



**AMA**

**ANNUAL  
REPORT  
2023**



## From Our Secretary General



**Natalia Centellas**  
Secretary General

I am pleased to present the Annual Report for 2023. It has been a big year of success for the AMA. Our tireless campaigning and advocacy saw many hard-earned wins come through on the back of countless hours from the AMA Federation which is united in striving for the best healthcare system for doctors and patients in Australia. I am proud of this wonderful and dedicated team effort.

Our research, policy and advocacy, and communication staff, together with AMA Council and Committee members put countless hours of work into policy statements: more than 60 submissions; 15 research reports and report cards; several stakeholder workshops and many, many meetings where we advocated behind-the-scenes on your behalf.

The year saw many highs for the AMA with billions of dollars pumped into healthcare because of our advocacy, in particular the award-winning Clear the Hospital Logjam Campaign. A ban on vapes to protect vulnerable teenagers came into effect on 1 January 2024, and I am also delighted the AMA has met our gender targets for the first time. Our President will expand on the wins for 2023 and there is more detail on our policy and advocacy (see page 7).

A new strategic plan was agreed to at the end of 2023 and we look forward to sharing it with you when it is finalised.

We are updating our Vision for Australia's Health to address issues in general practice, public hospitals, private health sector and public health that will inform what we advocate for in the coming years.

We have so much to celebrate, however, it is important for any organisation to talk about the highs and the lows.

The Federal AMA is involved in an ongoing dispute with AMA WA. In 2023, 50 per cent of our Federal subscriptions from WA members were withheld without our consent. The WA situation is evolving as we work with AMA WA Board for the best outcome for all of us. We are continuing the dialogue because we want what is best for our members.

I would also like to acknowledge the tremendous expertise of our membership. AMA doctors are on the cutting-edge of the issues of our health system. In 2023, we increased engagement with members accessing on-the-ground knowledge, especially in the redevelopment of our Vision for Australia's Health. We have a pool of potent talent and information that needs to be tapped. Doctors will start noticing more opportunities to have their say on AMA work in 2024 and beyond.

I thank the Board for their trust and support. I would also like to thank the AMA's excellent, professional staff who bring their passion and expertise to the AMA purpose of leading Australia's doctors and promoting Australia's health.

## President's Message

**Professor  
Steve Robson**  
AMA President



As Federal President of the AMA I have felt a great responsibility to represent all doctors and drive our organisation's purpose. For this reason, it is gratifying to point to just how much we have achieved through 2023: I am sure the year will be remembered as an outstanding one.

Every day, the AMA stands up for our profession, our patients, and the communities we live and work in. It has been both a pleasure and an honour to have represented you to decision makers, across government and industry. The AMA has a strong voice that demands attention across our society. During my term I have aimed to drive real change with our members at the heart of Federal advocacy.

The result of this work is reflected in the many major wins across 2023: billions of dollars injected into Australia's health system; a ban on vapes to protect our kids' health; and 60 day dispensing that will save patients millions of dollars – these are just some of the things we achieved (see page 7).

The 2023 budget saw billions of dollars dedicated to general practice and primary care and a host of reforms stemming from our [Modernise Medicare](#) campaign.

In December 2023, we received an early Christmas present with Prime Minister Anthony Albanese announcing an increase to the share of Commonwealth funding for hospitals and a more generous approach to the growth cap. This followed our ongoing campaigning to [Clear the hospital logjam](#) that began before the 2022 election. Our advocacy for an increase to the Commonwealth's share of funding for hospitals and for the 6.5 per cent cap on funding growth to be scrapped saw an injection of more than \$13 billion between 2025 and 2030. Importantly, there was also a commitment to renegotiate the National Health Reform Agreement (NHRA) to embed long-term, system-wide structural health reforms, including considering [the NHRA Mid-Term Review findings](#), something we have also campaigned for.

Our media presence saw us reach millions across all media platforms. This visibility helps maintain pressure on decision makers and reminds Australians we have their health interests at heart. The AMA was recognised as one of Australia's most trusted ethical organisations in 2023 in the Governance Institute of Australia's Ethics Index.

It takes a village for us to be at our strongest. Our wins can only be achieved through the support of our members, who join the AMA to help us change the health system for the better; together with the expertise and contributions of all the members who volunteer their time for the AMA, and the dedicated work of the professional staff at Federal AMA.

## Chair of the Board's Report



**Dr Kate Kearney**  
Board Chair

I am extremely proud to have led the Board in 2023. The achievements of our core policy and advocacy work have been outlined by Professor Steve Robson, who has been supported wonderfully well by the expertise of the AMA Ltd team.

In 2023 the AMA Ltd Board reviewed its governance arrangements and grappled with ongoing support for the core work of the organisation. We focused on governance improvement and the development of an ambitious strategic plan. The advocacy environment for healthcare and medicine in Australia is changing, as is the face of medical practice for many of our members, in this era of efficiency that has potential to impact quality. We believe it is critical that doctors are front and centre in ensuring quality of medical care available to our patients, and that doctors have safe, well-supported working conditions, helping to ensure that the practice of high-quality medicine is sustainable.

We faced unprecedented challenges in ensuring the capability of our organisation to achieve this – including an ongoing dispute with a state entity which has a substantial impact on our bottom line, and our capacity to represent a substantial minority of our members. This dispute largely hinges on our core belief that AMA members are members of AMA Ltd as well as their relevant state or territory entity, a belief enshrined in our constitution. We hope to again be able to include doctors from all states as members of AMA Ltd as soon as possible and continue to work on this.

I would like to thank my fellow Board members who have committed many hours above and beyond the usual time allocated to this challenging and productive year. Our unanimity in our most challenging decisions and agenda-setting is a substantial source of pride. We have to thank the incredible AMA Ltd staff and executive, who again have delivered substantial advocacy outcomes against the backdrop of governance and Federation challenges that had substantial potential to derail them. In particular, Natalia Centellas in her first year as AMA Ltd Secretary General, has led the organisation with commitment and equanimity, and the senior leadership team, who have been pulled into many of these extra hours: Warwick Hough, Luke Toy, Georgina Adams, Irene Quah and Guy Feeney. Thanks are also due to Cindy Wang, manager of administrative services, who has gone above and beyond as well.

As our ambitious strategic plan is finalised and socialised, we enter 2024 buoyed with optimism and a determination to modernise our organisation and our Federation to ensure sustainability. We hope all doctors from all states and territories will have the opportunity to join us in fighting the good fight for quality, sustainable healthcare in Australia.

## AMA Board of Directors



**Prof Steve Robson**  
Federal President



**Dr Kate Kearney**  
Board Chair



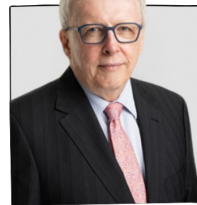
**Dr Danielle McMullen**  
Vice President



**Dr Stephen Gourley**  
Deputy Board Chair



**Dr Shehzad Kunwar**



**Dr Christopher Perry  
OAM**  
Board Member from  
28 May 2023



**Dr Jessica Dean**



**Dr Roderick McRae**  
Board Member from  
28 May 2023



**A/Prof Andrew C Miller**  
Board Member from  
23 February 2023



**A/Prof William Tam**



**Dr Gary Speck AM**  
Board Member  
until 27 May 2023



**Dr Omar Khorshid**



**Dr Bavahuna Manoharan**  
Board Member until  
27 May 2023

## AMA'S Federal Councillors

### AMA President

Professor Steve Robson

### Chair of Council and Physicians Speciality Group Representative

Dr Matthew McConnell

### Practice Group of General Practitioners Representative (elected)

A/Prof Magdalena Simonis

### Practice Group of Rural Doctors Representative (elected)

Dr Ian Kamerman

### Practice Group of Doctors in Training Representative (elected)

Dr Hannah Szewczyk

### Practice Group of Public Hospital Doctors Representative

Dr Katherine Tan

### Anaesthetists Speciality Group Representative

Dr Suzi Nou

### Emergency Physicians Speciality Group Representative

Dr Sarah Whitelaw

### Ophthalmologists Speciality Group Representative

Dr Peter Sumich

### Paediatricians Speciality Group Representative

Dr Clair Pridmore

### Psychiatrists Speciality Group Representative

A/Prof Jeffrey Looi

### Surgeons Speciality Group Representative

Dr Mark Frydenberg

### Ordinary Member

Dr Michael Page

### Independent Member

Ms Bronwyn Fagan

### NSW State Nominee

Dr Michael Bonning

### QLD State Nominee

Dr Maria Boulton

### TAS State Nominee

Dr John Saul

### VIC State Nominee

Dr Jill Tomlinson

### Australian Medical Students Association

Miss Tish Sivagnanan

### AMA Vice President

Dr Danielle McMullen

### AMA Ltd Board Chair

Dr Kate Kearney

### Practice Group of General Practitioners Representative (appointed)

Dr Simon Torvaldsen

### Practice Group of Rural Doctors Representative (appointed)

Dr Merran Auland

### Practice Group of Doctors in Training Representative (appointed)

Dr Dan Wilson

### Practice Group of Private Specialist Practice Representative

Dr Mark Duncan-Smith

### Dermatologists Speciality Group Representative

Dr Chris Baker

### Obstetricians and Gynaecologists Speciality Group Representative

Dr Hasthika Ellepola

### Orthopaedic Surgeons Speciality Group Representative

Prof Edward (Ted) Mah

### Pathologist Speciality Group Representative

A/Prof Daniel Owens

### Radiologists Speciality Group Representative

Dr Xavier Yu

### Ordinary Member

Dr Ekta Paw

### Ordinary Member

Dr Jeanette Elizabeth Ward

### ACT State Nominee

Prof Walter Abhayaratna

### NT State Nominee

A/Prof Robert Parker

### SA State Nominee

Dr John Williams

### WA State Nominee

Dr Katharine Noonan

### Australian Indigenous Doctors Association

Dr Simone Raye

### AMA Ltd Board Representative

Dr Omar Khorshid

# Federal AMA Wins 2023



## General practice

- \$3.5 billion to triple bulk-billing incentives
- \$50 million for wounds consumables scheme
- MyMedicare
- Longer GP consultation items
- Workforce Incentive Payment increase
- Single employer model pilots for GP registrars



## Regulation (Ahpra)

- Significant improvements in processing Ahpra notifications against medical practitioners
- National Law amended to protect the title "surgeon"



## We delivered

- 20 position statements
- 60+ submissions
- 15 research reports
- 118 media releases
- 8000+ media mentions



## Hospitals

- \$13.2 billion to increase funding and change the cap on funding growth
- \$1.2 billion to reduce avoidable admissions and delayed discharge
- Commitment to renegotiate the National Health Reform Agreement



## Public health

- Stronger regulations on vapes including banning the retail sale of vapes and disposable vapes
- Vaping advertisement bans



## Improving the health system

- 60-day dispensing introduced saving patients \$1.6 billion over the next 4 years
- Better indexation of Medicare delivered over \$1.5 billion



## Private health

- AMA's private health workshop brought agreement from senior leaders on need for system-wide reforms
- AMA Prescription for Private Health Insurance led to recommendations to update key private health insurance policy levers



If you're a doctor, the **AMA** is for you

## AMA's Vision For Australia's Health



**Pillar 1**  
General practice



**Pillar 2**  
Public hospitals



**Pillar 3**  
Private healthcare



**Pillar 4**  
A health system for all



**Pillar 5**  
A health system for the future

The Australian Medical Association's [Vision for Australia's Health](#) advocates initiatives to address issues in general practice, public hospitals, private health and public health, as well as the health system more broadly.

