

**THE ROYAL AUSTRALASIAN COLLEGE  
OF MEDICAL ADMINISTRATORS  
A.B.N. 39 004 688 215**

**FINANCIAL REPORT  
FOR THE YEAR ENDED  
30 JUNE 2009**

**THE ROYAL AUSTRALASIAN COLLEGE  
OF MEDICAL ADMINISTRATORS  
A.B.N. 39 004 688 215**

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**THE ROYAL AUSTRALASIAN COLLEGE  
OF MEDICAL ADMINISTRATORS  
A.B.N. 39 004 688 215**

**COUNCILLORS' REPORT**

Your Councillors present their report on the College for the financial year ended 30 June 2009.

The names of the members of the Council in office at any time during, or since the end of the year are:

Prof Gavin Frost  
Dr David Rankin  
Dr Roger Boyd  
Dr John Menzies  
Dr Lee Gruner  
Dr Kim Hill retired 28 October 2008  
Dr Philip Montgomery retired 28 October 2008  
Dr Richard Ashby  
A/Prof Beth Kotze retired 14 August 2008  
Dr Rod Lambert  
Dr Robyn Lawrence  
Dr Erwin Loh retired February 2009  
Dr Helen McArdle  
Dr Andre Nel  
Dr Mark Platell  
A/Prof Wayne Ramsey  
Dr Bernard Street  
Dr Susan Svilans retired 28 October 2008  
Dr Bruce Swanson retired 28 October 2008  
Dr D Kasap  
Dr S Tideman  
Dr M Naidoo appointed April 2009

Councillors have been in office since the start of the financial year to the date of this report unless otherwise stated.

The profit of the College for the financial year after providing for income tax amounted to \$73,533.

No significant changes in the College's state of affairs occurred during the financial year.

The principal activities of the College during the financial year were Medical Administration Education.

No significant change in the nature of these activities occurred during the year.

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

Likely developments in the operations of the College and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the College.

The College's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

In accordance with its Constitution, the College is prohibited from declaring any form of dividend in favour of its members.

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an auditor of the College.

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**COUNCILLORS' REPORT**

During the financial year the College has paid premiums to insure the Councillors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Councillor of the College, other than conduct involving wilful breach of duty in relation to the College. The amount of the premium was \$2,457.

No person has applied for leave of Court to bring proceedings on behalf of the College or intervene in any proceedings to which the College is a party for the purpose of taking responsibility on behalf of the College for all or any part of those proceedings.

The College was not party to any such proceeding during the year.

**Council Meetings and Attendance**

	<b>Council Meetings</b>		<b>Executive Meetings</b>	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Prof Gavin Frost	7	6	7	6
Dr David Rankin	7	7	7	7
Dr Roger Boyd	7	6	7	7
Dr John Menzies	7	6	7	7
Dr Lee Gruner	7	7	7	7
Dr Kim Hill	3	3	2	2
Dr Philip Montgomery	3	3	2	1
Dr Richard Ashby	7	7		
A/Prof Beth Kotze	0	0		
Dr Rod Lambert	7	2		
Dr Robyn Lawrence	7	6		
Dr Erwin Loh	5	4		
Dr Helen McArdle	7	6		
Dr Andre Nel	7	6		
Dr Mark Platell	7	2		
A/Prof Wayne Ramsey	7	4		
Dr Bernard Street	7	7	5	5
Dr Susan Svilans	3	0		
Dr Bruce Swanson	3	0		
Dr D Kasap	5	4	5	4
Dr S Tideman	4	2		
Dr M Naidoo	2	1		

**THE ROYAL AUSTRALASIAN COLLEGE  
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**COUNCILLORS' REPORT**

**Auditors' Independence Declaration**

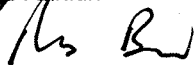
A copy of the auditors' independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 4.

