



Australian Medical Association
(South Australia) Inc.

2010
Annual Report

AMA(SA) Council | Membership

Membership of Council as of 31 December 2010

Position on Council

President:	Dr Andrew Lavender (11)
Vice President:	Dr Jonathan Sporne (7) until August 2010
Immediate Past President:	Dr Peter Ford (10)
Honorary Medical Treasurer:	Dr Peter Sharley (10)
Honorary Medical Secretary (appointment from within Council):	Dr David G Thomas (1) until May 2010
.....	Dr David Walsh from June 2010

Federal Councillors

Branch Nominee:	Dr Jonathan Sporne (7) until August 2010
Area Representative for SA and NT:	Dr Andrew Lavender (11)
Craft Representative for Physicians:	Dr William Heddle (1) until May 2010
Craft Representative for General Practitioners:	Dr Rodney Pearce (1) until May 2010
Craft Representative for Paediatricians:	Dr David G Thomas (1) until May 2010
Doctors in Training:.....	Dr Andrew Perry (8) until May 2010
.....	Mr Ross Roberts-Thomson (3) from June 2010
Treasurer:	Dr Peter Ford (10)

Craft Group Representatives

Anaesthetists:	Dr Margaret Cowling (8)
General Practitioners:	Dr Christopher Clohesy (10)
Obstetricians and Gynaecologists:	Dr Elinor Atkinson (1) until August 2010
.....	Dr Stephen Lane (3) from September 2010
Pathologists:.....	Dr Heather Cain (5)
Physicians:	Dr Roger Hunt (7)
Psychiatrists:	Dr Paul Dignam (7)
Radiologists:.....	Dr Brian Donnelley (8)
Surgeons:.....	Dr David Walsh (11)

Doctors in Training Representatives Dr Rick Fielke (11)

Medical Students Representatives

Adelaide:	Mr Anthony Farfus (7) until December 2010
Flinders:.....	Mr Mitchell Giles (5) until December 2010

Ordinary Members of Council Dr Christopher Moy (11)

.....	Dr Rodney Pearce (0)
.....	Dr Michael Rice (4) until May 2010
.....	Dr Andrew Perry (8) from June 2010
.....	Dr Mary-Ann Fox (2) from June 2010

Regional Representatives

Northern:	Dr Nigel Stewart (3)
South Eastern:	Dr Trevor Hodson (5)
Riverland:	Dr Roger Sexton (7)
Western:.....	Dr Susan Baillie (7)

Salaried Medical Officer Dr Conrad Williams (9)

Women in Medicine Dr Janice Fletcher (8)

Deputies Dr John Williams (1) for Dr Susan Baillie
..... Dr Stephen Lane (2) for Dr Elinor Atkinson

Note: numbers in brackets following each name indicate attendance at the AMA(SA) meetings from February - December 2010 (a total of 11 meetings)

AMA(SA) Council | Changes

Changes to AMA(SA) Council at the AMA(SA) Annual General Meeting, held Thursday 6 May 2010

Retiring Councillors

- Dr Michael Rice retired from the position of Ordinary Member, a position he has filled since May 2004.
- Dr William Heddle retired from the position of Federal Craft Group Representative for Physicians, a position he has filled since 2004.
- Dr David G Thomas retired from the position of Honorary Medical Secretary, a position he has filled since July 2007.
- Dr David G Thomas retired from the position of Federal Craft Group Representative for Paediatricians, a position he has filled since November 2004.
- Dr Rodney Pearce retired from the position of Federal Craft Group Representative for General Practitioners, a position he has filled since 2004.
- Dr Andrew Perry retired from the position of Federal Doctors in Training Representative, a position he has filled since June 2009.

Election of Office Bearers

- Dr Andrew Lavender was re-elected to the office of President.
- Dr Jonathan Sporne was re-elected to the office of Vice President.
- Dr Peter Sharley was re-elected to the office of Honorary Treasurer.

Election of Craft Group Representatives

- Western – Dr Sue Baillie was re-elected to this position by the AMA(SA) Council.
- Riverland – no nomination was received: a casual vacancy existed.
- South Eastern – Dr Trevor Hodson was appointed to this position by the AMA(SA) Council.
- Northern – no nomination was received: a casual vacancy existed.
- Women in Medicine – Dr Janice Fletcher was re-elected to this position by the AMA(SA) Council.

Election of Ordinary Members

- Dr Chris Moy was re-elected to this position by AMA(SA) Council.
- Dr Rodney Pearce was re-elected to this position by AMA(SA) Council.
- Dr Andrew Perry was appointed to this position by AMA(SA) Council.
- Dr Mary-Ann Fox was appointed to this position by AMA(SA) Council.

Federal AMA Committees | AMA(SA) Members

As at 31 December 2010

AMA Council of Salaried Doctors

Dr Andrew Lavender

AMA Council of Doctors in Training

Dr Rick Fielke

AMA Council of General Practice

Dr Roger Sexton

AMA Rural Medical Committee

Dr Susan Baillie

Audit Committee

Dr Andrew Lavender

Constitution & Policy Review Committee

Dr Peter Ford

Economics & Workforce Committee

Dr Andrew Lavender

Ethics and Medico-Legal Committee

Dr Peter Ford

Federal Council

Drs Peter Ford and Andrew Lavender, and Mr Ross Roberts-Thomson

Finance Committee

Drs Peter Ford and Andrew Lavender

Taskforce on Indigenous Health

Dr Peter Ford

AMA(SA) Standing Committees

January – December 2010

Doctors in Training

Chair: Dr Rick Fielke

Secretariat: Mr Duncan Wood, Mr Joe Hooper, Ms Marie Poerio and Ms Meryn Elliott

Members: Drs Jemma Anderson, Adam Badenoch, George Balalis, Alexander Cameron, Kassandra Fairhall, Claire Frauenfelder, Roger Hunt, Amy Keir, Sally Kellett, Andrew Lavender, Hayley Messenger, Andrew Perry, Michael Sobotta, Brenton Systemans, Trinh Tran, Christopher Veale and Mario Zotti, Mr Anthony Farfus, Mr Mitchell Giles, Mr Sebastian Haiart, Mr Mark Hassall, Mr Samuel LaBroome, Ms Julia McClelland, Mr Adam Nelson, Mr Ross Roberts-Thomson, Mr Samuel Whitehouse and Mr Christopher Wong.

