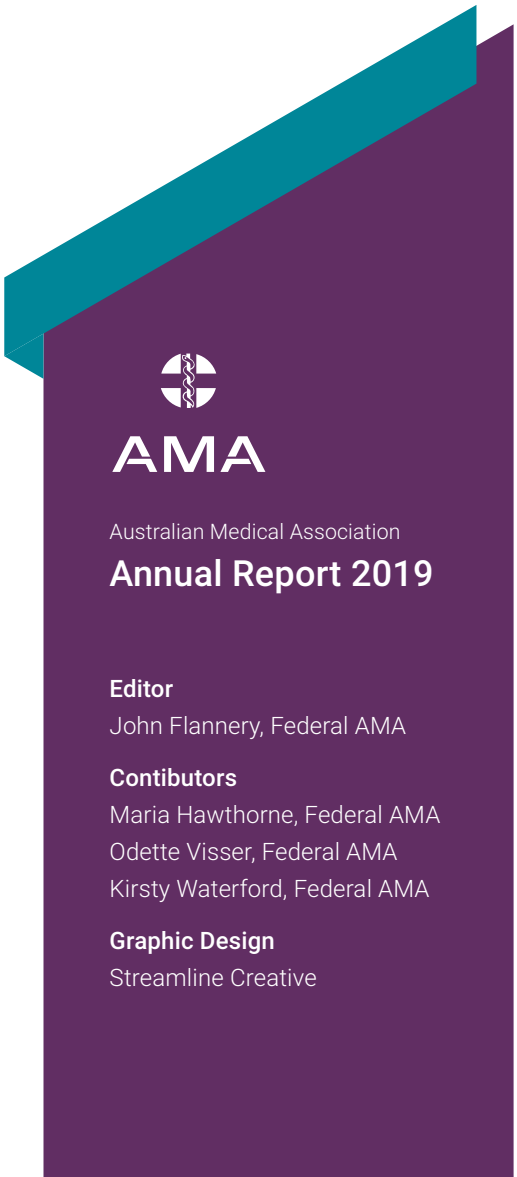
AMA

ANNUAL REPORT **2019**



Australian Medical Association

Annual Report 2019

Editor
John Flannery, Federal AMA

Contibutors
Maria Hawthorne, Federal AMA
Odette Visser, Federal AMA
Kirsty Waterford, Federal AMA

Graphic Design
Streamline Creative

This annual report presents information to AMA Members and the wider public on activities of the Association in the 2019 year. Since that time, COVID-19 has impacted the global and Australian community. This report does not cover the AMA's response to COVID-19, which will be detailed in next year's 2020 annual report.

Contents

AMA

President's Report

Keeping health a priority for governments

Health policy and AMA advocacy for better health policy were prominent in 2019, as is the case every year.

With 2019 an election year, your Federal AMA was a leader in promoting health policies to benefit all Australians and influencing the policies that the major parties took to voters in May.

The AMA influences votes at every election. It must. As our Mission Statement declares, we are leading Australia's doctors and promoting Australia's health. Always.

The AMA represents all Australian doctors, not just our members, and we advocate for the best health system and the best health outcomes for all Australians.

Doctors witness the best and worst of government health policy every minute of every day across the country.

We witness it in public hospitals, private hospitals, in general practice, in private specialist practice, in aged care facilities, mental health, in people's homes, in emergency situations, in medical research, in academia. In all settings.

We witness it in the CBDs of our major cities, in the inner and outer suburbs, in the large regional centres, in towns and villages, in rural and regional outposts, in the outback, and in remote Indigenous communities. In all locations.

We witness it at all stages of life – from pregnancy to childbirth to infancy to teens to adult years and to aged care.

Doctors are uniquely placed to comment on health policy. We have the daily lived experience to know what works and what doesn't work. Our patients tell us what is good and bad about their patient journey.

Doctors are very good health policy advisers.

The Australian health system is one of the best in the world, if not the best. But it takes hard work, good policy, and significant well-targeted funding to keep it working efficiently to meet growing community demand.

The health system has many parts, and they are all linked. Governments cannot concentrate on a few, and neglect the others. Otherwise, patients will be the ultimate losers.

The priorities remain the pillars of the health system – primary care led by general practice, public hospitals, and the private health system, which includes private hospitals and private health insurance – with the strong underpinning of Medicare.

But other sectors are gaining in prominence and need, most notably aged care and mental health.

To this end, the AMA was busy and successful in its advocacy this year.

Our lobbying resulted in the Government announcing a very welcome and much-needed significant investment of more than $1 billion in primary care, with the focus rightly on general practice.

We released our highly anticipated Report Cards on Public Hospitals, Private Health Insurance, and Indigenous Health.

We established Concussion in Sport Australia with the Australian Institute of Sport.

The AMA was instrumental in the COAG decision to implement a new national strategy for a national medical workforce, the first in 14 years.

The Federal AMA staged its inaugural Gender Equity Summit, with the recommendations informing ongoing AMA policy and processes, including committees and governing bodies.

We conducted a Rural Health Issues Survey, drove the National Medical Training Survey, advocated for and achieved a new National Alcohol Strategy, and Health Minister Greg Hunt launched the new AMA Informed Financial Consent Guide.

There were numerous Position Statements launched, and they are listed in this Report.

Work continued on the MBS Review and the private health insurance reforms. This work required non-stop high-level input from the AMA Secretariat.

But one of the proudest achievements of the year for me personally and for the AMA was our impact in putting the focus on inadequacies in Australia's aged care system. The Royal Commission unearthed the crises and the scandals. We made sure they stayed in the spotlight and governments acted and responded.

Our *Care Can't Wait* campaign – in concert with the Australian Nursing and Midwifery Foundation – was huge success, and it is ongoing. We are putting the care back into aged care.

It has been a privilege and honour to lead the AMA in 2019.

I thank my Vice President, Dr Chris Zappala, for his support, his counsel, his dedication to the profession and our patients, and his commitment to make the AMA an even better organisation.

My thanks also to the Federal Council and its Committees, the AMA Board, the many and extremely talented unsung heroes that are the AMA Secretariat, the State and Territory AMAs, and all our members for contributing to our success.

Above all, thanks to my partner and my family for allowing me the flexibility to lead this wonderful organisation, maintain the work I love as a suburban GP, and still have time to spend time with my loved ones.

Dr Tony Bartone
President

Chair of the Board

A year of consolidation

The past year has been one of consolidation for the Federal AMA group of companies.

The President consolidated the AMA's position as the nation's leading voice of the medical profession. Be it private health reform, the case for more investment in general practice, or responding to the summer's bushfire tragedy and the global emergence of COVID 19, the AMA's voice has been consolidated as the preeminent contributor in shaping health policy.

The Board has consolidated its role in oversighting AMA Ltd. The Board conducted a Board review, and will repeat this external benchmark annually. The Board has revised its standing agenda to prioritise strategic operational matters. The Board's membership also remained constant during the year. The Board has additionally consolidated oversight of its main subsidiaries – AMPCo (the publisher of the *Medical Journal of Australia*), Doctor Portal Learning Ltd, and Doctors' Health Services Ltd.

The Board appointed a new Secretary General, who undertook an initial 100 Day review. With the new Secretary General in place, the Board reviewed its 2018-2020 strategic plan, and adopted a new three year strategy built on the four domains of Focused Advocacy, Effective and Efficient Operations, Improved Federation, and Member Value Proposition. Change within the Federal AMA group of companies to achieve the priorities of the new strategy is now well underway. The changes are aimed at providing future surpluses for the group of Federal AMA companies in years to come.

Dr Helen McCardle led and chaired the Board's Audit and Risk Committee. The Committee oversaw the Board's agreed risk tolerances and monitored progress in risk mitigation. The Committee also oversaw both the preparation and audit of the annual accounts presented in this Annual Report, together with an ongoing program of performance audit.

Dr Gary Speck led and chaired the Board's Investment Committee, advised by Lipman Burgon and Partners. Investment performance during the year exceeded expectations, aided by external professional advice, but also higher than budgeted performance of the diverse portfolio of investments under management.

Thanks are due to each of the members of the AMA Ltd Board, together with members of the AMPCo Ltd Board and its Chair, Richard Allely, members of the Doctor Portal Learning Ltd Board and its Chair, Dr Bavahuna Manoharan, and members of the Doctors' Health Services Ltd Board and its Chair, David Brennan. Together, these Board Directors have provided governance leadership of the business operations of the Federal AMA.

Associate Professor Gino Pecoraro
Chair – Federal AMA group of companies

Secretary General

New eyes. New direction

New eyes. New direction. Keep what works. Change what doesn't.

It was with this approach that I joined the AMA towards the end of the 2019 year.

Having been in the AMA's orbit for 15 years, first as Chief Executive of Catholic Health Australia and then as Chief Executive of the Royal Flying Doctor Service, I had views on the AMA's strengths and its weaknesses. I came with a plan to address both.

Pleasingly, my views on the AMA's strengths and weaknesses aligned with views of the AMA Ltd Board.

Strength coming from having the Government's ear, trust placed in the *Medical Journal of Australia*, and the unique position of being the sole organisation representing the entire medical profession rather than a section of it, presented as dynamics to hold on to and enhance.

Challenges common to any member association, such as assuring value, reflecting member priorities, and, in the AMA's case, benefiting rather than facing barriers of federation, each presented as opportunities for improvement.

As many new Chief Executives do, I came with a 100-day plan. I followed it religiously. It involved reviewing the AMA Ltd strategic plan, and in February adopting a new three-year plan. This new strategic plan commits to expanding *Value for Members, Focused Advocacy, Effective and Efficient Operations, and an Improved Federation.*

In preparing to implement this new plan, and having seen each of the State and Territory AMA companies enter a new agreement with the Federal AMA to review the federation's business functions and pursue new collaboration, an unplanned event threw us off course.

COVID-19 was first identified in December 2019, just as the matters detailed in this annual report were wrapping up as the 2019 year came to its end.

The AMA, until that point, as outlined in this annual report, had a strong year in advocacy on behalf of its members. It also had a solid year financially, mostly thanks to rising investment income.

Since then, and particularly at the time this annual report is published for AMA members and other readers, best laid plans have changed.

AMA members, and the patients they care for, are going through extraordinary circumstances arising from Government-directed social distancing requirements in an effort to stem COVID-19 infection.

Patients are unfortunately not seeking medical care as frequently as required. Governments have taken charge of private hospitals, with many standing idle. Uncertainty has gripped the AMA membership, just as it has the wider international community, as we grapple with how best to contain COVID-19 and its knock-on economic fallout.

The AMA has changed its priorities in response to COVID-19. A COVID-19 Policy Team has been established. The Federal President has become one of the key national voices of reason in responding to COVID-19. AMA Presidents have united in message and effort, resulting in the AMA voice rising above others to chart a path through an unprecedented pandemic.

Staff of the AMA Group operating across Canberra, Sydney, Melbourne, Brisbane, and Darwin, have decamped from offices to work from home.

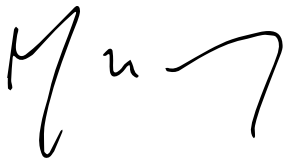
Domestic travel restrictions have seen physical meetings of the Federal Council and AMA Committees and Taskforces put on hold, with phone and video conference meetings in their place.

Yet the Federal AMA's core purpose, to act as the voice for the medical profession in Canberra, continues to be fulfilled. Tangible outcomes prove this.

The AMA proposed and secured a COVID-19 viability payment for General Practice. The AMA was key to telehealth being authorised through the Medicare Benefits Schedule. The AMA has been at the centre of resolving countless pressures that COVID-19 has placed on the medical profession. In the months ahead, the AMA will continue to evolve as the world emerges from the pandemic only to face economic hardship and Government debt.

This annual report does not focus on COVID-19. Nor should it. The report looks at the year that was. However, the year that is involves unforeseen challenge. The year that is, and uncertainty ahead, is impossible to ignore.

Every single Australian is challenged by COVID-19. Yet nearly all Australians are also looking to the medical profession for leadership. Government and community members alike are listening to the AMA on how to get through COVID-19, and get out. This places the AMA membership at the heart of the nation's future.



