Australian Medical Association (South Australia) Inc.

Annual Report 2016

AMA(SA) Council

Membership of Council January - December 2016

Position on Council

President:	Dr Janice Fletcher (5)
Vice President:	A/Prof William Tam (7)
Immediate Past President	Dr Patricia Montanaro (6)
Chair:	Dr David Walsh (6)

Federal Councillors

State Nominee:	Dr Janice Fletcher (5)
Area Nominee SA/NT:	Dr Christopher Moy (7)
Specialty Group Nominee: Surgeons	A/Prof Susan Neuhaus

Specialty Group Representatives

Anaesthetists:	Dr Perry Fabian (4)
Dermatologists	Dr Jeffrey Wayte – from June 2016 (2)
Emergency Medicine:	Dr Hendrika Meyer-Jones – to March 2016 (1)
General Practitioners:	Dr Penelope Need (7)
Obstetricians and Gynaecologists:	Dr Jane Zhang (6)
Orthopaedic Surgeons:	Prof Jeganath Krishnan (3)
Paediatricians:	Dr Patrick Quinn (5)
Pathologists:	Dr Heather Cain – to March 2016 (1)
	Dr Tiffany Hughes – June 2016 (1)
Physicians:	Dr Nimit Singhal (5)
Psychiatrists:	Dr Michelle Atchison (5)
Radiologists:	Dr Nicholas Rice (5)
Surgeons:	Dr David Walsh (6)

Doctors in Training Representative

Dr Karthik Venkataraman (5)

Medical Students Representatives

Adelaide:	Mr Brian Gue (4)
Flinders:	Ms Anna Elias (6)

Ordinary Members of Council

Dr Tarun Bastiampillai (4)
Dr Matthew McConnell (6)
Dr Christopher Moy (7)
Dr Clair Pridmore (5)
Dr David Scrimgeour – to April 2016 (1)
Dr John Woodall (5)
Prof Paul Worley (1)

Regional Representatives

Northern:	Dr Nigel Stewart (2)
	Dr John Williams (6)
Southern:	Dr Trevor Hodson – to June 2016 (0)
	Dr Peter Tait – to June 2016 (0)

Salaried Medical Officers' Representative

Dr Andrew Russell (7)

AMA(SA) Office

Chief Executive Officer:	Mr Joe Hooper (7)
Minute Secretary:	Ms Claudia Baccanello (7)

NB:Numbers indicate total attendance at the AMA(SA) Council Meetings February – December 2016 (a total of 7 meetings – December meeting cancelled)

Federal AMA Committees

AMA(SA) Members

January – December 2016

Federal Council

Dr Janice Fletcher (State Nominee)

Dr Christopher Moy (Area Nominee SA/NT)

A/Prof Susan Neuhaus (Specialty Group Nominee: Surgeons

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

AMA Council of Rural Doctors

Dr Philip Gribble

AMA Council of Doctors in Training

Dr Karthik Venkataraman

Dr Daniel White (Alternate)

Medical Practice Committee

Dr Christopher Moy

AMA Defence Health Working Group

A/Prof Susan Neuhaus

Taskforce on Indigenous Health

Dr David Scrimgeour

Health Financing and Economics Committee

Dr Janice Fletcher

A/Prof Susan Neuhaus

Ethics and Medico Legal Committee

Dr Christopher Moy

AMA Council of Private Specialist Practice

Dr Mark Sinclair

From the President

Janice Fletcher
President,AMA(SA)

On the state front 2016 continued the "interesting times in health" theme of 2015. One of the state's largest infrastructure developments, the new Royal Adelaide Hospital (RAH) still stands empty while the lawyers and mediators argue about who owes whom for what and how much.

Meanwhile, the doctors and the nurses at the current RAH are still waiting to see the finer details of how things will work in the new environment, once there is a date for its opening. Major concerns have been raised by a number of senior consultants about outpatients services and how the number of appointments seen at the old RAH will fit in to the new hospital.

The AMA continues to advocate for meaningful engagement between doctors and health bureaucrats. Doctors, nurses and other health professionals have sought to be constructive, and to offer solutions. It is our duty to speak up when the plans look flawed, unsafe or just plain wrong. However, what we have been hearing as the plans have rolled out – or stayed under wraps – is that there has not been enough listening to those who deliver frontlines services, those who actually take the overall responsibility for patient care.

The opening of the new RAH intersects with the Transforming Health reform project. This has a goal with which all can agree – that patients receive 'best care, first time, every time'- what we all go to work to achieve each day. No-one wants to deliver second-best care, or best care the next time around. But we don't stop striving and we don't oppose change for the sake of it. We support responsible stewardship of resources. And we certainly support having and fighting for key standards to guide care, wherever and whenever it is delivered.

The Transforming Health project moves and reconfigures SA's public hospital services under the rationale of better delivery of clinical standards. It also has imposed budget savings, and the idea that we have 'too many beds'. So – less money, less beds ... and better care. All at a time when the emergency departments across the state report record high presentations and patients requiring admission.

That is big change. Ambitious. And difficult to achieve in isolation from the other pillars of health care: general practice and the private sector.

The detail of how this is all to be achieved is still not clear to those on the ground.

We have the imminent closure of the Repat [RGH). but no plan that shows where all its many services, including medical student and postgraduate teaching, will be successfully delivered. We have the questions about changes to services at Modbury, and the question of whether there is actually the capacity in the North to pick up more load.

At the national level, the AMA continues unabated to prosecute its campaign to end the Medicare freeze, which is driving our general practices towards the edge of viability. Federal AMA president Michael Gannon has continued to advocate for sustainable general practice as the backbone of the Australian health system.

So - less money, less beds ... and better care. All at a time when the emergency departments across the state report record high presentations and patients requiring admission

Updating the *AMA Position Statement on Euthanasia and Physician Assisted Suicide* in 2016 was the result of a comprehensive year-long

From the President

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policy review by the AMA, including a survey of AMA members, and occurred against the backdrop of increased community and political debate on euthanasia and physician-assisted suicide.

The core message from the updated Position Statement is that there needs to be much greater investment in quality end-of-life care, especially nationally consistent palliative care services, accompanied by a comprehensive education and information campaign to raise community awareness of the care, compassion, and medical and nursing assistance and expertise that is available to assist patients in the final stages of their lives.