**Australian Medical Association's**  
**Vision for Australia's Health**

Private health    A health system for all    A health system for the future

Quality    Patient empowerment    Fostering medical leadership

**7.7 MILLION AUSTRALIAN ADULTS** experience a mental disorder in their lifetime. Due to decades of under-resourcing and under-staffing, public mental healthcare services were struggling to deliver accessible and high-quality care before the pandemic crisis.

In 2018-19 more than **8.3 million patients** presented to a public hospital emergency department – an increase of **4.2 per cent** on the previous year.

Healthcare professionals influence approximately **10 per cent** of healthcare costs, with **10 per cent** of those being a GP each year.

In 2017-18, **7% of all hospitalisations** were due to 22 preventable conditions that could be avoided by General Practice. This accounted for almost **3 million bed days**.

AMA  
170 Sutherland Street, Barton ACT 2600  
02 620 5400  
www.ama.org.au



## AMA Policy Impact

It has been an incredible year for your Federal AMA, with billions of dollars injected into Australia's health system following our ongoing public campaigning and behind-the-scenes advocacy.

These wins can only be achieved through the support of doctors, who join the AMA to help us change the health system for the better; together with the expertise and contributions of all the doctors who volunteer their time for the AMA, and the hard work of the professional staff at Federal AMA.

We released 15 research reports and report cards on everything from out-of-hospital care in the private system to public hospital performance, and reports on why we need to invest in health.

We also demonstrated our commitment to improving the health system and advocating on your behalf with the AMA team delivering 20 position statements and more than 60 submissions. Our submissions included our costed pre-budget submissions, submissions to Federal parliamentary inquiries, and to Department of Health and Aged Care consultations. We also hosted several stakeholder workshops on a range of topics including private health reform and rural health workforce.

No less important was the behind-the-scenes advocacy we do every day, speaking to the Minister for Health and Aged Care and his advisors; senior representatives in the Department of Health and Aged Care and other departments; regulators and Medical Defence Organisations, and Federal members of parliament. Our work was kept front and centre in the minds of decisions makers with media strategies that resulted in outstanding coverage.



Billions of dollars were earmarked for primary care and a host of reforms stemming from our Modernise Medicare campaign.

This included \$3.5 billion to triple bulk billing incentive payments on specified GP consultation items from 1 November, with scaling applied to further benefit patients in rural areas

My Medicare was announced, providing a mechanism to strengthen the relationships GPs have with their patients and a platform to deliver additional funding for general practice in addition to fee-for-service arrangements.

On 6 December, we received an early Christmas present in the form of a huge announcement by National Cabinet, with Prime Minister Anthony Albanese announcing an increase to the share of Commonwealth funding for hospitals and a more generous approach to the growth cap.

The AMA spearheaded ongoing campaigning through the Clear the Hospital Logjam campaign before the last election for an increase to the Commonwealth's share of funding for hospitals and for the 6.5 per cent cap on funding growth to be scrapped.

The increase in funding is reported to be an injection of around \$13.2 billion between 2025 and 2030. Importantly, there was also a commitment to renegotiate the National Health Reform Agreement (NHRA) Addendum to embed long-term, system-wide structural health reforms, including considering the NHRA Mid-Term Review findings, something for which we also campaigned.

As part of an additional \$1.2 billion package, funding was also announced for initiatives to address avoidable admissions and readmissions and delayed discharge for older Australians. These are issues we highlighted in various AMA research reports throughout the year.

The Clear the Hospital Logjam campaign also received the Association [External Campaign of the Year Award™](#), presented to an association that has made an outstanding achievement through an external campaign.

The budget also contained \$50 million for a wounds consumable scheme in general practice — a scheme the AMA first proposed in submissions to the MBS Review Taskforce and further highlighted in our research report, [Solutions to the chronic wound problem in Australia](#). It also delivered on other AMA campaign and policy asks, including longer GP consult items; a Workforce Incentive Payment increase; and expanded telehealth access for My Medicare-enrolled patients and practices.



Benefiting patients of GPs and non-GP specialists alike, the budget included an additional round of Medicare indexation and a new indexation methodology. This followed our demonstration of the ongoing [impact of low Medicare indexation](#).



Following years of advocacy by the Federal AMA, 60-day dispensing was introduced. The AMA launched a renewed campaign on 60-day dispensing early in the year through a coordinated, and months long, [You Deserve More](#) campaign and our '[Checklist for Cheaper Medicines](#)'.



We also met with the Department of Health and Aged Care to fix the undervaluing of new dermatology items. On 1 March, the rebates for seven items for excisions of clinically suspected melanoma (31377 to 31383) were increased to align with the fees for existing benign skin excision items.



Following our advocacy, we saw significant improvements made by Ahpra in its processing of notifications against medical practitioners. All notifications are now initially reviewed by a panel including a medical adviser. As a result, fewer cases are now accepted as notifications and more cases are closed quickly as not meeting grounds for a notification. While there are still improvements to be made, this is a positive development, and we will keep pushing for more like it.



In response to a [strong submission](#) and direct engagement, the Department of Health and Aged Care has amended its dementia action plan to no longer recommend additional training for GPs or for MBS items to be accessible only to GPs with a sub-specialisation in dementia.



Stronger regulations on vapes were announced [following AMA advocacy](#), including banning the retail sale of vapes and disposable vapes. Vaping reforms underway (as outlined in consultation in January and September) include changes the AMA has lobbied for since October 2021. These include changes to Therapeutic Goods Order 110 and ending the personal importation scheme.

Our policies were also reflected in the National Tobacco Strategy 2023-2030, which also reflects our concerns with tobacco industry donations to political parties.

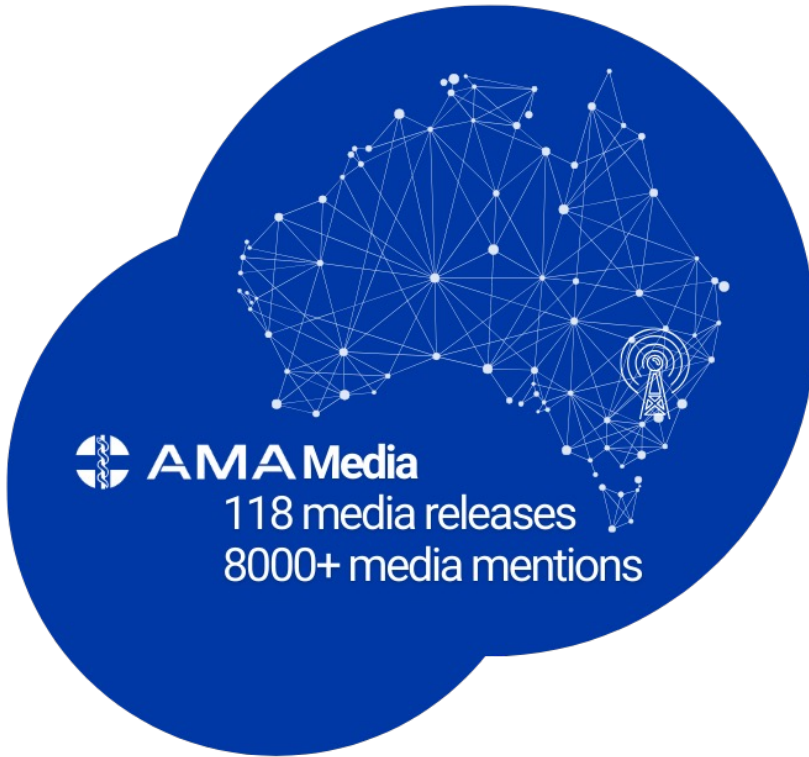
Vaping advertisement bans along with improved regulation on tobacco to discourage people from smoking and vaping were introduced to Parliament under the Public Health (Tobacco and Other Products) Bill 2023. [We supported the Bill](#) through both the Department of Health and Aged Care's consultation and the Senate Standing Committee on Community Affairs inquiry. As the Bill went through Parliament, we also met with MPs and Senators and urged them to help ensure the legislation was passed.



We have consistently raised concerns about gambling and the extent to which young people are exposed to gambling advertisements. In June we [welcomed a parliamentary inquiry's recommendation](#) to ban all advertisements for online gambling within three years.

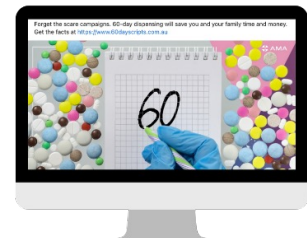


# Media Report



## Traditional Media

More than 118 media releases were produced this year resulting in more than 8000 Federal AMA mentions in the media across TV, radio and newspapers.



## Facebook

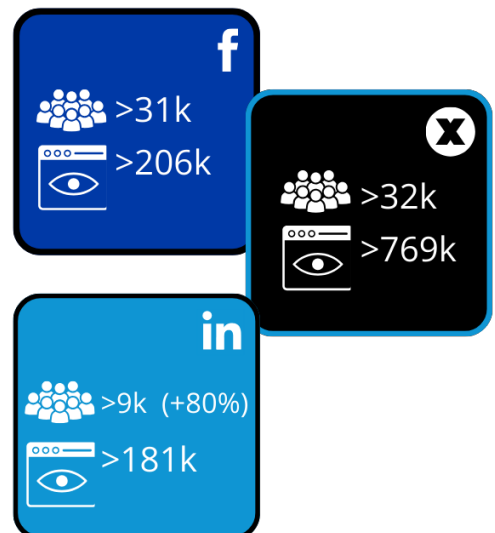
Our Facebook audience has grown to 31,035 followers. We made 206,056 impressions with our posts; the number of times our posts were on a screen. Our top posts were on the 60 day dispensing campaign.

