



Australian Medical Association
(South Australia) Inc.

2011
Annual Report

AMA(SA) Council | Membership

Membership of Council as of 31 December 2011

Position on Council

President:	Dr Peter Sharley (10) from June 2011
.....	Dr Andrew Lavender until May 2011 (9)
Vice President:	Dr David Walsh from June 2011 (7)
Immediate Past President:.....	Dr Peter Ford until May 2011 (8)
.....	Dr Andrew Lavender from June 2011 (9)
Honorary Medical Treasurer:.....	Dr Peter Sharley until May 2011
.....	Dr Margaret Cowling from June 2011 (11)
Honorary Medical Secretary (appointment from within Council):	Dr David Walsh (7)

Federal Councillors

Branch Nominee:	Dr Andrew Lavender from Sept 2010 to May 2011 (9)
.....	Dr Peter Sharley from June 2011 (10)
Area Representative for SA and NT:	Dr Andrew Lavender (9)
Treasurer:	Dr Peter Ford (8)
Doctors in Training Representative:.....	Dr Ross Roberts-Thomson until May 2011 (0)

Craft Group Representatives

Anaesthetists:.....	Dr Margaret Cowling until May 2011 (8)
.....	Dr Mary-Ann Fox from June 2011 (1)
General Practitioners:	Dr Christopher Clohesy (8)
Obstetricians and Gynaecologists:	Dr Stephen Lane (4)
Pathologists:.....	Dr Heather Cain (6)
Physicians:	Dr Roger Hunt until May 2011 (4)
.....	Dr Andrew Russell from June 2011 (5)
Psychiatrists:	Dr Paul Dignam until May 2011 (3)
.....	Dr Michelle Atchison from June 2011 (5)
Radiologists:.....	Dr Brian Donnelley until May 2011 (3)
.....	Dr Andrew Wicks from June 2011 (3)
Surgeons:.....	Dr David Walsh until May 2011 (7)
.....	Dr Martin Bruening from June 2011 (4)

Doctors in Training Representatives Dr Rick Fielke (9)

Medical Students Representatives

Adelaide:	Mr Andrew Shepherd (6)
Flinders:.....	Mr Minh Nguyen (5)

Ordinary Members of Council.....	Dr Christopher Moy (9)
.....	Dr Andrew Perry (8)
.....	Dr Mary-Ann Fox until May 2011 (1)
.....	Dr Rodney Pearce (1)
.....	Dr Peter Ford from June 2011

Regional Representatives

Northern:	Dr Nigel Stewart (2)
South Eastern:	Dr Trevor Hodson (5)
Riverland:	Dr Roger Sexton (7)
Western:.....	Dr Sue Baillie (7)

Salaried Medical Officer Dr Conrad Williams (8)

Women in Medicine Dr Janice Fletcher (10)

Note: numbers indicate attendance at the AMA(SA) meetings February - December 2011 (a total of 11 meetings)

AMA(SA) Council | Changes

Changes to AMA(SA) Council at the AMA(SA) Annual General Meeting, held Thursday 5 May 2011

Retiring Councillors

- Dr Roger Hunt retired from the position of Craft Group Representative: Physicians, a position he has filled since November 2002.
- Dr Paul Dignam retired from the position of Craft Group Representative: Psychiatrists, a position he has filled since June 2009.
- Dr Brian Donnelley retired from the position of Craft Group Representative: Radiologists, a position he has filled since June 2007.

Election of Office Bearers

- Dr Peter Sharley was elected to the office of President.
- Dr David Walsh was elected to the office of Vice President.
- Dr Margaret Cowling was elected to the office of Honorary Treasurer.

Election of Craft Group Representatives

- **Anaesthetists** – Dr Mary-Ann Fox was elected to this position by AMA(SA) Council.

- **General Practitioners** – Dr Christopher Clohesy was re-elected to this position by AMA(SA) Council.
- **Obstetricians and Gynaecologists** – Dr Stephen Lane was re-elected to this position by AMA(SA) Council.
- **Pathologists** – Dr Heather Cain was re-elected to this position by AMA(SA) Council.
- **Physicians** – no nomination was received: a casual vacancy existed.
- **Psychiatrists** – no nomination was received: a casual vacancy existed.
- **Radiologists** – no nomination was received: a casual vacancy existed.
- **Surgeons** – no nomination was received: a casual vacancy existed.
- **Salaried Medical Officer** – Dr Conrad Williams was re-elected to this position by AMA(SA) Council.
- **Doctors in Training** – Dr Rick Fielke was re-elected to this position by AMA(SA) Council.

