

AMA HOUSE

Australian Medical Association
(South Australia) Inc.



Annual Report 2018

AMA(SA) Council

Membership of Council January – December 2018

Position on Council

President	A/Prof William Tam (8)*
Vice President	Dr Chris Moy (8)
Immediate Past President	Dr Janice Fletcher (6)
Chair	Dr David Walsh (7)

Ordinary Members

.....	Dr Michelle Atchison (8)
.....	Prof Randall Faulk (4)
.....	Dr Matthew McConnell (6)
.....	Dr Clair Pridmore (5)
.....	Dr Rajaram Ramadoss (4)
.....	Dr John Williams (4)
.....	Dr John Woodall (7)

Federal Councillors

State Nominee	A/Prof William Tam (8)
Area Nominee SA/NT	Dr Chris Moy (8)
Speciality Group Nominee	Dr Matthew McConnell (Physicians) (6)

Speciality Group Representatives

Anaesthetists	Dr Perry Fabian (5)
Dermatologists	Dr Jeffrey Wayte (3)
Emergency Medicine	Dr Thiru Govindan (1) From Dec 2018
General Practitioners	Dr Bridget Sawyer (6)
Obstetricians and Gynaecologists	Dr Jane Zhang (5)
Orthopaedic Surgeons	Dr Jeganath Krishnan (5)
Paediatricians	Dr Patrick Quinn (2)
Pathology	Dr Shriram Nath (8)
Physicians	Dr Nimit Singhal (7)
Psychiatrists	Dr Tarun Bastiampillai (6)
Radiologists	Dr Nicholas Rice (4)
Surgeons	Dr David Walsh (7)

Regional Representatives

.....	Dr Philip Gribble
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Public Hospital Doctors Representative

.....	Dr Andrew Russell
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Doctors in Training

.....	Dr Hannah Szewczyk (3) From June 2018
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Medical Student Representatives

.....	Ms Mehka John - Flinders UNI Rep (6)
.....	Mr Simon Cousins - Adelaide UNI Rep (3)

* The number in brackets refers to attendance at the AMA(SA) Council meetings, February to December 2018 (maximum eight).

Federal AMA Committees AMA(SA) Members

During 2018

Federal Council

A/Prof William Tam (State Nominee)
Dr Christopher Moy (Area Nominee SA/NT)
Dr Matthew McConnell (Specialty Group Nominee: Physician)
A/Prof Susan Neuhaus (Specialty Group Nominee - Surgery) - to May 2018

AMA Federal Board

Dr Peter Sharley

AMA Council of Public Hospital Doctors

Dr Andrew Russell

AMA Council of General Practice

Dr Patricia Montanaro
Dr Annette Newson (Alternate)

AMA Council of Rural Doctors

Dr Philip Gribble
Dr John Woodall (Alternate)

AMA Council of Doctors in Training

Dr Hannah Szewczyk
Dr Gemma Wohling (Alternate)

Medical Practice Committee

Dr Christopher Moy
A/Prof William Tam

Taskforce on Indigenous Health

Dr David Scrimgeour

Health Financing and Economics Committee

A/Prof Susan Neuhaus - to May 2018

Ethics and Medico Legal Committee

Dr Christopher Moy (Chair)

AMA Council of Private Specialist Practice

Dr Mark Sinclair - to May 2018

AMA Medical Workforce Committee

Dr Matt McConnell (from May 2018)



Associate Professor William Tam

From the President

I write this with the knowledge that in a few short weeks, I will be relinquishing the presidency of the Australian Medical Association in South Australia to my successor, Dr Chris Moy. It is knowledge that prompts some sadness, of course, but also a great deal of satisfaction as I look back on almost two years at the helm. And while being your president has been challenging and time-consuming, I must say there are times when it has also been great fun!

The sadness comes because there is no doubt that I will miss a role in leading an organisation that has very real, and probably increasing, value in our community. The AMA is a rare organisation in that we are so often called upon to express our thoughts about issues and events with enormous impact on the lives of South Australians, yet we are not subject to the public criticism and complaints that many other entities receive. We are seen as being trustworthy and knowledgeable, with an agenda aligned to what our patients see as their own needs and expectations. Like Spiderman, we have great power – and I am always mindful of the great responsibility to use it well.

So, I will be sad to leave the office. But I do so with the pride that comes from

knowing that in the past 12 months, particularly, we have all achieved a great deal at a time when our role and our position could not be more important. Since outlining the matters of importance to us and to South Australian healthcare in the lead-up to the State election in March 2018, this has been a year in which the AMA has had to be ready, willing and able to advocate for health and South Australian communities. We have been asked to speak, and our voice has been heard.

Some of our advice to the incoming government has generated valuable and essential change; on other matters, we await notice that our recommendations for best-practice healthcare have been heard and heeded. Our call for a new women's and children's hospital to be co-located with the Royal Adelaide Hospital (RAH) appears likely to be answered, and the Repatriation Hospital is being reconfigured to provide a much-needed bolster to medical and healthcare services in the south. The government has acted on providing free flu shots and a meningococcal B immunisation program for children, and on our recommendations to limit the sales and availability of e-cigarettes.

However, we have seen no sign of the independent clinical data analysis unit and Clinical Senate that we suggested were critical to gathering

and providing evidence-based advice to the Minister. When I was elected president, the RAH loomed as the answer to many of this state's health-related problems; more than 18 months later, the AMA still is asked almost every week to respond to some crisis emanating from its North Terrace doors. We asked for a different approach to providing health care in the regions; although there may be some logic in not changing too much until after the new Local Health Network boards and operating models are in place, we do believe more progress could have been made by now. We have not seen how the promised Commission on Excellence and Innovation in Health will take shape and operate. And despite a commitment to a new state mental health plan – due in March 2019 but still not available as this report goes to press – we still do not have adequate mental health services for those who need them.

But the news is not all bad. Nationally and in South Australia, AMA members welcomed the establishment of the Royal Commission into Aged Care Quality and Safety. We supported the appointment of April Lawrie as the first Commissioner for Aboriginal Children and Young People in South Australia, and the work of the Commissioner for Children and Young People, Helen Connolly. We

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From the President

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contributed to briefings on the impact of climate change on human health. We tirelessly and unapologetically advocate for safe work hours and safe workplaces for our members, so we can give our best to our patients and South Australia's health system.