## Twitter

Our Twitter audience has grown to 32,136 followers. We made 769,411 impressions with our posts. Our top posts were in relation to vaping.

## LinkedIn

Our LinkedIn audience grew an astonishing 80% in 2023 to 9,630 followers. Our posts received 181,186 impressions. Our top posts were on our workforce events featuring Brendan Murphy and our Rural Medical Training Summit.



## AMA Subsidiaries



As a respected medical publisher and provider of doctor data, the **Australasian Medical Publishing Company (AMPCo)** produces leading-edge health information and resources for Australian doctors. We are driven by the belief that to thrive, Australian health care needs timely, relevant, and credible information.

AMPCo publishes The Medical Journal of Australia (MJA) which is Australia's leading general medical journal. MJA publishes high quality research and commentary to inform health policy and influence medical practice in Australia. AMPCo also publishes a weekly medical e-newsletter called InSight+. InSight+ reaches over 47,000 Australian doctors every week, making it the highest circulating medical publication in Australia.

AMPCo delivers revenue through its data rental, licensing and advertising streams. We have a depth of doctor engagement insights through our more than 8 million doctor interactions each year. Our doctor data is verified, and we pride ourselves in having a 99% match to the Australian register of doctors. AMPCo has the best medical data and doctor insights in Australia.

AMPCo helps drive healthcare forward through the power of insight and inspiration.

## DRS4DRS

Doctors Health Services Pty Ltd (Drs4Drs), a national not-for-profit organisation established as an independent subsidiary of AMA Ltd. Funded by Ahpra/Medical Board of Australia and the Department of Health and Aged Care, Drs4Drs is committed to empowering doctors and medical students to take charge of their health and wellness. Through this support, the organisation aims to create a healthier medical community that can provide the best care to their patients.

**Confidential Support for Doctors and Medical Students:** Drs4Drs provides a sanctuary of support, offering confidential, complimentary, and supportive services that are readily accessible across the country. Doctors and medical students seeking assistance can find a wealth of support and resources by visiting [www.drs4drs.com.au](http://www.drs4drs.com.au).

**Commitment to Quality Service Delivery:** Drs4Drs, in collaboration with the Australian Council on Healthcare Standards (ACHS), developed the National Standards for Doctors' Health Services (National Standards) in 2022. The National Standards aim to assess the services delivered to medical practitioners and medical students in Australian States and Territories to ensure quality and safe service delivery. In 2023, Drs4Drs implemented the National Standards across all Doctors' Health Services in Australia.

**Empowering Doctors to Care for Peers:** Acknowledging the unique challenges of caring for fellow medical professionals, a self-paced online education course is available that not only helps medical professionals to better understand their own health but also equips them to extend that care to their colleagues and medical students. This transformative training is available for enrolment here: <https://www.drs4drs.com.au/being-a-dr4drs>

**A Unified Effort for Wellbeing:** The National Doctors Health and Wellbeing Leadership Alliance, has been initiated, a significant step toward fostering unified action within the medical community. This alliance, aligned with the National Framework: Every Doctor, Every Setting, is aimed at advancing the mental health and wellbeing of medical professionals at all career stages and settings. More information about the framework and how you can support this initiative can be found here: <https://www.drs4drs.com.au/national-doctors-health-wellbeing>

**Access to Resources:** The Drs4Drs website serves as a comprehensive hub, offering an extensive selection of resources, news, and events aimed at promoting health and well-being. It is designed to be a one-stop-shop for information that empowers and enlightens the medical community.

Visit [www.drs4drs.com.au](http://www.drs4drs.com.au) to explore how you can be supported both personally and professionally.



# General Purpose Financial Report

## Australian Medical Association Limited and Controlled Entities

ABN 37 008 426 793

For the financial year 31 December 2023

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## **Directors' Report**

### **Directors**

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

#### **Dr Kate Kearney**

**FRACP, BPharm, MBBS, MMed (Clin Epi)**

*Board Chair*

*Governance Committee Chair*

*Award and Fellowship Committee member*

*Nominations Committee member*

*Federal Council member*

Cardiologist

#### **Dr Jessica Dean**

**BMedSci (Hons) MBBS(Hons) LLB GAICD GDipLegPrac**

*Audit, Risk and Performance Committee Chair*

*Governance Committee member*

ICU Registrar

#### **Dr Stephen Gourley**

**MB BS, MCE, MPH, MHM,GAICD, AFRACMA, FRCEM, FACEM**

*Deputy Board Chair*

*Audit, Risk and Performance Committee member (to 3 August 2023)*

*Investment Committee member (to 3 August 2023)*

Director, Emergency Medicine

#### **Dr Omar Khorshid**

**MBBS, FRACS, FAOrthA, FAMA, AdvDipMgt, GAICD**

*Governance Committee member*

*Award and Fellowship Committee member*

*Audit, Risk and Performance Committee member*

*Federal Council member*

Orthopaedic Surgeon

#### **Dr Shehzad Kunwar**

**BSc (Hons) Econ, MBChB, MRCGP, FRACGP, FACRRM, FRACMA**

*Nominations Committee member*

Director of Medical Services

#### **Dr Bavahuna Manoharan**

**MBBS, MPH, BSc, CHIA, GAICD**

State Clinical Director

(Board Member to 27 May 2023)

**Dr Danielle McMullen**

**MBBS(Hons), FRACGP, DCH, GAICD, FAMA**

*Vice President*

*Award and Fellowship Committee member*

*Federal Council member*

*DrHS Board member*

General Practitioner

**Dr Roderick McRae**

**FAMA, FANZCA, MBBS(Hons), BMedSc(Hons), MBioeth, JD, PGDipPCCE**

*Finance and Investment Committee member (from 10 August 2023)*

Qualified Anaesthetist and Intensive Care Physician

(Board Member from 28 May 2023)

**A/Prof Andrew Miller**

**MBBS, BSc(Med) FACD**

Dermatologist

*Governance Committee member*

*Audit, Risk and Performance Committee member (from 10 August 2023)*

(Board Member from 23 February 2023)

**Prof Christopher Perry OAM**

**MBBS, DTM&H (Liverpool), FRACS, MAICD**

*AMA Pty Ltd Board member*

Otolaryngology Head and Neck Surgeon

(Board Member from 28 May 2023)

**Prof Steve Robson**

**MD PhD FRANZCOG FAMA CertGovPract**

*President*

*Award and Fellowship Committee Chair*

*Nominations Committee Chair*

*Federal Council member*

Professor of Obstetrics and Gynaecology

**Dr Gary Speck AM**

**MBBS, BMedSc (Hons), FRACS, FAOrthA, FAMA, GAICD**

Orthopaedic Spinal Surgeon

*Investment Committee Chair (to 27 May 2023)*

*Finance and Investment Committee Chair*

(Board Member to 27 May 2023)

**A/Professor William Tam**

**FAMA, FRACP, MBBS, PhD, FGESA**

Gastroenterologist

*Finance and Investment Committee member (from 10 August 2023)*

*AMA Pty Ltd Board member*

## **PRINCIPAL ACTIVITIES**

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

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

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

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

## **FINANCIAL RESULTS**

### **Review and result of operations**

In 2023, the consolidated Group recorded a total comprehensive loss of \$0.9 million consistent with prior year (2022: loss \$0.9 million).

The consolidated comprehensive income for the year, is net of accounting for changes in fair value of long-term investments that are reflective of valuation at reporting date.

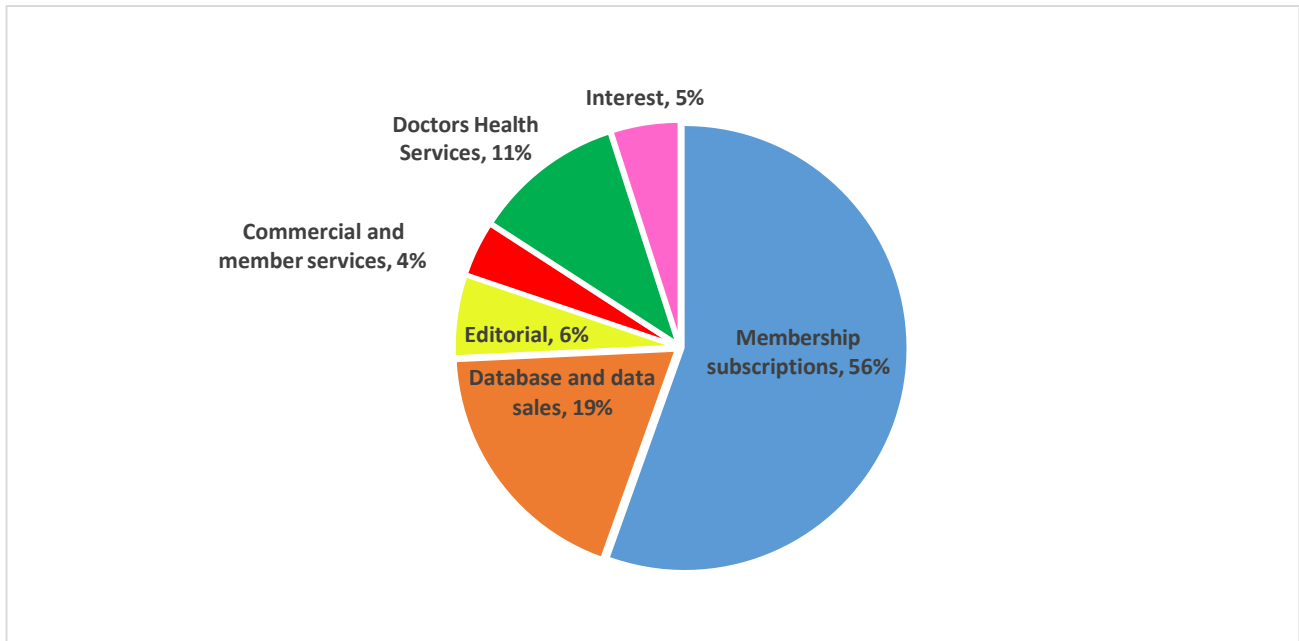
The Group's operations are largely unchanged. At the time of reporting, there are no other strong indicators to suggest material financial impacts to the Group's results in future financial years from on-going operations.



## Revenue

Compared to 2022, total revenue from operations decreased to \$22.0 million (2022: \$22.9 million).