Federal AMA Committees | AMA(SA) Members

As at 31 December 2011

AMA Council of Salaried Doctors

Dr Andrew Lavender

AMA Council of Doctors in Training

Dr Rick Fielke

AMA Council of General Practice

Drs Chris Clohesy, Peter Ford and Roger Sexton

AMA Rural Medical Committee

Dr Susan Baillie

Audit Committee

Dr Andrew Lavender

Committee for Healthy Ageing

Drs Peter Ford and Linda Ferris

Constitution & Policy Review Committee

Dr Peter Ford

Economics & Workforce Committee

Drs Peter Ford and Linda Ferris

Ethics and Medico-Legal Committee

Dr Peter Ford to May 2011

Federal Council

Drs Peter Ford, Andrew Lavender, and Peter Sharley

Finance Committee

Drs Peter Ford and Andrew Lavender

Taskforce on Indigenous Health

Dr Peter Sharley

AMA Therapeutics Committee

Dr Peter Sharley

AMA(SA) Standing Committees |

January – December 2011

Doctors in Training

Chair: Dr Rick Fielke

Secretariat: Mr Joe Hooper, Ms Meryn Elliott, Miss Lisa Baker

Members: Drs Jemma Anderson, Adam Badenoch, George Balalis, Cassandra Fairhall, Sally Kellett, Rick Fielke, Hayley Messenger, Andrew Perry, Brenton Systemans, Tony Farfus, Ross Roberts-Thomson, Adam Nelson, Samuel Whitehouse, Christopher Wong, Ayesha Richardson, Mr Mark Hassall, Mr Samuel LaBroome, Ms Julia McClelland, Mr Andrew Shepherd, Mr John Floridis, Mr Minh Nguyen and Mr Thomas Crowhurst.

Finance

Chair: Dr Peter Sharley

Secretariat: Mr Joe Hooper and Mr Chris Dreyer

Members: Drs Peter Sharley, Margaret Cowling, Peter Ford, Andrew Lavender, Roger Sexton and John Wyatt, Messrs Andrew Craig and Leslie Davis.

Road Safety

Chair: Dr William Heddle

Secretariat: Mr Joe Hooper and Ms Claudia Baccanello

Members: Drs Robert Atkinson, Bill Geyer, Philip Harding, Stephen Holmes and Peter Sharley.

Council of General Practice

Chair: Dr Chris Clohesy

Secretariat: Mr Joe Hooper and Ms Claudia Baccanello

Members: Drs Sue Baillie, Tony Cocchiaro, Cassandra Fairhall, Rick Fielke, Peter Ford, Richard Heah, Andrew Kellie, Tim Kelly, Jane Kitchen, Laureen Lawlor-Smith, Sarah Meertens, Patricia Montanaro, Chris Moy, Joseph Przybylko, Roger Sexton, Peter Sharley, Max Van Dissel, and Chris Wagner.

Editorial

Chair: Dr David Game

Secretariat: Mr Joe Hooper and Ms Heather Millar

Members: Drs Peter Sharley, Rick Fielke, William Heddle, Andrew Lavender, Jeanette Linn, Angela McLean, Michael Rice, Melissa Sandercock, and Mr Anthony Farfus.

Executive

Chair: Dr Peter Sharley

Secretariat: Mr Joe Hooper, Ms Claudia Baccanello, Miss Lisa Baker

Members: Drs Peter Ford, Peter Sharley, Margaret Cowling, Rick Fielke, David Walsh, Chris Moy, Chris Clohesy and Andrew Lavender.

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



Over the past 12 months the AMA(SA) Executive and Council have been focussed on bringing about several changes within the organisation to make it more attractive, accessible and effective for the profession.

Of course, unlike registration or professional indemnity insurance, AMA membership is totally discretionary. Like any voluntary membership association,

the AMA(SA) must continually examine the value of membership in addition to professional association.

The Council is well aware of its responsibility in this regard and we have been working hard to deliver more benefits for our members. Our main focus this year has been on increasing our advocacy role, improving direct member offers and examining ways to increase efficient use of our resources through staff restructuring and use of contracted services. In addition the AMA(SA) has embarked on seeking closer partnerships with suitable and like organisations both in the professional and commercial sector to broaden our networks and opportunities.

The office remains small with under eight staff at any one time. In order to provide members with a responsive service, it is necessary that we not only have internal systems to track member enquiries but also that where necessary, we have access to special expertise. To this end we shall be taking steps to increase our preferred partnership program to include a broader range of member services and benefits in 2012.

The AMA(SA) also developed its Child Protection Policy documentation which was provided for members to assist in ensuring compliance with the new legislation requirements. As part of this service, we assisted our members to have compliant practices registered with the Department of Families and Social Inclusion.

The AMA(SA) has been very busy in the advocacy arena as described in our President's report. Certainly the new RAH has provided a significant need for our involvement as we continue to hold government accountable for its decisions surrounding the new development. The AMA(SA) has been successful in ensuring regular meetings with the SA Health representatives to discuss a number of issues and will be having ongoing discussions with government during the life of this development.

During 2011, the AMA(SA) delivered a large number of submissions to government for consideration. These are now available on our website for members' interest. The regular requests the AMA(SA) receives for input into various government policy decisions is evidence of our importance in the planning process. The AMA(SA) continues to be regarded as the peak medical body and our presence on various committees is often sought.

Strategic planning

In October 2010, the Council agreed to undertake a strategic review of the organisational structure, current activities and processes.

Council has continued to examine the internal processes and has commissioned the executive to undertake a review of the AMA(SA) Rules and by-laws in order to examine whether a different structure will be of benefit for day-to-day operations. This review will be undertaken by the Executive and reports to the Council will be made on a regular basis. The objective is to allow Council to focus more fully on policy and medical issues whilst the corporate governance and fiduciary duties are undertaken by a separate Board of management.