Finance

Chair: Dr Peter Sharley

Secretariat: Mr Duncan Wood, Mr Joe Hooper, Ms Marie Poerio and Mr Chris Dreyer

Members: Drs Peter Ford, Andrew Lavender, John Wyatt and Roger Sexton, Mr Andrew Craig and Mr Les Davis

Road Safety

Chair: Dr William Heddle

Secretariat: Mr Duncan Wood, Mr Joe Hooper and Ms Claudia Baccanello

Members: Drs Robert Atkinson, Bill Geyer, Philip Harding, Stephen Holmes and Andrew Lavender.

Council of General Practice

Chair: Dr Jonathan Sporne

Secretariat: Mr Duncan Wood, Mr Joe Hooper, Ms Marie Poerio and Ms Meryn Elliott

Members: Drs Don Cameron, Antonio Cocchiaro, Peter Ford, Richard Heah, Suzanne King, Bronwyn Knight, Chris Moy, Rodney Pearce, Joseph Przybylko, Roger Sexton, Peter Tait, Nyoli Valentine and Chris Wagner.

Editorial

Chair: Dr David Game

Secretariat: Mr Duncan Wood, Mr Joe Hooper and Ms Eva O'Driscoll

Members: Drs Rick Fielke, William Heddle, Roger Hunt, Andrew Lavender, Jeanette Linn, Angela McLean, Robert Menz, Rod Pearce, Michael Rice and Melissa Sandercock, Mr Anthony Farfus, Ms Andrina Penfold and Mr Chris Wong.

Executive

Chair: Dr Andrew Lavender

Secretariat: Mr Duncan Wood, Mr Joe Hooper, Ms Marie Poerio and Ms Claudia Baccanello

Members: Drs Margaret Cowling, Rick Fielke, Peter Ford, Rodney Pearce, Peter Sharley and David Walsh.

Corporate Governance

The AMA(SA) Council is responsible for the overall corporate governance of the Association including strategic direction, establishing goals for management and monitoring the achievement of these goals. The Council carries out these functions on behalf of the members, to whom they are accountable.

The Council delegates authority to the Executive Committee to carry out certain functions between Council meetings. Membership of the Committee is presented in the by-laws of the Association.

The position of Chief Executive Officer is a full-time salaried position which reports to the Council. The Chief Executive Officer is delegated with the day-to-day management of the Association.

The Finance Committee operates on an advisory basis to the Council. The Committee comprises both members of the Council (including the Treasurer) and external, appropriately qualified persons, as approved from time to time by the Council.

The roles of the Finance Committee 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 bank finance arrangements;
- participation in the review of the remuneration of the Chief Executive Officer;
- provision of general financial advice to the Treasurer and the Association; and
- review of the external audit arrangements.

From the Chief Executive Officer |

Joe Hooper



This year has been a very active period for the AMA(SA) as it engaged in the various health reform proposals that have been implemented or announced by State and Commonwealth Governments over the period. As the incoming CEO, I have been impressed by the commitment of our President and Council to ensure our members' views are heard. The AMA(SA) has

significant capacity to influence the shape of health services and members can feel confident that governments listen when the AMA(SA) speaks. The strength of our voice is not only in our membership, but also in the collective wisdom and experience of members which inform our recommendations. There is no denying that doctors have a privileged position in the health system which allows for a unique understanding of what works and what doesn't. For this reason, the public value what the AMA(SA) has to say and this ensures politicians listen.

Health Reform

A focus over the past 12 months has been the medical professions role in healthcare. The development of Medicare Locals, Local Hospital Networks, national registration and physician assistants have all been hot topics for the AMA as they have potential to reduce the central role of doctors in health delivery and dilute the profession's voice when determining policy directions. The AMA is keenly placed to monitor these developments and act on behalf of the profession where existing standards and autonomy is being challenged. We have been constantly advising government on the importance of involving the medical profession at the executive and senior level when considering reform.

During 2010, the AMA(SA) delivered a significant number of submissions to government for consideration. Being involved early in the development of any government initiatives is critical. Bringing the informed contribution of the profession to the submission process is one of the most important roles the AMA(SA) provides for its members, ensuring that doctors have direct input into strategic planning which impacts on their daily professional lives and those of their patients.

Strategic Planning

In October 2010 the Council agreed to undertake a strategic review of the organisational structure, current activities and processes. The present Council structure, determined by the associations' rules, is under review with the objective to increase operational efficiencies and increase Councillors' focus on medical policy and related matters. In addition, a review of staffing positions and functions was commenced to ensure coverage of all the associations' future activities whilst

preserving core services. Despite limited financial means and a small core of dedicated staff, the AMA(SA) has managed to continually punch above its weight in terms of services and advocacy for its members. The anticipated changes will ensure the level of activity continues to grow along with development of further services for members and support for Council.