A/Prof Martin Laverty

Secretary General and AMA Ltd Chief Executive

Australian Medical Association Limited

Strategic Plan 2018–2020

Mission

Leading Australia's Doctors –
Promoting Australia's Health

Strategic Objectives

- Leading on Advocacy
- Recognising and Valuing Our Members
- Strengthening Our AMA Community
- Ensuring Financial Security

Our AMA – Working for Diversity and Inclusion

Leadership

Board of Directors

Left to right: Dr Iain Dunlop, Dr Danielle McMullen, Dr Gary Speck, Dr Chris Zappala, Dr Tony Bartone, A/Prof Gino Pecoraro, Dr Helen McArdle, A/Prof William Tam, A/Prof Rosanna Capolingua, Dr Bavahuna Manoharan. **Absent:** Dr Stephen Gourley

Dr Tony Bartone

Dr Chris Zappala

Associate Professor Rosanna Capolingua

Dr Iain Dunlop

Dr Bavahuna Manoharan

Dr Helen McArdle

Dr Danielle McMullen

Associate Professor Gino Pecoraro

Dr Gary Speck

Associate Professor William Tam

Dr Stephen Gourley

Federal Council




Dr Tony Bartone
Dr Chris Zappala
Dr Beverly Rowbotham
Associate Professor Andrew C Miller
Dr Antonio Di Dio
Dr Kean-Seng Lim
Associate Professor Robert Parker
Dr Dilip Dhupelia
Associate Professor William Tam
Professor John Burgess
Dr William Blake
Dr Sarah Whitelaw
Dr Mark Duncan-Smith
Associate Professor Saxon Smith
Dr Shaun Rudd
Dr Chris Moy
Dr Helen McArdle
Dr Jill Tomlinson

Dr Janice Bell
Dr Andrew J Miller
Associate Professor David Mountain
Dr Richard Kidd
Professor Steve Robson
Dr Bradley Horsburgh
Dr Omar Khorshid
Dr Paul Bauert
Dr Matthew McConnell
Professor Steve Kisely
Professor Owen Ung
Dr Tessa Kennedy
Dr Sandra Hirowatari
Associate Professor Julian Rait
Dr Roderick McRae
Dr Kris Rallah-Baker
Ms Jessica Yang

The AMA at work:

Leading Australia's Doctors – Promoting Australia's Health

AMA Committees and Working Groups

- Council of General Practice
- Council of Doctors in Training
- Council of Rural Doctors
- Council of Private Specialist Practice
- Council of Public Hospital Doctors
- Ethics and Medico-Legal Committee
- Health Financing and Economics Committee
- Medical Workforce Committee
- Medical Practice Committee
- Taskforce on Indigenous Health

Position Statements

- Ethical Issues in Reproductive Medicine 2019
- Conscientious Objection 2019
- Geographical Allocation of Medicare Provider Numbers 2002. Revised 2019
- Out-Of-Hours Services – Criteria For Medical Deputising Services 2002. Revised 2019
- Call Centre Triage and Advice Services 2004. Revised 2019
- Easy Entry, Gracious Exit. Updated
- Innovation in Aged Care 2019
- Pathology 2019
- Medicines 2019
- Environmental Sustainability in Health Care
- Concussion in Sport
- Clinical Support Time For Public Hospital Doctors 2010. Revised 2019
- Supporting Assessment In Vocational Training 2019
- Medical Workforce and Training 2019
- Fostering Generalism in the Medical Workforce 2019

Report Cards

- AMA Report Card on Indigenous Health: No More Decay: Addressing the Oral Health Needs of Aboriginal and Torres Strait Islander Australians
- AMA Private Health Insurance Report Card 2019
- AMA Public Hospital Report Card 2019

Submissions

- AMA submission to ANAO Audit Managing Health Provider Compliance
- AMA submission to the Therapeutic Goods Administration – proposed amendments to the Poisons Standard – March 2020 proposals
- AMA submission to the Council of Attorneys-General - Age of Criminal Responsibility Working Group Review
- AMA submission on the Second Exposure Draft of the Religious Discrimination Bill 2019

- AMA submission to the Royal Commission into Aged Care Quality and Safety in response to the Consultation Paper 1 - Aged Care Program Redesign: Services for the Future
- AMA submission to Senate Inquiry into the Current Barriers to Patient Access to Medicinal Cannabis in Australia
- AMA submission to the Medical Board of Australia – Draft Guidelines for Registered Medical Practitioners – Complementary and Unconventional Medicine and Emerging Treatments
- AMA submission to MBS Review Consumer Panel Report
- AMA submission to MBS Review Ophthalmology and Psychiatry Reports
- AMA submission to Council of Australian Governments Health Council consultation paper: National Obesity Strategy
- AMA submission to the Australian Health Practitioner Regulation Agency - Consultation on the Definition of Cultural Safety
- AMA submission on proposed amendments to the Health Practitioner Regulation National Law
- AMA submission on How Accreditation Practices Impact on Building a Rural Medical Specialist Workforce
- AMA submission to the Therapeutic Goods Administration (TGA) – Review of Regulation for Certain Self-Testing In-Vitro Diagnostic Medical Devices (IVDs) in Australia
- AMA submission to the RACGP Standards for General Practice in Residential Aged Care
- AMA submission to the Senate Community Affairs Legislation Committee Inquiry into the Social Services Legislation Amendment (Drug Testing Trial) Bill 2019
- AMA submission to the Senate Community Affairs Reference Committee - Inquiry into Effective Approaches to Prevention, Diagnosis, and Support for Fetal Alcohol Spectrum Disorder
- AMA submission on the Redistribution of Commonwealth Supported Medical School Places
- AMA submission to the Department of Health – Data Matching Bill 2019
- AMA submission in response to the Data Sharing and Release Framework
- AMA submission to the Food Standards Australia and New Zealand consultation Proposal P1050 - Pregnancy Warning Labels on Alcoholic Beverages
- AMA submission to the TGA – Proposed amendments to the Poisons Standard – Mometasone, Zolmitriptan, Sumatriptan, Caffeine
- AMA submission to the TGA – Increased Online Access to Ingredient Information
- AMA submission on the Religious Discrimination Bill 2019
- AMA submission to the Royal Commission into Aged Care Quality and Safety
- AMA submission on Residential Aged Care: Proposed Alternative Models for Allocating Places
- AMA submission to the evaluation of the Rural Health Multidisciplinary Training Program
- AMA submission to the Community Affairs Legislation Committee: Inquiry into the Human Services Amendment (Photographic Identification and Fraud Prevention) Bill 2019

- AMA submission to the Senate Legal and Constitutional Affairs Committee - Migration Amendment (Repairing Medical Transfers) Bill 2019
- AMA response to the Discussion Paper for Consultation: Rural Allied Health Quality, Access and Distribution
- AMA submission to Independent Hospital Pricing Authority on the Pricing Framework for Australian Public Hospital Services 2020-21
- AMA submission on the More Doctors for Rural Australia Program
- AMA submission in response to Pain Management Clinical Committee Report
- AMA submission to UNSW Social Policy Research Centre consultation on draft of the National Alcohol and Other Drug Treatment Framework
- AMA submission in response to Specialist and Consultant Physician Consultation Clinical Committee Reports
- AMA submission to the Participating Midwife Reference Group
- AMA submission in response to Colorectal, General, Plastic and Reconstructive, Vascular and Thoracic Surgery Reports
- AMA submission to the Department of Health on Clinical Quality Registries - A National Strategy
- AMA submission on the Practice Incentive Program Indigenous Health Incentive Review
- AMA submission to the Department of Health – proposal for a new residential aged care funding model
- AMA submission to the Aboriginal and Torres Strait Islander Health Reference Group of the Medicare Benefits Schedule (MBS) Review Taskforce
- AMA submission to the MBS Review Taskforce - Aboriginal and Torres Strait Islander Health Reference Group Report
- AMA submission to the Australian National Audit Office (ANAO) Performance Audit on Closing the Gap in Indigenous Disadvantage
- AMA submission to the Productivity Commission Inquiry into Mental Health
- AMA submission to the TGA on proposed scheduling changes to Finasteride and Sanguinarine
- AMA submission in response to the Allied Health Reference Group Report
- AMA submission to the Medical Radiation Practice Board on revised radiographer professional capabilities
- AMA submission to MBS Review Clinical Committee Report on Pathology and Diagnostic Medicine
- AMA submission to MBS Review report on Neurosurgery, Neurology, Colonoscopy and Orthopaedics
- AMA submission in response to the MBS Review Nurse Practitioner Reference Group Report
- AMA submission to the Pharmacy Board on pharmacist prescribing
- AMA submission to the TGA on proposals to add controls on pharmacists dispensing newly down-scheduled S3 medicines
- AMA submission to Department of Health review of Health Star Rating system - Draft Five Year Review Report
- AMA submission to Commonwealth Department of Health Review of Tobacco Control Legislation

- AMA submission to the TGA on proposals to regulate software as a medical device
- AMA submission to the TGA on a proposal to publish the name of new prescription medicines being evaluated
- AMA submission to Wound Management Working Group
- AMA submission to the Australian Health Practitioner Regulation Agency on Revised Guidelines for Advertising a Regulated Health Service
- AMA submission on Medical Board of Australia's draft revised Good Medical Practice: A Code of Conduct for Doctors in Australia
- AMA submission for New Zealand Medical Association draft revised Code of Ethics
- AMA submission for Royal Australian and New Zealand College of Radiologists' draft Ethical Principles for Artificial Intelligence in Medicine
- AMA response to the MBS Review General Practice and Primary Care Clinical Committees: Phase 2 Report
- AMA submission to the Australian Health Practitioner Regulation Agency consultation on the definition of cultural safety
- AMA submission to the National Environmental Protection Council's consultation on the proposed variation to the National Environment Protection (Ambient Air Quality) Measure standards for ozone, nitrogen dioxide, and sulfur dioxide
- AMA submission on the National Primary Care Data Asset
- AMA submission on Telehealth - MMM6-7
- AMA response to MDRAP proposed supervisor changes
- AMA response to Streamlined Consumer Assessment for Aged Care
- AMA response to Development of Expanded Medication Review Programs
- AMA response to NPS MedicineWise Review
- AMA submission to the TGA on Listed Medicines Compliance Review Consultation
- AMA submission to the Department of Health on Active Ingredient Prescribing Implementation Strategy
- AMA submission on Draft Strategic Directions for Public Hospital Maternity Services
- AMA submission on the Australian Labor Party Discussion Paper on Proposed Productivity Commission Inquiry into the Private Health Sector
- AMA submission to the Queensland Parliament Health, Communities, Disability Services, and Domestic and Family Violence Prevention Committee Health Practitioner Regulation National Law and Other Legislation Amendment Bill 2019
- AMA submission on the Draft of the Medical and Midwife Indemnity Legislation Amendment Bill 2019
- AMA submission to Medical Deans Inherent Requirements for Studying Medicine in Australia and New Zealand

- AMA submission on Australian Medical Council proposed scope of the review of the National Framework for Medical Internship
- AMA submission on the National Inquiry into Sexual Harassment in Australian Workplaces Submission 2019
- AMA submission to Australian Medical Council review of Accreditation of the Education and Training Program provided by:
  - + The Royal Australian College of General Practitioners (RACGP) June 2019
  - + The Royal Australian and New Zealand College of Obstetricians and Gynaecologists (RANZCOG) June 2019
  - + The Royal Australian and New Zealand College of Radiologists (RANZCR) August 2019
  - + The Royal Australian and New Zealand College of Ophthalmologists (RANZCO) August 2019

AMA Appearances and Forums

- Dr Bartone appeared before the Royal Commission into Aged Care Quality and Safety in February and December
- Drs Bartone and Dhupelia appeared before the Queensland Parliament Health, Communities, Disability Services, and Domestic and Family Violence Prevention Committee to provide evidence on the proposed mandatory reporting changes
- Leaders from the Medical Board of Australia (MBA), the Australian Health Practitioner Regulation Agency (AHPRA), and the AMA met for the fifth consecutive year to discuss the management of notifications in the National Registration and Accreditation Scheme
- Dr Bartone participated in a private health insurance debate at the National Press Club of Australia with Dr Rachel David and Professor Stephen Duckett
- AMA hosted a Roundtable on Out of Pocket Costs with key College, Society, and Association representatives
- AMA hosted an all College, Society, and Association forum focusing on Medical Workforce Strategy, Professional Performance Framework, Framework for Mental Ill-health in Doctors, and Out of Pocket Costs and Informed Financial Consent
- Australian and New Zealand Prevocational Medical Education Forum presentations on:
  - + 2019 AMA Gender Equity Summit Report
  - + Gender differences in Doctor in Training workplace experiences
  - + Junior doctors' use of electronic medical records (based on MABEL data)

AMA Representation on Committees and Working Groups

- Aged Care Quality and Safety Commission Clinical Governance Workshop
- Department of Health Aged Care Clinical Advisory Committee
- Department of Health National Aged Care Mandatory Quality Indicator Program Clinical Expert Group
- Residential Aged Care Funding Reform Working Group
- Pharmaceutical Society of Australia consultations on opioids and antibiotic labelling
- Active Ingredient Prescribing Clinical Working Group
- Australian Digital Health Agency Medicines Safety Program Steering Group
- Medicine Shortages Working Party
- Opioids Regulatory Advisory Group

- Reducing Medicines Induced Deterioration and Adverse Reactions (ReMInDAR) Stakeholder Advisory Committee
- TGA Consultative Committee
- Seventh Community Pharmacy Agreement Roundtables
- Professional Services Review Advisory Committee
- Diagnostic Imaging Advisory Committee
- MBS Review Implementation Liaison Groups
    1. Anaesthesia
    2. Blood Products
    3. Cardiac
    4. Emergency Medicine
    5. Intensive Care
    6. Urology

AMA Participation on Consultations

- Reducing Unnecessary Diagnostic Imaging Request Rates
- Psychiatry Medicare Provider Compliance Strategy
- Medicare Compliance – Diagnostic Imaging
- MBS Review Skin Services – post implementation
- Consultation items 111,115,117,120
- MBS Communications NPS Workshop

AMA Representation on World Medical Association Working Groups

- Pseudoscience and Pseudotherapies
- International Code of Medical Ethics
- Patient-Physician Relationship

Guidelines, Reports, and Member Resources

- Maintaining Clear Sexual Boundaries Between Doctors and Patients and the Conduct of Patient Examinations 2019
- Ethical Guidelines on Ownership of Pharmacy and Dispensing by Doctors 2019
- Rural Health Issues Survey
- The AMA Informed Financial Consent Guide document launched by Minister Greg Hunt
- AMA 10 Minimum Standards for Prescribing
- AMA Gender Equity Summit Report
- AMA Diversity report

General Practice and Workplace Policy Report

In 2019, the AMA General Practice and Workplace team achieved significant advocacy wins in key policy areas on behalf of members.