Financial

The Association has recorded a profit for the year of \$46,568 compared to a deficit of \$28,490 for 2010. 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 are continuing to curb excessive expenditure and to increase reserve funds. For more information regarding those steps, please refer to the Treasurer's and Audit reports.

Staffing

There have been some changes in staffing this year with the resignation of our senior industrial officer Ms Marie Poerio in June 2011. Marie acted as CEO for six months and held various posts including industrial and training officer for some years. We wish her well in her future career.

Mr Chris Dreyer also resigned taking up a senior accounting position at the University of Adelaide. Chris had been with us since April 2010 and was very helpful in reviewing our accounting processes and contributing to a review of our financial processes.

Mr Stewart Gillies replaces Chris as our new accountant. Stewart has a broad experience across various not-for-profit and government organisations and we welcome him to the organisation.

Ms Meryn Elliott continued to undertake the industrial advice services and also developed a suite of education sessions for our practice manager group.

Lisa Baker started as our new receptionist in May 2011, and has quickly taken up additional duties.

Youth Friendly Doctor

SA Health has continued to provide reduced funding for this program which has been delivered in an amended version with just two of the modules being offered. The AMA(SA) decided to deliver six sessions overall with three modules being run in metropolitan Adelaide and three in rural areas. Due to reduced numbers at the end of the year, the two rural modules were cancelled with applicants transferred to the metropolitan sessions with great success.

This program has tremendous potential and is well received by those who attend. Often doctors offer to continue to assist with the delivery of the program, as they see its benefits for doctors treating adolescent patients with mental and social problems. School visits are also becoming increasingly requested as teachers hear of the benefits of the program for their students.

... continued next page.

Whilst we have not been promised any funding beyond 2012, the AMA(SA) believes the program's obvious health promotion benefits warrants its continuation and we shall be asking government to reconsider its decision not to continue to fund this important program.

Industrial relations services

The expanded industrial relations services now offered to members have continued to be in high demand. Last year's changes to the federal industrial legislation have been managed well in the private sector and whilst we continue to receive calls for advice and assistance regarding members' obligations under the new *Fair Work Act 2010* and National Employment Standards, these requests have diminished.

The AMA(SA) took steps to expand the seminar program on 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. Whilst the demand for in-house advice remains high, attendances at our educational sessions flattened out in the latter part of 2011 and the last quarter sessions were cancelled.

We shall be redesigning our educational program in 2012 to ensure relevance and increased participation. This includes delivering less sessions but to a more targeted audience and with a broader range of speakers from across the health and business sector.

Committees

There are several committees which meet regularly to maintain the activity of the organisation.

The Finance Committee had a review of its terms of reference and last year approved the standard operating protocols and delegations of authority for conducting the association's business. This necessary governance function is important for meeting our statutory obligations and providing Council and members with confidence that all fiduciary obligations are met.

Executive meets monthly and has the responsibility to move Council business and instructions along between meetings. Executive has been busy reviewing the Rules of the Association under Council's direction as well as working with the CEO to provide some of the strategic direction.

The Editorial Committee meets monthly and under the Chairmanship of Dr David Game, oversees the publication of *medicSA*. Heather Millar, our external freelance editor has managed the publication with professional skill over the year. The decision to reduce the number of publications from 11 to six was met favourably by our members and the committee is very committed to ensuring quality of content is maintained. Next year the committee will be reviewed to carry the broader responsibility of advising on broader communication strategy including website development, media engagement, policy statements and membership communications.

The Doctors in Training Committee continues to meet regularly and has been successful in providing feedback for the review of the SAIMET, promoting the salaried doctors working hours survey and raising educational matters in general. The year ended with an impromptu but very productive strategic meeting during which the young members commenced a restructuring of the

committee to accommodate specific interests including climate issues, conservation, international students and a range of other areas of interest to the membership.

Relationships

As was reported in 2010, the AMA(SA) continues to place a strong emphasis on building productive relationships with key organisations. Professional, commercial and business relations are all important to the Association as we continue to develop our reach into all areas affecting medicine today. In addition, we have undertaken to strengthen our commercial relationships to attract increased benefits for our members and increase alternate revenue for the organisation which can be put back into member services.

This year we announced a new preferred partner arrangement with the Commonwealth Bank. This partnership has already brought significant benefits and savings to a number of our members who could not have negotiated the special rates the Commonwealth is able to offer to the AMA(SA). As part of our model for preferred partners, we require not only benefits which are unavailable to non-members, but we also demand additional benefits for our members including a 'concierge' model to ensure a single contact, membership validation processes, joint promotional activities and access to industry advice. This model will be part of all future preferred partner arrangements as we believe this is what our members want and deserve.

Media

The AMA(SA) continued to deliver a solid media presence during 2011 with the president delivering an average of 30 media engagements per month. Media access is a critical part of the AMA(SA) profile and the respect of the profession and the public through this activity cannot be underestimated.

Events

Our Retired Members and Past Presidents' Luncheon was held in November 2011 in the committee room at the SACA. Whilst numbers were down on last year's event, it was a splendid afternoon with overwhelming support from members to hold next year's event at the same venue.

The AMA(SA) Annual Dinner was held at the Intercontinental Adelaide in May 2011. It was a major change from previous years with a focus on providing energetic entertainment. With a burlesque theme to carry the evening along, there was a fantastic atmosphere and plenty of audience engagement.