Financial

The Association has recorded a deficit of \$28,490 for the year. This compares to a surplus of \$68,599 in 2009. While income increased slightly compared to 2009, the association incurred significant increases in expenditure during 2010 resulting from changes in senior staff, legal costs and much needed office refurbishment. Cash flow for the final quarter is maintained through assistance provided by the federal AMA by way of a memorandum of understanding which allows for deferred payments of federal fees. Corrective measures have also been introduced to curb excessive expenditure and to reduce the deficit. For more information on those steps, please refer to the Treasurer's Report.

Staffing

There have been some changes in staffing beginning with the resignation of Mr Duncan Wood in April 2010. Duncan had served at the AMA for 7 years, with 6 years as CEO. Duncan left to undertake employment in the public sector as Regional Director of Workforce based at the Women's and Children's Hospital. I would like to thank Ms Marie Poerio for undertaking the Acting CEO role up until my own commencement in August 2010.

Other staff movements over the year included Accountant, Ms Julie McNamara resigning in April 2010, with Mr Chris Dreyer replacing this position.

Youth Friendly Doctor

The earlier success of the Youth Friendly Doctor program was interrupted this year by the decision of SA Health to significantly reduce its funding of the program with the eventual discontinuing of any funding post 2012. Consequently this program was suspended whilst the AMA(SA) had discussions with the department and emphasised the value of the program in reaching today's youth and also the benefits of providing doctors with the opportunity to attend schools to discuss health issues relevant to this age group. Whilst we have not been promised any funding beyond 2012, the AMA(SA) believes the program's obvious health promotion benefits warrant its continuation and we shall be providing the program at a reduced level in 2011-2012.

Industrial relations services

The expanded industrial relations services now offered to members has continued to be in high demand. The recent ... continued next page.

changes to the federal industrial legislation has seen many members in private practice call on the AMA for advice and assistance in meeting their obligations under the new Fair Work Act 2010 and National Employment Standards. The AMA(SA) has met this need by increasing and expanding the seminar program which provides industry-specific information to members and their staff on a range of employment and practice management matters. The services include providing template employment documentation; an industrial award service and implementing a consultancy service which provides one-on-one industrial relations advice. We will continue to assist members through this challenging and changing time.

Relationships

The AMA(SA) continues to place a strong emphasis on building productive relationships with key organisations including the various professional colleges, medical indemnity associations, The Medical Board of Australia, WorkCover SA, Cancer Council, Motor Accident Commission, SA Health and many other health professional bodies and associations. The value of these relationships is enormous and provides the AMA(SA) with an increased opportunity to undertake action or provide information in response to our members' concerns. The AMA(SA) will be specifically focusing on further developing our relationships with the specialist colleges and other professional organisations over the next year.



Media

The AMA(SA) enjoyed solid media engagement during 2010 with the President delivering an average of 30 media engagements per month. Our capacity to engage on a daily basis across all health topics is a strength of the AMA(SA)'s public profile and highlights our engagement in all matters related to the health of the South Australian community. Highlights in 2010 included Swine flu vaccination promotion; the announcements relating to the new Royal Adelaide Hospital; Federal Health Reforms, Country health issues; Pertussis and the impact of the South Australian Health Budget Announcements.

Events

This year we again held our City-Bay Fun Run. Despite the cold weather and early hour, an eager number of members

again participated in this annual event. The Run concluded at the Glenelg foreshore where the AMA(SA) hosted brunch, an opportunity to celebrate everyone's efforts.

Members joined us for the AMA(SA)/RACGP Christmas Party hosted at the College's Gover St. premises. The event was enjoyed by members and some children and was a good demonstration of the unity of the broader medical family.

Our Retired Members and Past Presidents' Luncheon was held in November 2010. There was a record attendance and overwhelming support from members to run this popular event on an annual basis.

The AMA(SA) hosted an informal dinner with AMA President, Dr Andrew Pesce and general practitioners to consider the impact of the health proposals of the new federal government on general practice in South Australia. The evening was well attended with robust discussion between all present around the many issues.



The AMA(SA) Annual Dinner held at the Botanic Garden Restaurant in May, was a relaxed evening which provided an informal setting for friends and colleagues to catch-up. It was also an opportunity to acknowledge the Association's greatest assets and resources: its people. The

AMA(SA) honoured two individuals, recognising the value of their activities to the AMA, the medical profession and in the wider community. Associate Professor Pam Macintyre was awarded the AMA(SA) Award for outstanding contribution to medicine or the medical profession. Dr Jonathan Sporne was awarded the AMA(SA) President Award, recognising outstanding service to the AMA(SA).

medicSA was voted best publication at the National Conference in May 2010. We also hosted the annual Federal Council of Doctors in Training meeting in Adelaide in May 2010.

Finally, I would like to thank the President and Council for their efforts over the past year and their support to myself over the past 3 months. I also thank Ms Poerio for her support of the office during her period as Acting CEO and the hard working staff who make up the secretariat. Their capacity to achieve the level of service they have been able to provide to members and their support of Council during a period of internal changes to the organisation is acknowledged and appreciated.

From the Treasurer |

Dr Peter Sharley



Operating income

The total income for the year under review amounted to \$1,221,693 (2009 : \$1,209,001) an increase of 1.04 per cent. This increase is due to more income being generated through the following business activities: member subscriptions, *medicSA*, industrial award service, selling of employment documentation

and recovering income from the youth friendly doctor project grant.

The main operating income streams comprised: member subscriptions \$533,714 (2009 : \$514,312), advertising (*medicSA*) \$169,170 (2009 : \$156,455), and sundry income of \$279,162 (2009 : \$306,797).

