by the auditors on accounting procedures and internal financial reporting processes.

The Committee also noted that for the 2012 audit, all entities within the AMA Group were audited, but that Financial Reports were only prepared for the Consolidated Entity, Australasian Medical Publishing Company Pty Limited and AMA NT Pty Ltd. It was also noted again that the change in audit focus, from an individual entity perspective, to that of the AMA Group, the Consolidated Entity, would not compromise the integrity of the audit opinion on the AMA Group, but would result in cost reductions and administrative efficiencies.

The Committee recommended that, subject to satisfactory completion of any remaining external audit processes, the Financial Report for the AMA Consolidated Group for the year ended 31 December 2012 should be adopted.

The Committee met again on 12 November 2013, under Associate Professor Brian Owler as Chair.

At that meeting, the Committee recommended that the Board of AMA Limited no longer require the preparation of the Special Purpose Financial Reports for its subsidiary AMA NT Pty Ltd for the year ending 31 December 2013. This recommendation was adopted by the Board of AMA Limited in November 2013. The Committee also considered progress on the 2013 audit and the October Risk Register.

Committee lists

The Committee also met on 20 December 2013, to consider the 2013 audit, particularly:

- RSM Bird Cameron's annual engagement letter for the 2013 audit;
- RSM Bird Cameron's Audit Strategy for the year ending 31 December 2013;
- RSM Bird Cameron's – fraud risk assessment; and
- the November 2013 Risk Register.

Associate Professor Brian Owler, Chair from June 2013 and
Dr Elizabeth Feeney, Chair until May 2013

Audit and Risk Committee	
Assoc Prof Brian Owler	Chair - Federal Council (from June)
Dr Elizabeth Feeney	Chair - Federal Council (until May) Federal Council (from June)
Dr Peter Ford	Federal Council (until May)
Dr Richard Choong	Federal Council (until May)
Dr John Davis	Federal Council (until May)
Dr Andrew Miller	Federal Council (until May)
Clinical Prof Markhan Khangure	Federal Council
Dr Beverley Robotham	Federal Council (from June)
Dr Gary Geelhoed	Federal Council (from June until December)
Dr Peter Sharley	Federal Council (from June)

Economics and Workforce Committee

The Economics and Workforce Committee (EWC) held four face to face meetings in 2013 and considered a wide range of matters relating to the economics of medical practice and health financing, including public hospital funding, workforce and eHealth issues.

At its meeting in February 2013 EWC developed principles for the Australian health financing system. These drew on EWC's discussions and considerations over recent years including presentations from external experts about the long term sustainability of the current health financing arrangements. The principles will inform AMA responses to government proposals and help shape further policy development by EWC on health financing.

EWC maintained its active and ongoing interest in hospital funding. Dr Tony Sherbon, CEO, Independent Hospital Pricing Authority, briefed EWC's meeting in May 2013 on the implementation and development of Activity Based Funding. Individual EWC members participated in IHPA advisory committees across areas including stakeholder advice, teaching, training and research, funding for small rural hospitals and hospital cost data.

Performance of the health system is an important focus for EWC. During 2013 EWC monitored performance and other reporting on hospital pricing; funding; health system performance; and safety and quality. EWC further developed commentary on performance of public hospitals to reflect the experiences of members working in them.

Dr Robert Grenfell, National Director, Cardiovascular Health, Heart Foundation, attended EWC's meeting in October 2013 to discuss how current financing structures provide barriers to timely and quality care using vascular disease management as a case study.

EWC developed two new position statements on eHealth. The position statement Technology-based patient consultations 2013 sets out key considerations to take into account when providing such consultations, including that technology-based consultations complement but do not replace face-to-face consultations. The position statement *Medical practitioner responsibilities with electronic communication of clinical information 2013* recognises the inherent risks of sending and receiving clinical information electronically and sets out the professional responsibilities of medical practitioners to colleagues.