The AMA won significant additional funding for the Practice Incentives Program Quality Improvement Incentive. This supported the introduction of the new incentive, and avoided the proposed cessation of the Aged Care Access Incentive.

The AMA led the way in calling for reforms to employment arrangements for GP registrars, given the inequity in remuneration and access to leave entitlements compared to public hospital counterparts.

Throughout the year, the AMA continued to advocate for greater investment in general practice. Thanks to AMA lobbying, the Federal Budget announced the lifting of the freeze on remaining general practice MBS items, as well as significant additional funding to support the introduction of a voluntary nomination program for patients who are over 70 years of age.

The phasing out of existing workforce programs and the introduction of the More Doctors for Rural Australia Program (MDRAP) was a major focus of the AMA in 2019. While the AMA supported the rationale behind the changes, we advocated for the introduction of funding for supervisors in the program. The AMA was pleased to see our advocacy rewarded with the announcement of supervisor grants for general practices hiring doctors as part of MDRAP.

The 2019 AMA Rural Health Issues Survey was a major undertaking. The results revealed that, while rural doctors are under resourced and lacking in support, they love their work and the country lifestyle. The need for extra funding and resources to support improved staffing levels at rural hospitals was the most important issue which Dr Bartone raised repeatedly in 2019.

The Bonded Medical Places scheme and Medical Rural Bonded Scholarship scheme have undergone significant reform in response to AMA advocacy. These reforms are anticipated to better facilitate return of service obligations for participants of the schemes.

The AMA addressed the need to encourage Medical Colleges to include rural rotations for trainees to rural areas in 2019, and it will be a major focus of the 2020 AMA Trainee Forum.

Sustained AMA advocacy over several years saw the introduction of the first Medical Training Survey (MTS) in 2019. The MTS results create the first national, comprehensive picture of medical training in Australia. The AMA will use the results to advocate for change where there are gaps in the quality of medical training.

The AMA held a Gender Equity Summit to improve gender diversity and equity in the medical profession. The Summit brought more than 70 medical organisations together to discuss how to address the cultural and practical barriers to achieving gender equity in medicine.

Medical Practice Report

In 2019, the AMA Medical Practice team pursued a number of key policy areas on behalf of members.

The first was our ongoing and deep engagement in the Medical Indemnity Review, which led to revised legislation, streamlined medical indemnity schemes, and no budgetary cuts as was feared – a good result from AMA advocacy.

Medical Practice also led the AMA's ongoing engagement with the Royal Commission into Aged Care Quality and Safety, including multiple appearances and submissions at the Royal Commission to ensure that the voice of medical practitioners working at the front line of aged care is heard, while launching a new Position Statement relating to Innovation.

Following on from AMA ongoing engagement with the Government on Private Health Insurance, Medical Practice released both the AMA Public Hospital Report Card and the AMA Private Health Insurance Report Card, and continued to develop a range of policy solutions for Government, which will be launched in 2020.

A significant win for the AMA involved extensive work to educate the Department and the Government on exactly what is required when implementing changes from the MBS Review – including the need to allow significantly more time, more information and education, the need to engage with and hold accountable private health insurers, and inform hospitals and billing agencies and, of course, medical practitioners. While there is still a long way to go, the Department has significantly changed its processes, engagement and consultation, and timelines. The AMA will continue to police this – for the MBS Review will continue to have a significant potential to disrupt daily practice for our members.

Finally, the AMA continued to fiercely represent members' interests in the face of unpopular reforms or outcomes. This included, but was not limited to, success in improving the current mandatory reporting law, defeating proposed legislative amendments to the national scheme (such as non-medical chair of the board, or civil claims data being shared with AHPRA), and broader compliance reforms. This will remain a major area of focus in 2020.

Public Health Report

The development of a National Preventative Health Strategy was announced in June following strong AMA advocacy on preventative health, with Dr Bartone invited to sit on the Strategy's Expert Steering Committee.

The AMA submission to, and meetings with, the Productivity Commission were important contributions to reforming Australia's mental health system.

Through the Close the Gap Steering Committee, the AMA helped to make real progress to close the health and life expectancy gap between Indigenous and non-Indigenous Australians.

Although the AMA campaign to retain the Medevac Bill was not successful, our leadership and advocacy on the health care of asylum seekers and refugees was prominent.

Our campaign to prevent mandatory drug testing of Newstart and Youth Allowance recipients saw this proposal shelved.

The AMA's high-profile declaration of climate change as a 'health emergency' drew much-needed attention to the impact of environmental changes on the health of Australians.

Our successful work with the Australian Sports Medicine Coalition to produce a policy and campaign on Concussion in Sport was followed with another position on 'Sport Specialisation in Young Athletes'.

The AMA's strong stance on firearms was sought out internationally, and we continued our advocacy as a member of the Australian Gun Safety Alliance.

After successfully advocating for a National Obesity Strategy, the AMA participated in the related Summit and made a submission on the draft Strategy. This was complemented by ongoing involvement with the review of the Health Star Rating system.

The AMA continued advocacy to reduce the number of people who smoke tobacco and use e-cigarettes, including through a submission to the Review of Tobacco Legislation.

Our joint advocacy as part of the END RHD Coalition led to the Federal Government announcing $35 million to develop a Strep A vaccine, bipartisan commitment to tackle RHD, and the development of a national roadmap for action.

Ethics Report

The AMA continued to advocate strongly that the standards of professional conduct for doctors set out by the Australian Health Practitioner Regulation Agency (AHPRA) and the Medical Board of Australia must support doctors in meeting their professional obligations.

In multiple submissions to the ongoing reviews of both the AHPRA advertising guidelines and the Medical Board's Code of Conduct, Good Medical Practice, the AMA fought hard to ensure that any changes to the standards set out in these documents must be appropriate, clear, explicit, and operational in order for doctors to understand and meet the standards by which their professional conduct will be evaluated.

In 2019, the AMA fought against provisions in the Commonwealth's First Exposure Draft Religious Discrimination Bill that protects the right of doctors to conscientious objection with little regard for the potential negative and harmful impact on patients' access to medical care.

The AMA argued heavily that provisions in the Bill were inconsistent with professional standards of behaviour, and doctors with conscientious objections still have ethical and professional obligations to minimise disruption to patient care.

Through its advocacy, the AMA drew the wider medical profession's attention to these concerns with the Bill, and will continue to lead the fight against any religious discrimination legislation that fails to reflect and uphold the ethical and professional standards of the medical profession.

Member Services Report

The AMA member services and resources include the AMA national career service, member intranet website access, National Conference, member benefits, and doctorportal Learning.

Doctorportal Learning continued to deliver accredited learning modules. These include Basic Life Support, Management and Recognition of Concussion in Sport, Simplifying Type 2 Diabetes, an array of *MJA* articles and podcasts, AMA Position Statements, and career planning. External education courses, conferences, and events were advertised throughout the year. The learning management platform continued to be supported, with a focus on improving user experience.

To increase brand awareness, doctorportal Learning launched a monthly e-newsletter with focus on audience engagement. It provides a quick snapshot of the latest learning opportunities and career advice. The e-newsletter targets 44,000 medical professionals nationally, with an average open rate of 37 per cent and an engagement rate of 4 per cent.

The AMA Career Service delivered career-related information and support to doctors, medical students, and others with an interest in practising medicine throughout the States and Territories (except NSW and Victoria, which run their own services) and internationally.

Close collaboration with AMA marketing and membership teams in each State and Territory, as well as medical training and employment providers, fostered the delivery of excellent services that are relevant to members.

2019 – The Year in Numbers

Advocacy

15
Position Statements

76
Submissions

3
Report Cards

Media

The President, the Vice President, and other AMA spokespeople promoted the AMA's position as the nation's leading voice of the medical profession in the media with AMA policy and views reaching a potential audience in the multi-millions of readers, viewers, and listeners.

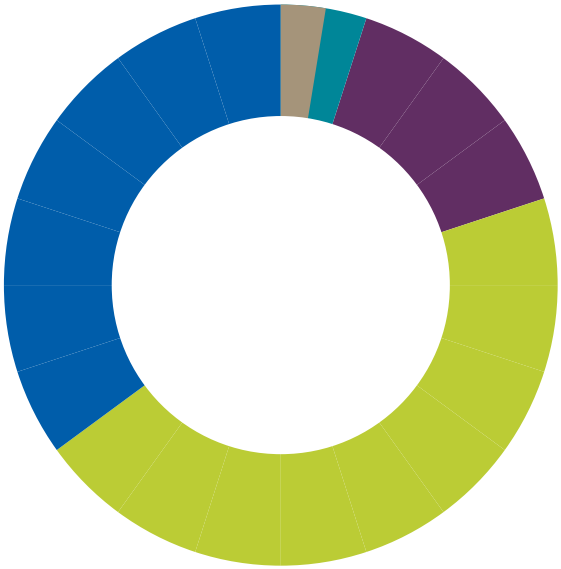
93,628,398 Newspaper articles

83,278,400 Radio interviews

88,557,867 TV interviews

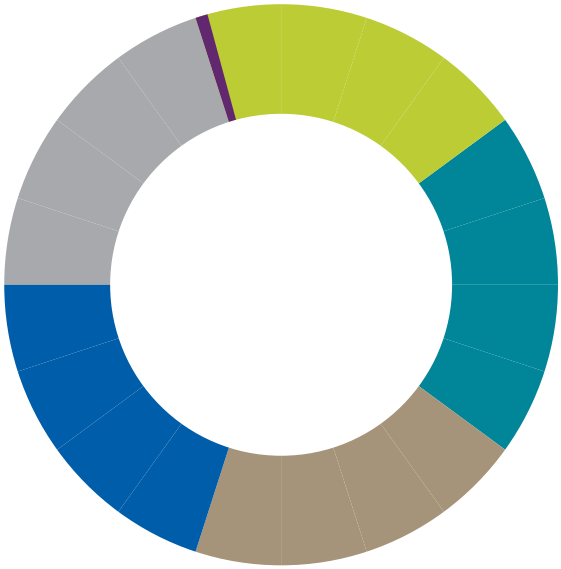
Membership

Membership by Type



- Doctors in training – 16%
- GP and non-GP specialist – 45%
- Retired from Practice – 2%
- Other, academic, and administration – 2.2%
- Medical students – 34.8%

Membership by Age



- 25 – 0.4%
- 25-34 – 19.4%
- 35-44 – 19.2%
- 45-54 – 20%
- 55-65 – 20.5%
- 65+ – 20%

Social

Top post

(1.7 million people reached)

63,300

Followers on Facebook, Twitter, LinkedIn and YouTube

170,000 Total comments

11,300 Video views

660,000 Facebook Impressions

4.4m Twitter Impressions

Australian Medicine

'In support of male obstetricians' most trafficked online article

5,036 Page views

683 Articles published

318,000 Unique views

Email

2.5m Emails sent

60% Fees List Update was the most opened email with 60% open rate

Fun Stats

10-15 Huntsmen found in the office

9,750 Cups of coffee consumed by staff

2019 – The Year in Review

January

Dr Bartone works in his Canberra office at AMA House

The AMA started the new year by releasing its updated Position Statement on Complementary Medicine, reflecting changes to State laws and national monitoring systems that have come into place since the Position Statement was last reviewed in 2011-12.

AMA President, Dr Tony Bartone, said that Australians spent $4.9 billion annually on complementary medicines and alternative treatments, with little evidence that they worked. He also called for a national, public register of non-registered practitioners who have been banned from working in their State or Territory.

An early outbreak of measles in New South Wales was a sign of things to come, and Dr Bartone urged all Australians to ensure their vaccination status was up to date, particularly if travelling overseas.

The AMA endorsed clinically controlled, supervised trials of pill testing at festivals as part of a suite of harm minimisation measures, a decision that was formally endorsed at the AMA Federal Council meeting in March.