Dr Peter Sharley was formally welcomed as the incoming president by Dr Andrew Lavender.

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. Dr Susan Neuhaus was awarded the AMA(SA) Award for outstanding contribution to medicine or the medical profession. Dr Rick Fielke was awarded the AMA(SA) President Award, recognising the outstanding service he has provided not only on Council but also as Chair of the Doctors in Training Committee and representation on federal DiTs.

I would like to acknowledge the hard-working councillors and other members who sit on various committees. These doctors put in many hours not only in the 'office' but by way of written feedback and contributions to policy submissions throughout the year. The importance of having access to the Committee and

Council when needed is immeasurable and allows the office to provide the volume and quality of material necessary to meet the demands on the organisation and ensure our members' voices are heard.

Above all, I would like to acknowledge Dr Andrew Lavender and Dr Peter Sharley for their enthusiasm and drive. The role of president of the AMA(SA) is demanding and relentless at times. To do the position justice takes commitment and a passion for the Association and the interests of its members. Dr Lavender was committed to his office and maintaining a media presence

and Dr Sharley has continued with this dedication during this year.

I also thank the non-medical members of the finance committee, Mr Andrew Craig and Mr Leslie Davis for their commitment and advice which is generously provided and appreciated.

Finally, the office could not operate without the dedication and efforts of the staff who provide support to Council as well as attending to members' needs. Their willingness to work after hours, meet tight schedules and at all times consider our members' needs is admirable and I respect and thank them for their work.

From the Treasurer |

Dr Margaret Cowling



I am pleased to present the 2011 financial report for members' information. The AMA(SA) remains in a stable financial position with a recorded overall surplus of \$46,568 at the end of December 2011. This compares with a deficit of \$28,490 recorded in 2010. Whilst this is a positive result, it is important that the AMA(SA) continues to explore further opportunities to increase the associations revenue to

allow growth in members benefits and services to encourage increased membership.

The positive result was achieved following a mid-year budget review where steps were taken to further reduce expenditure wherever possible. This included the CEO undertaking a review of existing staff positions, delaying non-urgent capital expenditure and reviewing existing contracted services. In addition there were further lease renewal negotiations with existing tenants in AMA House.

Branch income

Branch income for the year totalled \$1,187,389. This amounted to 3.5% less than budget mainly due to reduced revenue from advertising and seminar activities in the last quarter of the year. This is less than total income for the 2010 period of \$1,220,846.

Revenue from subscriptions increased from \$533,714 in 2010 to \$537,383 in 2011, with members falling by 2%.

Advertising in *medicSA* amounted to \$112,340 in 2011 compared to \$169,170 the previous year, however preferred provider advertising income has been reconciled differently in the 2011 accounts making direct comparisons speculative. The budgeted income for advertising in 2011 was \$136,840 which was amended in the mid-year budget review when *medicSA* was determined to move to a bi-annual publication.

A reduction in revenue from seminars to \$12,753 from \$15,917 in 2010 was also recorded with cancellation of several seminars in the last quarter of 2011 due to a low number of applicants. Income from consultancy services and educational activities is reliant on member needs and is affected by other competitors in the marketplace.

A greater focus on allied arrangements to provide a more focussed and targeted educational program will be undertaken next year.

Other reduced income occurred in membership and marketing due to a review of preferred provider arrangements. Active steps including a broad tender process across a range of industry services relevant to members will be undertaken in the first quarter of next year.

AMA House

Rental income increased from \$235,222 in 2010 to \$293,925 in 2011 due to a market review of several leases. A decision to contract a property manager for overseeing rental arrangements has been successful in ensuring timely receipt of income as well as overseeing some debt recovery from previous tenants.

Branch expenses

Expenses were down 1.3% compared to 2010 as a result of less than anticipated costs. Savings have been made around business services, property management and revaluation. Other savings have been found in reduced Council expenditure and communication costs. In addition changes in staffing have resulted in a reduction in salary costs taking into account entitlement expenses on termination. Travel costs have also been kept to a minimum with use of teleconferencing where possible and no attendance at interstate conferences for the period.

Auditors

While AMA(SA) has been served well by the previous auditors, the Finance Committee felt that in keeping with good corporate governance a change would be beneficial. As a result, Moore Stephens Assurance Adelaide Pty Ltd was appointed following the May 2011 AGM. The 2011 audit was completed in the required time and I recommend the auditors report to members.

Acknowledgement

I would like to thank the members of the Finance Committee, the CEO and accountant Chris Dreyer for their assistance since my election to the position of treasurer in May 2011. Chris Dreyer has taken another position and has left the AMA(SA) at the end of 2011. Mr Stewart Gillies was appointed to the position of accountant to commence in January 2012.

From the President |

Dr Peter Sharley



2011 saw the biggest change in primary health care delivery since Medicare arrived with the introduction of Medicare Locals.

Most GPs are still asking about the unknowns as the Medicare Locals evolve. The AMA(SA) CEO, Mr Joe Hooper, and I travelled to visit many GPs and most Divisions of General Practice across metropolitan and rural SA on this and other issues. Discussions arising from the Barossa Valley, Kapunda, Murray Bridge, Kadina, Mt Gambier, Millicent, Berri, Loxton, Gawler and the Adelaide Hills highlighted the paucity of information and concerns with the lack of engagement the at coal face. I have not been informed where it is anticipated we will be in 10 years but it is difficult to envisage things ever returning to previous models regardless of political change.