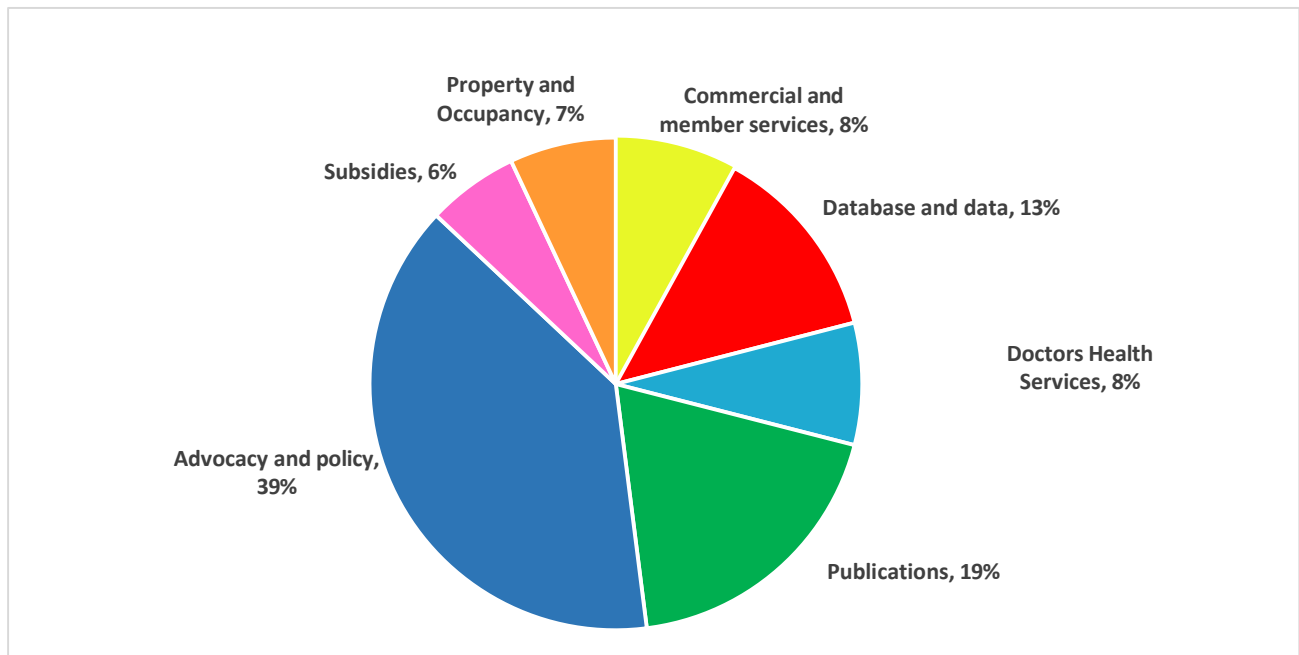
**Graph 1 – Distribution of revenue**



## Expenses

Total expenses (before income tax) increased from prior year to \$23.0 million (2022: \$21.7 million).

**Graph 2 – Distribution of expenses (excluding income tax)**



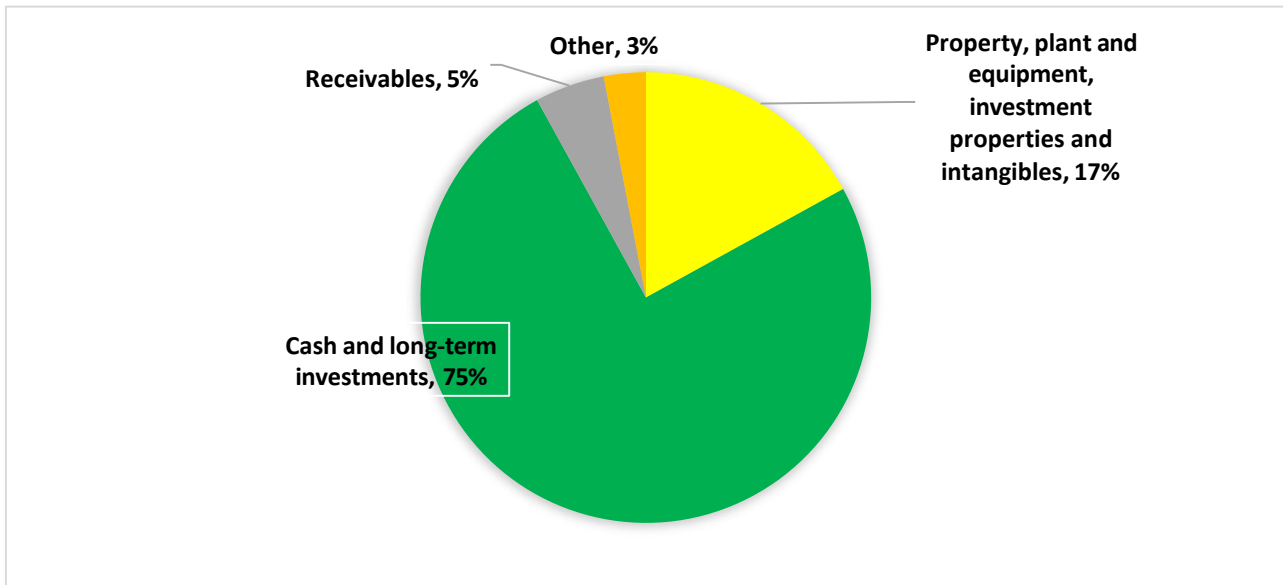
**Review of financial position**

Net assets decreased by 2.8% to \$30.7 million compared to prior year (2022: decreased 2.8% to \$31.6 million).

**Assets**

Total assets decreased by 1.2% to \$41.6 million compared to prior year (2022: \$42.1 million).

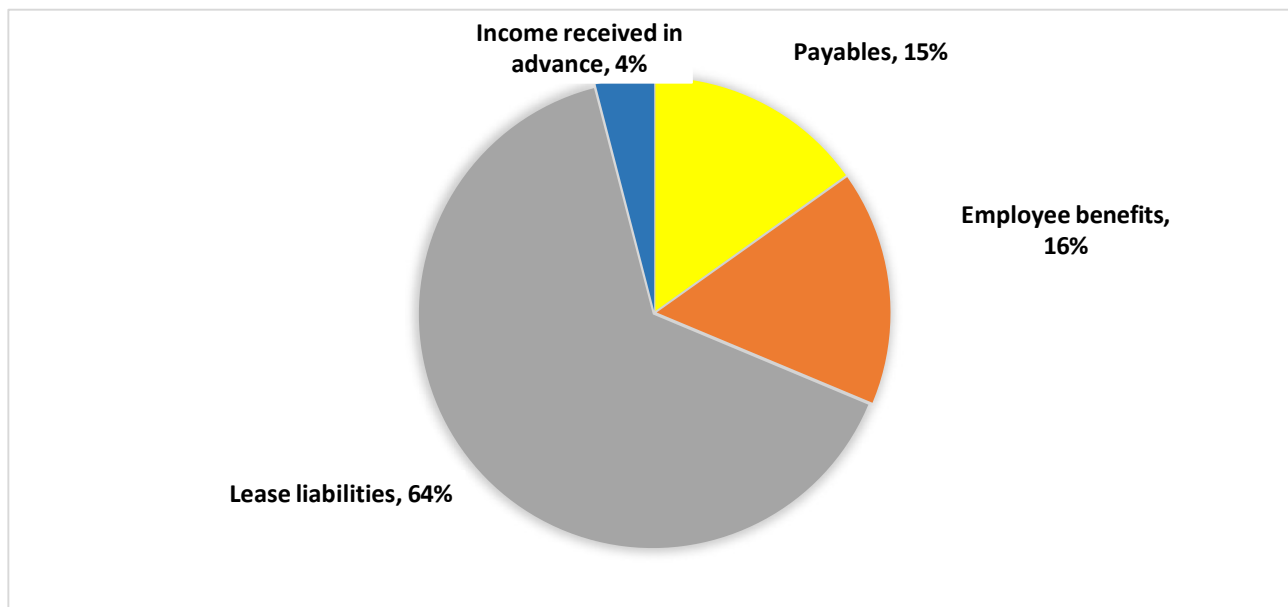
**Graph 4 – Distribution of assets**



## Liabilities

Total liabilities increased 4.8% to \$11 million compared to prior year (2022: \$10.5 million).

### Graph 5 Distribution of liabilities



## ROUNDING

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

## DIVIDENDS

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

## STATE OF AFFAIRS

Since late 2022, AMA Limited has been negotiating with Australian Medical Association (WA) Incorporated (AMA WA) following its decision to cease forwarding the full amount of Federal member subscriptions collected by AMA WA on AMA Limited's behalf from 2024 onwards. As a member of AMA WA, WA members were also members of AMA Limited. During the negotiations, AMA WA notified AMA Limited that any arrangements for remission of Federal subscriptions would cease on 31 December 2023. AMA Limited entered into an interim agreement to continue to provide services to AMA WA members to resolve the substantive disagreement. This concession expired on 29 February 2024. From 1 March 2024, AMA WA members are no longer financial members of Federal AMA, and there is no longer any arrangement for Federal AMA to continue to provide services to them. There is no impact on AMA members outside of WA.

Other than the above, there was no significant change in the state of affairs of the Group during the financial year under review that is not disclosed in the financial statements.

## **STRATEGIC DIRECTION**

During the reporting year the Board of Australian Medical Association Limited progressed implementation of its operational plan and agreed on a new strategic direction for 2024-2027.

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

- 1 – AMA Vision for Australia's Health
- 2 – AMA is the voice for medicine
- 3 – A thriving and modern membership organisation
- 4 – Fit-for-purpose Federation structure
- 5 - Growth through innovation and diversification

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

## **AUDITOR'S INDEPENDENCE DECLARATION**

A copy of the Auditor's independence declaration as required under s307C of the *Corporations Act 2001* is set out as part of the financial statements.

## **INDEMNIFICATION AND INSURANCE OF OFFICERS AND AUDITORS**

### **Indemnification**

Since the end of the previous financial year, the Group has not indemnified or made a relevant agreement indemnifying against a liability of any person who is or has been an officer or auditor of the Group.

### **Insurance premiums**

During the financial year the Group paid premiums in respect of Directors' and Officers' Liabilities and Professional Indemnity for the year ended 31 December 2023, insuring the directors of the company and all executive officers of the Group against a liability incurred by such a director or executive officer to the extent permitted by the *Corporations Act 2001*.

## **INFORMATION ON DIRECTORS**

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

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

### **Directors' interests**

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit, other than a benefit included in the aggregate amount of remuneration received or due and receivable by Directors shown in the financial statements in Note 18.

## DIRECTORS MEETING ATTENDANCE

During the period 1 January 2023 to 31 December 2023 the Board met on 9 occasions.