EWC contributed significantly to a wide range of AMA submissions including the PCEHR review, health literacy, Medicines Australia Code of Conduct review, the Pricing Framework for Australian Public Hospital Services, reforms to deductions for self- education expenses ('Scrap the Cap'), the IHPA work program 2013-14, training and workforce matters, and the Senate Committee inquiry into implementation of the National Health Reform Agreement.

The Committee continued its work on a wide range of other health policy issues in 2013, including training places for medical graduates, medical practitioner revalidation, and other national registration issues including state-based complaints arrangements and scopes of practice.

Dr Steve Hambleton
Chair

Committee lists

Economics and Workforce Committee	
Dr Steve Hambleton	Chair – Federal Council
Prof Geoff Dobb	Deputy Chair – Federal Council
Dr Anthony Bartone	Federal Council (from July)
Dr Peter Beaumont	Federal Council
Dr Richard Choong	Federal Council
Dr John Davis	Federal Council
Dr Iain Dunlop	Federal Council
Dr Elizabeth Feeney	Federal Council
Dr Peter Ford	Federal Council (until June)
Dr Michael Gannon	Federal Council (from July)
Prof Gary Geelhoed	Federal Council
Dr Brad Horsburgh	Federal Council (from July)
Dr Omar Khorshid	Federal Council
Dr Rod McRae	Federal Council (until June)
Dr Alexandra Markwell	Federal Council (until June)
Dr William Milford	Doctors in Training Representative
Dr Andrew Miller	Federal Council
Dr Patricia Montanaro	Federal Council (from July)
Dr Brian Morton	Federal Council
A/Prof David Mountain	Federal Council
Andrew Mulcahy	Federal Council (from July)
A/Prof Brian Owler	Federal Council
Dr Stephen Parnis	Federal Council
Dr Gino Pecoraro	Federal Council
Dr Christian Rowan	Federal Council (from July)
Dr Beverley Rowbotham	Federal Council
Dr Peter Sharley	Federal Council (until June)
Dr Douglas Travis	Federal Council (until March)
Mr Benjamin Veness	Australian Medical Students' Association
Dr Choong-Siew Yong	Federal Council

Ethics and Medico-Legal Committee

In 2013, the Ethics and Medico-Legal Committee (EMLC) updated AMA policies on maternal decision-making, medical ethics in reproductive medicine, as well as patient follow-up and recall.

The EMLC developed two new position statements. The *Position Statement on Medical Ethics in Custodial Settings* addressed issues as diverse as professional autonomy and independence; consent and confidentiality; body cavity searches; hunger strikes; solitary confinement; restraints; torture, cruel, and inhumane treatment; speaking out; and capital punishment. The *Position Statement on Conscientious Objection* provides policy in situations where a doctor refuses to provide, or participate in, legally recognised treatments and procedures that conflict with his or her own personal beliefs and values.

Through the advocacy of the EMLC, the AMA adopted the *World Medical Association Regulations in Times of Armed Conflict and Other Situations of Violence 2012*. These regulations outlined a code of conduct for doctors, and addressed the responsibilities of governments, armed forces, and others in position of power, to recognise medical neutrality and support and protect health care personnel.

The Committee assisted in developing AMA submissions on relationships between doctors and industry, as well as the sterilisation of people with disabilities. It also supported the 2013 AMA National Conference Policy Discussion Session: Finding Ways to Provide the Best Possible End-of-Life Care.

Australian Medicine ethics columns were devoted to informing members about end-of-life care, sterilisation of people with disabilities, ethics in public health emergencies, regulations in times of armed conflict, and direct-to-consumer genetic testing.