The compassionate care of dying patients is the priority of every doctor. Doctors have an ethical duty to care for dying patients so that they can die in comfort and with dignity. The AMA also believes that euthanasia legislation is a societal issue. If new legislation does come into effect, doctors must be involved in the development of the legislation, regulations, and guidelines to protect doctors acting within the law, vulnerable patients, those who do not want to participate, and the wider health system.

These were just some of the important topics on the agenda for 2016. Of course, all this advocacy would not be possible without the hard work of our State Council and Committee members, Secretariat, and Board, ably chaired by Dr Trevor Mudge.

There needs to be much greater investment in quality end-of-life care, especially nationally consistent palliative care services…

In my final report as AMA(SA) President, I extend my grateful thanks to Joe Hooper, our extremely able and dedicated CE, Dr William Tam, my vice-president, Eva 0' Driscoll, our Policy and Communications Director, and my EA Claudia Baccanello.

Corporate Governance

The affairs relating to issues affecting members of the Association and public policy of the Association are controlled by the Council.

It is the duty of Council to carry out the purpose and objects of the Association as laid down by members in accordance with the AMA(SA) Rules, statutes, and the Constitution of the Federal AMA; and to preserve, maintain, promote and advance the interests of Members.

The affairs of the Association that relate directly to the internal corporate governance of the Association and as may be prescribed in the bylaws shall be managed by the Executive Board of Management ('the Executive Board'). The roles of the Executive Board include:

- overseeing the existence and maintenance of internal controls and accounting systems;
- development of the annual budget and operating plan;
- review of the Association's monthly financial statements and performance against budget;
- review of annual statutory financial statements and recommendations for approval by the Council;
- review of major capital expenditure and finance arrangements;
- participation in the review of the remuneration of the Chief Executive;
- provision of general financial advice to the Association; and
- review of the external audit arrangements.

Both Council and the Executive Board may delegate powers to committees or the Chief Executive for the purposes of meeting their obligations as described under the Rules and By-laws of the Association.

Membership of Council and the Executive Board is determined in accordance with the Rules of the Association.

The position of Group Chief Executive for both AMA(SA) and sapmea is a full-time salaried position which reflects the AMA(SA) and sapmea strategic alliance. The Group Chief Executive reports to the Executive Boards of both Associations and to Council. The Chief Executive is delegated with the day-to-day management of the Associations.

From the Chief Executive

Joe Hooper
AMA(SA) Chief Executive

The AMA(SA)'s strategic plan has been an important step in determining the use of our finite resources for the next three years. Naturally, we cannot do everything, but supporting and attracting the medical profession to join and stay with the AMA(SA) is our priority.

With this in mind, the Board and Council approved the 2016-2019 Strategic Plan. The four key areas identified in our strategic plan are membership; advocacy; financial security and governance. The plan is detailed in its operational guidance and the Board will receive regular updates on its progress.

Membership

Whilst our numbers remain fairly constant, we suffered a relative drop this year. Our major challenges are in the general practitioner and doctors-in-training demographics.

The Board is well aware of the need to increase our membership and we are increasing our recruitment activity, as well as trying to ensure current members remain satisfied with their membership value.

Whilst benefits and services to members are seen as attractive to some, the reasons for joining the AMA are varied. Some wish to get engaged, some want the commercial benefits, and others see it as a professional responsibility. We are consistently challenged to meet all these needs and deliver a quality service to members.

Our industrial representation for doctors in the public sector is limited, with SASMOA providing the union services to public sector doctors. The additional cost for doctors to become members of both organisations is a challenge and whilst our salaried doctor membership numbers are fair, a number choose not to become AMA(SA) members for this reason. This has a particularly important impact in our doctors-in-training category.

The reasons for this division are historical and are not in the best interests of doctors who wish to have industrial protection, nor the benefits of a broad professional association. The AMA(SA) has approached SASMOA on several occasions to try to negotiate a conjoint membership, as has been agreed interstate where separate association bodies exist. So far SASMOA has not wished to pursue any arrangements. However, this is something the AMA(SA) is willing to continue to explore in the future.

The AMA(SA) has been looking at ways members can show their membership as a marker of the values and professionalism the AMA represents. In 2016 we were delighted to distribute special AMA membership pins to fellowship members, with a special pin for doctor-in-training members on the way in 2017. Special AMA Declaration of Geneva certificates were also sent to members to coincide with World Medical Ethics Day in September, and provide a striking and meaningful statement for practice rooms and offices.

Financial

The AMA(SA) has undertaken several long-term initiatives to ensure our future sustainability. This has included increasing our non-subscription income. Members will know that around 50% of membership fees is collected on behalf of the federal AMA. This means the office operating costs and member services must be met from the remainder. This is not feasible if we want to deliver the broad range of services we consider essential for our members while also ensuring any increase in membership fees is kept to a minimum.

Other income streams are therefore critical to support our operational and service costs. These are delivered through AMA House and Newland House tenancies; preferred provider arrangements; education events; and some office supplies which are available for purchase. The AMA(SA) will be reinforcing and increasing its reach in these areas in 2017.

Whilst we delivered a small operating deficit of $21K, this matches the finance costs surrounding the loan arrangements to purchase Unit 7. The AMA(SA) asset holdings remains firm, with over $4M in property holdings.

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From the Chief Executive

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Office location

In December, the Board approved the purchase of Unit 7 in AMA House. Plans will begin to relocate the AMA(SA) in early 2017. This will be an exciting and important event as it will not only provide a more functional workplace but will also allow for co-location of AMA(SA), AMA Skills Training and sapmea, our strategic partner.

One challenge will be the transfer of our many artefacts and historical paintings. The new premises are not the same dimensions as Newland House and we will be seeking to ensure a balance of the old and the new in the design of the new offices.

Newland House ownership will remain in the hands of the AMA(SA), and a new tenancy will be sought to occupy Newland House after we vacate.

AMA Skills Training

The AMA(SA) training organisation achieved its full three-year accreditation in 2016 and has continued to increase its student numbers. Rosemary Mercorella was employed to provide marketing and sales experience, as we continue to seek more students across our range of six health qualifications. AMA Skills Training has students in South Australia, the Northern Territory, Western Australia and Victoria. We have partnerships with AMA Tasmania and AMA Northern Territory.

AMA Skills Training held its inaugural graduation ceremony in November with 21 students attending. The ceremony was held in Newland House and was an exciting and proud moment for students and lecturers alike.