The AMA also released its Pre-Budget Submission, calling for better support for general practice, and the implementation of vital public hospital funding. That was backed by the Productivity Commission's Report on Government Services, which found that about 2.9 million presentations to emergency departments could have been handled by GPs.

2019 – The Year in Review

February

Top: Dr Bartone speaks at the Australian Financial Review Healthcare Summit

Above: Dr Bartone attends the Rural Doctors' Association of Australia lunch at Parliament House, Canberra

The AMA was disappointed with a Queensland Parliamentary Committee report on mandatory reporting laws for doctors treating other medical professionals for mental health issues. Dr Bartone and AMA Queensland President, Dr Dilip Dhupelia, jointly wrote to all members of the Queensland Parliament, urging them to amend the draft laws.

The AMA also rejected proposed changes from the Medicare Benefits Schedule (MBS) Review that would have expanded the ability of nurse practitioners to provide Medicare-funded services and remove requirements for them to collaborate with doctors in delivering care to patients.

The AMA partnered with the Australian Institute of Sport (AIS), the Australasian College of Sport and Exercise Physicians (ACSEP), and Sports Medicine Australia to establish Concussion in Sport Australia to increase awareness of the signs and dangers of concussion.

The 11th annual Closing the Gap statement was released, finding that only two of the seven goals are on track. The AMA called on the Federal Government to urgently adopt the recommendations of the Close the Gap Campaign to address the unacceptable gap in health outcomes between Aboriginal and Torres Strait Islander people and non-Indigenous Australians.

2019 – The Year in Review

Top: Dr Bartone and AIS Chief Medical Officer Dr David Hughes launch the Concussion in Sport Australia Position Statement, with representatives from the Australasian College of Sport and Exercise Physicians and Sports Medicine Australia.

Above: The AMA hosts an Out of Pocket Costs Summit, AMA House in Canberra

Dr Bartone gave evidence to one of the first hearings of the Royal Commission into Aged Care Quality and Safety, speaking of the barriers that doctors and other health care practitioners face in delivering care to patients in residential aged care facilities.

In the lead-up to the May Federal Election, the AMA welcomed the commitment by both major parties to invest an estimated $170 million extra over five years into general practice to support longer health consultations. Following months of advocacy, the MBS Review's General Practice and Primary Care Clinical Committee (GPPCCC) recommended greater funding for general practice.

2019 – The Year in Review

March

The inaugural *AMA Gender Equity Summit*

The AMA came out strongly against a proposal by health insurance giant Bupa and Terry White Chemmart pharmacies to offer a range of health services that would effectively circumvent GPs and potentially lead to patients receiving inappropriate care and advice.

The Council of Australian Governments (COAG) Health Ministers agreed to work collaboratively to fund, develop, and implement a new strategy for a national medical workforce, the first in 14 years. The strategy was a key recommendation of the 2018 AMA Medical Workforce and Training Summit.

The AMA made an initial submission to the MBS Review Wound Management Working Group, calling for better Medicare support for the hundreds of thousands of Australians suffering from hard-to-heal wounds, and the GPs and health teams treating them.

AMA Vice President, Dr Chris Zappala, took part in a panel discussion at the Australian Private Hospitals Association (APHA) conference, calling for the protection of independent decision making by clinicians.

The AMA welcomed the long-overdue announcement that the freeze on most MBS rebates for diagnostic imaging would end from July 2020, leading to small increases for ultrasounds and x-rays, CT scans, fluoroscopy, mammography, and interventional radiology scans.

2019 – The Year in Review

Dr Bartone and the Australian Government Chief Medical Officer, Prof Brendan Murphy, address the meeting of the Colleges, Associations, and Societies convened by the AMA

Federal Council approved Position Statements on *Pathology, Environmental Sustainability in Health Care, Fostering Generalism in the Medical Workforce, Medical Workforce and Training*, and *Conscientious Objection*, and passed a motion calling for the age of criminal responsibility to be raised from 10 years to 14 years.

The AMA expressed its condolences to all New Zealanders, the people of Christchurch, and the Muslim community, after the Christchurch mosque shooting tragedy. The AMA has a long-standing call for strong gun control.

The inaugural *AMA Gender Equity Summit* brought together more than 70 leaders to help set a course of action to achieve greater gender equity in the AMA and across the profession.

The AMA was disappointed by the Federal Government's decision to ignore a recommendation of the Pharmaceutical Benefits Advisory Committee (PBAC) to allow two-monthly prescriptions for 140 medications where a patient's condition is well-controlled.

April

The AMA marked National Advance Care Planning Week 2019 by urging all Australians to discuss and plan their future health care wishes with their families and loved ones.

The Federal Budget was announced on 2 April, with a commitment of almost $1 billion to general practice, funding for more Pharmaceutical Benefits Scheme medicines, retention of the Aged Care Access Incentive, and a rural workforce program.

The AMA released its *Key Health Issues for the 2019 Federal Election* manifesto, calling for major investments in general practice, public hospitals, and preventive health care. It supplied GP members with resources to help them lobby their local election candidates at the grassroots level.

The AMA's *2019 Public Hospital Report Card* called on all major parties to commit to significant new long-term funding for public hospitals, should they win government.

2019 – The Year in Review

May

Above left: Dr Bartone delivers the President's Address to AMA National Conference delegates
Above right: Dr Michael Bonning, Dr Bartone, and AMSA President Jessica Yang at the AMSA Leadership Forum

The AMA's strong advocacy for a ban on over-the-counter sales of codeine was vindicated by figures showing a halving of codeine dispensing in 2018.

The AMA called for mental health to be a greater priority in the 18 May election. The AMA maintained a non-partisan approach throughout the election campaign, and criticised both sides of politics for a lack of attention to rural health.

The AMA's *Rural Health Issues Survey 2019* found that more staff, and more workable rosters, were the biggest priorities for rural doctors.

The Queensland Government set a dangerous precedent by allowing pharmacists to dispense the contraceptive pill, as well as antibiotics for urinary tract infections, without a current prescription.

The AMA released new guidelines on sexual boundaries between doctors and patients, including over social media.

On the eve of the election, the AMA joined Australians in mourning the passing of former Prime Minister, Bob Hawke, who bedded down Medicare in the 1980s.

The AMA congratulated Prime Minister Scott Morrison on his election win and committed the Association to working with the newly re-elected Government on health reforms.

The AMA National Conference was held in May.

Melbourne cardiologist, Dr Geoff Toogood, was presented with the President's Award for his contribution to doctors' mental health. Adelaide anaesthetist, Dr Richard Harris, was awarded with the Gold Medal for his role in saving 12 children and their coach from a flooded cave in Thailand.

2019 – The Year in Review

June

Dr Zappala discussed the anti-vaccination movement, noting that social media was giving a platform to ill-informed opinions. He noted that the unprecedented number of flu cases had led to a shortage of vaccinations.

An opinion piece in *The Weekend Australian* questioned why male gynaecologists and obstetricians chose their profession. The chair of the AMA Federal Board, A/Prof Gino Pecoraro, an obstetrician and gynaecologist, called for an apology.

July

Left to right: Dr Andrew Laming, Dr Fiona Martin, Dr David Gillespie, Dr Bartone, the Hon. Greg Hunt, Dr Katie Allen, and Dr Stuart Miller, launch the AMA Informed Financial Consent Guide

Dr Bartone announced the appointment of Dr Martin Laverty as the new Secretary General, following an extensive search for an experienced health executive. Dr Laverty, a former chief executive of the Royal Flying Doctor Service and Catholic Health Australia, took up his new role in September.

2019 – The Year in Review

The early onset of the flu season continued to attract media attention, with Dr Bartone cautioning against panic, but urging people to take influenza seriously.

The dangers of taking medical advice from social media sites were highlighted when a young man with leukemia went public about his near-death experience after falling for a Facebook spiel for "super vitamins". Dr Chris Moy, the Chair of the AMA Ethics and Medico-Legal Committee, noted that not only could natural therapies have side-effects, relying on online advice rather than seeing a doctor could delay a serious diagnosis.

The AMA lodged its submission to the MBS Review Specialist and Consultant Physician Consultation Clinical Committee (SCPCCC) report, warning that the report proposed massive change – time-tiered attendance items, in particular - but provided little detail on how the changes would be implemented, or their impact on specialists and their patients. The AMA could not support the recommendations as they stood, and called for a widely publicised forum, with adequate lead time to discuss the recommendations with the whole profession.

Dr Bartone stands ready to award the National Tobacco Control Achievement Award and the Dirty Ashtray Award

2019 – The Year in Review

Family Doctor Week kicked off with a call for urgent action to encourage medical students and young doctors to choose general practice as their specialty. Dr Bartone said it was a tragedy that general practice training places were going unfilled. The AMA also called for free catch-up vaccines for all Australian adults.

Health Minister Greg Hunt joined Dr Bartone in Parliament House to launch the AMA's *Informed Financial Consent Guide – A Collaboration Between Doctors and Patients*, intended to help patients understand medical costs, and give them confidence to discuss and question fees with their doctors. Minister Hunt congratulated the AMA on taking the lead on ensuring transparency around bills for patients.

Dr Bartone used the annual AMA President's National Press Club Address to issue a dark warning about the state of the health system, telling the packed room that Australians' life expectancy is set to fall, private health insurance is in a death spiral, and that GPs' work was so undervalued that graduates were shunning the specialty. He called for an increased investment in health care, and said the time for talking about improving the health system was long past.

Dr Bartone also announced that the Northern Territory had once again won the AMA/ACOSH Dirty Ashtray Award as the worst-performing government on tobacco control measures over the past 12 months. It was the fourth year in a row – and the 13th time in 25 years – that the NT collected the dubious award.

August

Dr Bartone urged all doctors in training to take part in the national Medical Training Survey, which opened on 1 August for two months. He said it was an important opportunity for Australia's 30,000 doctors in training to tell medical educators, employers, government, and regulators about the positives and negatives of their experiences, and how medical training could be improved. The AMA and its Council of Doctors in Training (CDT) had spent years pushing for the survey's creation.

The Pharmacy Guild released a policy paper proposing that pharmacists move way beyond their scope of practice to perform the work of GPs, including delivering travel vaccinations and prescribing the contraceptive pill and certain antibiotics, with pharmacy services to be given Medicare funding. Dr Bartone slammed the proposal as irresponsible, and said that if the Guild wanted pharmacists to be doctors, then pharmacists should spend 10 to 15 years studying for a medical degree.

The AMA formed a new General Practice Pharmacy Working Group to combat the Guild's attempts to undermine and weaken quality primary health care.

2019 – The Year in Review

September

Dr Bartone and ANMF Federal Secretary Annie Butler launch the Care Can't Wait campaign at Parliament House in Canberra

The AMA backed calls for smaller pack sizes of paracetamol, following a *Medical Journal of Australia* study showing that the number of paracetamol poisoning cases had almost doubled over the past decade.

The AMA joined other health organisations around the world, including the American Medical Association, the British Medical Association, and Doctors for the Environment Australia, in recognising climate change as a health emergency.

The AMA spoke out against Federal Government plans to drug test welfare recipients, noting the lack of drug and alcohol addiction services.

A Four Corners report exposed several serious cases of maladministration in rural and regional health services. The AMA called for significant investment in rural hospitals.

Federal Parliament approved changes to bonded medical scholarships, following years of lobbying by the AMA and the AMA Council of Doctors in Training (AMACDT) to improve conditions for medical graduates working in regional and remote communities.

The AMA supported a joint statement from the Federal Chief Medical Officer and all State and Territory Chief Health Officers that urged a precautionary approach to the marketing and use of e-cigarettes.

The AMA and the Australian Nursing and Midwifery Foundation joined forces to call on the Federal Government to act to guarantee quality and safety in aged care, launching the Care Can't Wait campaign.

2019 – The Year in Review

October

The AMA continued advocating for improvements to the aged care system in Australia, and for better stewardship of antibiotics.

The AMA backed the calls from Medical Colleges for Federal Parliament to maintain the Medevac legislation and the work of the Independent Health Advice Panel.

The AMA released its *10 Minimum Standards for Prescribing* to ensure patient safety and high-quality health care.

The AMA had a major win when Federal Parliament voted in favour of the *Medical and Midwife Indemnity Legislation Bill 2019*, ensuring confidence for doctors, their patients, and insurers.

The AMA released its Private Health Insurance Report Card 2019, warning that the private health insurance sector was on the precipice.

The Productivity Commission released its draft report into mental health, putting the cost of suicide to the economy at $51 billion a year.

November

The Aged Care Royal Commission released an interim report, confirming the worst fears about the poor care, neglect, and abuse that had been occurring unchecked in Australia's aged care system for years. Dr Bartone called for immediate action to reduce the waiting times for home care packages and to reduce the over-reliance on chemical restraints.