The Audit, Risk and Performance Committee met 5 times. Three members of the Committee are Directors and one is an independent appointment.

The Finance and Investment Committee met 3 times. Two members of the Committee are Directors and four are independent appointments.

The following tables summarises the meeting attendance of the Directors and Committee members during 2023, noting the number of meetings each Director/Committee member was eligible to attend and attended.

<b>Board Meetings</b>		
	<b>Eligible to attend</b>	<b>Attended</b>
Dr Kate Kearney	15	15
Dr Jessica Dean	15	15
Dr Stephen Gourley	15	12
Dr Omar Khorshid	15	12
Dr Shehazad Kunwar	15	15
Dr Danielle McMullen	15	13
Prof Steve Robson	15	13
A/Prof William Tam	15	14
A/Prof Andrew Miller	15	14
Dr Roderick McRae	13	12
Prof Christopher Perry	13	10
Dr Bavahuna Manoharan	2	2
Dr Gary Speck	2	2

<b>Audit, Risk and Performance Committee</b>		
	<b>Eligible to attend</b>	<b>Attended</b>
Dr Jessica Dean	5	5
Dr Omar Khorshid	5	2
A/Prof Andrew Miller	2	0
Mr Ed Killesteyn	5	5
Dr Stephen Gourley	3	2

<b>Finance and Investment Committee</b>		
	<b>Eligible to attend</b>	<b>Attended</b>
Dr Gary Speck	3	3
Dr Roderick McRae	1	1
A/Prof William Tam	1	1
Ms Trisha Barton	1	1
Ms Robyn Petrou	1	1
Ms Els Termaat	1	0
Dr Stephen Gourley	2	1
Dr Bavahuna Manoharan	2	1

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

Signed in accordance with a resolution of the Directors.



**Dr Kate Kearney**  
Chair  
Australian Medical Association Limited



**Professor Steve Robson**  
President  
Australian Medical Association Limited

**Statement of comprehensive income**  
**For the year ended 31 December 2023**

		<b>Consolidated</b>	
		<b>2023</b>	<b>2022</b>
		<b>\$'000</b>	<b>\$'000</b>
	<b>Note</b>		
Revenue		<b>20,435</b>	21,494
Other income		<b>1,566</b>	1,449
	2	<b>22,001</b>	22,943
<b>Expenses</b>			
Employment		<b>(14,402)</b>	(13,064)
Publications		<b>(130)</b>	(140)
Database and data		<b>(85)</b>	(55)
Advocacy and policy		<b>(582)</b>	(1,012)
Subsidies	2	<b>(1,404)</b>	(1,588)
Commercial and member services		<b>(24)</b>	(81)
Doctors Health Services		<b>(1,809)</b>	(1,702)
Property and occupancy		<b>(1,067)</b>	(1,583)
Depreciation and amortisation		<b>(578)</b>	(661)
Administration	2	<b>(2,933)</b>	(1,852)
		<b>(23,014)</b>	(21,738)
<b>(Loss)/profit before income tax</b>		<b>(1,013)</b>	1,205
Income tax (expense)/credit	4	<b>(1,046)</b>	333
<b>(Loss)/profit for the year</b>		<b>(2,059)</b>	1,538
<b>Other comprehensive income</b>			
Changes in fair value of investments at fair value through other comprehensive income		<b>1,506</b>	(3,242)
Income tax relating to these items		<b>(376)</b>	811
<b>Other comprehensive income for the year, net of tax</b>		<b>1,130</b>	(2,431)
<b>Total comprehensive income for the year</b>		<b>(929)</b>	(893)

Notes to and forming part of these financial statements are annexed

**Statement of financial position  
as at 31 December 2023**

	Note	Consolidated	
		2023 \$'000	2022 \$'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	5	7,606	8,399
Trade and other receivables	6	2,257	3,500
Inventories	7	46	20
Prepayments	8	786	299
Financial investments	9	1,688	500
<b>Total current assets</b>		<b>12,383</b>	<b>12,718</b>
<b>Non-current assets</b>			
Financial investments	9	21,994	20,731
Intangible assets	10	584	925
Property, plant and equipment	11	1,687	1,852
Deferred tax assets	12	-	1,422
Right-of-use assets	13	5,001	4,439
<b>Total non-current assets</b>		<b>29,266</b>	<b>29,369</b>
<b>Total assets</b>		<b>41,649</b>	<b>42,087</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	14	2,149	2,162
Lease liabilities	13	717	885
Employee benefits	15	1,662	1,646
<b>Total current liabilities</b>		<b>4,528</b>	<b>4,693</b>
<b>Non-current liabilities</b>			
Employee benefits	15	142	156
Make good provision	13	168	163
Lease liabilities	13	6,134	5,469
<b>Total non-current liabilities</b>		<b>6,444</b>	<b>5,788</b>
<b>Total liabilities</b>		<b>10,972</b>	<b>10,481</b>
<b>Net assets</b>		<b>30,677</b>	<b>31,606</b>
<b>Equity</b>			
Retained earnings		30,224	32,283
Reserve		453	(677)
<b>Total equity</b>		<b>30,677</b>	<b>31,606</b>

Notes to and forming part of these financial statements are annexed



**Statement of changes in equity  
for the year ended 31 December 2023**

**Consolidated**

	<b>Retained earnings \$'000</b>	<b>Reserve \$'000</b>	<b>Total Equity \$'000</b>
<b>At 1 January 2021</b>	30,745	1,754	32,499
Profit for the year	1,538	-	1,538
Other comprehensive loss	-	(2,431)	(2,431)
Total comprehensive income/(loss) for the year	1,538	(2,431)	(893)
<b>At 31 December 2022</b>	<b>32,283</b>	<b>(677)</b>	<b>31,606</b>
Loss for the year	(2,059)	-	(2,059)
Other comprehensive income	-	1,130	1,130
Total comprehensive (loss)/income for the year	(2,059)	1,130	(929)
<b>At 31 December 2023</b>	<b>30,224</b>	<b>453</b>	<b>30,677</b>

Notes to and forming part of these financial statements are annexed

**Statement of cash flows  
for the year ended 31 December 2023**

	Note	Consolidated	
		2023 \$'000	2022 \$'000
<b>Cash flow from operating activities</b>			
Receipts from membership subscriptions		12,247	12,885
Other receipts from customers		11,229	10,191
Payment to suppliers and employees		(23,172)	(22,865)
Interest received		243	36
<b>Net cash flow from operating activities</b>		<b>547</b>	<b>247</b>
<b>Cash flow from investing activities</b>			
Payments for property, plant and equipment	11	(72)	(217)
Proceeds from investments		766	1,045
Payments for other investments		(945)	(311)
<b>Net cash flow (used in)/from investing activities</b>		<b>(251)</b>	<b>517</b>
<b>Cash flow from financing activities</b>			
Repayment of lease liabilities	13	(1,089)	(768)
<b>Net cash flow used in financing activities</b>		<b>(1,089)</b>	<b>(768)</b>
<b>Net decrease in cash held</b>		<b>(793)</b>	<b>(4)</b>
Cash and cash equivalents at the beginning of the year		8,399	8,403
<b>Cash and cash equivalents at the end of the year</b>		<b>7,606</b>	<b>8,399</b>

Notes to and forming part of these financial statements are annexed

## Notes to and forming part of the financial statements

### Note 1 Statement of Significant Accounting Policies

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

The separate financial statements of the parent entity, Australian Medical Association Limited, have not been presented within this financial report as permitted by amendments made to the *Corporations Act 2001*.

#### Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The AMA is a not-for-profit entity for the purpose of preparing the financial statements under Australian Accounting Standards.

#### *(i) Compliance with Australian Accounting Standards - Simplified Disclosure Requirements*

The consolidated financial statements of the AMA Group comply with Australian Accounting Standards – Simplified Disclosures as issued by the AASB, registered and domiciled in Australia.

#### *(ii) Historical cost convention*

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.

#### *(iii) New and amended standards adopted by the group*

The AMA Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the AMA Group.

The financial statements were approved by the Board on 23 April 2024.

## **Notes to and forming part of the financial statements**

### **Note 1 Statement of Significant Accounting Policies (continued)**

#### **(a) Principles of consolidation**

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by AMA at the end of the reporting period. A controlled entity is any entity that AMA Limited has the power to govern the financial and operating policies so as to obtain benefits from its activities.

Where controlled entities have entered or left the Group during the year, the financial performance of those entities is included only for the period of the year that they were controlled. A list of controlled entities is contained in Note 23 to the financial statements.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the consolidated group have been eliminated in full on consolidation.

#### **(b) Functional and presentation currency**

These consolidated financial statements are presented in Australian dollars, which is the functional currency of the Group.

#### **(c) Use of estimates and judgements**

The preparation of financial statements requires management to make judgements, estimates and assumptions based on historical knowledge and best available current information that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

## Notes to and forming part of the financial statements

### Note 1 Statement of Significant Accounting Policies (continued)

#### (c) Use of estimates and judgements (continued)

##### Key estimates and judgements

###### *Revenue from contracts with customers involving sale of goods*

When recognising revenue in relation to the sale of goods to customers, the key performance obligation of the Group is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

###### *Allowance for expected credit losses*

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

###### *Estimation of useful lives of assets*

The Group determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

###### *Impairment of non-financial assets other than goodwill and other indefinite life intangible assets*

The Group assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

###### *Income tax*

The Group is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

###### *Employee benefits provision*

The liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

## Notes to and forming part of the financial statements

### Note 1 Statement of Significant Accounting Policies (continued)

#### (d) Revenue recognition

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

#### Membership subscription

Revenue from membership subscriptions is recognised in profit or loss in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is determined by reference to the membership year.

#### Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

#### Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

#### Rendering of services

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or contractual performance obligations.

#### Doctors Health Services

Doctors Health Services relates to the administration of government funding for distribution to doctors' health program providers and the Telehealth grant. Where performance obligations under the contract are not sufficiently specific, the Group recognises revenue when it gains control of (or has the right to receive) the asset (cash).

#### Rental income

Rental income is recognised in the statement of comprehensive income in the reporting period in which it is received, over the term of the lease in accordance with the lease agreement. Lease incentives granted are recognised as an integral part of the total rental income over the term of the lease.

## Notes to and forming part of the financial statements

### Note 1 Statement of Significant Accounting Policies (continued)

#### (d) Revenue recognition (continued)

##### Interest income

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

##### Dividend income

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

##### Grant income

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

#### (e) Finance income and expense

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues in profit and loss, using the effective interest method.

Finance expenses comprise interest expense on borrowings. All borrowing costs are recognised in profit or loss using the effective interest method.