As president, I have the pleasure of representing our organisation and our members at a great number of worthy events and in many platforms throughout the year. In 2018, this included congratulating all medical

graduands at the University of Adelaide and Flinders University ceremonies. I heard first-hand the issues facing regional doctors in Port Augusta, Port Pirie and other regional centres. I wholeheartedly supported CrazySocks4Docs Day on 1 June, which is a light-hearted way to bring attention to the very serious issue of doctors' mental health and wellbeing. Equally significant was my public commentary on the unsatisfactory time we usually wait on the phone

when trying to fulfil our mandatory requirements to report suspected child abuse.

As I pass the baton to Chris, I thank everyone for your help and support in ensuring the AMA retains its status as our profession's peak body and an accessible, credible advocate for the patients and communities we serve. It is and must be a team effort, and I look forward to being part of the AMA(SA) team in the years ahead.



Marie Shaw QC and Council member Dr Bridget Sawyer at the Women in Medicine High Tea



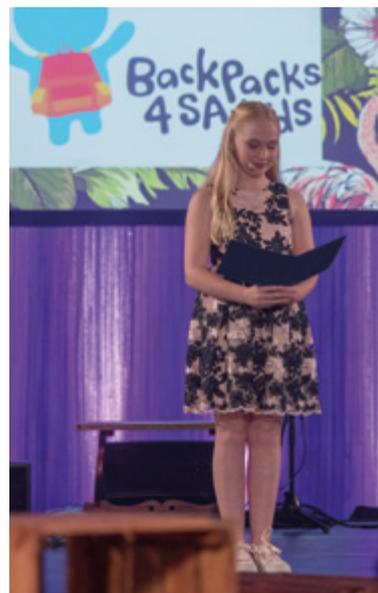
Associate Professor William Tam joins SACOSS at a media event



AMA(SA) Council Student Representatives Diana Hancock (2019), Mekha John (2018), Simon Cousins (2018) and Patrick Kennewell (2019) at the President's Breakfast



Federal Vice President Dr Chris Zappala and President Dr Tony Bartone with AMA(SA) President Associate Professor William Tam at the AMA 2018 National Conference



The 2018 Gala Dinner supported Backpacks 4 SA Kids



Due to the appointment of Dr John Woodall as interim CEO in February 2019, this is a combined Chair/CEO report from Dr Chris Moy.

From the Chair

The past year has given AMA(SA) the opportunity to revisit, review and renew its core commitments to members – with the result that we are all part of a more relevant, responsive and modern organisation than was the case 12 months ago.

To remind us all, the Australian Medical Association aims to:

- (i) preserve, maintain, promote and advance the intellectual, philosophical, social, political, economic and legal interests of members
- (ii) 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.

In 2018, these objectives provided AMA(SA) with a valuable touchstone as it capitalised on a refreshed board ready to face the challenges of external events affecting the organisation and the communities we serve.

Following the retirement of Dr Trevor Mudge (as Chair) and Dr Margie Cowling from the AMA(SA) Executive Board in late 2017, I was appointed Board Chair in the first meeting of 2018. This was closely followed by the

appointments of Dr John Nelson and Dr Guy Christie-Taylor.

An early initiative of the new Board was to recommend that the AMA(SA) Council seek an independent review of its governance structures, practices and relationships. The review aimed to ensure that the AMA(SA) has the structure and governance in place to meet members' needs, now and in the future. It was conducted by corporate governance consultant Virginia Hickey of 'At the Board Table' and overseen by a subcommittee of AMA(SA) Council.

Ms Hickey provided her report at the AMA(SA) Council meeting in December 2018. The report included recommendations to change the organisation's governance and structure to bring the organisation in line with Australian Charities and Not-for-profits Commission (ACNC) standards. It recommended reviewing the AMA(SA) Constitution and By-Laws; the roles and responsibilities of the AMA(SA) Council and Executive Board; and the relationship of AMA(SA) with organisations such as the South Australian Postgraduate Medical Education Association (sapmea), with which AMA(SA) had shared a Labour Hire Services Agreement governing the employment of staff members since 2014.

In mid-December 2018, sapmea informed AMA(SA) of its decision to end the Labour Hire Services Agreement, necessitating a timely response by

AMA(SA) and leading to changes in AMA (SA) staff in early 2019. The Chief Executive Officer of AMA(SA) and sapmea, Joe Hooper, did not accept an offer to continue with AMA(SA).

Membership

Membership, and the needs of members, must be the highest priority of the Executive Board and the organisation.

The AMA has among the highest proportions of membership of any professional membership association in the country, with current membership levels in line with predictions. However, in common with other membership organisations, AMA(SA) membership has been gradually declining – highlighting the need for AMA(SA) to realign the organisation to the needs of members, thereby improving the value proposition of membership.

This was a focus of Ms Hickey's review, and is particularly relevant to our doctors in training, general practice registrars and students – our future members. The AMA(SA) Executive Board understands the critical requirement to survey and listen to what its existing and prospective members want and need. We believe changes being considered by the Executive Board that will improve communication, increase opportunities for you to participate in advocacy on issues that matter to

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Dr Chris Moy at a Pakistani Medical Association event

From the Chair

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you, and that provide more networking and professional development opportunities, will increase our value to members.

Finances

Our 2018 income was \$1,828,220, slightly above that of 2017 due primarily to increased subscription income. Expenditure was contained, despite increased property costs and the cost of undertaking a review that I suggest is a critical investment in our long-term interests.

The net result is that we have recorded a small loss for the year. However, our financial position remains comfortable, with total equity of \$4.152 million. All known liabilities can be met, and the Board receives regular reports on our financial position through financial ratios that at present demonstrate a stable financial situation.

AMA(SA) continues majority ownership and strata control in AMA House, including the full ownership of level 2 (the top floor) that allows for expansion as necessary.

Several long-term initiatives aimed at generating non-membership income are continuing. This has been a financial necessity for all state AMA entities but the AMA(SA) Executive Board is clear that this cannot override our focus on membership.

Non-membership income streams are delivered through AMA House and Newland House tenancies, preferred provider arrangements, education events, and some office supplies that are available for purchase.

AMA skills training

The AMA(SA) Registered Training Organisation (RTO) has continued a very strong steady increase in student numbers and income such that it has now entered profitability.