Political lobbying remains a core function of the AMA. In 2011, in SA we campaigned on a variety of issues. These include successful cooperatives with the College of Psychiatry in regard to the government's planned closure of Flinders Medical Centre's Ward 4G inpatient beds for patients with eating disorders. The GP Mental Health Plan rebate cuts and the health of detainees, particularly children, were also hot topics. The proposed personally controlled electronic health records (PCEHR) is another area the AMA, both state and federal, is lobbying for a better design and implementation plan. Public health campaigns are ongoing and include improving regulations to limit the impact of passive smoking, improvements to the labelling of alcohol to improve public knowledge of the potential health impacts and food labelling to increase public understanding of contributors to obesity.

The SA private members Bill, 'Criminal Law Consolidation (Medical Defences – End of Life Arrangements) Amendment Bill 2011' has the potential to adversely impact upon palliative care. The AMA(SA) has been focused in this area as many politicians appear confused on this Bill which really is about euthanasia and should be called as such.

Postgraduate training is under pressure now and into the future as the numbers of medical students has increased considerably in recent years. In SA we have supported the development of the rural GP procedural training program and participated in the review of the SA Institute of Medical Education and Training (SAIMET). The AMA(SA) has placed many, many submissions into government on these and many other issues.

The future rural workforce remains one of our greatest challenges as is ensuring ready access to GPs in South Australia generally. The Patient Assistance Transport Scheme remains inadequate and we continue to highlight this.

The newly formed Australian Health Practitioners Registration Authority (AHPRA) resulted in huge administrative difficulties in

2011. The AMA played an important role in the establishment of the Senate Inquiry (which resulted in recommendations to AHPRA to help sort out some of these significant issues).

The new RAH remains a state issue with the AMA(SA) tuned in due to the lack of prior medical consultant in the planning phase. The AMA(SA) has already achieved recognition of the importance of clinical research, the future co-location of the University of Adelaide Medical School and the campaign to relocate the Women's and Children's Hospital at the new RAH site is ongoing. The QEH is changing and the AMA(SA) is engaged here as well, interacting with all levels of the profession and government. The emergency departments around the state remain under the pump with many problems arising from lack of hospital beds statewide during winter.

Doctors' Health SA has been established and our widely read publication, *medicSA*, has run a series of articles on the important area of doctors' health. I do hope that all doctors have selected their own GP and have ensured they are up to date with their regular health checks by now.

We have prepared for our 2012 constitutional change to provide us with a Board structure to enable us to have clear internal responsibilities. This will also ensure we can be a more responsive organisation, responding to the many opportunities in SA to act in the best interest of the medical profession and help ensure the best for our patients.

A special thank you to all AMA State Councillors and all committee members of the Doctors in Training, Council of General Practice, Road Safety, Editorial and Finance committees and the Executive. They have given freely of their time and I sincerely thank them all. The administrative staff and Joe Hooper as our CEO deserve particular acknowledgement as we continue to punch above our weight.

To our professional partners we look forward to great things together in 2012. I look forward to making key announcements in 2012. To our members, the AMA(SA) is going places for your professional and personal benefit.

LIFE MEMBERSHIP

The AMA(SA) congratulates the following medical practitioners who have been provided Life Membership of the AMA in 2012 for their loyalty to the Association.

Prof Richard Burns	Dr Charles Mattner
Dr Robert Cotton	Dr Peter Rice
Dr David Evans	Dr Kenneth Robson
Dr John (Fred) Gilligan	Prof Walter (John) Russell
Dr Lap Han	Dr Aileen Connon
Dr Geoffrey Krieger	Dr Garry LeQuesne

**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 2011, 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

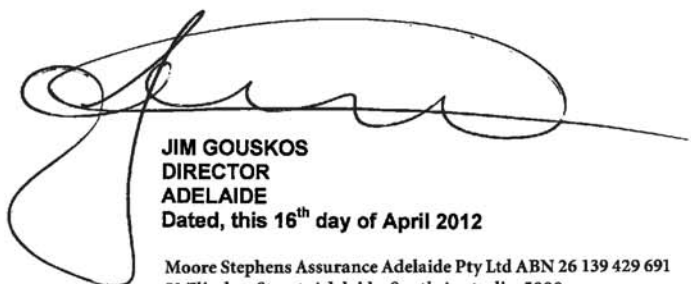
In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

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 2011 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.