#### (f) Tax consolidation and income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or

- When the taxable temporary difference is associated with interests in subsidiaries, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

## Notes to and forming part of the financial statements

### Note 1 Statement of Significant Accounting Policies (continued)

#### (f) Tax consolidation and income tax (continued)

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Australian Medical Association Limited and its wholly-owned Australian subsidiaries formed an income tax consolidated group under the tax consolidation legislation with effect from 1 January 2011. Australian Medical Association Limited is the head entity of the Group.

Each entity in the Group recognises its own current and deferred tax assets and liabilities. Such taxes are measured using the 'separate taxpayer within group' approach to allocation. Current tax liabilities or assets and deferred tax assets arising from unused tax losses and tax credits in the subsidiaries are immediately transferred to the head entity.

The tax consolidated group has entered a tax funding arrangement whereby each company in the Group contributes to the income tax payable by the Group. Differences between the amounts of net tax assets and liabilities derecognised and the net amounts recognised pursuant to the funding arrangement are recognised as either a contribution by, or distribution to the head entity.



## Notes to and forming part of the financial statements

### Note 1 Statement of Significant Accounting Policies (continued)

#### **(g) Goods and services tax**

Revenues, expenses and assets are recognised net of the amount of the Goods and Services Tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Trade receivables and trade payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the Australian Tax Office (ATO) is included as a current liability in the statement of financial position. Other receivables and other payables are stated with the amount of GST excluded.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities, which are recoverable from or payable to the ATO are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

#### **(h) Investments and other financial assets**

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

##### *Financial assets at fair value through profit or loss*

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

##### *Financial assets at fair value through other comprehensive income*

Financial assets at fair value through other comprehensive income include equity investments which the Group intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

##### *Impairment of financial assets*

The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

## **Notes to and forming part of the financial statements**

### **Note 1 Statement of Significant Accounting Policies (continued)**

#### **(h) Investments and other financial assets (continued)**

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

#### **(i) Financial liabilities**

Financial liabilities are recognised initially at fair value plus any attributable transaction costs. Subsequent to initial recognition, the financial liabilities are measured at amortised cost using the effective interest rate method. Financial liabilities comprise loans and borrowings, trade and other payables.

#### **(j) Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

#### **(k) Trade and other receivables**

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

#### **(l) Trade and other payables**

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

#### **(m) Inventories**

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

## Notes to and forming part of the financial statements

### Note 1 Statement of Significant Accounting Policies (continued)

#### (n) Property, plant and equipment

##### Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised net, within profit or loss.

##### Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated.

The estimated depreciation rates for the current and comparative periods are as follows:

	<b>2023</b>	2022
Buildings	<b>2.5% - 4%</b>	2.5% - 4%
Office Furniture	<b>5% - 25%</b>	5% - 25%
Office Equipment	<b>10% - 50%</b>	10% - 50%
Fixture and Fittings	<b>5% - 10%</b>	5% - 10%
Computer Hardware	<b>20% - 33.33%</b>	20% - 33.33%
Items less than \$300	<b>100%</b>	100%

Depreciation methods, useful lives and residual values are reassessed at the reporting date.

## Notes to and forming part of the financial statements

### Note 1 Statement of Significant Accounting Policies (continued)

#### (o) Intangible assets

Intangible assets that are acquired by the Group, which have finite lives, are measured at cost less accumulated depreciation and accumulated impairment losses.

#### Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss when incurred.

#### Research and development

Research costs are expensed in the period in which they are incurred. Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the Group is able to use or sell the asset; the Group has sufficient resources and intent to complete the development; and its costs can be measured reliably. Capitalised development costs are amortised on a straight-line basis over the period of their expected benefit.

#### Amortisation

Amortisation is calculated over the cost of the asset, or another amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use. The estimated depreciation rates for the current and comparative periods are as follows:

	<b>2023</b>	2022
Development	<b>20% - 33.33%</b>	20% - 33.33%
Computer Software	<b>10% - 25%</b>	10% - 25%

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

#### (p) Right-of-use assets and lease liabilities

##### *Right-of-use assets*

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

## Notes to and forming part of the financial statements

### Note 1 Statement of Significant Accounting Policies (continued)

#### (p) Right-of-use assets and lease liabilities (continued)

##### *Lease liabilities*

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

#### (q) Impairment

##### **Financial assets**

##### *Trade receivables*

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

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

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

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

##### *Investments*

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

## Notes to and forming part of the financial statements

### Note 1 Statement of Significant Accounting Policies (continued)

#### (r) Employee Benefits

##### Short-term benefits

Liabilities for employee benefits for wages and salaries (including superannuation), annual leave and long service leave represent present obligations resulting from employees' services provided to reporting date and are calculated at undiscounted amounts based on remuneration wage and salary rates that the Group expects to pay as at reporting date including related on-costs, such as workers compensation insurance and payroll tax.

##### Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods plus related on costs. That benefit is discounted to determine its present value and the fair value of any related assets is deducted. The discount rate is the yield at the reporting date on Commonwealth Government bonds that have maturity dates approximating the terms of the Group's obligations.

#### (s) Contract liabilities

Contract liabilities represent the Group's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Group recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Group has transferred the goods or services to the customer.

#### (t) Make good provision

Provisions for make good obligations are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

#### (u) Parent entity financial information

The financial information for the Parent Entity, as disclosed in Note 22 has been prepared on the same basis as the consolidated financial statements, except as set out below.

##### *Investments in controlled entities*

Investments in controlled entities, are accounted for at cost in the financial statements of the Parent Entity. Dividends received from controlled entities are recognised in the Parent Entity's statement of comprehensive income.

#### (v) Comparative figures

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

## Notes to and forming part of the financial statements

### Note 2 Revenue and Expenses

	Consolidated	
	2023	2022
	\$'000	\$'000
<b>Revenue</b>		
Membership subscriptions	11,134	11,708
Database and data sales	3,732	3,886
Editorial	1,205	1,297
Commercial and member services	842	1,287
Doctors Health Services	2,513	2,235
Interest	243	36
Interest from investments at fair value through other comprehensive income	766	1,045
Other revenue including recoveries	1,566	1,449
	<b>22,001</b>	<b>22,943</b>
<b>Expenses</b>		
Contributions to employee superannuation plans	1,241	1,019
Cost of goods sold	12	37
Repairs and maintenance	32	69
<b>Subsidies</b>		
Subsidies to AMA States and Territories	1,366	1,551
Other subsidies	38	37
	<b>1,404</b>	<b>1,588</b>
<b>Administration</b>		
Insurance	84	77
Allowance for impairment of trade receivables*	1,036	15
Travel and accommodation	259	191
Other	1,554	1,569
	<b>2,933</b>	<b>1,852</b>

\* An allowance is included for the impairment for 2023 membership subscriptions collected in an agency arrangement by Australian Medical Association (WA) Incorporated (AMA WA), on behalf of AMA Limited. Refer to Note 6 Trade and other receivables and Note 20 Subsequent events, for more detail.

### Note 3 Auditor's Remuneration

#### Audit services

*Auditors of the Group*

Audit of financial report	65	60
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#### Other services

*Auditors of the Group*

Taxation services	21	20
	<b>86</b>	<b>80</b>

## Notes to and forming part of the financial statements

### Note 4 Income tax (expense)/credit

	Consolidated	
	2023	2022
	\$'000	\$'000
<b>Current tax (expense)/credit</b>		
Current tax on profits for the year	-	-
	-	-
<b>Deferred tax (expense)/credit</b>		
Origination and reversal of temporary differences	(277)	194
Effect of derecognition of prior year tax losses	(787)	-
Prior year adjustments	18	139
	<b>(1,046)</b>	<b>333</b>
Total income tax credit in income statement	<b>(1,046)</b>	<b>333</b>
	<b>1,013</b>	<b>(1,205)</b>
Loss/(profit) before income tax	<b>253</b>	<b>(301)</b>
Income tax using the domestic corporation tax rate 25%		
<b>Increase in income tax expense due to:</b>		
Mutual expenditure	<b>(2,640)</b>	<b>(2,785)</b>
Non-deductible expenses	<b>(2)</b>	<b>(3)</b>
Sundry	<b>(17)</b>	<b>(22)</b>
	<b>(2,659)</b>	<b>(2,810)</b>
<b>Decrease in income tax expense due to:</b>		
Mutual income	<b>2,663</b>	<b>3,067</b>
Fully franked dividends	<b>67</b>	<b>87</b>
Foreign tax credits	<b>-</b>	<b>7</b>
Sundry	<b>(25)</b>	<b>144</b>
	<b>2,705</b>	<b>3,305</b>
Net change in income tax	<b>299</b>	<b>194</b>
	<b>(1,363)</b>	<b>-</b>
Effect of unused tax losses not recognised as deferred tax assets	<b>18</b>	<b>139</b>
Over provision for prior year - deferred tax expense	<b>(1,345)</b>	<b>139</b>
Income tax (expense)/credit	<b>(1,046)</b>	<b>333</b>
<b>Attributable to:</b>		
Continuing operations	<b>(1,046)</b>	<b>333</b>

In accordance with AASB 112 *Income Taxes*, the Group recognises deferred tax assets arising from unused tax losses and deductible temporary differences to the extent that it is probable that future taxable income will be available against which the deferred tax assets can be utilised. An assessment on the probability of future utilisation of deferred tax assets is performed at the end of each financial year.

For the year ended 31 December 2023, the Group de-recognised a deferred tax asset of \$1.4 million relating to unused tax losses. Management believes future taxable income is uncertain based on the history of tax losses and no significant changes are expected to the Group's current operations. As such, the utilisation of related tax losses cannot be predicted. Despite the de-recognition of the deferred tax assets, tax losses are still carried forward in the Group's income tax returns and may be utilised in future periods.



## Notes to and forming part of the financial statements

### Note 5 Cash and Cash Equivalents

	Note	Consolidated	
		2023 \$'000	2022 \$'000
Cash at bank	16(b)	7,606	7,022
Short-term deposits (less than 3 months' maturity)	16(b)	-	1,377
<b>Total Cash and cash equivalents</b>	16	<b>7,606</b>	<b>8,399</b>

#### (i) Classification of cash equivalents

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

#### (ii) Restricted cash and short-term deposits

The cash and cash equivalents disclosed above and in the statement of cash flows include \$0.4 million (2022: \$1.3 million), which are held by Doctors Health Services Pty Ltd. These monies are subject to grant funding arrangement restrictions and are therefore not available for general use by the other entities within the Group.