Dr Elizabeth Feeney
Chair

Ethics and Medico-Legal Committee	
Dr Elizabeth Feeney	Chair-Federal Council (Treasurer)
Dr Peter Beaumont	Federal Council
Dr Michael Gannon	Federal Council
Dr Michael Gliksman	Federal Council
Professor Stephen Lee	Federal Council
Dr Helen McArdle	Federal Council (from May)
Dr Roderick McRae	Federal Council (until May), AMA member (from June)
Dr Alexandra Markwell	Federal Council (until May), AMA member (from June)
Dr Garry Pearce	Federal Council (until May)
Dr Beverley Rowbothom	Federal Council
Dr Shehnarz Salindera	Doctors in Training Representative*
Dr Lisa Tescher	Doctors in Training Representative*
Dr Choong-Siew Yong	Federal Council
Dr Bernadette Wilks	Doctors in Training Representative*
Mr Richard Arnold	Australian Medical Students' Association Representative
Professor Paul Komesaroff	AMA Member

*Co-chairs/Alternating members

Finance Committee

The role of the Finance Committee is to review and assess financial matters affecting the AMA Group of Entities, and to make recommendations to Federal Council on the matters considered by the Committee. It provides a forum for communication between Federal Council and management on financial, membership and commercial arrangements of the Association.

During 2013, the Committee met formally on eight occasions. In addition to these eight meetings, the November 2013 financial results for the AMA Group and several other papers were circulated during December for the Committee's consideration. The following activities were undertaken during the year:

- detailed monthly review of the financial and cash flow performance of the AMA Group of Entities and membership statistics;
- review and subsequent recommendation to Federal Council of the 2014 membership subscription rates;
- preparation of a 2013 financial forecast for all members of the AMA Group and subsequent development and recommendation to Federal Council of the 2014 Budget;
- review and renewal of support for The Australian Medical Students' Association for 2013;
- review and assessment of ongoing support for several State and Territory AMAs, including AMA Tasmania and AMA ACT;
- ongoing discussion in relation to industrial activities, including ASMOF and SASMOA, funding industrial relation activities, and implications for membership, including consideration of the conjoint membership arrangements for salaried doctors in Queensland and the provision of financial support to AMA Qld.;
- regular review and oversight of the AMA commercial leasing activities and lease book for AMA House and two units owned in Tourism House;
- development, review and assessment of activities and budgets associated with a refurbishment and infrastructure upgrade within AMA House;
- close monitoring of the financial performance of AMPCo; and
- ongoing discussion regarding commercial activities.

Dr Elizabeth Feeney
Chair

Committee lists

Finance Committee	
Dr Elizabeth Feeney	Chair - Federal Council (from June)
Dr Peter Ford	Chair - Federal Council (until May)
Dr Andrew Lavender	Federal Council (until May)
Assoc Prof John Gullotta	Federal Council (until May)
Dr Peter Beaumont	Federal Council (until May)
Dr Richard Choong	Federal Council
Dr Anthony Bartone	Federal Council (from June)
Dr Andrew Miller	Federal Council (from June)
Assoc Prof Brian Owler	Federal Council (from June)
Dr Peter Sharley	Federal Council (from June)
Mr Benjamin Veness	Federal Council (from June)
Prof Geoffrey Dobb	Federal Council (ex-officio)
Dr Steven Hambleton	Federal Council (ex-officio)
Dr Roderick McRae	Federal Council (ex-officio until May)
Dr Iain Dunlop	Federal Council and (ex-officio from June)

Committee for Healthy Ageing

The Committee for Healthy Ageing examines aged care policy issues. In 2013, the Committee met once, by teleconference in February, and for the remainder of the year work progressed electronically.

At its February meeting, the Committee developed a *Position Statement on Community Aged Care Services* that set out the role of the medical practitioner. It is the most recent addition to a sound policy base that has positioned the AMA to lobby Government on medical care in the aged care sector.