**MOORE STEPHENS ASSURANCE ADELAIDE PTY LTD
ACCOUNTANTS & ADVISORS**



**JIM GOUSKOS
DIRECTOR
ADELAIDE
Dated, this 16th day of April 2012**

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Financial Report | AMA(SA) Inc

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2011

	Note	2011 \$	2010 \$
Revenue	2	<u>1,191,177</u> 1,191,177	<u>1,221,693</u> 1,221,693
Employee benefits expense		(584,713)	(565,675)
Depreciation and amortisation expenses		(14,946)	(8,430)
Advertising		(6,430)	(18,431)
Rates and taxes		(71,499)	(87,704)
Presidential allowance		(54,003)	(55,222)
Printing and stationery		(87,279)	(84,656)
Insurance		(9,694)	(8,247)
Postage		(23,981)	(35,182)
Repairs and maintenance		(30,746)	(22,397)
Staff recruitment		-	(30,955)
Strata Levy		(57,656)	(76,407)
Telephone		(13,590)	(14,352)
Youth friendly doctor expenses		-	(53,688)
Other expenses from ordinary activities		(158,145)	(156,741)
Legal fees		(10,523)	(32,047)
Finance costs	3	-	(1,885)
Profit/(Loss) before income tax		67,972	(30,326)
Income tax expense / benefit		<u>(21,404)</u>	<u>1,836</u>
Profit/(Loss) for the year		<u>46,568</u>	<u>(28,490)</u>
Other comprehensive income			
Net gain on revaluation of building		<u>15,000</u>	-
Other comprehensive income for the year, net of tax		<u>15,000</u>	-
Total comprehensive income for the year		<u>61,568</u>	<u>(28,490)</u>
Total comprehensive income attributable to members of the entity		<u>61,568</u>	<u>(28,490)</u>

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2011

	Note	2011 \$	2010 \$
Current assets			
Cash and cash equivalents	6	524,506	481,152
Trade and other receivables	7	30,201	51,970
Other current assets	8	34,004	17,205
Total Current Assets		<u>588,711</u>	<u>550,327</u>
Non-current assets			
Property, plant and equipment	9	4,097,866	4,093,536
Deferred tax assets	14	334,229	351,133
Total Non-Current Assets		<u>4,432,095</u>	<u>4,444,669</u>
TOTAL ASSETS		<u>5,020,806</u>	<u>4,994,996</u>
Current liabilities			
Trade and other payables	10	768,388	700,966
Borrowings	12	-	100,000
Other current liabilities	11	44,704	44,704
Total Current Liabilities		<u>813,092</u>	<u>845,670</u>
Non-current liabilities			
Long-term employee benefits	13	13,849	21,529
Deferred tax liabilities	14	317,250	312,750
Total Non-Current Liabilities		<u>331,099</u>	<u>334,279</u>
TOTAL LIABILITIES		<u>1,144,191</u>	<u>1,179,949</u>
NET ASSETS		<u>3,876,615</u>	<u>3,815,047</u>
EQUITY			
Reserves		973,396	958,396
Retained earnings		2,903,219	2,856,651
TOTAL EQUITY		<u>3,876,615</u>	<u>3,815,047</u>

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2011

	Retained Earnings \$	Reserves \$	Total \$
Balance at 1 January 2010	2,885,141	956,850	3,841,991
Total comprehensive income for the year			
Profit attributable to members of the entity	(28,490)	-	(28,490)
Other comprehensive income for the year			
Fund movements	-	1,546	1,546
Total other comprehensive income for the year	-	1,546	1,546
Total comprehensive income for the year	<u>(28,490)</u>	<u>1,546</u>	<u>(26,944)</u>
Balance at 31 December 2010	<u>2,856,651</u>	<u>958,396</u>	<u>3,815,047</u>
Balance at 1 January 2011	2,856,651	958,396	3,815,047
Total comprehensive income for the year			
Profit attributable to members of the entity	46,568	-	46,568
Other comprehensive income for the year			
Net gain on revaluation of building	-	15,000	15,000
Total other comprehensive income for the year	-	15,000	15,000
Total comprehensive income for the year	<u>46,568</u>	<u>15,000</u>	<u>61,568</u>
Balance at 31 December 2011	<u>2,903,219</u>	<u>973,396</u>	<u>3,876,615</u>

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2011

	Note	2011 \$	2010 \$
Cash flows from operating activities:			
Receipts from members, tenants and others		1,212,946	1,272,607
Payment to suppliers and employees		(1,086,720)	(1,186,184)
Finance costs		-	(1,885)
Interest received		-	4,425
Income tax paid		21,404	-
Net cash provided by operating activities		<u>147,630</u>	<u>88,963</u>
Cash flow from investing activities:			
Purchase of plant and equipment		(4,276)	(46,380)
Net cash used in investing activities		<u>(4,276)</u>	<u>(46,380)</u>
Cash flow from financing activities:			
Repayment of borrowings		(100,000)	(3,358)
Proceeds from Borrowings		-	100,000
Net cash (used in)/ provided by financing activities		<u>(100,000)</u>	<u>96,642</u>
Net cash increase in cash held		43,354	139,225
Cash and cash equivalents at the beginning of the financial year		<u>481,152</u>	<u>341,927</u>
Cash and cash equivalents at the end of the financial year	6	<u>524,506</u>	<u>481,152</u>

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

Australian Medical Association (SA) Inc has elected to early adopt the pronouncements AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Accounting Standards arising from Reduced Disclosure Requirements to the annual reporting period beginning 1 January 2011.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board and the Associations Incorporation Act 1985.

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 otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Accounting Policies

(a) Income Tax

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

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

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

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

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

Deferred tax assets relating to temporary differences and unused tax losses are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

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

(b) 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.

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

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

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

Depreciation

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

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

Class of Fixed Asset	Depreciation Rates
Furniture and fittings	7.5-20%
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) Leases

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 15). The respective leased assets are included in the statement of financial position based on their nature.