The AMA welcomed the announcement of a new funding model for the Aboriginal community controlled health sector, giving services certainty over their funding. Dr Bartone said it was a positive recognition of the critical role the sector plays in the wider health system.

Federal Council expressed its condolences at the death of Yuendumu community man, Kumanjayi Walker, and expressed its support for his family.

The *AMA Indigenous Health Report Card 2019* was launched in Darwin, focusing on dental and oral health. Dr Bartone said that a significant proportion of the Aboriginal and Torres Strait Islander population lives without access to affordable, culturally appropriate dental care.

2019 – The Year in Review

Left to Right: Shadow Assistant Minister for Indigenous Health, Warren Snowdon, Dr Bartone, Deputy Chairperson of Danila Dilba Health Service, Shannon Daly, and Northern Territory Health Minister, Natasha Fyles, launch the AMA Indigenous Health Report Card

December

All States and Territories agreed to the National Alcohol Strategy 2019-2028, eight years after the expiry of the most recent Strategy. Dr Bartone said the AMA supported the positive announcements, but was disappointed that the Strategy did not include a volumetric tax on alcohol.

Dr Bartone took part in a televised debate on private health insurance at the National Press Club. He called on all groups involved in the sector to work together constructively to ensure its future sustainability.

Dr Bartone appeared before the Aged Care Royal Commission for the second time, and was questioned extensively on the practical and financial barriers to GPs providing care to patients in residential aged care facilities.

2019 – The Year in Review

Dr Bartone debates private health insurance policy at the National Press Club with the ABC's Sabra Lane, Professor Stephen Duckett, and Private Healthcare Australia CEO, Dr Rachel David

An Australian Institute of Health and Welfare report showing rises in median wait times for elective surgery in all categories and long waiting times in emergency departments confirmed the AMA's dire warnings during the Federal election campaign that public hospital performance would suffer without significant new investment from all levels of government.

Several new Position Statements were released in December.

Innovation in Aged Care 2019 identified specific examples where improvements can and should be made, particularly around information sharing.

Clinical Support Time for Public Hospital Doctors 2019 called for national standards to be reviewed to ensure they accurately measure how well the health system is performing in providing quality clinical training and access to protected clinical support time.

Ethical Guidelines on Ownership of Pharmacy and Dispensing by Doctors 2019 outlined ways in which doctors with a direct financial interest in a pharmacy can manage potential conflicts of interest – to maintain patient trust and preserve public confidence in the wider medical profession.

A series of seasonal media releases was issued, ranging from staying safe during heatwaves to road and sun safety.

The AMA released its 2020 vision for rural doctors, with more funding for rural and remote hospitals at the top of the list.

The year ended with a call for New Year revellers to set themselves a limit for alcohol consumption, and to keep track of their drinks.

2019 – The Year in Pictures

Top: Dr Bartone appears at the Royal Commission into Aged Care Quality and Safety

Above left: Minister for Home Affairs Peter Dutton and Dr Bartone

Above: Dr Bartone and Treasurer Josh Frydenberg

Left: Dr Bartone and Finance Minister Mathias Cormann

2019 – The Year in Pictures

Top: Health Minister Greg Hunt and Dr Bartone

Above left: Dr Bartone and Shadow Health Minister Chris Bowen

Above right: Dr Bartone with Private Healthcare Australia CEO, Dr Rachel David

2019 – The Year in Pictures

Top left: Senator Jacqui Lambie and Dr Bartone
Top right: Dr Bartone and Prime Minister Scott Morrison
Above: Dr Bartone and Member for Wentworth Prof Kerryn Phelps

2019 – The Year in Pictures

Top: Dr Bartone and Opposition Leader Bill Shorten

Left: Dr Bartone addresses the media on Federal Budget 2019-20 night

Above right: President of the Pharmacy Guild George Tambassis and Dr Bartone

2019 – The Year in Pictures

Top: Journalists from the Federal Parliament Press Gallery take notes at an AMA doorstop

Above left: Dr Bartone and Shadow Minister for Ageing and Seniors Julie Collins

Above right: Health Minister Greg Hunt and Dr Bartone

Below left: Law Council of Australia President Arthur Moses SC and Dr Bartone

2019 – The Year in Pictures

Top: Dr Bartone and Home Affairs CMO Dr Parbodh Gogna

Left: Shadow Health Minister Catherine King and Dr Bartone

Above: Dr Bartone addresses the National Press Club in Canberra

Financial Report

General Purpose Financial Report
Australian Medical Association Limited and Controlled Entities
ABN 37 008 426 793
For the financial year 31 December 2019

Contents

Directors' Report

DIRECTORS

The names of directors in office during the financial year are as follows:

Dr Anthony Bartone
MBBS, FRACGP, MBA, FAMA

President
General Practitioner

A/Professor Rosanna Capolingua
MBBS, FRACGP, FAMA, AICD

Investment Committee member
General Practitioner

Dr Iain Dunlop AM
MBBS (Hons), FRANZCO, FRACS, FAMA

Ophthalmologist

Dr Stephen Gourley
MBBS, Grad Dip CE, MHM, MPH, FRCEM, FACEM

Audit and Risk Committee member
Head of Emergency Medicine
(Board Member from 24 May 2019)

Dr Bavahuna Manoharan
BSc (BioMed), MBBS, GAICD

Audit and Risk Committee member
Registrar, Radiology

Dr Helen McArdle
BMedSc, MBBS, MPH, FAFOEM, FRACMA, FAICD

Audit and Risk Committee Chair
Specialist Medical Administrator and
Occupational Physician

Dr Danielle McMullen
MBBS (Hons), FRACGP, DCH

Investment Committee member
General Practitioner

A/Professor Gino Pecoraro
MBBS, MRACOG, FRANZCOP

Chair
Obstetrician & Gynaecologist

Dr Peter Sharley OAM
MBBS, DipObsRACOG, PGDipAvMed, DipBusMgmt, GAICD, FANZCA, FCICM, FAMA

Intensive Care Specialist
(Board Member until 24 January 2019)

Dr Gary Speck AM
MBBS, BMedSc (Hons), FRACS, FAOrthA, FAMA, GAICD

Investment Committee Chair
Orthopaedic Surgeon

A/Professor William Tam
MBBS, FRACP, PHD

Gastroenterologist
(Board Member from 3 May 2019)

Dr Danika Thiemt
MBBS, MPH, DCH

Emergency Medicine Registrar
(Board Member until 26 May 2019)

Dr Christopher Zappala
MBBS (Hons), GAICD, GCAE, AMusA, MHM, MD, FRACP

Vice President
Thoracic and Sleep Physician

PRINCIPAL ACTIVITIES

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

The principal activities of the AMA Group (Group) during the reporting year, as set out in the Constitution, were to:

- preserve, maintain, promote and advance the intellectual, philosophical, social, political, economic and legal interests of Members; and
- promote the wellbeing of patients and take an active part in the promotion of health care programs for the benefit of the community and to participate in the resolution of major social and community health issues.

The AMA undertakes advocacy on behalf of its members and provides services and communications to its members. Through its subsidiaries, it publishes and circulates the *Medical Journal of Australia* and coordinates the provision of medical services to all medical practitioners and medical students. The consolidated Group owns investment assets held for long term funding requirements.

FINANCIAL RESULTS

Review and result of operations

The consolidated Group recorded a profit after tax of $4.1 million for 2019 (2018: $3.8 million). This profit includes the sale of direct investments in property disposed during the year of $1.8 million (2018: $5.3 million).

The consolidated comprehensive income for the year, net of taxes was $5.3 million (2018: $2.7 million), after accounting for changes in fair value of investments. A very strong performance of $1.2 million, net of taxes was recorded in unrealised capital growth of long-term investments, which offsets recorded $1.0 million losses in 2018. These changes in fair value on unrealised gains or losses are reflective of valuations at reporting date.

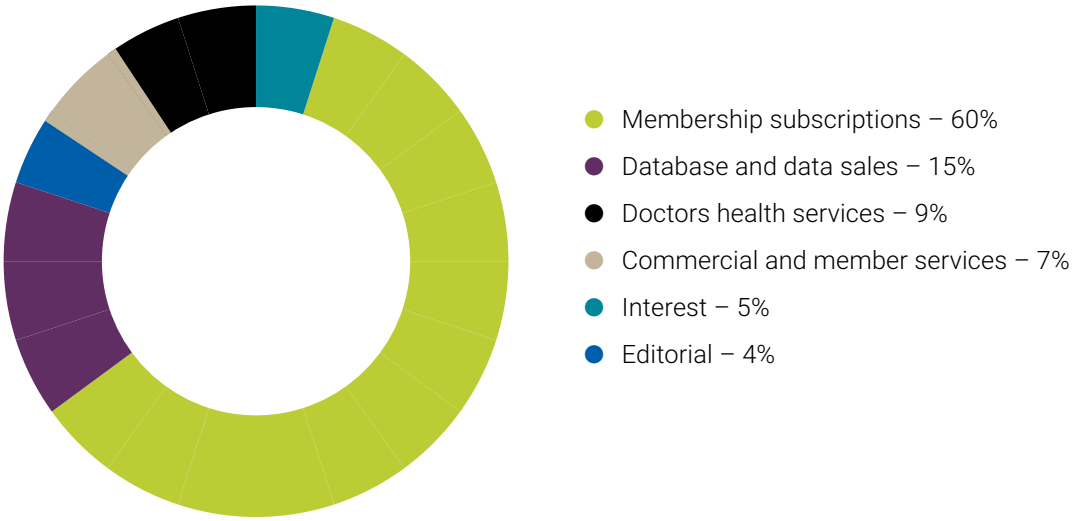
Subsequent to year end, the Covid-19 outbreak resulted in concerns about worldwide economic impacts, which in turn gave rise to significant falls in global equity markets and continued volatility in these markets. The Board's assessment is that the Group's investment portfolio, which is held for long term funding, is in a strong position to ride the downward trend and recover when markets rally. This volatility reinforces the importance of having a long-term view on capital management.

The Group's operations are largely unchanged apart from an immediate change to the format of meetings and the requirement for remote worksites, in line with Government requirements. At the time of reporting, there are no strong indicators that suggest a material financial impact to the Group's results in future financial years from on-going operations.

Revenue

Compared to 2018, total revenue from operations, excluding profit from sale of properties, has increased by 1.3% (2018: 2.7%) to $23.0 million (2018: $22.7 million).

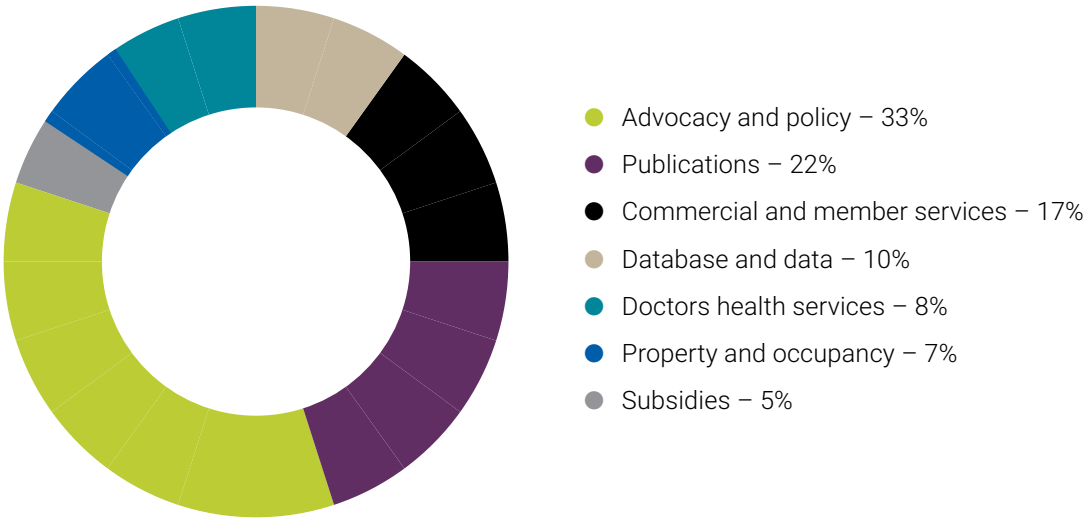
Graph 1 – Distribution of revenue in 2019 (excluding sale of property)



Expenses

Total expenses (before income tax) decreased by 6.7% (2018: increase 0.8%) to $21.0 million (2018: $22.5 million).

Graph 2 – Distribution of expenses (excluding income tax)



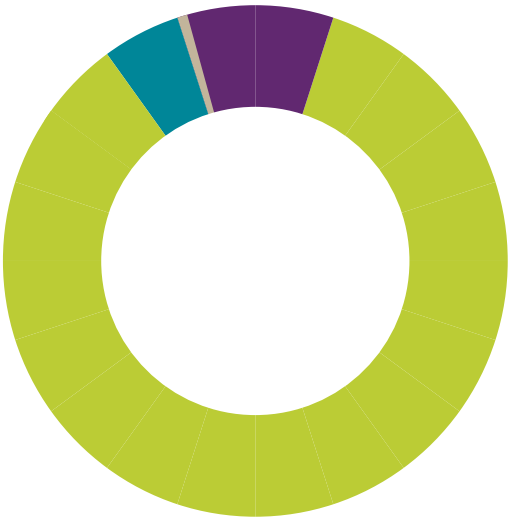
Review of financial position

Net assets increased 23.8% to $27.6 million compared to prior year (2018: increased 13.8% to $22.3million).