Events and Charity Support

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

The AMA(SA)'s annual black tie charity Gala Dinner at the Hilton International Adelaide on 21 May was again a great success, raising over $11,000 for the Zahra Foundation - a cause linked with one of the AMA's focus areas of preventing and responding to domestic violence.

The annual Melbourne Cup Charity Lunch, co-hosted with the Law Society of SA, raised money for Novita and Catherine House - an emergency accommodation facility for women and children fleeing from domestic violence situations.

A special Members' Breakfast and Q&A with the Minister for Health, the Hon Jack Snelling, was held in May. The Minister took a range of questions from the floor and gave an impromptu address on his thoughts on the health portfolio.

The AMA(SA) also celebrated the AMA's national Family Doctor Week in July, highlighting the important role of GPs in keeping people healthy.

The second AMA(SA) Women in Medicine High Tea took place in October at the Hilton Hotel Adelaide, with guest speaker and nutrition guru Prof Manny Noakes, and was a hit with those attending.

Other event highlights included the annual Past Presidents, Retired and Life Members' Luncheon at the Adelaide Oval in November, a CV and interview skills workshop for medical students and DiTs in April, the AMA(SA)/RACGP combined Members' Christmas Party, and the President's Breakfast in December.

Staffing

The total staff number in AMA(SA) is 9.4 FTEs, which is one of the smallest offices across the nation. Some interstate AMAs have more than 45 staff, with the highest hosting over 140 staff. This information is provided to allow members to appreciate the strain on our office resources and capacity to provide local services when requested.

Our strategic plan has identified the need to increase membership engagement and we have employed additional staff and reviewed staff positions to undertake this task. Site visits, including to private rooms and hospitals, will be commenced in 2017 to engage with members and non-members. Balancing office administration needs with outside activities will be necessary, but we believe an increased local presence is essential if we are to increase the AMA(SA) profile amongst the medical community.

Rural visits

Travel and time to attend meetings in rural SA are a challenge and we attempt to attend important critical meetings wherever possible. In addition, the AMA(SA) president and I travel to a number of rural locations to hear from members and visit them in their own practices. These visits are vital if we are to benefit from understanding the many issues facing day-to-day rural practice.

Affiliate Associations

The office continues to proudly support our affiliate associations by providing meeting accommodation and secretariat/administration services. We presently have service agreements with the Australian Chinese Medical Association SA, South Australian Indian Medical Association, Pakistani Medical Association SA, SA Sri-Lankan Doctors Association, Salisbury and Elizabeth Medical Association, and Australian Society of Anaesthetists SA/NT The AMA(SA) has developed practical and mutually agreeable service agreements to support such bodies and continues to grow this service to the medical community.

Appreciation

I would Like to acknowledge the hard work of Dr Janice Fletcher, AMA(SA) president. The role of president is a demanding one with regular interruptions into their professional and personal life. Dr Fletcher's approach to this duty has been unselfish and understanding of the demands of the office, and on behalf of the members and the staff, I thank her.

In addition, I acknowledge the support of the vice president, Dr William Tam, who has provided a reliable support for the president and brought his own style and warmth into the role.

Also, I would thank the members of the AMA(SA) Executive Board, who all work so hard and diligently to provide governance oversight - Dr Trevor Mudge as chair, and all the board members who have worked hard to complete the strategic plan and undertake the task of ensuring our future is secure.

AMA(SA) preferred providers

The AMA(SA) also thanks our preferred providers for their contributions in 2016: Hood Sweeney, Commonwealth Bank and Norman Waterhouse Lawyers.

Lastly, I wish to acknowledge the wonderful staff in the secretariat for their total support and commitment to the Association. The constant 'out of hours' activities, frequent urgent timeframes and the variety of tasks that need to be completed by a small team can put a strain on relationships but our members can be proud of the hard work and dedication of the AMA(SA) staff. I am very proud to work with them

sapmea Strategic Alliance

The AMA(SA) entered a strategic partnership with the South Australian Post Graduate Medical Education Association (sapmea) in 2014. This well-known association originated under the British Medical Association and the University of Adelaide Medical School. Sapmea provides a wide range of continuing medical education events to medical practitioners. The AMA(SA) and sapmea share some operational resources and staffing arrangements to achieve economy of scale benefits to both associations.

Highlights | 2016

Student medal winners

The AMA(SA) awards two Student Medals each year: one to a graduating medical student at the University of Adelaide and one to a graduating medical student at Flinders University. The medals acknowledge 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 2016 we were delighted to present Student Medals to James Johnston from the University of Adelaide and Harmonie Wong from Flinders University. Both have made significant contributions among students and in their schools, in addition to their academic achievements.

AMA(SA) Awards

One of the other highlights of each year is the opportunity to confer a number of prestigious awards at the AMA(SA) annual Charity Gala Dinner. In 2016, the Medical Educator Award was conferred on A/Prof Peter Cundy, while the AMA(SA) Award for an outstanding contribution to medicine went to Dr Margaret Cowling, and the President's Medical Leader Award to Dr Penny Need. The AMA(SA) was also delighted to see past state president (and federal AMA Councillor) Dr Peter Sharley inducted into the federal AMA's Roll of Fellows. A number of members were also once again recognised in the Australia Day and Queen's Birthday honours. Congratulations to all.

Life Members

Each year the AMA(SA) is proud and privileged to accord Life membership of the Association to members who have supported the AMA(SA) through 50 years of membership. Without the support of such dedicated members we would not be where we are today. Ten Long-term AMA(SA) members were made Life members of the Association in 2016. Our sincere thanks go to Dr Malcom Begg, Dr Peter Byrne, Dr Peter Kreminski, Dr Robert Morgan, Dr Leo Mahar, Dr George Potter, Dr Robert Murdoch, Dr Anthony Laver, Dr Warwick Blakemore, and Dr Robert Pollnitz for their support of the Association, as well as their service to patients and support of colleagues.

AMA membership pride

The AMA(SA) has been looking at ways members can show their membership as a marker of the values and professionalism the AMA upholds and promotes. In 2016 we were delighted to distribute special AMA membership pin to current members. These have been sent to members of These have been sent to members of five or more years' standing in the first instance, and to other members as part of renewals in 2017, with a special pin for doctor- in-training members. Special AMA Declaration of Geneva certificates were also sent to members to tie in with World Medical Ethics Day in September,

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Highlights | 2016

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and provide a striking and meaningful statement for practice rooms and offices.