(d) 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 expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. 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:

- (i) the amount at which the financial asset or financial liability is measured at initial recognition;
- (ii) less principal repayments
- (iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and
- (iv) less any reduction for impairment.

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, where they are 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.

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.

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

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

(iv) Available-for-sale financial assets

Available-for-sale financial assets 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 included in non-current assets, except for those which are expected to be disposed of within 12 months after the end of the reporting period, which will be classified as current assets.

(v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

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 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 statement of comprehensive income.

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 value 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.

(e) 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 statement of comprehensive income.

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.

(f) 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.

(g) 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 statement of financial position.

(h) 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).

(i) Comparative Figures

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

(j) 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.

(k) 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. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in use calculations performed in assessing the recoverable amounts incorporate a number of key estimates.

The financial statements were authorised for issue on 12 April 2012 by the members of the association.

	2011 \$	2010 \$
NOTE 2 REVENUE		
Operating Revenue		
- interest	6,801	4,425
- rent	293,925	235,222
- advertising (medical review)	112,340	169,170
- member subscriptions	537,383	533,714
- sundry revenue	240,728	279,162
Total revenue	<u>1,191,177</u>	<u>1,221,693</u>

NOTE 3 PROFIT FOR THE YEAR

Expenses		
- finance costs	-	1,885
Other expenses		
- bad debts	3,674	-

NOTE 4 INCOME TAX EXPENSE

a. The components of tax expense comprise:		
Current tax	21,404	(1,836)
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% (2010: 30%)	24,892	(9,098)
Less:		
Tax effect of:		
- other non-temporary differences	-	7,262
- opening doubtful debt provision not recorded	<u>(3,488)</u>	<u>-</u>
Income tax attributable to the association	<u>21,404</u>	<u>(1,836)</u>
c. Tax effect relating to other comprehensive income		
Current tax	-	-
Deferred tax	4,500	-

NOTE 5 KEY MANAGEMENT PERSONNEL COMPENSATION

The totals of remuneration paid to key management personnel (KMP) of the association during the year are as follows:

	2011 \$	2010 \$
Key management personnel compensation	<u>236,312</u>	<u>213,376</u>

Other KMP transactions

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

NOTE 6 CASH AND CASH EQUIVALENTS

Cash on hand	300	30
Cash at bank	<u>524,206</u>	<u>481,122</u>
	<u>524,506</u>	<u>481,152</u>

Reconciliation of cash

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

Cash and cash equivalents	<u>524,506</u>	<u>481,152</u>
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NOTE 7 TRADE AND OTHER RECEIVABLES

Trade receivables	45,445	63,595
Less: Provision for doubtful debts	<u>(15,244)</u>	<u>(11,625)</u>
	<u>30,201</u>	<u>51,970</u>

7a. Provision for doubtful debts

Movement in the provision for doubtful debts is as follows:

	Opening balance \$	Charge for the year \$	Amounts written off \$	Closing balance \$
	1 Jan 2010			31 Dec 2010
Current trade receivables	<u>11,625</u>	-	-	<u>11,625</u>

	Opening balance \$	Charge for the year \$	Amounts written off \$	Closing balance \$
	1 Jan 2011			31 Dec 2011
Current trade receivables	<u>11,625</u>	<u>3,619</u>	-	<u>15,244</u>

7b. Financial assets classified as loans and receivables

Trade and other receivables			
- Total current		30,201	51,970
- Total non-current		-	-
		<u>30,201</u>	<u>51,970</u>
Financial assets	19	<u>30,201</u>	<u>51,970</u>

NOTE 8 OTHER CURRENT ASSETS

Prepayments	7,284	15,135
Other	<u>26,720</u>	<u>2,070</u>
	<u>34,004</u>	<u>17,205</u>

NOTE 9 PROPERTY, PLANT AND EQUIPMENT

Land and Buildings

Newland House - At Independent Valuation 2011	1,480,000	1,625,000
AMA House - At Independent Valuation 2011	<u>2,430,000</u>	<u>2,270,000</u>
Total Land and Buildings	<u>3,910,000</u>	<u>3,895,000</u>

Furniture and Equipment

Branch - at cost	245,244	240,967
less: Accumulated Depreciation	<u>(174,310)</u>	<u>(160,221)</u>
	<u>70,934</u>	<u>80,746</u>

AMA - at cost	76,430	76,430
less: Accumulated Depreciation	<u>(72,498)</u>	<u>(71,640)</u>
	<u>3,932</u>	<u>4,790</u>

Antiques and Paintings - At Valuation	113,000	113,000
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Total Furniture and Equipment	<u>187,866</u>	<u>198,536</u>
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Total property, plant and equipment	<u>4,097,866</u>	<u>4,093,536</u>
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(a) Movements in Carrying Amounts

	Buildings	Furniture and Equipment	Total
Balance at 1 January 2011	3,895,000	198,536	4,093,536
Additions	-	4,276	4,276
Disposals	-	-	-
Depreciation expense	-	(14,946)	(14,946)
Revaluation increments	15,000	-	15,000
Carrying amount at 31 December 2011	<u>3,910,000</u>	<u>187,866</u>	<u>4,097,866</u>