In a climate of media attention focusing on the quality of training by some RTOs, AMA Skills Training has been able to expand because of its reputation among students and employers as a high-quality education provider.

Since the RTO began, 474 students have enrolled and we currently have 352 active students participating in qualifications (up from 107 last year). This includes 18 Indigenous students from the Northern Territory studying qualifications through funding from the NT Government.

The long-term investments in AMA Skills Training are now bearing fruit, offering AMA(SA) a new and stable source of non-membership income that can enhance the membership experience.

Events and charity support

The AMA(SA) considers its social responsibilities to be an important part of our relationship with the South Australian community.

Our annual black-tie charity Gala Dinner at the Hilton International Adelaide was again a great success, raising more than \$10,000 for Backpacks 4 SA Kids. Other event highlights included the annual Past Presidents, Retired and Life Members Luncheon; a CV and interview skills workshop for medical students and

doctors in training; the AMA(SA)/RACGP combined Members' Christmas Party; and the President's Breakfast in December.

I wish to thank members of the AMA(SA) Executive Board, and particularly its new members – Dr John Nelson, Dr Guy Christie-Taylor and Mr Andy Brown – who joined at a time when, as a new chair, I required significant support and guidance in navigating new challenges.

I would like to acknowledge all members of AMA(SA) Council and especially the Chair, Dr David Walsh, for their wisdom and for being the foundation upon which the organisation is built.

Along with all members, I owe a debt of gratitude for the dedicated work of AMA(SA) staff.

Finally, I wish to thank AMA(SA) President Associate Professor William Tam for his tireless work and the wonderful, positive spirit that he has applied to his role. More importantly, he displayed the highest levels of courage and integrity at a time when AMA(SA) faced an unprecedented need for re-evaluation and change. He did not shrink from the task.

As a result, William's presidency will be remembered as a period of challenges through which the organisation was given the chance to transform into a better, more modern organisation with the capability to truly serve its current and future members.



AMA(SA) members supported doctors' mental health and wellbeing on #CrazySocks4Docs Day

Our Year | 2018

Looking to the future ...

The AMA(SA) acknowledges and celebrates excellence among medical students with the awarding each year of two Student Medals, one each to a graduating medical student from South Australia's medical schools at the University of Adelaide and Flinders University. The medals are awarded for both academic excellence and contributions to the School of Medicine through representing the interests of students, and involvement in student life, the university or general community.

In 2018 the AMA(SA) had great pleasure in presenting Student Medals to Emma Kelly from the University of Adelaide and Mekha John from Flinders University.

Both have made striking contributions among their peers and in their schools, in addition to their academic work.

The AMA(SA) congratulates Emma and Mekha and looks forward to benefiting from their contributions to our profession, our membership and the South Australian community.

... while honouring the past and present

A great annual highlight for the AMA(SA) is the opportunity to confer several important awards at the AMA(SA) annual Charity Gala Dinner.

In 2018, three awards were presented to practitioners who are role models to their peers and the next generation. The Medical Educator Award went to Dr Stephen B Kinnear; the AMA(SA) Award for outstanding contribution to medicine went to Dr Mark H Moore AM, and Professor John Dent received the President's Medical Leader Award.

The AMA(SA) is also privileged to accord life membership of the Association to doctors who have

supported us throughout 50 years of membership. These members have helped the AMA(SA) speak up on behalf of the profession and our patients over many decades. They show us what is possible and are part of the foundation on which the AMA(SA) is built.

In 2018 we had the great pleasure of acknowledging the contributions and support of Dr Malcolm Begg, Dr Warwick Blakemore, Dr Peter Byrne, Dr Robert Morgan, Dr Trevor Pickering, Dr Robert Pollnitz and Dr Peter Kreminski.

Five South Australian doctors were named as recipients of Australia Day Honours for their contributions to the profession, research and the lives and wellbeing of patients. We congratulate Professor John Turnidge, who was made an Officer (AO) in the General Division; Dr Andrew Luck and the late Dr Richard Cockington,

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Our Year | 2018

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who each received a Medal in the Order of Australia in the General Division (OAM); and Professor Maria Crotty and Dr Raluca Tudor, who each received the Public Service Medal (PSM).

In June, five doctors were recognised with Queen's Birthday Honours. Dr Stephen Kinnear, Dr Dick Wilson, Dr Mary Sutherland, Dr Jeremy Raftos and Dr Desmond Hoffman were each recognised with an OAM in the General Division.

Skills development

AMA Skills Training continues to offer development opportunities to health sector practitioners and employees, with discounted training available for AMA members.

AMA Skills Training offers the Diploma of Practice Management, Diploma of Leadership and Management, Certificate IV in Health Administration, Certificate IV in Leisure and Health, Certificate III in Business Administration (Medical), Certificate III in Individual Support and Certificate III in Business Administration.

A highlight for AMA Skills Training in 2018 was the start of training for 24 students from Nunukuwarrin Yunti of South Australia Inc. and Watto Purrinna Aboriginal Primary Health Care Service. These students are enrolled in the Certificate III in Business Administration (Medical) and Certificate III in Business Administration respectively, and working towards gaining these valuable workplace qualifications.

In the calendar

Social and professional development events during the year gave members opportunities to expand their networks and increase their knowledge about their own field and others. The Past Presidents Luncheon, President's Breakfast, Women in Medicine High Tea, and

Medico Legal Dinner Debate were among the events that highlighted the knowledge and expertise among generations of South Australian health practitioners.

The annual black-tie Gala Ball at the Hilton Adelaide in May enabled members and friends to mix and mingle while raising \$10,000 for Adelaide-based charity Backpacks 4 Kids SA. Backpacks 4 Kids SA which provides resources that contribute to the care, safety and wellbeing of children and young people during periods of relocation from home and routine care.

The ball was a night to remember, bringing together colleagues and members of the health sector in South Australia.

We thank major sponsors Calvary Hospital and Medical Insurance Group Australia (MIGA), and corporate sponsors Benson Radiology and Country SA Primary Health Network, for their support of this event, as well as the many organisations which booked corporate tables. We also thank the members, friends and staff who gave their support to this exceptional annual charity event.

Friends with benefits

The AMA(SA) appreciates the support of a range of partners and sponsors that contributes to our capacity to provide services to our members, the health sector and South Australian consumers and communities.