The AMA(SA) thanks our preferred providers for their contributions in 2016: Hood Sweeney, Commonwealth Bank, Norman Waterhouse Lawyers and GP Payroll, with benefits also offered through Goodlife Health Club, the BMW Corporate Program and Elliott & Turner Travel Associates.

AMA(SA) Training and sapmea continued to offer a great range of training opportunities for members, other doctors, and health and medical staff in 2016, with discounted training available for members. Since 2014, 217 students have enrolled in AMA(SA) Skills Training opportunities, and 117 students have completed qualifications, skills clusters and individual units. The AMA(SA) was delighted to congratulate 21 graduates from the first graduating cohort at a special graduation event at Newland House in November.

AMA (SA) Essential Guide to Internship & Transforming Health Guide

The AMA(SA)'s annual Intern Guide was again distributed to all SA interns, in print and electronic format, as an invaluable tool in tackling the challenges of internship. In another highlight for the year, the AMA(SA) published an informative commentary on Transforming Health in a special medicSA lift-out in July.

Social media

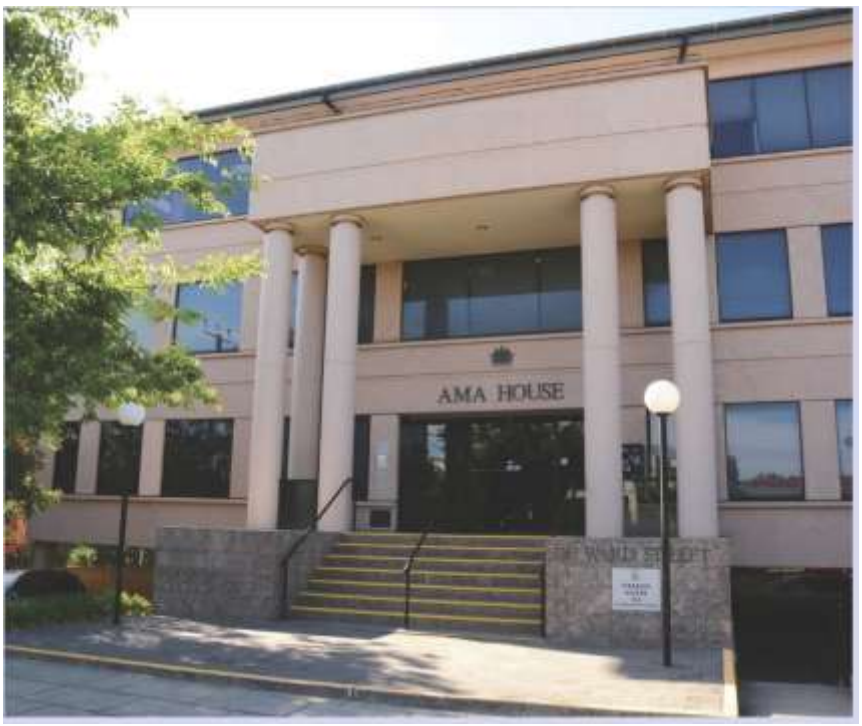
The AMA(SA) launched a LinkedIn profile in July 2016 as another way to communicate with members and beyond, while the AMA(SA)'s DiT Facebook 'closed group' continues to be popular with early-career doctors.

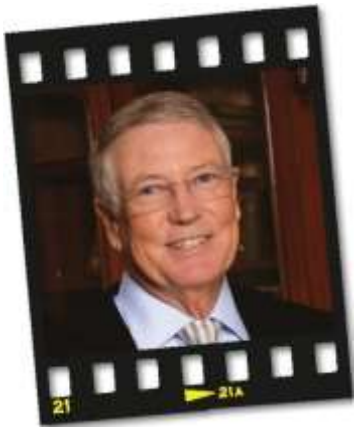
Events and charity support

The AMA(SA)'s annual black tie charity Gala Dinner at the Hilton International Adelaide on 21 May was again a great success, providing a chance to catch up with colleagues. It also raised over $11,000 for the Zahra Foundation - a great cause, linked with one of the AMA's focus areas of preventing and responding to domestic violence. The evening including an AMA(SA) video with an important message: that doctors have a vital role to play in helping people to find support and safety.

A new feature on the calendar - or at least new in recent history - was a special Members' Breakfast and Q&A with the Minister for Health, the Hon Jack Snelling. The Minister took a range of questions from the floor on hot topics such as EPAS and Transforming Health, and also gave an impromptu address on his thoughts on the health portfolio. The AMA(SA) also celebrated the AMA's national Family Doctor Week in July, highlighting the important role of GPs in keeping people healthy.

The second AMA(SA) Women in Medicine High Tea took place in October at the Hilton Hotel Adelaide, with guest speaker and nutrition guru Prof Manny Noakes, and was a hit with those attending. The annual Melbourne Cup Lunch also made a return, co-hosted with the Law Society of SA, in November, raising money for Novita and Catherine House. Other event highlights included the Past Presidents, Retired and Life Members' Luncheon at the Adelaide Oval in November, a CV and interview skills workshop for medical students and DiTs in April, the AMA(SA)/RACGP combined Members' Christmas Party, and the President's Breakfast in December.





From the Chair of the AMA(SA) Executive Board

Dr Trevor Mudge

The Board's principal objectives are preservation of the members' financial assets, corporate governance over the business affairs of the Association, improving membership growth and seeking non-membership income to meet our operational and membership services costs. As a small state we will not be able to rely on subscription income alone, as all membership organisations (and in the medical area there are a plethora) struggle in a competitive market.

We provide advice to the Council on matters of fiduciary responsibility and corporate governance only. The Board does not engage in policy or strategic discussions outside of the appropriate and responsible use of our financial resources. Council retains its broad governance responsibility for the affairs of the AMA(SA).

Finances

Our 2016 income was less than expected, with a reduction of 5.8% on budget. This was mainly due to reduced subscription income and a slower than anticipated rise in training income. This was partly offset by a reduction in expenditure of 1.7% but we recorded a small loss for the year.

Our financial position remains comfortable with total equity of $4.159M.

All liabilities are able to be met and the Board receives regular reports on our financial state via series of financial ratios that all indicate a stable financial position.

Newland House remains an AMA(SA) Asset and will be leased for the immediate future whilst the Board considers its best long term future.