Rental income and expenditure (investment property)

Rental income recorded for the financial year ended 31 December 2010 amounted to \$235,222 (2009 : \$226,773). Expenses incurred to maintain the building and equipment increased by \$7,784 and amounted to \$13,994 (2009 : \$6,210).

In an effort to ensure that all outgoings as provided for in the lease agreements have been recovered from the tenants, a review of all outgoing paid versus recovered has been initiated. This review should be finalised in due course and any recoverable amounts recovered from tenants.

Operating expenses

Operating expenses increased by 10.36 per cent and amounted to \$1,252,019 (2009 : \$1,122,352). This increased expenditure resulted in a deficit before tax of \$30,326 being recorded for the financial year ended 31 December 2010. The overspending is mainly attributable to unforeseen expenditure being incurred on legal fees, staff recruitment costs, travel and accommodation and strata levies.

Operating expenses with significant balances are as follows: employee benefits \$565,675 (2009 : \$491,347), Legal fees \$32,047 (2009 : \$950), printing and stationery \$84,656 (2009 : \$81,739), staff recruitment \$30,955 (2009 : \$7,351) and other expenses from ordinary activities \$156,741 (2009 : \$133,995).

Cost saving steps or initiatives

Several governance mechanisms and expense reduction initiatives have been identified by the Secretariat to improve the overall financial performance and position of the Association. These initiatives include, amongst others:

- Setting up cost centres to manage and monitor income and expenditure trends per main business activity
- Timely recovery of amounts owed to the Association and the implementation of a debt management policy to limit losses



- The appointment of a property manager to ensure that lease agreements are revisited and updated, rental income maximised, and that all recoverable outgoings are recovered from tenants on a timely basis
- Revisiting the Strata arrangements and services utilised in an effort to reduce annual levies
- Improving and streamlining business processes including the development and implementation of proper procurement processes to ensure that goods or services are procured at the best possible price
- Taking up discount with early settlement of invoices
- Maximising interest income by investing cash surpluses

Grants / donor funds

During 2008, the AMA(SA) introduced the Youth Friendly Doctor Program. This Program has been partly funded by the South Australian Government to address challenges facing parents, educators and others in protecting the well-being of young people. The funding arrangements have ceased on 30 June 2010 and the Program suspended accordingly. Negotiations have been entered with the South Australian Government to possibly revive the Program and provide funding in the 2011 financial year.

Assets, liabilities and equity

Assets and liabilities increased by \$129,951 and \$156,895 respectively. The Assets increase includes furniture and equipment being bought to replace old outdated office furniture and equipment, and to optimise the office space. The refurbishment amounted to \$46,380.

The increase in Liabilities is mainly due to the Working Capital Loan Facility of \$100,000 not being repaid at year-end.

Equity decreased by \$26,944 as a result of the aforementioned deficit being recorded.

Acknowledgement

I would like to thank the members of the Finance Committee and staff at the AMA(SA) for their support and hard work during the year.

From the President |

Dr Andrew Lavender



2010 remained a very busy year for the AMA(SA). The health reform agenda moved swiftly and then stopped and then restarted again at a slower pace. South Australia faced an election in March and the nation faced a general election in August. All the time, the AMA remained at the centre of discussions with governments and oppositions as we sought to inform and guide all

parties towards policies that will allow us to deliver the best possible care to our patients.

State election and Election Priorities

In February 2010, the AMA(SA) released its 'Election Priorities for Health' document. This focussed on key health issues of concern to the public, calling for measures to reduce the waiting times in emergency departments, and to reduce the waiting lists for outpatient and inpatient services. The future of the RAH remained a central point of difference between the parties, with the AMA(SA) calling for more beds and expanded space for teaching and research regardless of whether a new hospital was built or the old one redeveloped. We also argued that the RAH of the future should have expanded and upgraded acute service facilities including trauma, intensive care, accident and emergency, burns, operating and investigation and imaging suites.

The election was close but returned the Labor government. Throughout the remainder of 2010 we maintained a watching brief on the new RAH and have argued strongly for the retention of all existing medical and pathology services within the new hospital.

One of our major concerns throughout 2010 has been the lack of engagement of local clinicians in decision making about health. We have been vocal in ensuring that the voice of clinicians is heard in the Local Hospital Networks which will replace the Adelaide Health Service as the manager of our hospitals.

GP Superclinics

AMA(SA) strongly opposes the establishment of these federal government funded entities. 'GP superclinics' have the potential to undermine existing practices and any additional resources should be devoted to supporting existing, or promoting new, liaisons with a wide range of allied health practitioners.

Changes to Children's Protection Act

Proposed changes to the Children's Protection Act 1993 were announced following on from the Mulligan Report. From 2011, all medical practices will need to conduct criminal history assessments on employees and contractors who are

working with children. It will also be a requirement to lodge a Child Safe Environment Compliance Statement with the Department for Families and Communities.

The AMA(SA) has remained engaged with the Department for Families and Communities to ensure that the implementation of this legislation does not become a bureaucratic nightmare for doctors and better serves its purpose of protecting children. We now offer a 'Child Safe Environment Policy' service to assist our members to be compliant with the new legislation, which became active on 1 January 2011.

The Medical Board of Australia and AHPRA

The Australian Health Practitioners Registration Agency came into being on 1 July. The AMA both federally and in SA was very active in criticising the original legislation that had been proposed and in seeking modifications, most of which were incorporated into the final versions of the bill. Remaining concerns exist relating to mandatory reporting requirements for treating doctors and spouses of registered practitioners and in protection for the titles 'Doctor', 'Surgeon' and 'Physician', and the AMA is continuing to advocate for amendments to the legislation to address these issues.