Hood Sweeney is our platinum sponsor and preferred supplier of accounting and financial planning advice and services. Its support in 2018 included a seminar on retirement planning. We also thank commercial law firm Norman Waterhouse for its contribution and readiness to offer expert advice throughout a busy year.



Platinum sponsor Hood Sweeney staging a retirement seminar in November

Strong associations

The AMA(SA) continued to provide secretariat support and office space to other medical associations in 2018. The Australian Society of Anaesthetists (ASA) SA/NT, South Australian Indian Medical Association, Australian Chinese Medical Association (ACMA), Pakistani Medical Association SA (PMASA), the DREAMIN Foundation, the South Australian Sri Lankan Doctors Association (SASDA), the Salisbury Elizabeth Medical Association and the ACMA Foundation were all able to draw on the expertise and networks of the AMA(SA) to boost the effectiveness and range of services to their members.

These associations together comprise more than 1,000 members, and each conducts education and social events each year.

Associations Officer Tracey Di Bartolo indicated her intention to retire in December 2018. The role has been filled by Heather Allanson, who has brought to AMA House extensive expertise and knowledge from significant roles in South Australia's health sector.



Associate Professor William Tam visited Port Augusta Hospital during a regional tour with AMA(SA) staff in July

AMA(SA) Standing Committees

January - December 2018

Executive Board

Chair: Dr Chris Moy

Secretariat: Mr Joe Hooper, Ms Claudia Baccanello

Members: Doctors Peter Sharley, A/Prof William Tam, John Nelson, Guy Christie-Taylor, Hannah Szewczyk (ex-officio) Messrs Andrew Brown, John McLaren

Communications

Chair: Dr Philip Harding

Secretariat: Mr Joe Hooper, Eva O'Driscoll, Heather Millar

Members: Doctors Tarun Bastiampillai, Robert Menz, Patricia Montanaro, Chris Moy, Shriram Nath, Michael Rice, Melissa Sandercock, A/Prof William Tam (ex-officio)

Historical Committee

Chair: Dr David Fenwick

Secretariat: Mr Joe Hooper, Ms Bernadette Kuhar, Ms Natalie Brown

Members: Doctors David Evans, Peter Kreminski, Dorothea Limmer, Tom Turner

Road Safety Committee

Chair: Dr William Heddle

Secretariat: Mr Joe Hooper, Ms Bernadette Kuhar, Ms Natalie Brown

Members: Doctors Robert Atkinson, Philip Harding, Patricia Montanaro, Monika Moy, William Tam (ex-officio)

Doctors in Training Committee Members

President: A/Prof William Tam (ex-officio)

Vice President: Dr Chris Moy (ex-officio)

Chair and DIT Representative on State Council:

Dr Hannah Szewczyk

Deputy Chairs: Dr Jemma Wohling, Lyell McEwin RMO Representative; Dr Samantha Iannella, SA Met DIT Committee President and Representative

Secretariat: Mr Joe Hooper, Ms Charlie-Helen Robinson

Communications Officer/Secretariat Support: Dr Riche Mohan

Committee: Doctors Annie Fraser, Hayley Adams, Samuel Ellison, Sarah Borg, Sarah Nolan, Sean Jolly

Student Representatives: Doctors Simon Cousins, Mekha John



Associate Professor William Tam welcomed new life members in 2018

AMA(SA) Council | Changes

Changes to the AMA(SA) Council during the year 2018

Retiring Councillors

(Members of Council who have retired from their current positions on Council, some of whom will assume another role in Council.)

- Dr John Williams, retiring from his position as Regional Representative – Northern, a position he has filled since 2012.
- Dr Philip Gribble, retiring from the casual vacancy for Ordinary Member, a position he has filled since October 2017.

Resignation of Councillors

- A/Prof Susan Neuhaus (ex officio) resigned from Federal Council.
- Dr Nigel Stewart resigned from his position as Specialty Group Representative: Northern.

Election of Office Bearers

- A/Prof William Tam was re-elected to the office of President.
- Dr Chris Moy was re-elected to the office of Vice President.

Appointment of Specialty Group Representatives and other Representatives

- Specialty Group Representative for Emergency Medicine – Dr Thiru Govindan appointed to this casual vacancy by AMA(SA) Council.
- Specialty Group Representative for Doctors in Training – Dr Hannah Szewczyk appointed to this casual vacancy by AMA(SA) Council.

Regional Representative Northern

- Dr Philip Gribble was elected to this position.

Election of Ordinary Members

- Dr Michelle Atchison was elected to this position.
- Dr Randall Faulk was elected to this position.
- Dr Matthew McConnell was re-elected to this position.
- Dr Clair Pridmore was re-elected to this position.
- Dr Rajaram Ramadoss was elected to this position.
- Dr John Williams was elected to this position.
- Dr John Woodall was re-elected to this position.

Federal Councillors

- A/Prof William Tam was re-appointed to the office of State Nominee.
- Dr Chris Moy was re-appointed to the office of Area Nominee SA/NT.
- Dr Matthew McConnell was reappointed as Specialty Group Nominee: Physicians.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
AUSTRALIAN MEDICAL ASSOCIATION (SA) INC.**

Report on the Financial Report

We have audited the accompanying financial report of Australian Medical Association (SA) Inc., which comprises the statement of financial position as at 31 December 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, notes comprising a summary of significant accounting policies and other explanatory information and the statement by officers of the association.

Council's Responsibility for the Financial Report

The Council of the association are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements (including Australian Accounting Interpretations) and the Associations Incorporation Act (SA) 1985 and for such internal control as the Council determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Opinion

In our opinion, the financial report of Australian Medical Association (SA) Inc. is in accordance with the Associations Incorporations Act (SA) 1985, including:

- a) giving a true and fair view of the association's financial position as at 31 December 2018 and of its performance for the period ended on that date; and
- b) complying with Australian Accounting Standards – Reduced Disclosure Requirements (including Australian Accounting Interpretations) and the Associations Incorporations Act (SA) 1985.