In 2013, opportunities to lobby for medical care for older Australians were taken as follows:

- **extending Medicare rebates for video consultation items to GPs working in residential aged care facilities (RACFs):**
  raised in the AMA Budget submission and in *Key Issues for the Federal Election 2013*;
- **enabling GPs to authorise access to subsidised respite care in emergency circumstances:**
  pursued through submissions and input to:
  - draft *Home Care Packages Program Guidelines*;
  - the House of Representatives Committee on Health and Ageing report *Think Ahead: Report on the inquiry into dementia*;
  - a Senate inquiry into *Care and Management of Younger and Older Australians living with Dementia and BPSD*; and
  - a Senate inquiry into the *Aged Care Bill 2013 and related bills*.
- **improving the availability of suitably trained and experienced staff in RACFs:**
  pursued through submissions to:
  - a Senate inquiry into the *Aged Care Bill 2013 and related bills*; and
  - a Senate inquiry into *Care and Management of Younger and Older Australians living with Dementia and BPSD*.
- **securing Medicare rebates that reflect the complexity of providing ongoing dementia, palliative and medical care:**
  as highlighted in the AMA's response to *Think Ahead: Report on the inquiry into dementia and in Key Issues for the Federal Election 2013*; and
- **reducing Aged Care Assessment team assessment waiting times, and involving the patient's GP:**
  as raised in response to *Think Ahead: Report on the inquiry into dementia*.

The AMA continues to engage with the implementation of the Aged Care Gateway to ensure medical practitioner involvement in the assessment process, so that patients receive appropriate community aged care.

Following the September Federal election, responsibility for aged care moved from the Health portfolio to the Social Services portfolio. This will no doubt have a detrimental effect on the prominence of medical issues in aged care, which the AMA will work hard in 2014 to overcome.

Dr Richard Kidd
Chair

Committee lists

Committee for Healthy Ageing	
Dr Peter Ford	Chair - Federal Council (until May)
Dr Richard Kidd	Chair – Federal Council (from June)
Dr Anthony Bartone	Federal Council
Dr Michael Gliksman	Federal Council
Dr Robyn Langham	Federal Council (from June)
Associate Professor Jeff Looi	AMA Member
Associate Professor David Mountain	Federal Council (from June)
Dr Garry Pearce	Federal Council (until May)
Dr Richard Whiting	Federal Council

Public Health & Child and Youth Health Committee

In 2013, the Public Health & Child and Youth Health Committee continued to provide policy leadership and advocacy on issues relating to public health and child and youth health, with a focus on preventing excess alcohol use, obesity and tobacco use.

The AMA demonstrated leadership on national alcohol policy through media advocacy and activities including calling for a National Summit on alcohol, hosting a public event featuring Professor Sir Ian Gilmore an eminent international expert on alcohol, calling for alcohol pricing reform, and contributing to the development of the 2013 National Alcohol Policy Scorecard.

Other areas of focus for the Committee's public health activity included food labelling; the health of asylum seekers; submissions to parliamentary inquiries on extreme weather events and air pollution; and lobbying the Federal, State and Territory Attorneys General to implement the Optional Protocol to the Convention against Torture, an international treaty supporting monitoring in places of detention.

The Committee has continued to update and develop AMA policy and Position Statements across a range of issues, including problem gambling, childhood immunisation, physical activity, women's health, wind farms, coal seam gas, immigration and disability, and sexual and reproductive health.

Child and youth health has remained a prominent focus in 2013, and chairing responsibilities for this aspect of the Committee's agenda were assumed by the Deputy Chair, Dr Choong-Siew Yong. Areas of continued interest included the expanded Healthy Kids Check, the premature sexualisation of children, and childhood obesity, including advocacy in relation to reducing consumption of sugary drinks. New policy was developed regarding immunisation status during pre and primary school enrolment. Committee members also commenced work on a new Position Statement *Health in the Context of Education*. The health effects of internet use among children and young people was a new topic on the agenda.

In 2013, the Committee engaged with organisations and alliances on issues of joint concern, including the National Alliance for Action on Alcohol, the Australian Youth Affairs Coalition, the Australian Clearinghouse for Youth Studies, the Australian Association of Adolescent Health, the Network for Internet Investigation and Research Australia, the Australian Women's Health Alliance, the Climate Change and Health Alliance, and the Public Health Association of Australia.