### Note 6 Trade and other receivables

Trade receivables		1,800	1,908
Provision for impairment		(1,051)	(15)
		<u>749</u>	<u>1,893</u>
Other receivables		1,508	1,607
<b>Total Trade and other receivables</b>	16	<b><u>2,257</u></b>	<b><u>3,500</u></b>

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

Balance at 1 January	15	-
Addition	<u>1,036</u>	<u>15</u>
Balance at 31 December	<b><u>1,051</u></b>	<b><u>15</u></b>

For the year ended 31 December 2023, an allowance of \$1.0 million (2022: nil) for the recoverability of the unremitted 2023 Federal membership subscriptions collected by the AMA WA on behalf of AMA Limited in an agency arrangement has been recognised. Please refer to Note 20 Subsequent events, for more detail.

#### (i) Classification as trade and other receivables

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

## Notes to and forming part of the financial statements

### Note 7 Inventories

	Note	Consolidated	
		2023 \$'000	2022 \$'000
Finished goods		46	20
<b>Total Inventories</b>		<b>46</b>	<b>20</b>

### Note 8 Prepayments

Prepayments		786	299
<b>Total Prepayments</b>		<b>786</b>	<b>299</b>

### Note 9 Financial investments

#### Current assets

*Financial assets at amortised cost*

Short-term deposits (more than 3 months' maturity)	16	1,688	500
<b>Total Current</b>		<b>1,688</b>	<b>500</b>

#### Non-current assets

*Financial assets at fair value through other comprehensive income*

Managed securities fund	16	21,994	20,731
<b>Total Non-current</b>		<b>21,994</b>	<b>20,731</b>
<b>Total Financial investments</b>		<b>23,682</b>	<b>21,231</b>

#### (a) Financial assets at amortised cost

*(i) Classification of financial assets at amortised cost*

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

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

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

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

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

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

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

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

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

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

## Notes to and forming part of the financial statements

### Note 9 Financial investments (continued)

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

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

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

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

### Note 10 Intangible assets

	Consolidated	
	2023 \$'000	2022 \$'000
Development - at cost	752	752
Less: Accumulated amortisation	(752)	(640)
	<u>-</u>	<u>112</u>
Computer software - at cost	1,694	1,694
Less: Accumulated amortisation	(1,110)	(881)
	<u>584</u>	<u>813</u>
<b>Total Intangible assets</b>	<b><u>584</u></b>	<b><u>925</u></b>

Notes to and forming part of the financial statements

Note 10 Intangible assets (continued)

Movement in carrying amounts:

<b>Consolidated</b>	<b>Development \$'000</b>	<b>Computer software \$'000</b>	<b>Total \$'000</b>
<b>31 December 2022</b>			
Opening written down value	301	1,056	1,357
Amortisation	(189)	(243)	(432)
Closing written down value	<u>112</u>	<u>813</u>	<u>925</u>
<b>31 December 2023</b>			
Opening written down value	112	813	925
Amortisation	(112)	(229)	(341)
Closing written down value	<u>-</u>	<u>584</u>	<u>584</u>

## Notes to and forming part of the financial statements

### Note 11 Property, plant and equipment

	Consolidated	
	2023 \$'000	2022 \$'000
Property, Parap Rd, Parap - at cost	381	381
Less: Accumulated depreciation	(116)	(107)
	<u>265</u>	<u>274</u>
Office furniture - at cost	528	515
Less: Accumulated depreciation	(364)	(343)
	<u>164</u>	<u>172</u>
Office equipment - at cost	1,044	1,035
Less: Accumulated depreciation	(874)	(820)
	<u>170</u>	<u>215</u>
Fixtures and fittings - at cost	1,246	1,237
Less: Accumulated depreciation	(259)	(155)
	<u>987</u>	<u>1,082</u>
Computer hardware - at cost	421	392
Less: Accumulated depreciation	(320)	(283)
	<u>101</u>	<u>109</u>
<b>Total Property, plant and equipment</b>	<b><u>1,687</u></b>	<b><u>1,852</u></b>

An independent valuation of 2/25 Parap Road, Northern Territory was performed in December 2021 and valued at \$400,000. Territory Property Consultants Pty Ltd prepared the valuation. As the valuation was in excess of the written down value disclosed in the financial statements, no adjustment is necessary nor has been made within the financial statements. It is the Group's accounting policy to obtain a valuation every 5 years.

**Notes to and forming part of the financial statements**  
**Note 11 Property, plant and equipment (continued)**

**Movement in carrying amount:**

**Consolidated**

**31 December 2022**

	Opening written down value \$'000	Additions \$'000	Depreciation \$'000	Closing written down value \$'000
Property, Parap Rd Parap	283	-	(9)	274
Office furniture	148	41	(17)	172
Office equipment	234	45	(64)	215
Fixture and fittings	1,130	52	(100)	1,082
Computer hardware	69	79	(39)	109
	<u>1,864</u>	<u>217</u>	<u>(229)</u>	<u>1,852</u>

**31 December 2023**

Property, Parap Rd Parap	274	-	(9)	265
Office furniture	172	12	(20)	164
Office equipment	215	18	(63)	170
Fixture and fittings	1,082	9	(104)	987
Computer hardware	109	33	(41)	101
	<u>1,852</u>	<u>72</u>	<u>(237)</u>	<u>1,687</u>

Notes to and forming part of the financial statements

Note 12 Deferred tax assets and liabilities

Consolidated	Deferred Tax Assets		Deferred Tax Liabilities		Total	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Leases	75	79	-	-	75	79
Property, plant and equipment	-	-	(7)	(9)	(7)	(9)
Income in advance	-	81	(59)	-	(59)	81
Employee benefits	245	250	-	-	245	250
Investments	-	227	(149)	-	(149)	227
Others	-	7	(105)	-	(105)	7
Carried forward losses	-	787	-	-	-	787
<b>Total Deferred tax assets/(liabilities)</b>	<b>320</b>	<b>1,431</b>	<b>(320)</b>	<b>(9)</b>	<b>-</b>	<b>1,422</b>

Movement in temporary differences:

Consolidated	Leases \$'000	Property, plant and equipment \$'000	Income in advance \$'000	Employee benefits \$'000	Investments \$'000	Others \$'000	Carried forward losses \$'000	Total \$'000
<b>31 December 2022</b>								
Opening written down value	52	(11)	(103)	246	(584)	1	677	278
Recognised in income statement	27	2	184	4	-	6	110	333
Recognised in equity	-	-	-	-	811	-	-	811
Closing written down value	79	(9)	81	250	227	7	787	1,422
<b>31 December 2023</b>								
Opening written down value	79	(9)	81	250	227	7	787	1,422
Recognised in income statement	(4)	2	(140)	(5)	-	(112)	(787)	(1,046)
Recognised in equity	-	-	-	-	(376)	-	-	(376)
Closing written down value	75	(7)	(59)	245	(149)	(105)	-	-

A deferred tax asset has been de-recognised as at 31 December 2023. Management believes future taxable income is uncertain based on the history of tax losses and no significant changes are expected to the Group's current operations. As such, the utilisation of related tax losses cannot be predicted.

## Notes to and forming part of the financial statements

### Note 13 Leases

(i) Amounts recognised in the balance sheet

<b>Assets</b>	<b>Office premises</b>	<b>Consolidated IT equipment</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<i>Right-of-use assets</i>			
<b>31 December 2022</b>			
Opening written down value	5,407	122	5,529
Additions	-	133	133
Disposals	(140)	-	(140)
Depreciation	(1,029)	(54)	(1,083)
Closing written down value	<u>4,238</u>	<u>201</u>	<u>4,439</u>
<b>31 December 2023</b>			
Opening written down value	<b>4,238</b>	<b>201</b>	<b>4,439</b>
Additions	<b>1,391</b>	<b>10</b>	<b>1,401</b>
Depreciation	<b>(775)</b>	<b>(64)</b>	<b>(839)</b>
Closing written down value	<u><b>4,854</b></u>	<u><b>147</b></u>	<u><b>5,001</b></u>

<b>Liabilities</b>	<b>Consolidated</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<i>Lease liabilities</i>		
Current	717	885
Non-current	<u>6,134</u>	<u>5,469</u>
	<u><b>6,851</b></u>	<u><b>6,354</b></u>
<i>Make good provision</i>		
Non-current	<u>168</u>	<u>163</u>
Future lease payments in relation to lease liabilities as at period end are as follows:		
Within one year	<b>964</b>	1,063
Later than one year but not later than five years	<b>4,563</b>	3,224
Later than five years	<u><b>2,415</b></u>	<u>3,072</u>
	<u><b>7,942</b></u>	<u>7,359</u>

As at 31 December 2023, the Group has two office leases and a number of IT equipment leases.

(ii) Amounts recognised in the statement of profit or loss

Interest expense	<u>191</u>	<u>179</u>
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(iii) Amounts recognised in the statement of cash flows

Lease payments	<u>1,089</u>	<u>768</u>
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## Notes to and forming part of the financial statements

### Note 14 Trade and other payables

	Consolidated	
	2023 \$'000	2022 \$'000
Trade payables	201	168
Other payables and accruals	1,475	1,272
Income in advance	473	722
<b>Total Trade and other payables</b>	<b>2,149</b>	<b>2,162</b>

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

### Note 15 Employee benefits

#### Current

Long service leave provision	685	667
Annual leave provision	977	979
	<b>1,662</b>	<b>1,646</b>

#### Non-current

Long service leave provision	142	156
<b>Total Employee benefits</b>	<b>1,804</b>	<b>1,802</b>

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

## Notes to and forming part of the financial statements

### Note 16 Financial Instruments and Risk Management

#### Risk management

The Board of Directors, through its Audit, Risk and Performance Committee; and Finance and Investment Committee, manages the financial risks relating to the operations of the Group. The Group adopts prudent risk based management procedures. The Audit, Risk and Performance Committee oversees compliance with the Group's risk management procedures and the Finance and Investment Committee oversees financial asset management. The Group does not enter into or trade financial instruments for speculative purposes.

The Group's activities expose it to the following risks from the use of financial instruments:

#### (a) Credit risk

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted the policy of only dealing with credit worthy counter parties and obtaining sufficient collateral or other security where appropriate as a means of mitigating the risk of financial loss from defaults.

The carrying amount of the Group's financial assets represents the maximum credit exposure.

		Consolidated	
	Note	2023 \$'000	2022 \$'000
<b>Financial assets</b>			
Cash and cash equivalents	5	7,606	8,399
Trade and other receivables	6	2,257	3,500
Financial assets at amortised costs	9	1,688	500
Financial assets at fair value through other comprehensive income	9	21,994	20,731
		<u>33,545</u>	<u>33,130</u>

The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the Group's maximum exposure to credit risk.