Pitcher Partners

JIM GOUSKOS
Principal
ADELAIDE

Dated, this 16th day of April 2019

Financial Report | AMA(SA) Inc

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2018	Note	2018 \$	2017 \$
Revenue	2	<u>1,828,220</u>	<u>1,772,451</u>
Total income		1,828,220	1,772,451
sapmea contracting cost	17	(799,641)	(729,135)
Depreciation and amortisation expenses		(35,005)	(38,300)
Property expenses		(311,108)	(270,296)
Presidential allowance		(53,220)	(53,220)
Printing and stationery		(4,397)	(3,721)
Insurance		(10,603)	(9,948)
Membership, Functions & Associations		(39,529)	(44,432)
Postage		(2,369)	(2,533)
Repairs and maintenance		(9,869)	(13,389)
Telephone		(11,755)	(10,754)
Medical Revenue		(120,708)	(145,018)
Donation		(10,050)	(10,800)
Gala Dinner expense		(65,535)	(59,635)
AMA Skills Training		(130,638)	(113,882)
Other expenses from ordinary activities	3	<u>(225,726)</u>	<u>(227,563)</u>
Profit / (Loss) before income tax		(1,933)	39,825
Income tax (expense)	4	<u>(13,220)</u>	<u>(35,974)</u>
Profit / (Loss) for the year		<u>(15,153)</u>	<u>3,851</u>
STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2018	Note	2018 \$	2017 \$
ASSETS			
Current assets			
Cash and cash equivalents	6	512,569	640,276
Trade and other receivables	7	85,363	93,884
Other current assets	8	12,972	7,930
Total Current Assets		<u>610,904</u>	<u>742,090</u>
Non-current assets			
Property, plant and equipment	9	1,334,889	1,367,886
Intangible assets	10	9,966	19,932
Investment Properties	11	4,120,000	4,120,000
Deferred tax assets	14	128,609	140,908
Total Non-Current Assets		<u>5,593,464</u>	<u>5,648,726</u>
TOTAL ASSETS		<u>6,204,368</u>	<u>6,390,816</u>
LIABILITIES			
Current liabilities			
Trade and other payables	12	544,823	717,040
Borrowing	13	-	-
Total Current Liabilities		<u>544,823</u>	<u>717,040</u>
Non-current liabilities			
Deferred tax liabilities	14	307,996	307,075
Borrowing	13	1,200,000	1,200,000
Total Non-Current Liabilities		<u>1,507,996</u>	<u>1,507,075</u>
TOTAL LIABILITIES		<u>2,052,819</u>	<u>2,224,115</u>
NET ASSETS		<u>4,151,548</u>	<u>4,166,701</u>
EQUITY			
Reserves	16	993,319	993,319
Retained earnings		3,158,229	3,173,382
TOTAL EQUITY		<u>4,151,548</u>	<u>4,166,701</u>

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2018	Retained Earnings \$	Reserves \$	Total \$
Balance at 1 January 2017	3,169,531	989,905	4,159,436
Total comprehensive income for the year Profit attributable to members of the entity	3,851	-	3,851
Other comprehensive income for the year North Western Suburbs Medical Practitioners Association	-	3,414	3,414
Total other comprehensive income for the year	-	3,414	3,414
Total comprehensive income for the year	3,851	3,414	7,265
Balance at 31 December 2017	3,173,382	993,319	4,166,701
Balance at 1 January 2018	3,173,382	993,319	4,166,701
Total comprehensive income for the year (Loss) attributable to members of the entity	(15,153)	-	(15,153)
Total comprehensive income for the year	(15,153)	-	(15,153)
Balance at 31 December 2018	3,158,229	993,319	4,151,548

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2018	Note	2018 \$	2017 \$
Cash flows from operating activities:			
Receipts from members, tenants and others		1,834,676	1,771,303
Payment to suppliers		(1,907,997)	(1,520,029)
Interest received		2,064	2,409
Finance costs		(51,944)	(51,240)
Net cash (used in) / provided by operating activities		(123,201)	202,443
Cash flow from investing activities:			
Purchase of plant and equipment		(6,087)	(70,103)
Proceeds from sale of plant and equipment		1,581	-
Net cash (used in) investing activities		(4,506)	(70,103)
Cash flow from financing activities:			
Proceeds (Repayment) from (of) borrowings		0	(205,000)
Net cash provided by / (used in) financing activities		0	(205,000)
Net (decrease) in cash		(127,707)	(72,660)
Cash and cash equivalents at the beginning of the financial year		640,276	712,936
	6		
Cash and cash equivalents at the end of the financial year		512,569	640,276

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

AMA(SA) has elected to early adopt the Australian Accounting Standards - Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Accounting Standards arising from Reduced Disclosure Requirements.

The financial statements are general purpose financial statements that have been prepared accordance with Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Board and the Associations Incorporation Reform Act 2012. The association is a not-for profit entity for financial reporting purposed under Australian Accounting Standard.

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

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

The financial statements for Australian Medical Association (SA) Inc. were authorised for issue on 11 April 2019.

Accounting Policies

(a) Income Tax

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

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the balance date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

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

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred tax assets relating to temporary differences and unused tax losses are recognised to the extent that it is probable that future

tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the association will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law. Non-member income of the association is only assessable for tax, as member income is excluded under the principle of mutuality.

(b) Intangible assets - Website and database

Development cost of website and database are capitalised on the basis of the costs incurred to acquire and develop the specific website and database. All intangible assets are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives, as these assets are considered finite. Residual values and useful lives are reviewed at each reporting date.

The amortisation rates used for each class of intangible asset are:

Class of Intangible Asset	Amortisation Rates
Website and database	33%

(c) Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses.

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

The cost of fixed assets constructed within the association includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

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

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated over their useful lives to the entity commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rates
Furniture and fittings	7.5-33.3%

The assets' residual value and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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

(d) Land and buildings

Land and buildings are initially recognised at cost. Freehold land is subsequently carried at the revalued amount less accumulated impairment losses. Buildings and leasehold land are subsequently carried at the revalued amounts less accumulated depreciation and accumulated impairment losses.

Land and buildings are revalued by independent professional valuers on a triennial basis and whenever their carrying amounts are likely to differ materially from their revalued amounts. When an asset is revalued, any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset. The net amount is then restated to the revalued amount of the asset.

Increases in carrying amounts arising from revaluation, including currency translation differences, are recognised in the asset revaluation reserve, unless they offset previous decreases in the carrying amounts of the same asset, in which case, they are recognised in profit or loss. Decreases in carrying amounts that offset previous increases of the same asset are recognised against the asset revaluation reserve. All other decreases in carrying amounts are recognised as a loss in the statement of comprehensive income.