Building

For several years the Board has been waring that Newland House was failing to serve our needs. The fabric of the building is deteriorating and is expensive to maintain. It no longer meets modern standards, lacking a lift amongst other shortcomings.

We therefore canvassed our future options. These included redevelopment of Newland House, leaving the site altogether, or moving into space in AMA House.

Having sought advice on planning constraints and architectural possibilities it became apparent that if a redevelopment were to be done and made commercially viable it was not now, and it should not be us doing the development! Following our advice to Council and their decision to purchase Unit 7, Level 2 in AMA House, the purchase was completed and ownership assumed on 7 October 2016 for a price of $1.2M.

The loan facility was arranged through Westpac following a tender for business. The Board is satisfied that the purchase price was within expected limits and that the total cost including refurbishment and relocation has been within budget. The intention has been to move in in April. There was other expenditure for the Unit, including installation of new air conditioning, carpet in the entrance area, new kitchen and tea room, some adjustment to lighting and IT electrics, a new board room table and chairs, and some signage.

The purchase provides the AMA(SA) with important benefits to assist Council in considering its future. The AMA(SA) now has a 75% ownership and strata control in AMA House; the purchase of Unit 7 provides full ownership of level 2 (the top floor) and allows for expansion of the office, as necessary; and the purchase also reduces the risks and challenges of being an owner/occupier of Newland House with its building and functional limitations.

Newland House remains an AMA(SA) asset and will be leased for the immediate future whilst the Board considers its best long term future. The lease income will offset the mortgage on Unit 7.

AMA Skills Training

The RTO has continued to build over 2016. 117 students have now completed their courses and we have approximately 53 active students

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From the Chair of the AMA(SA) Executive Board

... *continued from page 9*

enrolled. These include 15 in the Northern Territory. The RTO has successfully applied for government grant eligibility in the Northern Territory and Tasmania and is currently applying in Queensland and New South Wales.

We have also begun a series of webinars with three completed in the Northern Territory under a funding agreement with the NT Primary Health Network.

AMA Skills Training was successful in passing its accreditation review and now has three years accreditation at the highest level. This assists in grant applications.

Future activity is a six-week advertising campaign with Channel 10 and a new website.

The Board has considered the report from the CE in relation to the China trade visit. We have a potentially interested party seeking aged care training for a new development in Xingdao. This matter has been discussed at length by the Board and we are still gathering expert advice before deciding our interest in pursuing offshore training.

Membership

Membership remains the biggest challenge facing the Association.

continued overleaf

AMA(SA) Standing Committees

January- December 2016

Doctors in Training Committee

Chair: Dr Karthik Venkataraman

Immediate Past Chair: Dr Thomas Crowhurst

Deputy Chair: Dr Daniel White

Secretariat: Mr Joe Hooper, Ms Bernadette Liddy

Members: Drs Cassandra Chaptini, Brian Chui, Victoria Cox, Tony Farfus, Ben Finlay, Sam Fitzgerald, Janice Fletcher (ex officio). Anne Fraser, Edward Gibson, Candice Houda, Samantha Ianella, Sean Jolly, Lachlan McMichael, Alyssa Parsons, Oscar Russell, Richard Seglenieks, Shane Selvanderan, Kyra Sierakowski, Hannah Szewczyk, Patrick Tam and Katherine Watson

Student Medical School Representatives: Mr Brian Gue, Ms Anna Elias

Additional Reference Group Members: Drs Angela Chang, Adam Nelson, Branimir Rajcic, Andrew Shepherd, Emma Rischbieth, Kyra Sierakowski, Morven Crane, Prashan Kuruppu, Rick Fielke, Sumudu Welikumbura, Tim Surman, Tom Paxton, and Mr James Johnston.

Council of General Practice

Chair: Dr Patricia Montanaro

Secretariat: Mr Joe Hooper, Ms Eva O'Driscoll

Members: Drs Janice Fletcher (ex officio). Richard Heah, Michael Beckoff, Andrew Kellie, Annette Newson, Cathy Sanders, Peter Tait, Laureen Lawlor-Smith, Penny Need, Christopher Moy, Roger Sexton, Christopher Wagner and John Williams,

Communications Committee

Chair: Dr Philip Harding

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

Members: Drs Janice Fletcher (ex officio). William Heddle, Robert Menz, Patricia Montanaro, Christopher Moy, Michael Rice and Melissa Sandercock

Road Safety

Chair: Dr William Heddle

Secretariat: Ms Bernadette Kuhar

Members: A/Prof Robert Atkinson, Drs Nicholas Antic, Janice Fletcher (ex officio). Philip Harding, Stephen Holmes, Patricia Montanaro and Monika Moy

Historical Committee

Chair: Dr Trevor Pickering

Secretariat: Mr Joe Hooper and Ms Bernadette Kuhar

Members: Drs Dorothea Limmer, Jeanette Linn, Tom Turner, Peter Kremsinksi

AMA(SA) Executive Board

Chair: Dr Trevor Mudge

Secretariat: Mr Joe Hooper and Ms Claudia Baccanello

Members: Drs Margaret Cowling, Janice Fletcher, Chris Moy, Peter Sharley, A/Prof William Tam and Mr John Mclaren.

Numbers were down last year, with the biggest drop in GPs (= 38).

The Board discusses membership as a standing item, and we have reviewed the marketing strategy. Our strategic plan outlines the steps we are taking, which includes direct face-to-face membership recruitment in the public and private sectors.

Value for subscriptions is a common concern along with relevance to a practice. The Board has supported the CE in increasing our budget to membership materials and activities. The demographics we are targeting are Doctors-in-Training and GPs, and women in part-time medicine.

Plan

The Board has finalized its strategic plan. It undertook a detailed analysis of our resources and objectives, and the plan contains the key activities and deliverables for the Association. The Board's agenda will reflect the strategic plan and reporting on each of the five areas, along with measurable outcomes.

Finally

It remains for me to thank all the Board members for their diligence and hard work both in the last year and overall. I am lucky to chair such a group. Finally, I thank all Council members for their attention to the matters we have raised and their overall support.

AMA(SA) Council | Changes

Changes to the AMA(SA) Council during the year 2016

Retiring Councillors

- Dr Trevor Hodson retired from his position as Regional IRepresentative: Southern, a position he has held since 2014.
- Dr Peter Tait retired from his position as Regional Representative: Southern, a position he has held since 2012.