Assets

The sale of properties in 2019 and 2018 has shifted the Group's direct holding of investment properties to holdings of financial assets for long term gain.

Graph 3 – Distribution of assets



Liabilities

The adoption of the new accounting standard AASB 16 Leases has resulted in the recognition of lease liabilities in the statement of financial position, previously disclosed as a Commitment in the notes to the financial statements.

Graph 4 – Distribution of liabilities

ROUNDING

Amounts in the financial report have been rounded to the nearest thousand dollars ($'000).

DIVIDENDS

The Constitution of Australian Medical Association Limited does not permit the distribution of dividends to members.

STATE OF AFFAIRS

There was no significant change in the state of affairs of the Group during the financial year under review that is not disclosed in the financial statements.

STRATEGIC DIRECTION

During the reporting year the Board of Australian Medical Association Limited reviewed its strategic objectives and developed a new set of strategic objectives for 2020-2023.

The strategic objectives support the AMA's mission of Leading Australia's Doctors – Promoting Australia's Health. The four pillars of the Board's strategic plan are:

1 – Value for Members
2 – Focused Advocacy
3 – Effective and Efficient Operations
4 – Improved Federation

The strategic objectives are delivered through an operational plan, which is reviewed and updated each year. The activities agreed for inclusion in the operational plan are funded in the budget.

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 94.

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 Group paid premiums in respect of Directors' and Officers' Liabilities and Professional Indemnity for the year ended 31 December 2019, insuring the directors of the company and all executive officers of the Group against a liability incurred by such a director or executive officer to the extent permitted by the Corporations Act 2001.

INFORMATION ON DIRECTORS

The Board is comprised of 11 medically qualified Directors and includes the President and Vice President, one Director nominated by each State and Territory AMA and one Director nominated by the AMA Council of Doctors in Training. The Chair is elected from among the Directors.

Under the Constitution, the Directors are required to be appointed based on their skills and experience.

Directors' interests

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit, other than a benefit included in the aggregate amount of remuneration received or due and receivable by Directors shown in the financial statements in Note 23.

DIRECTORS MEETING ATTENDANCE

During the period 1 January 2019 to 31 December 2019 the Board met on 10 occasions.

The Audit and Risk Committee met four times. Three members of the Committee are Directors and one is an independent appointment.

The Investment Committee met eight times. All three members of the Committee are Directors.

The following tables summarises the meeting attendance of the Directors and Committee members during 2019, noting the number of meetings each Director/Committee member was eligible to attend and attended.

Board Meetings		
	Eligible to attend	Attended
Dr Tony Bartone	10	10
Dr Chris Zappala	10	10
A/Prof Rosanna Capolingua	10	10
Dr Iain Dunlop	10	8
Dr Bavahuna Manoharan	10	8
Dr Helen McArdle	10	9
Dr Danielle McMullen	10	10
A/Prof Gino Pecoraro	10	9
Dr Gary Speck	10	8
Dr Danika Thiemt	4	4
A/Prof William Tam	7	6
Dr Stephen Gourley	6	4

Audit and Risk Committee		
	Eligible to attend	Attended
Dr Helen McArdle	4	4
Mr Ed Killesteyn	4	4
Dr Bavahuna Manoharan	4	3
Dr Stephen Gourley	2	2

Investment Committee		
	Eligible to attend	Attended
Dr Gary Speck	8	8
A/Prof Rosanna Capolingua	8	8
Dr Danielle McMullen	8	6

The AMA is a company limited by guarantee. If the AMA is wound up, each member of the AMA and each person who ceased to be a member in the preceding year, undertakes to contribute to the payment of debts and liabilities and the costs, charges and expenses of winding up the AMA, and the adjustments of rights of contributions amongst themselves, of an amount not exceeding two dollars.

Signed in accordance with a resolution of the Directors.

Dr Anthony Bartone

President

Australian Medical Association Limited

A/Prof Gino Pecoraro

Chair

Australian Medical Association Limited

Statement of comprehensive income

For the year ended 31 December 2019

	Note	CONSOLIDATED 2019 $'000	CONSOLIDATED Restated 2018 $'000
Revenue		22,014	21,910
Other income		2,779	6,141
	2	24,793	28,051
Expenses			
Employment		(12,025)	(12,217)
Publications		(1,347)	(1,820)
Database and data		(38)	(45)
Advocacy and policy		(1,271)	(1,362)
Subsidies	2	(1,054)	(1,258)
Commercial and member services		(84)	(111)
Doctors Health Services		(1,576)	(1,692)
Property and occupancy		(1,126)	(1,457)
Depreciation and amortisation		(339)	(365)
Administration	2	(2,134)	(2,148)
		(20,994)	(22,475)
Profit before income tax		3,799	5,576
Income tax credit/(expense)	4	327	(1,815)
Profit for the year		4,126	3,761
Other comprehensive income			
Changes in fair value of investments at fair value through other comprehensive income		1,687	(1,372)
Income tax relating to these items		(464)	316
Other comprehensive income for the year, net of tax		1,223	(1,056)
Total comprehensive income for the year		5,349	2,705

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

Statement of financial position

As at 31 December 2019

	Note	CONSOLIDATED 2019 $'000	CONSOLIDATED Restated 2018 $'000
Assets			
Current assets			
Cash and cash equivalents	5	8,225	4,127
Trade and other receivables	6	1,552	1,835
Inventories	7	22	25
Prepayments	8	311	469
Financial investments	9	-	254
Assets held for sale	18	-	959
Total current assets		10,110	7,669
Non-current assets			
Financial investments	9	19,885	16,933
Intangible assets	10	874	607
Investment properties	11	-	-
Property, plant and equipment	12	650	786
Deferred tax assets	13	1	147
Right-of-use assets	14	1,567	2,362
Total non-current assets		22,977	20,835
Total assets		33,087	28,504
Liabilities			
Current Liabilities			
Trade and other payables	15	2,226	2,193
Lease liabilities	14	1,053	769
Employee benefits	16	1,144	1,130
Income tax payable	17	-	9
Total current liabilities		4,423	4,101
Non-current liabilities			
Employee benefits	16	111	145
Lease liabilities	14	904	1,958
Total non-current liabilities		1,015	2,103
Total liabilities		5,438	6,204
Net assets		27,649	22,300
Equity			
Retained earnings		27,260	23,134
Reserve		389	(834)
Total equity		27,649	22,300

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

Statement of changes in equity

For the year ended 31 December 2019

	CONSOLIDATED		
Consolidated	Retained Earnings $'000	Reserve $'000	Total Equity $'000
At 1 January 2018	19,373	222	19,595
Profit for the year (restated)	3,761	-	3,761
Other comprehensive income	-	(1,056)	(1,056)
Total comprehensive income for the year (restated)	3,761	(1,056)	2,705
At 31 December 2018	23,134	(834)	22,300
Profit for the year	4,126	-	4,126
Other comprehensive income	-	1,223	1,223
Total comprehensive income for the year	4,126	1,223	5,349
At 31 December 2019	27,260	389	27,649

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

Statement of cash flows

For the year ended 31 December 2019

	Note	CONSOLIDATED 2019 $'000	2018 $'000
Cash flow from operating activities			
Receipts from membership subscriptions		13,999	13,435
Other receipts from customers		11,830	10,180
Payment to suppliers and employees		(24,226)	(25,077)
Interest received		72	59
Income tax paid		-	(378)
Net cash flow from/(used in) operating activities		1,675	(1,781)
Cash flow from investing activities			
Payments for intangible assets	10	(410)	(240)
Payments for property, plant and equipment	12	(62)	(145)
Proceeds from property, plant and equipment		2,828	15,749
Proceeds from investments		1,078	948
Payments for other investments		(1,011)	(14,019)
Net cash flow from investing activities		2,423	2,293
Net increase in cash held		4,098	512
Cash and cash equivalents at the beginning of the year		4,127	3,615
Cash and cash equivalents at the end of the year		8,225	4,127

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

Notes to and forming part of the financial statements

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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

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.

New accounting standards adopted by the Group

The Group has adopted AASB 16 Leases, where the Group recognised lease liabilities in relation to leases which had previously been classified as operating leases under the principles of AASB 117 Leases. AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities introduces major changes to the income recognition by not-for-profit entities. Government funding with no specific performance obligations are no longer recorded as income in advance liability and is recognised immediately as revenue. The impact of the adoption of these new standards are disclosed in Note 29.

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. The financial statements comply with the Australian Accounting Standards - Reduced Disclosure Requirements as issued by the AASB. The AMA is a not for profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded will 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 Board on 9 April 2020

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Principles of consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by AMA at the end of the reporting period. A controlled entity is any entity that AMA 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 22 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.

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

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Revenue recognition

Revenue is recognised for the major business activities upon satisfying the performance obligations, using the methods outlined below.

Membership subscription

Revenue from membership subscriptions is 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.

Database, Data sales and Editorial

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.

Commercial and member services

Revenue from commercial and member services is determined with reference to the stage of completion of the transaction at the end of the reporting period and where the outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable. For commission-related revenue, 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.

Doctors Health Services

Doctors Health Services relates to the administration of government funding for distribution to doctors' health program providers and the Telehealth grant. Revenue is recognised at their fair value where there is reasonable assurance that the funding will be received and the Group will comply with all attached conditions.

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)

(d) Revenue recognition (continued)

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably.

Dividend income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

(e) Finance income and expense

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 or 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. 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) Investments and other financial assets

(i) Classification

Financial assets at fair value through other comprehensive income (FVOCI)

The Group has made an irrevocable election at the time of initial recognition to account for its equity investments at fair value, that are not held for trading, through other comprehensive income.

Financial assets at fair value through profit of loss (FVPL)

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

(iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Investments and other financial assets (continued)

(iii) Measurement (continued)

- **FVOCI:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line items in the statement of profit or loss.
- **FVPL:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iv) Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) 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.

(j) 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.

(k) 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.

(l) 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.

(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.

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(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.

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.

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:

	2019	2018
Buildings	2.5% - 4%	2.5% - 4%
Office Furniture	5% - 25%	5% - 25%
Office Equipment	10% - 50%	10% - 50%
Fixture 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%
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:

	2019	2018
Membership Database	20%	20%
IT Project Development Costs	20% - 33.33%	20% - 33.33%
Website	20% - 33.33%	20% - 33.33%
Computer Software	10% - 25%	25%

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

(p) Investment properties

Investment properties are 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:

	2019	2018
Buildings	2.5% - 4%	2.5% - 4%

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) Leased assets

The Group leases mainly office premises, which are typically made for fixed periods of 5 years, but may have extension options based on the individual lease contracts.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and and non-lease components based on their relative stand-alone prices.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) Leased assets (continued)

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. While the Group revalues its land and buildings that are presented within property, plant and equipment, it has chosen not to do so for the right-of-use buildings held by the Group.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

(r) Impairment

Financial assets

Trade receivables

The Group applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade and other receivables.

To measure the expected credit losses, trade and other receivables have been grouped based on shared credit risk characteristics and the days past due. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group.

Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Investments

All of the entity's investments at amortised cost and FVOCI are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months expected losses. Management consider 'low credit risk' when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(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

Grant revenue is recognised in profit or loss when the Group satisfies the performance obligations stated within the funding agreements. If conditions are attached to the grant which must be satisfied before the Group is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

(u) Parent entity financial information

The financial information for the Parent Entity, as disclosed in Note 28 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) Assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset , but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Assets classified as held for sale are presented separately from the other assets in the balance sheet.

(w) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year. Comparatives are adjusted for reclassified items in the financial statements.