(e) Investment Properties

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value based on valuations by independent valuers who hold recognised and relevant professional qualifications and have recent experience in the location and category of the investment property being valued. Gains and losses arising from changes in the fair value of investment properties are recognised in profit or loss in the period in which they arise.

(f) Leases

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

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

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

Lease income from operating leases where AMA(SA) is the lessor is recognised in income on a straight-line basis over the lease term (refer Note 12). The respective leased assets are included in the statement of financial position based on their nature.

(g) Financial Instruments

Initial recognition and measurement

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

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through profit or loss" in which case transaction costs are recognised immediately as expenses in profit or loss

Classification and subsequent measurement

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

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

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

The Association does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of Accounting Standards specifically applicable to financial instruments.

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

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

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses

are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period, which will be classified as non-current assets.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Association's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period, which will be classified as current assets.

If during the period the association sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire category of held-to-maturity investments would be tainted and would be reclassified as available-for-sale.

(iv) Available-for-sale investment

Available-for-sale investment are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Available-for-sale financial assets are classified as non-current assets when they are expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

(v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Fair value

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

Impairment

At the end of each reporting period, the association assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified into profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the association recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Derecognition

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

(h) Impairment of Assets

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

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

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

(i) sapmea contracting cost

All employees of AMA(SA) ceased employment from AMA(SA) in FY2014 and signed new contracts with sapmea. sapmea employs these staff and contracts them out to AMA(SA). The contracting arrangement with sapmeas ceased on 30 January 2019.

(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.

(k) Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold 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.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(f) for further discussion on the determination of impairment losses.

(l) Revenue

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

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

(m) Comparative Figures

Where required by Accounting Standards, comparative figures have been adjusted to conform with

changes in presentation for the current financial year.

(n) Goods and Services Tax (GST)

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

(o) Accounts Payable and Other Payables

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

(p) Critical Accounting Estimates and Judgements

Management evaluates estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within AMA(SA).

Key Estimates – Impairment

The Association assesses impairment at the end of each reporting period by evaluating conditions and events specific to AMA(SA) that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

NOTE 2 | REVENUE

	2018	2017
	\$	\$
Operating Revenue		
- Interest	2,064	2,409
- Commissions	10,331	17,453
- Business development	68,885	103,588
- Rent	347,930	359,126
- Advertising (medical review)	147,041	173,222
- Member subscriptions	680,132	667,763
- Membership, functions & associations	105,883	89,649
- AMA Skills Training	368,467	259,558
- Gala dinner income	71,186	73,282
- Return to Work SA	8,000	8,000
- Sundry revenue	18,301	18,401
Total revenue	<u>1,828,220</u>	<u>1,772,451</u>

NOTE 3 | OTHER EXPENSES FROM ORDINARY ACTIVITIES

	2018	2017
	\$	\$
Accounting & audit fees	15,000	10,500
Finance costs	51,944	51,240
Council & sub committees	10,166	9,452
Computer costs	31,764	59,393
Sapmea - labour hire fee	18,000	18,000
Travel and accommodation	9,446	22,586
Industrial relations consultant fees	-	15,860
Service organisation fees - temporary staff	2,945	18,228
Strategic Planning / Governance Review	30,000	-
Loss on asset disposal	12,464	-
Promotions, Marketing & Public Relations	7,447	-
Staff education	16,305	5,524
Sundry	20,246	16,780
Total other expenses from ordinary activities	<u>225,726</u>	<u>227,563</u>

NOTE 4 | INCOME TAX EXPENSE

	2018	2017
	\$	\$
a. The components of tax expense comprise:		
Current tax	-	-
Deferred tax	13,220	46,824
Under / (Over) provision in prior years	0	(10,850)
	<u>13,220</u>	<u>35,974</u>
b. The prima facie tax on profit before income tax is reconciled to the income tax as follows:		
Prima facie tax payable on profit before income tax at 27.5% (2017:27.5%)	(532)	10,952
Less:		
Tax effect of:		
- other non-temporary differences	13,752	35,872
- reduction in corporate tax rate	-	(10,850)
Income tax expense	<u>13,220</u>	<u>35,974</u>

NOTE 5 | KEY MANAGEMENT PERSONNEL COMPENSATION

	2018	2017
	\$	\$
The total of remuneration to key management personnel (KMP) of the association during the year are as follows:		
Key management personnel compensation	<u>283,470</u>	<u>283,470</u>

Other KMP transactions

For details of other transactions with KMP, refer to Note 17: Related Party Transactions.

NOTE 6 | CASH AND CASH EQUIVALENTS

	2018	2017
	\$	\$
Cash on hand	300	300
Cash at bank	512,269	639,976
	<u>512,569</u>	<u>640,276</u>

Reconciliation of cash

Cash at the end of the financial year as shown in the Statement of cash flows is reconciled to items in the statement of financial position as follows:

Cash and cash equivalents	<u>512,569</u>	<u>640,276</u>
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NOTE 7 | TRADE AND OTHER RECEIVABLES

	2018	2017
	\$	\$
Trade receivables	52,566	72,776
Less: Provision for doubtful debts 7a	(500)	(500)
Other receivable from sapmea 17	24,879	20,000
Sundry debtors	8,418	1,608
	<u>85,363</u>	<u>93,884</u>

7a. Provision for doubtful debts

Movement in the provision for doubtful debts is as follows:

	Opening balance	Charge for the year	Amounts written off	Closing balance
	\$	\$	\$	\$
1 Jan 2017				31 Dec 2017
Current trade receivables	500	-	-	500
1 Jan 2018				31 Dec 2018
Current trade receivables	500	-	-	500

	2018	2017
	\$	\$
7b. Financial assets classified as loans and receivables		
Trade and other receivables		
- Total current	85,363	93,884
- Total non-current	-	-
	<u>85,363</u>	<u>93,884</u>
Financial assets	<u>85,363</u>	<u>93,884</u>