Professor Geoffrey Dobb

Chair

Committee lists

Public Health & Child Youth Health Committee	
Professor Geoffrey Dobb	Chair, Federal Council
Dr Choong-Siew Yong	Deputy Chair, Federal Council
Dr Michael Gannon	Federal Council (Until May)
Professor Gary Geelhoed	Federal Council
Dr Michael Gliksman	Federal Council (From June)
Dr Richard Kidd	Federal Council
Professor Stephen Lee	Federal Council
Dr Alexandra Markwell	Federal Council (Until May)
Dr Helen McArdle	Federal Council (From June)
Associate Professor David Mountain	Federal Council (From June)
Dr Stephen Parnis	Federal Council
Dr Gino Pecoraro	Federal Council
Dr Doug Travis	Federal Council (Until May)
Associate Professor Leena Gupta	Advisor, Public Health
Mr Steve Bartnik	Australian Medical Students' Association Representative (Until May)
Ms Eliza Wziontek	Australian Medical Students' Association Representative (From June)
Dr Pasqualina Coffey	Doctors in Training Representative (From April)
Dr Jake Parker	Doctors in Training Representative (Until March)

Rural Medical Committee

The AMA Rural Medical Committee (AMARMC) meets four times per year. Its role is to identify issues and provide advice on the development of policies and strategies that relate to the workforce needs and delivery of health care in regional, rural and remote areas of Australia.

The key issue for AMARMC in 2013 was the application by the Department of Health of the Australian Standard Geographic Classification-Remoteness Areas (ASGC-RA) system to its workforce incentive programs, which has been an ongoing source of concern for rural doctors across the country. The AMA lobbied strenuously for changes to this system, and made a strong submission to the Mason Review of Government Workforce Programs on this, as well as on many other issues affecting the rural medical workforce.

Our arguments were persuasive and the former Government agreed to overhaul the classification system. The AMA is a key player in the consultative process now underway to determine the changes that are needed. The AMARMC will press the new Government to ensure this work is completed.

AMA rural representatives also contributed to the successful Scrap the Cap Campaign by the AMA and other groups to have the proposal by the previous Government to impose a cap of $2000 on tax deductions for work-related self-education expenses to be abandoned. This cap would have been crippling for rural doctors in particular, who face additional challenges of time and distance in order to undertake continuing education.

The 2013 election saw some other wins for rural practice including: $40 million for 400 medical internships over four years, with an emphasis on rural-based training; 175 GP Infrastructure Grants up to $300,000 each for rural and remote practices; a doubling of the Practice Incentive Program (PIP) Teaching Incentive, and a review of Medicare Locals.

The Committee also welcomed the commissioning of work on an end-to-end rural pathway for medical students, announced by the previous Labor Government as a result of the Mason review recommendations.

The AMA also acted on its authorisation by the Australian Competition and Consumer Commission (ACCC) to collectively bargain with State and Territory health departments in VMO negotiations on behalf of rural GPs. In late 2013, the AMA lodged an application to renew this authorisation that, in those jurisdictions where it is used, ensures rural GPs have effective representation and input into negotiations. At the time of writing, the ACCC had issued a draft decision proposing to extend the authorisation for another 10 years.

Other key activities of the Committee in 2013 included:

- continued advocacy for more 'generalist' training, and the promotion of an advanced rural training pathway for GPs;
- advocating for the extension of MBS video consultation items to GP consultations for rural people who live some distance from GPs, people with mobility problems, aged care residents and remote Indigenous Australians;
- advocating for improvements in the effectiveness of the Bonded Medical Places Scheme by providing more flexibility for Bonded Medical Graduates to allow them to complete return of service obligations in any rural area, not just a DWS;

- promoting the AMA Regional/Rural Workforce Initiatives Position Statement 2012 and the AMA/Rural Doctors Association of Australia's Rural Rescue Package;
- collaborating with the AMA Council of Doctors in Training on issues including the Bonded Medical Places Scheme;
- providing input into the development of criteria for block funding for small rural hospitals through representation on the Independent Hospital Pricing Authority's Small Rural Hospitals Working Group, and
- collaborating with the AMA Council of Doctors in Training in preparing a submission to Health Workforce Australia on its Rural Medical Generalist Draft National Framework.