The implementation of the national register, as predicted, was a 'mess-up'. Registration forms were sent to the wrong addresses or to 'the registrant'. Questions were unable to be answered and timelines for registration were unable to be met. The AMA in South Australia was central to bringing the attention of government to the system failures and was instrumental in arguing for a 'waiver' for late fees of \$350 and for the intern registration fee to be halved.

The AMA will continue to hold the Medical Board of Australia and AHPRA accountable to ensure that both the public and the profession are properly served by these bodies.

Rural GP contract negotiations

AMA(SA) began the year negotiating with Country Health SA (CHSA) to reach agreement regarding rural GPs who provide emergency medical services in country hospitals. Whilst we believe that the final agreement was unsatisfactory from a remuneration point of view, and that there are still inequities in the system, the agreement did result in a standardised contract for emergency 'cover' arrangements and improved compensation for most rural practitioners. New negotiations begin in 2011.

SA Mental Health Act

The AMA(SA) identified concerns to SA Health regarding indemnity for practitioners 'acting in good faith' under the Act (Section 36 of the Mental Health Act 1993), after a protection for doctors in the previous act had been removed. As a result of our representations, we have an undertaking that an

amendment to retrospectively provide statutory protection for doctors will be drafted.

Eating Disorders Unit at the Flinders Medical Centre

The AMA(SA) is strongly opposed to the Unit's closure and the dispersal of its staff. We believe that eating disorder services in the community need to be enhanced, but that an acute facility with the specialist skills that exists at FMC remains a vital component in the effective treatment of many eating disorder patients. Following the expression of AMA and community concerns, a review into Eating Disorder treatment in SA has been commissioned. We await the recommendations.

Legislative and advocacy matters

AMA(SA) has remained in close contact and on good terms with both government and opposition throughout 2010. Regular meetings have been held with the Minister for Health, John Hill, and the CEO of SA Health, Dr. Tony Sherbon, and meetings have been held with Dr. Duncan McFetridge, opposition spokesperson for health and the leader of the opposition, Isobel Redmond.

We met with Dr. Bob Such, MP, and Mark Butler, MP, the federal parliamentary secretary for Health addressed AMA state council and took questions about health reform.

Other activities included:

- Highlighting the dangers around home birthing and representations to the coroner's office regarding an intra-partum death during a home birth.
- South Australia was once again awarded the 'Dirty Ashtray' award by the federal AMA for the state which had achieved the least to reduce smoking during the year. We have long advocated for stronger anti-smoking measures in SA and hopefully this will stir the government into action in 2011.
- Negotiations with WorkCover over unsatisfactory fees and delays in payment to doctors.
- Highlighting misleading claims about the benefits of chiropractic treatment.
- Doctors' Health SA was established after being vested with residual funds from the Medical Board of SA.
- Participation in the Emergency Access Taskforce.
- Participation in the Outpatient Review Reference Group. Budget plans to slash outpatient services were sharply criticised by the AMA and the government has undertaken to consult with clinicians so that patient care is enhanced.
- Promoting education and training. The AMA has repeatedly expressed concern about the impact of new forms of health practitioner on the teaching and clinical opportunities for medical students and post-graduate doctors.

Membership and Branch matters

I would like to thank the members of the council and board

of the AMA(SA) for their significant contributions to policy development and advocacy work in 2010.

I would like to give special thanks to Jon Sporne, who as vice-president turned a sharp mind towards any policy challenges thrown our way, always offering sage advice, and who stood as acting president during my absences on leave. Jon has served the AMA diligently whilst battling his own health problems and his contribution has been greatly appreciated.

Also of great assistance and support to me have been our immediate past president, Peter Ford, and our Treasurer, Peter Sharley.

As always, we depend on our branch staff, who quietly keep the AMA 'running' in the interests of its members. During 2010 we farewelled our CEO, Duncan Wood, who departed in April, moving on to a new and challenging role in the Department of Health. Duncan had served the AMA for seven years with six in the CEO role, and we wish him well for the future.

After an exhaustive interview process, Joe Hooper, the former CEO of the Medical Board of SA was appointed to the position of CEO, a role he took up in August.

During the interim, Marie Poerio was acting CEO, and I owe her a great debt of gratitude for all her effort in keeping things running smoothly in the interim.

I wish to pass on our sincere thanks to Duncan, Joe, Marie and all of the staff on behalf of the AMA(SA).

LIFE MEMBERSHIP

The AMA(SA) congratulates the following medical practitioners who have been provided Life Membership of the AMA in 2011 for their loyalty to the Association.

Dr David Cox
Dr John Hutchins
Dr Lionel Lane
Dr Leon Pitchon
Dr Brian Sando

Independent Audit Report |



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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 2010 and the statement of comprehensive income, statement of cash flows, statement of changes in equity, a summary of significant accounting policies and other explanatory notes and the Statement by Members of the Branch Council of the association.

Committee's Responsibility for the Financial Report

The committee of the association is responsible for the preparation and fair presentation of the financial report in accordance with the Australian Accounting Standards (including the Australian Accounting Interpretations) and the Associations Incorporation Act (SA) 1985. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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 judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, 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 opinion.

Independence

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

Auditor's Opinion

In our opinion:

The financial report of the Australian Medical Association (SA) Inc. is in accordance with the Associations Incorporation Act (SA) 1985 including:

- i. giving a true and fair view of the Association's financial position as at 31 December 2010 and of its performance for the year ended on that date; and
- ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Associations Incorporation Act (SA) 1985.