NOTE 8 | OTHER CURRENT ASSETS

	2018	2017
	\$	\$
Prepayments	12,971	7,930
	<u>12,971</u>	<u>7,930</u>

NOTE 9 | PROPERTY, PLANT AND EQUIPMENT

	2018 \$	2017 \$
Land and Buildings		
Unit 7* - AMA House at Board valuation 2018**	1,200,000	1,200,000
*AMA(SA) currently occupies Unit 7	<u>1,200,000</u>	<u>1,200,000</u>
Total land and buildings	<u>1,200,000</u>	<u>1,200,000</u>
Furniture and Equipment		
Newland House - at cost	64,498	220,710
less: Accumulated Depreciation	<u>(51,561)</u>	<u>(185,508)</u>
	12,937	35,202
AMA House - at cost	109,669	78,365
less: Accumulated Depreciation	<u>(51,446)</u>	<u>(9,410)</u>
	58,223	68,955
Antiques and Paintings - At Valuation	64,539	64,539
less: Accumulated Depreciation	<u>(810)</u>	<u>(810)</u>
	63,729	63,729
Total Furniture and Equipment	<u>134,889</u>	<u>167,886</u>
Total Property, furniture & equipment	<u>1,334,889</u>	<u>1,367,886</u>

** The Board has resolved that the market value for 2018 is representative of its carrying value as at balance date.

(a) Movements in Carrying Amounts	Land and Buildings	Furniture and Equipment	Total
Balance at 1 January 2018	1,200,000	167,886	1,367,886
Additions	-	6,087	6,087
Disposals	-	(130,994)	(130,994)
Depreciation expense	-	(25,039)	(25,039)
Writeback on disposals	-	116,949	116,949
Carrying amount at 31 December 2018	<u>1,200,000</u>	<u>134,889</u>	<u>1,334,889</u>

NOTE 10 | INTANGIBLE ASSETS

	2018 \$	2017 \$
Website and database		
At costs	29,898	29,898
less: Accumulated Amortisation	<u>(19,932)</u>	<u>(9,966)</u>
	<u>9,966</u>	<u>19,932</u>
(a) Movements in Carrying Amounts	Website and database	Total
Balance at 1 January 2018	19,932	19,932
Additions	-	-
Amortisation expense	<u>(9,966)</u>	<u>(9,966)</u>
Carrying amount at 31 December 2018	<u>9,966</u>	<u>9,966</u>

NOTE 11 | Investment Properties

	2018 \$	2017 \$
Newland House		
Opening balance - 1 January	1,600,000	1,600,000
Gains/(losses) on fair value revaluations	-	-
Closing balance - Board valuation 2018**	<u>1,600,000</u>	<u>1,600,000</u>
AMA House		
Opening balance - 1 January	2,520,000	2,520,000
Gains/(losses) on fair value revaluations	-	-
Closing balance - Board valuation 2018**	<u>2,520,000</u>	<u>2,520,000</u>
Total Investment Properties	<u>4,120,000</u>	<u>4,120,000</u>

Newland House is located at 80 Brougham Place North Adelaide and comprises predominantly leased medical and consulting offices. AMA House is located at 161 Ward Street, North Adelaide and comprises predominantly leased medical and consulting offices.

** The Board has resolved that the market value for 2018 is representative of its carrying value as at balance date.

NOTE 12 | TRADE AND OTHER PAYABLES

	2018 \$	2017 \$
CURRENT		
Trade payables	44,857	34,093
Subscription in advance	422,370	469,320
Sundry creditors and accruals	4,353	14,594
Land tax payable	42,600	165,513
GST payable/(receivable)	<u>30,643</u>	<u>33,520</u>
	<u>544,823</u>	<u>717,040</u>
a. Financial liabilities at amortised cost classified as trade and other payables		
Trade and other payables		
- Total current	544,823	717,040
- Total non-current	-	-
	<u>544,823</u>	<u>717,040</u>
Less subscriptions in advance	<u>(422,370)</u>	<u>(469,320)</u>
Less land tax payable	<u>(42,600)</u>	<u>(165,513)</u>
Less GST payable/(receivables)	<u>(30,643)</u>	<u>(33,520)</u>
Financial liabilities as trade and other payables	<u>49,210</u>	<u>48,687</u>

Collateral pledged
No collateral has been pledged for any of the trade and other payable balances.

NOTE 13 | BORROWING

	2018 \$	2017 \$
CURRENT	-	-
NON-CURRENT*	<u>1,200,000</u>	<u>1,200,000</u>
	<u>1,200,000</u>	<u>1,200,000</u>

*Security of the borrowings:
- 1st Registered Mortgage over Unit 3 & Unit 7, 161 Ward Street, North Adelaide, SA
- General Security Agreement (GSA) over the AMA(SA)
- Expiry / Renewal date for the facility with Westpac is on 31/3/2021

NOTE 14 | TAX

	Opening Balance \$	Charge Directly to Equity \$	Recognised in Income \$	Closing Balance \$
NON-CURRENT				
Deferred tax liability				
Fair value gain Building	361,736	-	-	361,736
improvement	(12,465)	-	(42,196)	(54,661)
Prepayment	289	-	(289)	0
Balance at 31 December 2017	<u>349,560</u>	-	<u>(42,485)</u>	<u>307,075</u>
Fair value gain Building	361,736	-	-	361,736
improvement	(54,661)	-	613	(54,048)
Prepayment	0	-	308	308
Balance at 31 December 2018	<u>307,075</u>	-	<u>921</u>	<u>307,996</u>
Deferred tax assets				
Provisions	66	-	3	69
Deferred expenditure	325	-	(325)	0
Carried forward tax losses	218,976	-	(78,137)	140,839
Balance at 31 December 2017	<u>219,367</u>	-	<u>(78,459)</u>	<u>140,908</u>
Provisions	69	-	(4)	65
Deferred expenditure	0	-	-	-
Carried forward tax losses	140,839	-	(12,295)	128,544
Balance at 31 December 2018	<u>140,908</u>	-	<u>(12,299)</u>	<u>128,609</u>

NOTE 15 | OPERATING LEASE RECEIVABLES

	2018 \$	2017 \$
a. Operating Lease Receivables		
Leases as Lessor		
Minimum lease payments under non-cancellable operating leases of property held (see Note 10) not recognised in the financial statements are receivable as follows:		
within one year	295,516	325,780
between 1 and 5 years	246,477	701,013
above 5 years	5,454	38,179
	<u>547,447</u>	<u>1,064,973</u>