Dr David Rivett
Chair

Rural Medical Committee	
Dr David Rivett OAM	Chair - AMA Member
Dr Geoff White OAM	AMA NSW Chairman of Council
Dr Nigel Stewart	AMA Member (from June)
Dr Christian Rowan	Federal Council
Dr Gerard McGushin	AMA Member
Dr Leonie Katekar	AMA Member
Dr Joseph Tam	AMA Member (from June)
Dr Peter Burke	AMA Member
A/Prof Peter Maguire	AMA Member
Dr Sally Banfield	Doctors in Training Representative (from June)
Ms Sophie Alpen	Australian Medical Students' Association Representative

Council of Salaried Doctors

The AMA Council of Salaried Doctors (AMACSD) represents salaried doctors working in a variety of settings, particularly the public hospital sector. The AMACSD works closely with State and Territory AMA Branches, as well as with the Australian Salaried Medical Officers Federation (ASMOF).

During 2013, the proposal to introduce a cap on self-education expenses caused profound concern to members of the AMACSD. The AMACSD took a leading role in driving the AMA's advocacy to ultimately defeat the proposed cap, which would have had significant implications for salaried doctors had it gone ahead as originally planned by the Government.

In 2013, a Federal Treasury working group circulated a discussion paper on *Tax Reform in the Not for Profit Sector*. The proposal included changes to salary packaging arrangements in public hospitals which would have had a serious effect on the capacity of public hospitals to attract and retain doctors. The AMA and ASMOF lodged a joint submission in response, and the AMA met with senior members of the Government to lobby against proposed changes. In a welcome move, the new Government has indicated that it will not proceed with the reforms.

The Council led the response by the Federal AMA to draconian employment contracts proposed by the Newman Government in Queensland, which require salaried medical officers to accept terms that strip away hard-won employment rights.

The Council worked closely with the AMA Council of Doctors in Training (AMACDT) on the issue of teaching, training and research, including a comprehensive review of the AMA *Position Statement on Medical Workforce and Training*.

Other key issues during the year included post-election health and industrial policies, revalidation in medical registration processes, AHPRA's review of the National Registration and Accreditation Scheme, clinical photography guidelines, doctors' health programs, and a range of industrial issues and negotiations at State, Territory and Commonwealth levels.

Dr Stephen Parnis
Chair

Council of Salaried Doctors	
Dr Stephen Parnis	Chair – Federal Council
Dr James Fergusson	AMA Member
Dr Sue Ieraci	AMA Member
Dr Barbara Bauert	AMA Member
Dr John Murray	AMA Member
Dr Andrew Russell	AMA Member
Dr Tony Ryan	AMA Member
Dr Stuart Day	AMA Member
Dr Tony Sara	Australian Salaried Medical Officers Federation
Dr William Milford	Doctors in Training Representative

Taskforce on Indigenous Health Committee

In 2013, the Taskforce continued its policy development and advocacy toward improving the health and life expectancy of Aboriginal and Torres Strait Islander peoples. A major focus for the Taskforce was the development of the AMA Aboriginal and Torres Strait Islander Health Report Card on healthy early development for Aboriginal children.

A team of recognised Australian experts on Indigenous health and early development brought together the latest evidence and research on the life-long health impacts of the critical first five years of life. The Taskforce synthesised this evidence and refined a set of concrete recommendations about how government can invest in the early years. The AMA Report Card was officially launched in December by the Assistant Minister for Health, Senator Fiona Nash.

The Taskforce also focused its public advocacy and lobbying on the need for Australian governments to recommit the same level of funding to a new COAG Closing the Gap Indigenous Health National Partnership Agreement for another five years.