Bentleys (SA) Partnership
64 Greenhill Road Wayville SA 5034

D J FRANCIS
PARTNER

Dated at Wayville this 7th day of April 2011

Financial Report | AMA(SA) Inc

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2010

	Note	2010 \$	2009 \$
Revenue from ordinary activities	2	1,221,693	1,209,001
		<u>1,221,693</u>	<u>1,209,001</u>
Employee benefits expense		(565,675)	(491,347)
Depreciation and amortisation expenses		(8,430)	(14,979)
Advertising		(18,431)	(27,197)
Rates and taxes		(87,704)	(120,516)
Presidential allowance		(55,222)	(56,102)
Printing and stationery		(84,656)	(81,739)
Insurance		(8,247)	(5,057)
Postage		(35,182)	(26,141)
Repairs and maintenance		(22,397)	(12,751)
Staff recruitment		(30,955)	(7,351)
Strata Levy		(76,407)	(49,810)
Telephone		(14,352)	(13,734)
Youth friendly doctor expenses		(53,688)	(80,266)
Other expenses from ordinary activities		(156,741)	(133,995)
Legal fees		(32,047)	(950)
Finance costs	3	(1,885)	(417)
Profit before income tax expense		<u>(30,326)</u>	<u>86,649</u>
Income tax expense		<u>1,836</u>	<u>(18,050)</u>
Profit from operations		(28,490)	68,599
Other comprehensive income		-	-
Total comprehensive income		<u>(28,490)</u>	<u>68,599</u>

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2010

	Note	2010 \$	2009 \$
Current assets			
Cash and cash equivalents	5	481,152	341,927
Trade and other receivables	6	51,970	102,884
Other current assets	7	17,205	14,537
Total Current Assets		<u>550,327</u>	<u>459,348</u>
Non-current assets			
Property, plant and equipment	8	4,093,536	4,056,400
Deferred tax assets	13	351,133	349,297
Total Non-Current Assets		<u>4,444,669</u>	<u>4,405,697</u>
TOTAL ASSETS		<u>4,994,996</u>	<u>4,865,045</u>
Current liabilities			
Trade and other payables	9	111,911	70,952
Short-term financial liabilities	11	100,000	3,358
Short-term provisions	12	33,316	39,763
Other current liabilities	10	600,443	587,349
Total Current Liabilities		<u>845,670</u>	<u>701,422</u>
Non-current liabilities			
Long-term provisions	12	21,529	8,882
Deferred tax liabilities	13	312,750	312,750
Total Non-Current Liabilities		<u>334,279</u>	<u>321,632</u>
TOTAL LIABILITIES		<u>1,179,949</u>	<u>1,023,054</u>
NET ASSETS		<u>3,815,047</u>	<u>3,841,991</u>
EQUITY			
Reserves		958,396	956,850
Retained earnings		2,856,651	2,885,141
TOTAL EQUITY		<u>3,815,047</u>	<u>3,841,991</u>

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2010

	Retained Earnings \$	Reserves \$	Total \$
Balance at 1 January 2009	2,816,542	956,850	3,773,392
Profit attributable to members of the entity	68,599	-	68,599
Balance at 31 December 2009	<u>2,885,141</u>	<u>956,850</u>	<u>3,841,991</u>
Profit attributable to members of the entity	(28,490)	-	(28,490)
Fund movements	-	1,546	1,546
Balance at 31 December 2010	<u>2,856,651</u>	<u>958,396</u>	<u>3,815,047</u>

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2010

	Note	2010 \$	2009 \$
Cash flow from operating activities:			
Receipts from members, tenants and others		1,272,607	1,193,235
Payment to suppliers and employees		(1,186,184)	(1,093,394)
Finance costs		(1,885)	(417)
Interest received		4,425	4,664
Net cash generated from operating activities	16	<u>88,963</u>	<u>104,088</u>
Cash flow from investing activities:			
Purchase of plant and equipment		(46,380)	(15,656)
Net cash used in investing activities		<u>(46,380)</u>	<u>(15,656)</u>
Cash flow from financing activities:			
Repayment of borrowings		(3,358)	(5,510)
Proceeds from Borrowings		100,000	-
Net cash used in financing activities		<u>96,642</u>	<u>(5,510)</u>
Net cash increase (decrease) in cash held		139,225	82,922
Cash at the beginning of the financial year		<u>341,927</u>	<u>259,005</u>
Cash at the end of the financial year	5	<u>481,152</u>	<u>341,927</u>

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Associations Incorporation Act (SA).

The financial report covers Australian Medical Association Inc. as an individual entity. Australian Medical Association (SA) Inc. is an association incorporated and domiciled in Australia.

The financial report of Australian Medical Association (SA) Inc. as an individual entity complies with all Australian equivalents to International Financial Reporting Standards (IFRS) in their entirety.

The following is a summary of the material accounting policies adopted by the Association in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which fair value basis of accounting has been applied.

Accounting Policies

(a) Income Tax

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 income tax assets 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) Property, Plant and Equipment

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

Property

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Plant and equipment

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

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	7.5-20%
Computer equipment	33%

The assets' residual value and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

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 income statement. When revalued assets are sold, amounts included in the revaluation relating to that asset are transferred to retained earnings.

(c) Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Impairment

At each reporting date, the association assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

(d) Impairment of Assets

At each reporting date, the association reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

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.

(e) 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.

(f) Cash and Cash Equivalents

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

(g) 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).