NOTE 16 | RESERVES

	2018 \$	2017 \$
Asset Revaluation Reserve (a)	950,950	950,950
De Crespigny Memorial Fund (b)	3,068	3,068
Listerian Oration Fund (c)	3,662	3,662
Frank S Hone Memorial Fund (d)	12,516	12,516
Southern Suburbs Medical Association (e)	19,709	19,709
North Western Suburbs Medical Practitioners Association (f)	3,414	3,414
	<u>993,319</u>	<u>993,319</u>
(a) Asset Revaluation Reserve		
Movements during the financial year:		
Opening balance	950,950	950,950
Revaluation of building	-	-
Closing Balance	<u>950,950</u>	<u>950,950</u>

The asset revaluation reserve records revaluations of non-current assets

(b) De Crespigny Memorial Fund		
Movements during the financial year:		
Opening balance	3,068	3,068
Closing Balance	<u>3,068</u>	<u>3,068</u>

The De Crespigny Memorial Fund records funds held for the annual provision of a prize award to the student at The University of Adelaide who, at the final examination for the degrees of Bachelor of Medicine and Bachelor of Surgery, gains the highest marks in the clinical section of the subject medicine.

(c) Listerian Oration Fund		
Movements during the financial year:		
Opening balance	3,662	3,662
Closing Balance	<u>3,662</u>	<u>3,662</u>

The Listerian Oration Fund records funds held for the Listerian Oration.

(d) Frank S Hone Memorial Fund		
Movements during the financial year:		
Opening balance	12,516	12,516
Closing Balance	<u>12,516</u>	<u>12,516</u>

The Frank S Hone Memorial Fund records funds held for the annual provision of a prize award to the candidate at The University of Adelaide who, in passing the final examination for the degrees of Bachelor of Medicine and Bachelor of Surgery, attains the highest marks in that section which relates to the subject Medicine.

(e)&(f) Association Reserve		
Movements during the financial year:		
Opening balance of:		
Southern Suburbs Medical Practitioners Association	19,709	19,709
North Western Suburbs Medical Practitioners Association	3,414	3,414
Closing Balance	<u>23,123</u>	<u>23,123</u>

Purpose: Funds specially set aside to assist other medical associations.

NOTE 17 | RELATED PARTY TRANSACTIONS

	2018 \$	2017 \$
During the financial year, the following related party transactions where in existence:		
The CEO of AMA(SA) is also the CEO of sapmea and sapmea paid remuneration to the CEO for these services	54,750	54,750
AMA(SA) has an agreement with sapmea for the supply of labour hire services to AMA (SA).	(18,000)	(18,000)
Contracting costs paid by AMA(SA) to sapmea.	(799,641)	(729,135)
sapmea property lease commitment with AMA(SA) for three years from 6 February 2017 to 5 February 2020.	35,200	35,200
Other receivable from sapmea	24,879	20,000
AMA(SA) engaged Mr John McLaren (a board member) during the year for professional services relating to branding and communication strategy development.	3,500	3,500
Transactions between related parties are on normal commercial terms and conditions and no more favourable than those available to other parties unless otherwise stated. No interest is charged to or from related parties.		

NOTE 18 | FINANCIAL RISK MANAGEMENT

AMA(SA) financial instruments consist mainly of deposits with banks, local money market instruments and loans.

The Association's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, and leases.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2018 \$	2017 \$
Financial assets			
Cash and cash equivalents	6	512,569	640,276
Loans and receivables	7	85,363	93,884
Total financial assets		<u>597,932</u>	<u>734,160</u>
Financial liabilities			
Financial liabilities at amortised cost:			
- trade and other payables	12	49,210	48,687
- borrowings	13	1,200,000	1,200,000
Total financial liabilities		<u>1,249,210</u>	<u>1,248,687</u>

NOTE 19 | EVENTS AFTER THE REPORTING PERIOD

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the entity, the results of those operations, or the state of affairs of the entity in future financial years.

NOTE 20 | CONTINGENT LIABILITIES

There were no contingent liabilities for Australian Medical Association (SA) Inc. at balance date.

NOTE 21 | ASSOCIATION DETAILS

The principal place of business is:
Australian Medical Association (SA) Inc.
Unit 7 AMA House
161 Ward Street
NORTH ADELAIDE SA 5006

Report of the Councillors

In accordance with section 35(5) of the Associations Incorporation Act, (SA) 1985, the Council of Australian Medical Association (SA) Inc hereby states that during the financial year ended 31 December 2018:

- (a) (1) no officer of Australian Medical Association (SA) Inc.
(2) no firm of which an officer is a member; and
(3) no body corporate in which an officer has a substantial financial interest,

has received or become entitled to receive a benefit as a result of a contract between the officer, firm or body corporate and Australian Medical Association (SA) Inc. except for the following:

- The CEO of The Australian Medical Association (SA) Inc. was also the CEO of SAPMEA and received a salary in accordance with his contractual terms and conditions. However, his role as CEO of AMA(SA) ended on 30 January 2019 when he did not accept an offer of employment by AMA(SA), made after SAPMEA ended its Labour Hire Services Agreement with AMA(SA).

- The President of the Australian Medical Association (SA) Inc, W Tam, received an allowance of \$53,220, in carrying out duties on behalf of the Association.

- The Australian Medical Association (SA) Inc. engaged Mr John McLaren on normal commercial terms and conditions during the year for \$3,500 for professional services relating to branding and communication strategy development. Mr John McLaren is a Board member of the Australian Medical Association (SA) Inc.

- (b) no officer of the Australian Medical Association (SA) Inc. has received directly or indirectly from the Association any payment or other benefit of a pecuniary value.

Statement by Officers of the Association

In the opinion of the Executive Board, on behalf of the Councillors of the association, the financial report as set out on pages 2 to 19:

- (a) Presents a true and fair view of the financial position of Australian Medical Association (SA) Inc. as at 31 December 2018 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.
- (b) At the date of this statement there are reasonable grounds to believe that Australian Medical Association (SA) Inc. will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Council and is signed for and on behalf of the Council by:

President: 
William Tam

Board Member: 
Dr Christopher Moy

Dated this 11th day of April 2019



Australian Medical Association (South Australia) Inc.

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North Adelaide South Australia 5006

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