NOTE 10 TRADE AND OTHER PAYABLES

	2011 \$	2010 \$
CURRENT		
Unsecured liabilities		
Trade payables	13,386	4,738
Employee benefits	17,323	33,316
Subscription in advance	630,899	555,739
Sundry creditors and accruals	<u>106,780</u>	<u>107,173</u>
	<u>768,388</u>	<u>700,966</u>

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

Trade and other payables		
- Total current	768,388	700,966
- Total non-current	-	-
	<u>768,388</u>	<u>700,966</u>
Less subscriptions in advance	(630,899)	(555,739)
Less employee benefits	<u>(17,323)</u>	<u>(33,316)</u>

Financial liabilities as trade and other payables	19	<u>120,166</u>	<u>111,911</u>
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Collateral pledged

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

NOTE 11 OTHER CURRENT LIABILITIES

CURRENT		
Other current liabilities	<u>44,704</u>	<u>44,704</u>

NOTE 12 BORROWINGS

CURRENT		
Unsecured liabilities		
Federal office loan	-	100,000
	<u>-</u>	<u>100,000</u>

NOTE 13 LONG TERM EMPLOYEE BENEFITS

Long-term employee benefits	<u>13,849</u>	<u>21,529</u>
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A provision has been recognised for employee benefits relating to long service leave for employees. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria for employee benefits has been included in Note 1.

NOTE 14 TAX

	Opening Balance \$	Charge Directly to Equity \$	Recognised in Income \$	Closing Balance \$
NON-CURRENT				
Deferred tax liability				
Fair value gain	312,750	-	-	312,750
Balance at 31 December 2010	<u>312,750</u>	-	-	<u>312,750</u>
Fair value gain	312,750	-	4,500	317,250
Balance at 31 December 2011	<u>312,750</u>	-	<u>4,500</u>	<u>317,250</u>

Deferred tax assets

Provisions	14,593	1,860	-	16,453
Carried forward tax losses	<u>334,704</u>	(24)	-	<u>334,680</u>
Balance at 31 December 2010	<u>349,297</u>	<u>1,836</u>	-	<u>351,133</u>

Provisions	16,453	-	(1,530)	14,923
Carried forward tax losses	<u>334,680</u>	-	(15,374)	<u>319,306</u>
Balance at 31 December 2011	<u>351,133</u>	-	<u>(16,904)</u>	<u>334,229</u>

NOTE 15 LEASE COMMITMENTS	2011	2010
	\$	\$
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	322,963	164,893
between 1 and 5 years	<u>284,658</u>	<u>392,909</u>
	<u>607,621</u>	<u>557,802</u>

NOTE 16 RESERVES

Asset Revaluation Reserve	(a) 950,950	935,950
De Crespigny Memorial Fund	(b) 4,668	4,668
Listerian Oration Fund	(c) 3,662	3,662
Frank S Hone Memorial Fund	(d) <u>14,116</u>	<u>14,116</u>
	<u>973,396</u>	<u>958,396</u>

(a) Asset Revaluation Reserve		
Movements during the financial year:		
Opening balance	935,950	935,950
Revaluation of building	<u>15,000</u>	<u>-</u>
Closing Balance	<u>950,950</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	4,668	4,346
Interest	<u>-</u>	<u>322</u>
Closing Balance	<u>4,668</u>	<u>4,668</u>

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

(c) Listerian Oration Fund		
Movements during the financial year:		
Opening balance	3,662	3,410
Interest	<u>-</u>	<u>252</u>
Closing Balance	<u>3,662</u>	<u>3,662</u>

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

(d) Frank S Hone Memorial Fund		
Movements during the financial year:		
Opening balance	14,116	13,144
Interest	<u>-</u>	<u>972</u>
Closing Balance	<u>14,116</u>	<u>14,116</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 17 RELATED PARTY TRANSACTIONS

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 18 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:

Financial assets	2011	2010
	\$	\$
Cash and cash equivalents	524,506	481,152
Loans and receivables	<u>30,201</u>	<u>51,970</u>
Total financial assets	<u>554,707</u>	<u>533,122</u>

Financial liabilities

Financial liabilities at amortised cost:		
- trade and other payables	120,166	111,911
- borrowings	<u>-</u>	<u>100,000</u>
Total financial liabilities	<u>120,166</u>	<u>211,911</u>

NOTE 19 EVENTS AFTER THE REPORTING PERIOD

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

NOTE 20 CONTINGENT LIABILITIES

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

NOTE 21 ASSOCIATION DETAILS

The principal place of business is:
Australian Medical Association (SA) Inc.
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 (SA) Inc hereby states that during the financial year ended 31 December 2011:-

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

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

The President of the Australian Medical Association (SA) Inc. receives an allowance for the loss of time as President in carrying out his duties on behalf of the Association. The amount paid to Dr P Sharley for 2011 was \$54,003.

- 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

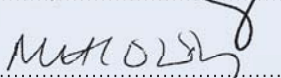
In the opinion of the Councillors of the association the financial report as set out on pages 2 to 16:

- a) Presents a true and fair view of the financial position of Australian Medical Association (SA) Inc. as at 31 December 2011 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.

- b) At the date of this statement there are reasonable grounds to believe that Australian Medical Association (SA) Inc. will be able to pay its debts as and when they fall due.

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

President: 

Treasurer: 

Dated this 12th day of April 2012



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

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