Resignation of Councillors

- Dr Heather Cain resigned from her position of Specialty Group Representative: Pathologists, a position she has held since 2013.
- Dr Hendrika Meyer-Jones resigned from her position of Specialty Group Representative: Emergency Medicine, a position she has held since 2013.
- Dr David Scrimgeour resigned from his position of Ordinary Member, a position he has held since 2014.
- Dr Tiffany Hughes resigned from her position of Specialty Group Representative: Pathologists, a position she held during June of 2016.

Election of Office Bearers

- Dr Janice Fletcher was re-elected to the office of President.
- Dr William Tam was re-elected to the office of Vice President.

Appointment of Specialty Group Representatives

- Specialty Group Representative for Dermatologists - Dr Jeffrey Wayte was appointed to this casual vacancy by AMA(SA) Council.
- Specialty Group Representative for Pathologists - Dr Tiffany Hughes was appointed to this casual vacancy by AMA(SA) Council.

Election of Specialty Group Representatives and Other Representatives

- Regional Representative Northern -Dr Nigel Stewart was re-elected to this position.
- Regional Representative Northern -Dr John Williams was re-elected to this position.

Election of Ordinary Members

- Dr Tarun Bastiampillai was re-elected to this position.
- Dr Matthew McConnell was re-elected to this position.
- Dr Chris Moy was re-elected to this position.
- Dr Clair Pridmore was re-elected to this position.
- Dr John Woodall was elected to this position.
- Prof Paul Worley was re-elected to this position.

Federal Councillors:

- Dr Janice Fletcher was re-appointed to the office of State Nominee.

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ANDREW C BUTZ
LEIGH D PRIOR
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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 2016, 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 2016 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 11 April 2017

AUSTRALIAN MEDICAL ASSOCIATION (SA) INC.

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 $	2015 $
Revenue	2	1,616,516	1,529,326
Fair value gains/(losses) on revaluation		-	-
Total income		1,616,516	1,529,326
Employee benefits expense		(777,633)	(800,730)
Depreciation and amortisation expenses		(28,946)	(28,512)
Rates and taxes		(105,398)	(103,547)
Presidential allowance		(53,220)	(53,220)
Printing and stationery		(8,537)	(7,247)
Insurance		(9,876)	(9,844)
Postage		(1,511)	(3,294)
Repairs and maintenance		(10,623)	(24,666)
Strata Levy		(83,425)	(74,416)
Telephone		(12,310)	(12,624)
Other expenses from ordinary activities	3	(430,997)	(348,617)
Legal fees		(4,117)	(3,162)
Donation		(10,800)	(10,000)
Gala Dinner expense		(65,470)	(61,072)
RTO consulting expense		(35,180)	(55,393)
Prizes/Awards		-	(400)
Profit/(Loss) before income tax		(21,527)	(67,418)
Income tax expense / benefit	4	339	(18,437)
Profit/(Loss) for the year		(21,188)	(85,855)
Other comprehensive income		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income/(loss) attributable to members of the entity		(21,188)	(85,855)

The accompanying notes form part of this financial report

AUSTRALIAN MEDICAL ASSOCIATION (SA) INC.

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

	Note	2016	2015
		$	$
ASSETS			
Current assets			
Cash and cash equivalents	6	712,936	738,737
Trade and other receivables	7	162,130	62,596
Other current assets	8	15,441	9,714
Total Current Assets		890,507	811,047
Non-current assets			
Property, plant and equipment	9	1,326,117	146,138
Investment Properties	10	4,120,000	4,120,000
Deferred tax assets	13	219,367	219,778
Total Non-Current Assets		5,665,484	4,485,916
TOTAL ASSETS		6,555,991	5,296,963
LIABILITIES			
Current liabilities			
Trade and other payables	11	641,995	766,029
Borrowing	12	130,000	-
Total Current Liabilities		771,995	766,029
Non-current liabilities			
Deferred tax liabilities	13	349,560	350,310
Borrowing	12	1,275,000	-
Total Non-Current Liabilities		1,624,560	350,310
TOTAL LIABILITIES		2,396,555	1,116,339
NET ASSETS		4,159,436	4,180,624
EQUITY			
Reserves	15	989,905	989,905
Retained earnings		3,169,531	3,190,719
TOTAL EQUITY		4,159,436	4,180,624

The accompanying notes form part of this financial report

AUSTRALIAN MEDICAL ASSOCIATION (SA) INC.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016

	Retained Earnings $	Reserves $	Total $
Balance at 1 January 2015	3,276,174	990,305	4,266,479
Total comprehensive income for the year			
Profit /(Loss) attributable to members of the entity	(85,855)	-	(85,855)
Transfer from reserves to retained earnings	400	(400)	-
Total other comprehensive income for the year	400	(400)	-
Total comprehensive income for the year	(85,455)	(400)	(85,855)
Balance at 31 December 2015	3,190,719	989,905	4,180,624
Balance at 1 January 2016	3,190,719	989,905	4,180,624
Total comprehensive income for the year			
Profit /(Loss) attributable to members of the entity	(21,188)	-	(21,188)
Other comprehensive income for the year			
Transfer from reserves to retained earnings	-	-	-
Total other comprehensive income for the year	-	-	-
Total comprehensive income for the year	(21,188)	-	(21,188)
Balance at 31 December 2016	3,169,531	989,905	4,159,436

The accompanying notes form part of this financial report

AUSTRALIAN MEDICAL ASSOCIATION (SA) INC.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016	2015
		$	$
Cash flows from operating activities:			
Receipts from members, tenants and others		1,600,875	1,572,808
Payment to suppliers and employees		(1,805,481)	(1,529,631)
Interest received		4,700	6,686
Finance costs		(21,970)	(5,805)
Income tax paid		-	-
Net cash / (used in) provided by operating activities		(221,876)	44,058
Cash flow from investing activities:			
Purchase of plant and equipment		(1,208,925)	(15,677)
Net cash / (used in) investing activities		(1,208,925)	(15,677)
Cash flow from financing activities:			
Proceeds from borrowings		1,405,000	(10,344)
Net cash provided by / (used in) financing activities		1,405,000	(10,344)
Net cash increase / (decrease) in cash held		(25,801)	18,037
Cash and cash equivalents at the beginning of the financial year		738,737	720,700
Cash and cash equivalents at the end of the financial year	6	712,936	738,737

The accompanying notes form part of this financial report

The financial report covers Australian Medical Association (SA) Inc. as an individual entity. Australian Medical Association (SA) Inc. is an association incorporated in South Australia under the Associations Incorporation Act 1985.