(h) Comparative Figures

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

(i) 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. In these circumstances the GST is recognised as part of the cost of the acquisition of the asset or as part of an item of expense. Receivables and payables in the balance sheet are shown inclusive of GST.

	2010	2009
	\$	\$
NOTE 2 REVENUE		
Operating Revenue:		
- interest	4,425	4,664
- rent	235,222	226,773
- advertising (medicSA)	169,170	156,455
- member subscriptions	533,714	514,312
- sundry revenue	279,162	306,797
	<u>1,221,693</u>	<u>1,209,001</u>
NOTE 3 PROFIT FROM ORDINARY ACTIVITIES		
Other expenses from ordinary activities:		
- finance costs	<u>1,885</u>	<u>417</u>
NOTE 4 AUDITOR'S REMUNERATION		
Remuneration of the auditor of the entity for:		
- Auditing the financial report	6,000	5,600
- Preparation of financial report	1,100	1,000
- Taxation services	-	500
- Other services	-	350
	<u>7,100</u>	<u>7,450</u>
NOTE 5 CASH AND CASH EQUIVALENTS		
Cash on hand	30	30
Cash at bank	481,122	341,897
	<u>481,152</u>	<u>341,927</u>

Cash at the end of the financial year as shown in the Cash Flow Statement is reconciled to items in the balance sheet as follows:

Cash and cash equivalents	<u>481,152</u>	<u>341,927</u>
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NOTE 6 TRADE AND OTHER RECEIVABLES

Trade receivables	63,595	114,509
Less: Provision for doubtful debts	<u>(11,625)</u>	<u>(11,625)</u>
	<u>51,970</u>	<u>102,884</u>

NOTE 7 OTHER CURRENT ASSETS

Prepayments	15,135	14,537
Other	2,070	-
	<u>17,205</u>	<u>14,537</u>

NOTE 8 PROPERTY, PLANT AND EQUIPMENT

Land and Buildings

Newland House		
- At Independent Valuation 2008	1,625,000	1,625,000
AMA House		
- At Independent Valuation 2008	<u>2,270,000</u>	<u>2,270,000</u>
Total Land and Buildings	<u>3,895,000</u>	<u>3,895,000</u>

	2010	2009
	\$	\$
NOTE 8 PROP, PLANT & EQUIP (cont.)		
Furniture and Equipment		
Branch - at cost	240,967	211,571
less: Accumulated Depreciation	<u>(160,221)</u>	<u>(169,501)</u>
	<u>80,746</u>	<u>42,070</u>
AMA - at cost	76,430	76,430
less: Accumulated Depreciation	<u>(71,640)</u>	<u>(70,100)</u>
	<u>4,790</u>	<u>6,330</u>
Antiques and Paintings - At Valuation	113,000	113,000
Total Furniture and Equipment	<u>198,536</u>	<u>161,400</u>
Total property, plant and equipment	<u>4,093,536</u>	<u>4,056,400</u>

(a) Movements in Carrying Amounts

	Buildings	Furniture and Equipment	Total
Balance at the beginning of year	3,895,000	161,400	4,056,400
Additions		46,380	46,380
Disposals		(16,770)	(16,770)
Depreciation expense		(8,430)	(8,430)
Write back of accumulated depreciation		15,956	15,956
Carrying amount at the end of year	<u>3,895,000</u>	<u>198,536</u>	<u>4,093,536</u>

NOTE 9 TRADE AND OTHER PAYABLES

CURRENT

Unsecured liabilities		
Trade payables	4,738	3,888
Sundry creditors and accruals	<u>107,173</u>	<u>67,064</u>
	<u>111,911</u>	<u>70,952</u>

NOTE 10 OTHER CURRENT LIABILITIES

CURRENT

Subscriptions in advance	555,739	477,835
Other current liabilities	<u>44,704</u>	<u>109,514</u>
	<u>600,443</u>	<u>587,349</u>

NOTE 11 FINANCIAL LIABILITIES

CURRENT

Mortgage loans	-	3,358
Federal office loan	<u>100,000</u>	<u>-</u>
	<u>100,000</u>	<u>3,358</u>

The loans are secured by a mortgage over the Association's commercial property.

NOTE 12 PROVISIONS

	Employee Benefits	Total
Opening balance	48,645	48,645
Additional provision raised	59,880	59,880
Amounts taken	<u>(53,680)</u>	<u>(53,680)</u>
Closing Balance	<u>54,845</u>	<u>54,845</u>
Analysis of Total Provision		
Current	33,316	39,763
Non-Current	<u>21,529</u>	<u>8,882</u>
	<u>54,845</u>	<u>48,645</u>

NOTE 13 TAX

NON-CURRENT

Deferred Tax Liabilities		
- fair value gain adjustments	312,750	312,750
Deferred Tax Assets		
- carried forward tax losses	334,680	334,704
- provisions	16,453	14,593
- others	-	-
	<u>351,133</u>	<u>349,297</u>

	2010	2009
	\$	\$
NOTE 14 RESERVES		
Asset Revaluation Reserve	(a) 935,950	935,950
De Crespigny Memorial Fund	(b) 4,668	4,346
Listerian Oration Fund	(c) 3,662	3,410
Frank S Hone Memorial Fund	(d) <u>14,116</u>	<u>13,144</u>
	<u>958,396</u>	<u>956,850</u>

(a) Asset Revaluation Reserve		
Movements during the financial year:		
Opening balance	935,950	935,950
Closing Balance	<u>935,950</u>	<u>935,950</u>

The asset revaluation reserve records revaluations of non-current assets

(b) De Crespigny Memorial Fund		
Movements during the financial year:		
Opening balance	4,346	4,346
Interest	322	-
Closing Balance	<u>4,668</u>	<u>4,346</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	3,410	3,410
Interest	252	-
Closing Balance	<u>3,662</u>	<u>3,410</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	13,144	13,144
Interest	972	-
Closing Balance	<u>14,116</u>	<u>13,144</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.