During 2013, the Taskforce continued its advocacy for the development of a comprehensive national plan to close the gap in Aboriginal and Torres Strait Islander health.

In July, the AMA welcomed the Government's announcement of a new National Aboriginal and Torres Strait Islander Health Plan, and called for the next important step of proper implementation in partnership with Aboriginal people and Torres Strait Islanders.

Each year the Taskforce oversees the awarding of the AMA's Indigenous Peoples' Medical Scholarship to an Aboriginal medical student enrolled at an Australian University. In 2013, the Scholarship was awarded to a very committed and deserving third year medical student at the University of Melbourne – Ms Ngaree Blow. The AMA has also developed a Prospectus to encourage the private sector to partner with the AMA in supporting the Scholarship to meet increased demand in the future.

Dr Steve Hambleton
Chair

Committee lists

Taskforce on Indigenous Health	
Dr Steve Hambleton	Chair, Federal Council
Dr Robyn Langham	Federal Council (From June)
Dr Richard Kidd	Federal Council
Dr Peter Sharley	Federal Council (Until May)
Dr Paul Bauert	AMA Member
Dr Ian Ring	AMA Member
Dr Lara Wieland	AMA Member
Dr Noel Hayman	AMA Member
Dr Robert Parker	AMA Member
Ms Sophie Alpen	Australian Medical Students' Association Representative
Dr Sally Banfield	Doctors in Training Representative
Dr Brad Murphy	Advisor, Royal Australian College of General Practitioners
Dr Tammy Kimpton	Advisor, Australian Indigenous Doctors Association
Mr Justin Mohamed	Advisor, National Aboriginal Community Controlled Organisation

Therapeutics Committee

The Therapeutics Committee develops AMA policy and strategies on timely access to affordable medicines and therapeutic devices and the safe, efficient and quality use of medicines and therapeutic devices.

The Committee did not meet face-to-face in 2013, but progressed its work via email and held short teleconferences in March and June to advance work that required joint discussion.

The red tape caused by PBS Authority Prescriptions policy continues to concern members. The Committee submitted a detailed proposal to the Pharmaceutical Benefits Advisory Committee (PBAC) identifying medicines that should be removed from Authority requirements altogether or moved to alternative arrangements. Subsequently, PBAC agreed there should be a systematic review of each PBS medicine currently requiring an Authority. The AMA will participate in this review.

I wrote again to the Minister responsible for the PBS Authority Approvals phone line complaining on behalf of members about the lengthy delays being experienced, which has not improved despite many assurances. A proposal to remove the Authority policy altogether was included in the AMA's submission to the Government's National Commission of Audit.

Therapeutics Committee members represented the AMA on several external committees. Associate Professor John Gullotta helped ensure the AMA was influential in the development of the Health Workforce Australia Health Professionals Prescribing Pathway endorsed by Australian Health Ministers in November 2013. Dr Robyn Langham sits on Medicines Australia's Code of Conduct review panel examining industry payment transparency measures; she is informed by direct member feedback sought by the President earlier in the year.

The AMA also continued to lobby the Government for a nationally consistent and coordinated system to manage medicine shortages: the TGA announced it will implement a protocol with the pharmaceutical industry next year.

The Committee provided assistance to State AMA branches to lobby against legislation being amended to allow continued dispensing by pharmacists (provision of medicines to patients without a prescription from their doctor), and then to educate members in their jurisdiction about the change when it was implemented.

Prof Geoff Dobb
Chair

Therapeutics Committee	
Professor Geoffrey Dobb	Chair – Federal Council
Dr John Aloizos	AMA Member
Dr Anthony Bartone	Federal Council (from August)
Professor Ric Day	AMA Member - Royal Australasian College of Physicians
Associate Professor John Gullotta	Federal Council
Dr Robyn Langham	Federal Council (from August)
Dr Peter Sharley	Federal Council (until July)
Dr Richard Whiting	Federal Council (until July)
Dr Richard Whiting	Federal Council (from August)

AMA

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