Trade and other receivables contains an allowance for impaired assets of \$1.0 million (2022: nil) for the recoverability of the unremitted 2023 Federal membership subscriptions collected by AMA WA on behalf of AMA Limited in an agency arrangement. Please refer to Note 20 Subsequent events, for more detail. The Group does not hold any collateral in relation to these receivables.

## Notes to and forming part of the financial statements

### Note 16 Financial Instruments and Risk Management (continued)

#### (b) Market risk

Market risk is the risk that changes in market prices such as currency rates, interest rates and equity prices will affect the Group's income. The objective of market risk management is to manage and control market risk exposure within acceptable parameters whilst optimising returns.

##### (i) Interest risk

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

	Note	Consolidated	
		2023 \$'000	2022 \$'000
<b>Variable rate instruments</b>			
<i>Financial assets</i>			
Cash at bank	5	7,606	7,022
		<u>7,606</u>	<u>7,022</u>
<b>Fixed rate instruments</b>			
<i>Financial assets at amortised costs</i>			
Short term deposits			
- less than 3 months' maturity	5	-	1,377
- more than 3 months' maturity	9	1,688	500
		<u>1,688</u>	<u>1,877</u>

##### (ii) Currency risk

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign currency. To manage its currency risk arising from investments, the Group diversifies its portfolio through managed funds, assisted by external advisers and endorsed by the Board through its Finance and Investment Committee.

## Notes to and forming part of the financial statements

### Note 16 Financial Instruments and Risk Management (continued)

#### (b) Market risk (continued)

##### (iii) Price risk

Financial assets	Note	Consolidated	
		2023 \$'000	2022 \$'000
<b>Non-current assets</b>			
<i>Financial assets at fair value through other comprehensive income</i>			
Managed fund - Australian securities		16,935	15,778
Managed fund - International securities		5,059	4,953
	9	<u>21,994</u>	<u>20,731</u>

##### *Exposure*

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

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

#### (c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its normal financial obligations as they fall due. The Group manages liquidity risk by maintaining adequate reserves and banking facilities and by continuously monitoring forecast and actual cash flows.

#### (d) Fair values versus carrying amount

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

#### (e) Capital management

The Group maintains a strong funding structure so as to enable it to continue operations to promote its core objectives. The strong funding structure is maintained through the optimisation of banking facilities and the preservation of revenue.

## Notes to and forming part of the financial statements

### Note 17 Commitments

	Consolidated	
	2023 \$'000	2022 \$'000
<b>Expenditure commitment</b>		
Not later than 1 year	39	37
Later than 1 year but not later than 5 years	20	58
	<u>59</u>	<u>95</u>
<b>Commitments receivable</b>		
Not later than 1 year	67	64
Later than 1 year but not later than 5 years	69	131
	<u>136</u>	<u>195</u>

The Australian Medical Association Limited (AMA) has a Memorandum of Understanding with the Australian Medical Students' Association Limited (AMSA) and continues to provide financial support in the form of cash sponsorship, direct employment and in-kind support.

### Note 18 Directors and Executive disclosure

#### Transactions with Directors and Key Management Personnel

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

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

	Consolidated	
	2023 \$'000	2022 \$'000
Total remuneration	<u>2,940</u>	<u>3,023</u>

Apart from the details disclosed in this note, no Director has entered into a material contract with the Group since the end of the previous financial year and there were no material contracts involving Directors' interests subsisting at year end.

### Note 19 Trust funds

The Group manages monies held in trust for a number of funds. The net values of the assets of those funds are as follows:

	Consolidated	
	2023 \$	2022 \$
The Indigenous Peoples' Medical Scholarship Trust Fund	53,729	51,580
The AMA Indigenous Medical Scholarship Foundation	270,033	256,841
	<u>323,762</u>	<u>308,421</u>

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

## Notes to and forming part of the financial statements

### Note 20 Subsequent events

Since late 2022, AMA Limited has been negotiating with Australian Medical Association (WA) Incorporated (AMA WA) following its decision to cease forwarding the full amount of Federal member subscriptions collected by AMA WA on AMA Limited's behalf from 2024 onwards. As a member of AMA WA, WA members were also members of AMA Limited. During the negotiations, AMA WA notified AMA Limited that any arrangements for remission of Federal subscriptions would cease on 31 December 2023. AMA Limited entered into an interim agreement to continue to provide services to AMA WA members to resolve the substantive disagreement. This concession expired on 29 February 2024. From 1 March 2024, AMA WA members are no longer financial members of Federal AMA, and there is no longer any arrangement for Federal AMA to continue to provide services to them. There is no impact on AMA members outside of WA.

Other than the above, no other matter or circumstance has arisen since the end of the financial year to the date of this report, which has significantly affected or may significantly affect the operations of the economic entity, the results of those operations or the state of affairs of the economic entity in subsequent financial years.

### Note 21 Parent entity

As at, and throughout the financial year ended 31 December 2023, the parent company of the Group was the Australian Medical Association Limited. The following information has been extracted from the books and records of the parent and has been prepared in accordance with the accounting standards.

	2023 \$'000	2022 \$'000
<b>(a) Financial information</b>		
Earnings before interest and tax	(1,974)	(1,065)
Interest income	752	912
Loss before tax	<u>(1,222)</u>	(153)
Income tax (expense)/credit *	<u>(1,046)</u>	333
<b>(Loss)/profit for the year</b>	<b>(2,268)</b>	180
Changes in fair value of investments at fair value through other comprehensive income (net of income tax)	<u>994</u>	(2,084)
<b>Total comprehensive loss</b>	<b><u>(1,274)</u></b>	<b><u>(1,904)</u></b>

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

### Statement of financial position

#### Assets

Current assets	6,543	5,468
Non-current assets	25,118	26,720
Total assets	<u>31,661</u>	<u>32,188</u>

#### Liabilities

Current liabilities	6,008	2,263
Non-current liabilities	5,158	8,157
Total liabilities	<u>11,166</u>	<u>10,420</u>

## Notes to and forming part of the financial statements

### Note 21 Parent entity (continued)

#### (a) Financial information (continued)

##### Equity

Retained earnings	20,067	22,334
Reserve	428	(566)
Total equity	<u>20,495</u>	<u>21,768</u>

#### (b) Other commitments

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

#### (c) Contingent liabilities

There are no contingent liabilities at the reporting date.

### Note 22 Related party transactions

#### Subsidiaries

Interests in subsidiaries are set out below.

	Consolidated	
	2023	2022
<i>Parent entity</i>	\$	\$
Australian Medical Association Limited	n/a	n/a
<i>Controlled entities</i>		
Australasian Medical Publishing Company Proprietary Limited	1	1
AMA Pty Limited	2	2
AMA NT Pty Ltd	1	1
Doctors Health Services Pty Ltd	1	1
	<u>5</u>	<u>5</u>

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in Note 1.

<i>Name of entity</i>	<b>Class of shares</b>	Equity holding	
		2023	2022
		%	%
Australasian Medical Publishing Company Proprietary	Ordinary	100	100
AMA Pty Limited	Ordinary	100	100
AMA NT Pty Ltd	Ordinary	100	100
Doctors Health Services Pty Ltd	Ordinary	<u>100</u>	<u>100</u>

## **Notes to and forming part of the financial statements**

### **Note 22 Related party transactions (continued)**

The parent entity, the Australian Medical Association Limited, is a company limited by guarantee, incorporated and domiciled in Australia. The registered office of the Company is Level 1, 39 Brisbane Avenue, Barton ACT 2600. The Company promotes the interests of the medical profession in the medico political arena and also in the more general sphere, advocates for patient health and the health of the community.

Australasian Medical Publishing Company Proprietary Limited is a company limited by shares, incorporated and domiciled in Australia. The registered office of this company is Level 19, Town Hall House, 456 Kent St, Sydney NSW 2000. This company publishes the Medical Journal of Australia and maintains and operates a comprehensive database containing both member and non-member information.

AMA Pty Limited is a company limited by shares, incorporated and domiciled in Australia. The registered office of this company is Level 1, 39 Brisbane Avenue, Barton ACT 2600. This company acts as trustee for the Indigenous Peoples' Medical Scholarship Trust Fund and the AMA Indigenous Medical Scholarship Foundation.

AMA NT Pty Ltd is a company limited by shares, incorporated and domiciled in Australia. The registered office of this company is Level 1, 39 Brisbane Avenue, Barton ACT 2600. This company purchased a commercial property in Darwin, Northern Territory on 1 February 2011 and provided services to members of the AMA in the Northern Territory from 1 November 2011.

Doctors Health Services Pty Ltd is a company limited by shares, incorporated and domiciled in Australia. The registered office of this company is Level 1, 39 Brisbane Avenue, Barton, ACT 2600. This company manages the delivery of health services for medical practitioners and medical students.



## Directors' Declaration

In the directors' opinion:

- 1) the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Simplified Disclosures, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- 2) the attached financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the financial year ended on that date;
- 3) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable; and

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



**Dr Kate Kearney**

Chair

Australian Medical Association Limited



**Professor Steve Robson**

President

Australian Medical Association Limited



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## AUDITOR'S INDEPENDENCE DECLARATION UNDER S307C OF THE CORPORATIONS ACT 2001 TO MEMBERS OF AUSTRALIAN MEDICAL ASSOCIATION LIMITED AND CONTROLLED ENTITIES

As lead auditor of Australian Medical Association Limited and Controlled Entities, I declare that, to the best of my knowledge and belief, during the year ended 31 December 2023 there have been no contraventions of:

- i. the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'Sart Spinks'.

Sart Spinks, CA  
Registered Company Auditor  
BellchambersBarrett

Canberra, ACT  
Dated this 23<sup>rd</sup> day of April 2024

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUSTRALIAN MEDICAL ASSOCIATION LIMITED AND CONTROLLED ENTITIES

## Report on the Audit of the Financial Report

### Opinion

We have audited the accompanying financial report of Australian Medical Association Limited and Controlled Entities (the Group), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

- (i) giving a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the year then ended; and
- (ii) complying with Australian Accounting Standards – AASB 1060: *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and the *Corporations Regulations 2001*.

### Basis for Opinion

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

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

### Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information comprising the information included in the annual report for the year ended 31 December 2023 but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the Directors for the Financial Report

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

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUSTRALIAN MEDICAL ASSOCIATION LIMITED AND CONTROLLED ENTITIES

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

Those charged with governance are responsible for overseeing the registered entity's financial reporting process.

### **Auditor's Responsibility for the Audit of the Financial Report**

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Sart Spinks, CA  
Registered Company Auditor  
BellchambersBarrett