NOTE 2 REVENUE AND EXPENSES

	Note	Consolidated 2019 $'000	Consolidated 2018 $'000
Revenue			
Membership subscriptions		12,573	12,408
Database and data sales		3,081	3,085
Editorial		869	738
Commercial and member services		1,535	2,631
Doctors Health Services including Telehealth grant		2,773	1,719
Rental		33	290
Interest		72	32
Interest from investments at fair value through other comprehensive income		1,078	1,007
Other income			
Profit on sale of assets	18	1,836	5,339
Other revenue including recoveries		943	802
		24,793	28,051
Expenses			
Contributions to employee superannuation plans		965	950
Cost of goods sold		23	27
Repairs and maintenance		29	59
Subsidies			
Subsidies to AMA States and Territories		1,016	1,219
Other subsidies		38	39
		1,054	1,258
Administration			
Loss on disposal of assets		2	43
Insurance		139	157
Travel and accommodation		473	517
Other		1,520	1,431
		2,134	2,148

NOTE 3 AUDITOR'S REMUNERATION

	Consolidated	
	2019 $'000	2018 $'000
Audit services		
Auditors of the Group		
RSM Australia Partners		
- Audit of financial report	63	64
Other services		
Auditors of the Group		
RSM Australia Pty Ltd		
- Taxation services	19	20
	82	84

NOTE 4 INCOME TAX CREDIT/(EXPENSE)

	Consolidated	
		Restated
	2019 $'000	2018 $'000
Current tax credit/(expense)		
Current tax on profits for the year	-	(9)
Prior year adjustments	9	(377)
	9	(386)
Deferred tax credit/(expense)		
Origination and reversal of temporary differences	364	(1,575)
Prior year adjustments	(46)	146
	318	(1,429)
Total income tax credit/(expense) in income statement	327	(1,815)
Profit before income tax	(3,799)	(5,576)
Income tax using the domestic corporation tax rate of 27.5%	(1,045)	(1,533)
Increase in income tax expense due to:		
Mutual expenditure	(3,348)	(4,199)
Non-deductible expenses	(6)	(6)
Sundry	(4)	(12)
	(3,358)	(4,217)
Decrease in income tax expense due to:		
Mutual income	4,057	4,072
Fully franked dividends	120	68
Profit on sale of property - non assessable	505	-
Sundry	85	26
	4,767	4,166
Net change in income tax	364	(1,584)
Under provision for prior year - current tax expense	9	(377)
Under provision for prior year - deferred tax expense	(46)	146
	(37)	(231)
Income tax credit/(expense)	327	(1,815)
Attributable to:		
Continuing operations	327	(1,815)

NOTE 5 CASH AND CASH EQUIVALENTS

	Note	Consolidated 2019 $'000	Consolidated 2018 $'000
Cash at bank	19(b)	7,970	1,506
Short-term deposits (less than 3 months' maturity)	19(b)	254	2,620
Cash on hand		1	1
Total Cash and cash equivalents	19	8,225	4,127

(i) Classification of cash equivalents

Short-term deposits are presented as cash equivalents if they have a maturity of three months of less from the date of acquisition.

(ii) Restricted cash

The cash and cash equivalents disclosed above and in the statement of cash flows include $1,650,000 (2018: $434,000), which are held by Doctors Health Services Pty Ltd. These monies are subject to funding arrangement restrictions and are therefore no available for general use by the other entities within the Group.

NOTE 6 TRADE AND OTHER RECEIVABLES

Trade receivables		417	652
Provision for impairment		-	(10)
		417	642
Other receivables		1,135	1,193
Total Trade and other receivables	19	1,552	1,835

Movements in the provision for impairment of trade receivables that are assessed for impairment collectively are as follows:

Balance at 1 January	(10)	(11)
Amounts written-off	10	-
Unused amounts reversed	-	1
Balance at 31 December	-	(10)

(i) Classification as trade and other receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Other receivables generally arise from transactions outside the usual operating activities of the Group. Collateral is not normally obtained. If collection of the amounts is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are generally due for settlement within 30 days and therefore are all classified as current. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. The Group's impairment and other accounting policies for trade and other receivables are outlined in notes 1(k) and 1(r) respectively

NOTE 7 INVENTORIES

	Note	Consolidated 2019 $'000	Consolidated 2018 $'000
Finished goods		22	25
Total Inventories		22	25

NOTE 8 PREPAYMENTS

Prepayments		311	469
Total Prepayments		311	469

NOTE 9 FINANCIAL INVESTMENTS

Current assets			
Financial assets at amortised cost			
Short-term deposits (more than 3 months' maturity)	19	-	254
Total Current		-	254
Non-current assets			
Financial assets at fair value through other comprehensive income			
Managed securities fund	19	19,885	16,933
Total Non-current		19,885	16,933
Total Financial investments		19,885	17,187

(a) Financial assets at amortised cost

(i) Classification of financial assets at amortised cost

The Group classifies its financial assets as at amortised cost only if both of the following criteria are met:

- The asset is held within a business model whose objective is to collect the contractual cash flows; and
- The contractual terms give rise to cash flows that are solely payments of principal and interest.

NOTE 9 FINANCIAL INVESTMENTS (CONTINUED)

(b) Financial assets at fair value through other comprehensive income

(i) Classification of financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income (FVOCI) comprise:

- Equity securities which are not held for trading and which the Group has irrevocably elected at initial recognition to recognise in this category.
- Debt securities where the contractual cash flows are solely principal and interest and the objective of the Group's business model is achieved both by collecting contractual cash flows and selling financial assets

(ii) Equity investments at fair value through other comprehensive income

On disposal of these equity investments, any related balance within the FVOCI reserve is reclassified to retained earnings.

(ii) Debt investments at fair value through other comprehensive income

On disposal of these debt investments, any related balance within the FVOCI reserve is reclassified to profit or loss.

(c) Financial assets at fair value through profit or loss

(i) Classification of financial assets at fair value through profit or loss

The Group classifies the following financial assets at fair value through profit or loss (FVPL):

- Debt investments that do not qualify for measurement at either amortised cost or FVOCI
- Equity investments that are held for trading; and
- Equity investments for which the entity has not elected to recognise fair value gains and losses through OCI.

NOTE 10 INTANGIBLE ASSETS

	Consolidated	
	2019 $'000	2018 $'000
Membership database - at cost	253	-
Less: Accumulated amortisation	(69)	-
	184	-
Computer software - at cost	693	830
Less: Accumulated amortisation	(337)	(263)
	356	567
IT Project developments - at cost	334	40
Less: Accumulated amortisation	-	-
	334	40
Total Intangible assets	874	607

Movement in carrying amounts:

Consolidated	Membership database $'000	Website $'000	Computer software $'000	IT Projects $'000	Total $'000
31 December 2018					
Opening written down value	6	-	295	218	519
Additions	-	-	163	77	240
Disposals	(4)	-	(32)	-	(36)
Transfer	-	-	255	(255)	-
Amortisation	(2)	-	(114)	-	(116)
Closing written down value	-	-	567	40	607
31 December 2019					
Opening written down value	**-**	**-**	**567**	**40**	**607**
Additions	**-**	**-**	**11**	**399**	**410**
Transfer	**240**	**-**	**(135)**	**(105)**	**-**
Amortisation	**(56)**	**-**	**(87)**	**-**	**(143)**
Closing written down value	**184**	**-**	**356**	**334**	**874**

NOTE 11 INVESTMENT PROPERTIES

	Consolidated	
	2019 $'000	2018 $'000
Units 1 and 2 Tourism House - at cost	-	-
Less: Accumulated depreciation	-	-
Total Investment properties	-	-

Movements in carrying amounts:

Consolidated	Units 1 and 2 Tourism House	Total
	$'000	$'000
31 December 2018		
Opening written down value	495	495
Depreciation	(35)	(35)
Transfer to Assets held for sale	(460)	(460)
Closing written down value	-	-
31 December 2019		
Opening written down value	-	-
Depreciation	-	-
Closing written down value	-	-

Units 1 and 2 of Tourism House have been classified as assets held for sale in the previous year, refer to Note 18 for further details.

NOTE 12 PROPERTY, PLANT AND EQUIPMENT

	Consolidated	
	2019 $'000	2018 $'000
Property, Parap Rd, Parap - at cost	381	381
Less: Accumulated depreciation	(80)	(71)
	301	310
Office furniture - at cost	1,179	1,156
Less: Accumulated depreciation	(1,004)	(931)
	175	225
Office equipment - at cost	221	220
Less: Accumulated depreciation	(152)	(120)
	69	100
Fixtures and fittings - at cost	91	83
Less: Accumulated depreciation	(55)	(42)
	36	41
Computer hardware - at cost	426	350
Less: Accumulated depreciation	(357)	(265)
	69	85
Personal computer network - at cost	-	46
Less: Accumulated depreciation	-	(21)
	-	25
Total Property, plant and equipment	650	786

An independent valuation of 2/25 Parap Road, Northern Territory was performed in December 2019 and valued at $310,000. Colliers International (NT) Pty Ltd prepared the valuation. As the valuation was in excess of the written down value disclosed in the financial statements, no adjustment is necessary nor has been made within the financial statements. It is the Group's accounting policy to obtain a valuation every 5 years.

NOTE 12 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Movement in carrying amount:	Opening written down value	Additions	Disposals	Depreciation	Transfer	Capitalised lease costs expensed	Transfer to Assets held for sale	Closing written down value
Consolidated	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
31 December 2018								
Buildings, AMA House	230	-	-	-	-	(13)	(217)	-
Property, Parap Rd Parap	319	-	-	(9)	-	-	-	310
Office furniture	336	36	-	(79)	-	-	(68)	225
Office equipment	82	52	(5)	(29)	-	-	-	100
Fixture and fittings	244	5	-	(10)	-	-	(198)	41
Computer hardware	120	45	(2)	(78)	-	-	-	85
Personal computer network	27	7	-	(9)	-	-	-	25
	1,358	145	(7)	(214)	-	(13)	(483)	786
31 December 2019								
Property, Parap Rd Parap	310	-	-	(9)	-	-	-	301
Office furniture	225	22	-	(72)	-	-	-	175
Office equipment	100	6	(2)	(35)	-	-	-	69
Fixture and fittings	41	-	-	(5)	-	-	-	36
Computer hardware	85	34	-	(69)	19	-	-	69
Personal computer network	25	-	-	(6)	(19)	-	-	-
	786	62	(2)	(196)	-	-	-	650

NOTE 13 DEFERRED TAX ASSETS AND LIABILITIES

Consolidated	Deferred Tax Assets 2019 $'000	Deferred Tax Assets Restated 2018 $'000	Deferred Tax Liabilities 2019 $'000	Deferred Tax Liabilities Restated 2018 $'000	Total 2019 $'000	Total Restated 2018 $'000
Leases	(193)	(318)	-	-	(193)	(318)
Property, plant and equipment	19	(8)	-	-	19	(8)
Income in advance	(382)	(43)	-	-	(382)	(43)
Employee benefits	132	140	-	-	132	140
Investments	(148)	316	-	-	(148)	316
Others	46	60	-	-	46	60
Carried forward losses	527	-	-	-	527	-
Total Deferred tax assets/(liabilities)	1	147	-	-	1	147

Movement in temporary differences: Consolidated	Leases $'000	Property, plant and equipment $'000	Income in advance $'000	Employee benefits $'000	Investments $'000	Others $'000	Carried forward losses $'000	Total $'000
31 December 2018 (restated)								
Opening written down value	-	386	-	123	(61)	47	765	1,260
Recognised in income statement	(318)	(394)	(43)	17	61	13	(765)	(1,429)
Recognised in equity	-	-	-	-	316	-	-	316
Closing written down value	(318)	(8)	(43)	140	316	60	-	147
31 December 2019								
Opening written down value	(318)	(8)	(43)	140	316	60	-	147
Recognised in income statement	125	27	(339)	(8)	-	(14)	527	318
Recognised in equity	-	-	-	-	(464)	-	-	(464)
Closing written down value	(193)	19	(382)	132	(148)	46	527	1

NOTE 14 LEASES

	Consolidated	
	2019 $'000	2018 $'000
(i) Amounts recognised in the balance sheet		
Assets		
Right-of-use assets - Office premises		
Opening written down value	2,362	3,157
Depreciation	(795)	(795)
Closing written down value	1,567	2,362
Liabilities		
Lease liabilities		
Current	1,053	769
Non-current	904	1,958
	1,957	2,727
(ii) Amounts recognised in the statement of profit or loss		
Interest expense	92	124
(iii) Amounts recognised in the statement of cash flows		
Lease payments	862	815

NOTE 15 TRADE AND OTHER PAYABLES

Trade payables	465	447
Other payables and accruals	1,059	1,065
Income in advance	702	681
Total Trade and other payables	2,226	2,193

Trade payables are unsecured and are usually paid within 30 days of recognition.

NOTE 16 EMPLOYEE BENEFITS

	Note	Consolidated 2019 $'000	Consolidated 2018 $'000
Current			
Long service leave provision		519	554
Annual leave provision		625	576
		1,144	1,130
Non-current			
Long service leave provision		111	145
Total Employee benefits		1,255	1,275

The employee benefits liability includes all of the accrued annual leave, the unconditional entitlements to long service leave where employees have completed the required period of service and also those where employees are entitled to pro-rata payments.

NOTE 17 INCOME TAX PAYABLE

Income tax payable	-	9
Total Income tax payable	-	9

The income tax receivable/(payable) for the Group represents the amount of income taxes credit/(payable) in respect of current and prior periods.

NOTE 18 ASSETS HELD FOR SALE

Assets held for sale		
Tourism House	-	959
	-	959

(a) Tourism House

i) Description

The sale of Tourism House was settled in January 2019.