NOTE 15 RELATED PARTIES

The names of the persons who were members of the Branch Council at any time during the financial year are as follows: Dr Peter Ford, Dr Andrew Lavender, Dr Jonathan Sporne, Dr Peter Sharley, Dr David Thomas, Dr William Heddle, Dr Rodney Pearce, Dr Andrew Perry, Dr Mary-Ann Fox, Dr Margaret Cowling, Dr Christopher Clohesy, Dr Stephen Lane, Dr Elinor Atkinson, Dr Heather Cain, Dr Roger Hunt, Dr Paul Dignam, Dr Brian Donnelley, Dr David Walsh, Dr Rick Fielke, Dr Christopher Moy, Dr Michael Rice, Dr Nigel Stewart, Dr Trevor Hodson, Dr Roger Sexton, Dr Sue Baillie, Dr Conrad Williams, Dr Janice Fletcher, Mr Anthony Farfus, Mr Mitchell Giles and Mr Ross Roberts-Thomson.

NOTE 16 CASH FLOW INFORMATION

Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities

Net income (loss) for the year	(28,490)	68,599
Non-cash flows in profit from ordinary activities		
- Depreciation	8,430	14,979
- Loss on disposal of assets	814	-
Changes in assets and liabilities:		
(Increase)/decrease in trade and other receivables and prepayments	48,246	(3,517)
(Increase)/decrease in deferred tax assets	(1,836)	18,051
Increase/(decrease) in payables and accruals	40,959	(24,034)
Increase/(decrease) in provisions	6,200	9,154
Increase/(decrease) in other current payables	13,094	20,856
Increase/(decrease) in reserves	1,546	-
	<u>88,963</u>	<u>104,088</u>

NOTE 17 FINANCIAL INSTRUMENTS

(a) Interest Rate Risk

The association's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate		Fixed Interest Rate Maturity			
	2010	2009	Within 1 Year		1 to 5 Years	
	%	%	2010	2009	2010	2009
Financial Assets:						
Cash and cash equivalents	0.5	0.5	-	-	-	-
Trade and other receivables	-	-	-	-	-	-
Total Financial Assets						
Financial Liabilities:						
Trade and other payables	-	-	-	-	-	-
Hire purchase liabilities	-	8.25	-	3,358	-	-
Total Financial Liabilities				3,358		

	Floating Interest		Non-Interest Bearing		Total	
	2010	2009	2010	2009	2010	2009
	\$	\$	\$	\$	\$	\$
Financial Assets:						
Cash and cash equivalents	481,152	341,927	-	-	481,152	341,927
Trade and other receivables	-	-	63,595	114,509	63,595	114,509
Total Financial Assets	481,152	341,927	63,595	114,509	544,747	456,436
Financial Liabilities:						
Trade and other payables	-	-	111,911	70,954	111,911	70,954
Hire purchase liabilities	-	3,358	-	-	-	3,358
Federal office loan	-	-	100,000	-	100,000	-
Total Financial Liabilities		3,358	211,911	70,954	211,911	74,312

NOTE 17 FINANCIAL INSTRUMENTS

(b) Financial Risk Management

Australian Medical Association (SA) Inc.'s financial instruments consist mainly of deposits with banks, local money market instruments and loans.

(i) Financial Risks

The main risks the association is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

(c) Net Fair Value

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to the financial statements.

(d) Sensitivity Analysis

The Association has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. The sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in these risks.

At 31 December 2010, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

	2010	2009
	\$	\$
Change in Profit		
- Increase in interest rate by 2%	9,623	6,839
- Decrease in interest rate by 2%	(9,623)	(6,839)
Change in Equity		
- Increase in interest rate by 2%	9,623	6,839
- Decrease in interest rate by 2%	(9,623)	(6,839)

NOTE 18 SEGMENT REPORTING

The association operates predominantly in one business and geographical segment, being the provision of training and event management in the medical industry throughout Australia.

NOTE 19 EVENTS AFTER THE BALANCE SHEET DATE

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 NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

Certain new accounting standards and Interpretations have been published that are not mandatory for 31 December 2010 reporting periods. Australian Medical Association (SA) Inc assessment is that there will be no impact from these new standards and interpretations.

NOTE 21 ASSOCIATION DETAILS

The principal place of business is:
Australian Medical Association (SA) Inc.
80 Brougham Place
NORTH ADELAIDE SA 5006

Statement by Councillors

In the opinion of the Councillors of the association the financial report as set out on pages 1 to 14:

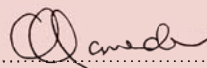
1. Presents a true and fair view of the financial position of Australian Medical Association (SA) Inc. as at 31 December 2010 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that the association will be able to pay its debts as and when they fall due

In accordance with section 35(5) of the Associations Incorporation Act 1985, the Councillors of the association hereby state that during the financial year ended 31 December 2010, no officer of the association, no firm of which an officer is a member, and 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 or any other benefit of a pecuniary value other than as detailed below:

The President of the Association receives an allowance for the loss of time as President in carrying out duties on behalf of the Association. The amount paid in 2010 was:

Dr A Lavender \$55,222

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

Councillor 

Councillor 

Dated this 7th day of April, 2011



**AUSTRALIAN MEDICAL ASSOCIATION
(South Australia) Inc.**

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