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

Australian Medical Association (SA) Inc 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 dollor.

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 avaliable against which deductible temporary differences can be utilised.

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(a) Income Tax (cont.)

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) 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.

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(b) Plant and Equipment (cont.)

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

Class of Fixed Asset	Depreciation Rates
Furniture and fittings	7.5-20%
Computer equipment	33%

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.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation relating to that asset are transferred to retained earnings.

(c) 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 meaured 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 peirod in which they arise.

(d) Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) 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.

(e) 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 (ie trade date accounting is adopted).

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

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(e) Financial Instruments (cont.)

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 calcuated 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.

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(e) Financial Instruments (cont.)

(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.

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(f) 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.

(g) Employee Benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the Association to an employee superannuation fund and are charged as expenses when incurred.

(h) 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.

(i) 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.

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(j) 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).

(k) Comparative Figures

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

(l) Goods and Services Tax (GST)

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

(m) 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.

(n) 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.

The financial statements were authorised for issue on 14 April 2017 by the Association.

(o) Reclassification of property

During the reporting period, the Association reclassified its investments in Newland House and AMA House as investment properties. The properties were previously incorrectly classified as property under AASB 116: Property, Plant and Equipment. Consistent with AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors, the reclassification was treated as a prior period error and applied retrospectively.

As both reclassified properties were being carried at fair value, the reclassification had no impact on the entity's statement of financial position. In contrast to the treatment of fair value remeasurements of property, the fair value remeasurements of investment property are recognised in profit or loss in the period in which they arise. Since $210,000 fair value remeasurement was recognised in respect of Newland House and AMA House during the 2014 reporting period, the reclassification resulted in totalling $210,000 increase in profit and loss. Overall, the reclassification had an impact of totalling $210,000 increase on the entity's statement of comprehensive income.

NOTE 2 REVENUE

	2016	2015
	$	$
Operating Revenue		
- interest	4,700	6,686
- commissions	27,709	26,618
- business development	33,139	42,118
- rent	340,715	331,324
- advertising (medical review)	148,932	160,287
- member subscriptions	707,935	727,451
- functions & associations	73,621	71,943
- RTO income	159,595	47,414
- sundry revenue	42,979	26,635
- gala dinner income	77,191	88,850
Total revenue	1,616,516	1,529,326

NOTE 3 OTHER EXPENSES FROM ORDINARY ACTIVITIES

	2016	2015
	$	$
Accounting & Audit Fees	13,380	9,580
Finance costs	21,970	5,805
Council & sub committees	8,112	6,836
Computer costs	14,858	19,527
Property costs	53,159	65,945
Stamp Duty & LTO costs	58,788	-
Sapmea- labour hire fee	18,000	18,000
Travel and accommodation	10,593	8,744
Membership, functions & associations	40,889	33,863
MedicSA	119,830	113,313
RTO Costs	47,078	24,003
Sundry Expenditure	24,340	43,001
Total other expenses from ordinary activities	430,997	348,617

NOTE 4 INCOME TAX EXPENSE

	2016	2015
	$	$
a. The components of tax expense comprise:		
Current tax	(339)	18,437
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 30% (2015: 30%)	(6,458)	27,156
Less:		
Tax effect of:		
– other non-temporary differences	10,729	(8,719)
– under/(over) Provision In Prior Years	(4,610)	-
Income tax attributable to the association	(339)	18,437
c. Tax effect relating to other comprehensive income		
Current tax	-	-
Deferred tax	-	-

NOTE 5 KEY MANAGEMENT PERSONNEL COMPENSATION

	2016	2015
	$	$
The totals of remuneration paid to key management personnel (KMP) of the association during the year are as follows:		
Key management personnel compensation	291,220	292,220

Other KMP transactions
For details of other transactions with KMP, refer to Note 16: Related Party Transactions.

NOTE 6 CASH AND CASH EQUIVALENTS

	2016	2015
	$	$
Cash on hand	300	300
Cash at bank	712,636	738,437
	712,936	738,737

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	712,936	738,737

NOTE 7 TRADE AND OTHER RECEIVABLES

		2016	2015
		$	$
Trade receivables		74,037	64,596
Less: Provision for doubtful debts	7a	(500)	(2,000)
GST receivable		88,593	-
		162,130	62,596

7a. Provision for doubtful debts

Movement in the provision for doubtful debts is as follows:

	Opening balance $ 1 Jan 2015	Charge for the year $	Amounts written off $	Closing balance $ 31 Dec 2015
Current trade receivables	2,000	-	-	2,000

	Opening balance $ 1 Jan 2016	Charge for the year $	Amounts written off $	Closing balance $ 31 Dec 2016
Current trade receivables	2,000	(1,500)	-	500

NOTE 7 TRADE AND OTHER RECEIVABLES CONTINUED	2016 $	2015 $
7b. Financial assets classified as loans and receivables		
Trade and other receivables		
- Total current	162,130	62,596
- Total non-current	-	-
	162,130	62,596
Financial assets	162,130	62,596

NOTE 8 OTHER CURRENT ASSETS	2016 $	2015 $
Prepayments	14,900	9,714
Other - Recoverable Expenses	541	-
	15,441	9,714

NOTE 9 PLANT AND EQUIPMENT	2016 $	2015 $
Land and Buildings		
Land and buildings - at cost	1,200,000	-
less: Accumulated Depreciation	-	-
	1,200,000	-
Total land and buildings	1,200,000	-
Furniture and Equipment		
Branch - at cost	220,710	220,774
less: Accumulated Depreciation	(165,256)	(138,734)
	55,454	82,040
AMA - at cost	15,604	7,342
less: Accumulated Depreciation	(8,670)	(6,973)
	6,934	369
Antiques and Paintings - At Valuation	64,539	64,539
less: Accumulated Depreciation	(810)	(810)
	63,729	63,729
Total Furniture and Equipment	126,117	146,138
Total plant and equipment	126,117	146,138
Total Property, plant & equipment	1,326,117	146,138

(a) Movements in Carrying Amounts	Land and Buildings	Furniture and Equipment	Total
Balance at 1 January 2016	-	146,138	146,138
Additions	1,200,000	8,924	1,208,924
Disposals	-	-	-
Depreciation expense	-	(28,945)	(28,945)
Revaluation increments	-	-	-
Carrying amount at 31 December 2016	1,200,000	126,117	1,326,117

NOTE 10 Investment Properties

	2016	2015
	$	$
Newland House		
Opening balance - 1 January at Independent Valuation 2014	1,600,000	1,600,000
Gains/(losses) on fair value revaluations	-	-
Closing balance - 31 December	1,600,000	1,600,000
AMA House		
Opening balance - 1 January at Independent Valuation 2014	2,520,000	2,520,000
Gains/(losses) on fair value revaluations	-	-
Closing balance - 31 December	2,520,000	2,520,000
Total Investment Properties	4,120,000	4,120,000

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.