(ii) Profit on sale of Tourism House

Profit on sale before capital gains tax	2	1,836
Capital gains tax, net of utilised carried forward tax losses		-
Net profit on sale after capital gains tax		1,836

NOTE 19 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Risk management

The Board of Directors, through its Audit, Risk and Performance Committee and Investment Committee, manages the financial risks relating to the operations of the Group. The Group adopts prudent risk based management procedures. The Audit, Risk and Performance Committee oversees compliance with the Group's risk management procedures and the Investment Committee oversees financial asset management. 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	
	Note	2019 $'000	2018 $'000
Financial assets			
Cash and cash equivalents	5	8,225	4,127
Trade and other receivables	6	1,552	1,835
Financial assets at amortised costs	9	-	254
Financial assets at fair value through other comprehensive income	9	19,885	16,933
		29,662	23,149

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, represents the Group's maximum exposure to credit risk.

The other classes within trade and other receivables do not contain impaired assets and are not past due. Based on the credit history of these other classes, it is expected that these amounts will be received when due. The Group does not hold any collateral in relation to these receivables.

NOTE 19 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

(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 returns.

(i) Interest risk

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

	Note	Consolidated 2019 $'000	Consolidated 2018 $'000
Variable rate instruments			
Financial assets			
Cash at bank	5	7,970	1,506
		7,970	1,506
Fixed rate instruments			
Financial assets at amortised costs			
Short term deposits			
- less than 3 months' maturity	5	254	2,620
- more than 3 months' maturity	9	-	254
		254	2,874

(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.

NOTE 19 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

(b) Market risk (continued)

(iii) Price risk

	Note	Consolidated 2019 $'000	Consolidated 2018 $'000
Financial assets			
Non-current assets			
Financial assets at fair value through other comprehensive income			
Managed fund - Australian securities		12,169	10,587
Managed fund - International securities		7,716	6,346
	9	19,885	16,933

Exposure

Certain investments are designated as at fair value through profit and loss as these are short term investments that are primarily for meeting operational expenditure. The Group's exposure to equity securities price risk arises from investments held by the Group and classified in the balance sheet as at fair value through other comprehensive income (FVOCI). The main purpose of FVOCI investments are to provide long term funding to the Group. While income and realised capital gains may be used to meet shortfalls in operational expenditure, ordinarily though, the income and any realised capital gains generated are expected to be retained for reinvestment.

To manage its price risk arising from investments, the Group diversifies its portfolio through managed funds, assisted by external advisers and endorsed by the Board through its Investment Committee.

(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.

(d) Fair values versus carrying amount

The fair values of financial assets and liabilities, are not significantly different from the carrying amounts shown in the Statement of Financial Position.

(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.

NOTE 20 OPERATING LEASES

	Consolidated	
	2019 $'000	2018 $'000
Leases as lessee:		
Non-cancellable operating lease rentals are payable as follows:		
Not later than 1 year	-	10
	-	10

NOTE 21 COMMITMENTS

Expenditure commitment:		
Not later than 1 year	50	947
Later than 1 year but not later than 5 years	25	2,129
	75	3,076
Commitments receivable		
Not later than 1 year	67	54
Later than 1 year but not later than 5 years	35	92
	102	146

NOTE 22 CONTROLLED ENTITIES

	Consolidated	
	2019	2018
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 NT Pty Ltd	1	1
Actraint No. 110 Pty Limited	2	2
Doctors Health Services Pty Ltd	1	1
Doctorportal Learning Pty Ltd	1	1
	8	8

NOTE 22 CONTROLLED ENTITIES (CONTINUED)

The controlled entities, Australasian Medical Publishing Company Proprietary Limited, AMA Pty Limited, AMA NT Pty Ltd, Actraint No. 110 Pty Limited, Doctors Health Services Pty Ltd and Doctorportal Learning Pty Ltd, 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.

Both the AMA Investment Trust and AMA Property Trust have wound up in February 2020.

NOTE 23 DIRECTORS AND EXECUTIVE DISCLOSURE

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

The Directors and Key Management Personnel are remunerated in the form of salaries or under contract as follows.

	2019 $'000	2018 $'000
Total remuneration	3,050	3,426

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 24 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:

	2019 $	2018 $
The Indigenous Peoples' Medical Scholarship Trust Fund	70,896	80,557
The AMA Indigenous Medical Scholarship Foundation	167,167	119,581
	238,063	200,138

AMA Pty Limited acts as trustee for the Indigenous Peoples' Medical Scholarship Trust Fund and the AMA Indigenous Medical Scholarship Foundation. However, as the Fund does not have a Deductible Gift Recipient (DGR) status, a new DGR and Australian Charities and Not-for-profits Commission (ACNC) compliant fund, the AMA Indigenous Medical Scholarship Foundation, was established in 2016. It provides scholarships to assist Aboriginal and Torres Strait Islander people in tertiary courses at Australian universities, undertaking courses of study leading to registration as a medical practitioner.

NOTE 25 SUBSEQUENT EVENTS

Novel Coronavirus (COVID-19)

An analysis of the COVID-19 outbreak in a number of countries and its impact on the AMA has been undertaken. While the area most at risk for the business is the exposure of the Group's managed securities investments to the volatility of global equity market prices, these investments are held by the organisation for long term gains, are not expected to be realised in the short to medium term and are cycled through other comprehensive income. The Board's assessment is that the Group's portfolio is in a strong position to recover when global markets rally.

Other areas of a lesser risk to the Group and not considered possible to be reliably estimated at this time are potential reductions in revenue generation through membership subscriptions or other commercial revenue lines that may be impacted by a slowdown in the Australian economy due to Covid-19. These reductions if they do occur, are expected to be offset by a fall in expenses that ordinarily fund travel to events or meetings, which has ceased under Commonwealth and State/ Territory social distancing rules.

No other 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 26 COMPANY DETAILS

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

- Australasian Medical Publishing Company Proprietary Limited
- AMA Pty Limited
- AMA NT Pty Ltd
- Actraint No.110 Pty Limited
- Doctors Health Services Pty Ltd
- Doctorportal Learning Pty Ltd

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.

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 Pty Limited also acts as trustee for the Indigenous Peoples' Medical Scholarship Trust Fund and the AMA Indigenous Medical Scholarship Foundation.

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 COMPANY DETAILS (CONTINUED)

Doctors Health Services 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 delivery of health services for medical practitioners and medical students. In 2019, the company and the Department of Health entered into a Telehealth agreement to support the delivery of mental health consultation services for doctors and medical students.

Doctorportal Learning 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 delivery of online accredited medical education for both members and non-members.

NOTE 27 PARENT ENTITY

As at, and throughout the financial year ended 31 December 2019, 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.

	2019 $'000	Restated 2018 $'000
(a) Financial information		
Earnings before interest and tax	(958)	(1,119)
Interest income	1,015	927
Profit/(loss) before tax	57	(192)
Income tax credit/(expense) *	319	(916)
Profit/(loss) for the year	376	(1,108)
Changes in fair value of investments at fair value through other comprehensive income (net of income tax)	1,015	(951)
Total comprehensive profit/(loss)	1,391	(2,059)

* The parent entity, the Australian Medical Association Limited, is the head entity for the income tax consolidated group and it provides income tax subsidies to its subsidiary companies within the Group.

NOTE 27 PARENT ENTITY (CONTINUED)

	2019 $'000	Restated 2018 $'000
Statement of financial position		
Assets		
Current assets	5,623	4,975
Non-current assets	29,099	26,931
Total assets	34,722	31,906
Liabilities		
Current liabilities	2,015	2,911
Non-current liabilities	17,926	15,605
Total liabilities	19,941	18,516
Equity		
Retained earnings	14,495	14,119
Reserve	286	(729)
Total equity	14,781	13,390

(b) Other commitments

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

(c) Contingent liabilities

There are no contingent liabilities at the reporting date.

NOTE 28 RELATED PARTY TRANSACTIONS

Parent entities

The wholly owned group consists of Australian Medical Association Limited and its controlled entities. These entities are Australasian Medical Publishing Company Proprietary Limited, AMA Pty Limited, AMA NT Pty Limited, Actraint No 110 Pty Limited, AMA Property Trust, Doctors Health Services Pty Limited and Doctorportal Learning Pty Limited.

Parent entity

The parent entity of the wholly owned group is Australian Medical Association Limited.

Ownership interest in related parties

Interests held in related parties are as follows:

Name of entity	Class of shares	Equity holding 2019 %	Equity holding 2018 %
Australasian Medical Publishing Company Proprietary Limited	Ordinary	100	100
AMA Pty Limited	Ordinary	100	100
AMA NT Pty Ltd	Ordinary	100	100
Actraint No 110 Pty Ltd	Ordinary	100	100
Doctors Health Services Pty Ltd	Ordinary	100	100
Doctorportal Learning Pty Ltd	Ordinary	100	100

NOTE 29 CHANGES IN ACCOUNTING POLICIES - ADOPTION OF NEW ACCOUNTING STANDARDS

(a) Impact on the financial statements

The reclassifications and adjustments arising from the new accounting standards are recognised in the opening balance sheet on 1 January 2019.

The following tables show the adjustments recognised for each individual line item.

Balance sheet (extract)	31 December 2018			
	As originally presented $'000	AASB 1058 $'000	AASB 16 $'000	Restated $'000
Current assets				
Cash and cash equivalents	4,127	-	-	4,127
Trade and other receivables	1,835	-	-	1,835
Inventories	25	-	-	25
Prepayments	469	-	-	469
Other investments	254	-	-	254
Assets held for sale	959	-	-	959
Non-current assets				
Other investments	16,933	-	-	16,933
Intangible assets	607	-	-	607
Investment properties	-	-	-	-
Property, plant and equipment	786	-	-	786
Deferred tax assets	508	(43)	(318)	147
Right-of-use assets	-	-	2,362	2,362
Total assets	26,503	(43)	2,044	28,504
Current liabilities				
Trade and other payables	2,349	(156)	-	2,193
Lease liabilities	-	-	769	769
Employee benefits	1,130	-	-	1,130
Income tax payable	9	-	-	9
Non-current liabilities				
Employee benefits	145	-	-	145
Lease liabilities	-	-	1,958	1,958
Total liabilities	3,633	(156)	2,727	6,204
Net assets	22,870	113	(683)	22,300
Equity				
Retained earnings	23,704	113	(683)	23,134
Reserve	(834)	-	-	(834)
Total equity	22,870	113	(683)	22,300

NOTE 29 CHANGES IN ACCOUNTING POLICIES - ADOPTION OF NEW ACCOUNTING STANDARDS (CONTINUED)

(a) Impact on the financial statements (continued)

Statement of profit or loss and other comprehensive income (extract)	31 December 2018			
	As originally presented $'000	AASB 1058 $'000	AASB 16 $'000	Restated $'000
Revenue	27,689	362	-	28,051
Expenses	(21,904)	(206)	(365)	(22,475)
Profit before income tax	5,785	156	(365)	5,576
Income tax credit	(1,454)	(43)	(318)	(1,815)
Profit for the year	4,331	113	(683)	3,761
Other comprehensive income				
Changes in fair value of investments at FVOCI	(1,056)	-	-	(1,056)
Total comprehensive income for the year	3,275	113	(683)	2,705
Retained earnings				
As at 31 December 2017	19,373	-	-	19,373
Profit for the year	4,331	113	(683)	3,761
As at 31 December 2018	23,704	113	(683)	23,134

Directors' Declaration

The Directors of the Company declare that:

1) the financial statements and notes, set out on pages 45 to 92 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 2019 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 9th day of April 2020.

Dr Anthony Bartone

President

Australian Medical Association Limited

A/Prof Gino Pecoraro

Chair

Australian Medical Association Limited

RSM Australia Partners

Equinox Building 4, Level 2, 70 Kent Street Deakin ACT 2600
GPO Box 200 Canberra ACT 2601

T +61 (0) 2 6217 0300
F +61 (0) 2 6217 0401

www.rsm.com.au

AUDITOR'S INDEPENDENCE DECLARATION

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 2019, 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 AUSTRALIA PARTNERS

RODNEY MILLER
Partner

Canberra, Australian Capital Territory
Dated: 14 April 2020

RSM Australia Partners

Equinox Building 4, Level 2, 70 Kent Street Deakin ACT 2600
GPO Box 200 Canberra ACT 2601

T +61 (0) 2 6217 0300
F +61 (0) 2 6217 0401

www.rsm.com.au

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

AUSTRALIAN MEDICAL ASSOCIATION LIMITED

Opinion

We have audited the financial report of Australian Medical Association Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2019, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the accompanying financial report of the Group is in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the Group's financial position as at 31 December 2019 and of its financial performance for the year then ended; and

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

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Other Information
The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 31 December 2019 but does not include the financial report and the auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/Pronouncements/Australian-Auditing-Standards/Auditors-Responsibilities.aspx. This description forms part of our auditor's report.

RSM AUSTRALIA PARTNERS

RODNEY MILLER
Partner

Canberra, Australian Capital Territory
Dated: 14 April 2020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