NOTE 11 TRADE AND OTHER PAYABLES

	2016	2015
CURRENT	$	$
Trade payables	32,860	39,615
Subscription in advance	480,899	594,255
Sundry creditors and accruals	8,843	70,851
Land tax payable	119,393	61,308
	641,995	766,029

a. Financial liabilities at amortised cost classified as trade and other payables

Trade and other payables		
- Total current	641,995	766,029
- Total non-current	-	-
	641,995	766,029
Less subscriptions in advance	(480,899)	(594,255)
Less employee benefits	-	-
Financial liabilities as trade and other payables	161,096	171,774

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

NOTE 12 BORROWING

	2016	2015
	$	$
CURRENT	130,000	
NON-CURRENT	1,275,000	-
	1,405,000	-

NOTE 13 TAX

	Opening Balance $	Charge Directly to Equity $	Recognised in Income $	Closing Balance $
NON-CURRENT				
Deferred tax liability				
Fair value gain	361,736	-	-	361,736
Building improvement	-	-	(11,873)	(11,873)
Prepayment	-	-	447	447
Balance at 31 December 2015	361,736	-	(11,426)	350,310
Fair value gain	361,736	-	-	361,736
Building improvement	(11,873)	-	(592)	(12,465)
Prepayment	447	-	(158)	289
Balance at 31 December 2016	350,310	-	(750)	349,560
Deferred tax assets				
Provisions	600	-		600
Deferred expenditure	3,576	-	(2,708)	868
Carried forward tax losses	245,465	-	(27,155)	218,310
Balance at 31 December 2015	249,641	-	(29,863)	219,778
Provisions	600	-	(534)	66
Deferred expenditure	868	-	(543)	325
Carried forward tax losses	218,310	-	666	218,976
Balance at 31 December 2016	219,778	-	(411)	219,367

NOTE 14 CAPITAL and LEASING COMMITMENTS

	2016 $	2015 $
a. Finance lease Commitments		
Payable - minimum lease payments		
- no later than 12 months	130,000	-
- between 12 months and five years	1,275,000	-
- later than five years	-	-
	1,405,000	-
Minimum lease payments	1,405,000	-
Less future finance charges	-	-
Present value of minimum lease payments	1,405,000	-

b. Operating Lease Commitments
Leases as Lessor
Minimum lease payments under non-cancellable operating leases of property held (see Note 9) not recognised in the financial statements are receivable as follows:

within one year	335,591	341,390
between 1 and 5 years	955,540	591,946
above 5 years	109,433	-
	1,400,564	933,336

NOTE 15 RESERVES

		2016	2015
		$	$
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
		989,905	989,905

(a) Asset Revaluation Reserve

Movements during the financial year:		
Opening balance	950,950	950,950
Revaluation of building	-	-
Closing Balance	950,950	950,950

The asset revaluation reserve records revaluations of non-current assets

(b) De Crespigny Memorial Fund

Movements during the financial year:		
Opening balance	3,068	3,268
University of Adelaide - Awards 2013	-	(200)
Closing Balance	3,068	3,068

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	3,662	3,662

NOTE 15 RESERVES (CONTINUED)

	2016	2015
	$	$

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	12,716
University of Adelaide - Awards 2013	-	(200)
Closing Balance	12,516	12,516

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) Association Reserve

Movements during the financial year:		
Opening balance	19,709	19,709
Closing Balance	19,709	19,709

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

NOTE 16 RELATED PARTY TRANSACTIONS

	2016 $	2015 $
The CEO of Australian Medical Association (SA) is also the CEO of SAPMEA		
Australian Medical Association (SA) Inc entered into an agreement with SAPMEA for the supply of labour hire services to AMA.	(18,000)	(18,000)
SAPMEA Contracting Costs - All employees of AMA ceased employment from AMA in FY2014 and signed new contracts with SAPMEA. SAPMEA paid the salary to AMA staff each fortnightly and charged AMA for the contracting cost on a monthly basis.	(777,633)	(800,730)
SAPMEA has a property lease with AMA for five years from 6 February 2014 to 5 February 2017.	35,200	35,200

Transactions between related parties are on normal commercial terms and conditions and no more favourable than those available to other parties unless otherwise stated.

NOTE 17 FINANCIAL RISK MANAGEMENT

Australian Medical Association (SA) Inc.'s 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:

	2016 $	2015 $
Financial assets		
Cash and cash equivalents	712,936	738,737
Loans and receivables	162,130	62,596
Total financial assets	875,066	801,333
Financial liabilities		
Financial liabilities at amortised cost:		
– trade and other payables	41,703	110,466
– borrowings (lease liabilities)	1,405,000	-
Total financial liabilities	1,446,703	110,466

NOTE 18 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 19 CONTINGENT LIABILITIES

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

NOTE 20 ASSOCIATION DETAILS

The principal place of business is:
Australian Medical Association (SA) Inc.
80 Brougham Place
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) Inc hereby states that during the financial year ended 31 December 2016 -

(a) 111 no officer of Australian Medical Association (SA) Inc

121 no firm of which an officer is a member; and

131 no body corporate in which an officer ha s 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 President of the Australian Medical Association (SA) Inc 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 $3,000 for professional services relating to branding and communication strategy development. Mr John McLaren is a Director on the AMA(SA) Executive Board

(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 13 to 18:

(a) Presents a true and fair view of the financial position of Australian Medical Association (SA) Inc. as at 31 December 2016 and its performance for the year ended on that d ate 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 believer 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 Council and is signed for and of behalf of the Council by:

Board Chair: 

Dr Trevor Mudge

Board Member: 

Dr Peter Sharley

Dated this 6th day of April 2017

Australian Medical Association (South Australia) Inc.

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