Signed in accordance with a resolution of the Members of the Council

Councillor: \_\_\_\_\_

  
Dr David Rankin

Councillor: \_\_\_\_\_

  
Dr Roger Boyd

Dated this 21<sup>st</sup> day of AUGUST 2009

**AUDITORS' INDEPENDENCE DECLARATION  
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001  
TO THE COUNCILLORS OF  
THE ROYAL AUSTRALASIAN COLLEGE  
OF MEDICAL ADMINISTRATORS**

We hereby declare, that to the best of our knowledge and belief, during the financial year ended 30 June 2009 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

**Name of Firm:**

  
**MORTON WATSON & YOUNG**

Chartered Accountants

**Name of Partner:**

  
\_\_\_\_\_  
**GRAEME A. HALLAM, F.C.A.**

**Address:**

51 Robinson Street, Dandenong Vic 3175

Dated this 21 day of August 2009

**THE ROYAL AUSTRALASIAN COLLEGE  
OF MEDICAL ADMINISTRATORS  
A.B.N. 39 004 688 215**

**INCOME STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2009**

	Note	2009 \$	2008 \$
Revenue	2	971,939	740,171
Other revenue	2	-	1,108,927
		<u>971,939</u>	<u>1,849,098</u>
Administration expenses		(225,855)	(285,007)
Member services		(113,577)	(93,995)
Employment expenses	3	(360,836)	(298,494)
Conference, seminar & meeting expenses		(127,951)	(89,992)
Occupancy expenses		<u>(70,187)</u>	<u>(51,938)</u>
<b>Profit before income tax</b>	<b>3</b>	<b>73,533</b>	<b>1,029,672</b>
Income tax expense		-	-
<b>Profit attributable to the association</b>		<u><u>73,533</u></u>	<u><u>1,029,672</u></u>

The accompanying notes form part of these financial statements.

**THE ROYAL AUSTRALASIAN COLLEGE  
OF MEDICAL ADMINISTRATORS  
A.B.N. 39 004 688 215**

**BALANCE SHEET  
AS AT 30 JUNE 2009**

	Note	2009 \$	2008 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	882,815	664,393
Trade and other receivables	5	317,097	44,013
Financial assets	6	1,542,668	1,575,639
<b>TOTAL CURRENT ASSETS</b>		<u>2,742,580</u>	<u>2,284,045</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	7	26,894	34,072
<b>TOTAL NON-CURRENT ASSETS</b>		<u>26,894</u>	<u>34,072</u>
<b>TOTAL ASSETS</b>		<u>2,769,474</u>	<u>2,318,117</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	8	169,213	135,225
Provisions	9	29,411	15,722
Other current liabilities	10	679,212	342,962
<b>TOTAL CURRENT LIABILITIES</b>		<u>877,836</u>	<u>493,909</u>
<b>TOTAL LIABILITIES</b>		<u>877,836</u>	<u>493,909</u>
<b>NET ASSETS</b>		<u>1,891,638</u>	<u>1,824,208</u>
<b>EQUITY</b>			
Special Funds	11	87,291	93,927
Reserves	12	-	-
Retained earnings	13	1,804,347	1,730,281
<b>TOTAL EQUITY</b>		<u>1,891,638</u>	<u>1,824,208</u>

The accompanying notes form part of these financial statements.



**THE ROYAL AUSTRALASIAN COLLEGE  
OF MEDICAL ADMINISTRATORS  
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**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2009**

	2009 \$	2008 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from members	613,271	520,484
Conferences, sponsorship & other receipts	189,290	162,223
Interest received	128,879	66,628
Payment to suppliers & employees	(848,703)	(711,784)
Grant income	6,242	18,499
<b>Net cash provided by operating activities</b>	<u>88,979</u>	<u>56,050</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of property	-	1,185,200
Proceeds from investments	33,982	-
Payments for equipment	(3,603)	(21,881)
Payments for investments	-	(1,130,456)
<b>Net cash provided by investing activities</b>	<u>30,379</u>	<u>32,863</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Fees received in advance	99,064	150,361
<b>Net cash provided by financing activities</b>	<u>99,064</u>	<u>150,361</u>
Net increase in cash held	218,422	239,274
Cash at beginning of financial year	<u>664,393</u>	<u>425,119</u>
Cash at end of financial year	<u><u>882,815</u></u>	<u><u>664,393</u></u>

The accompanying notes form part of these financial statements.

**THE ROYAL AUSTRALASIAN COLLEGE  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2009**

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**1 Statement of Significant Accounting Policies**

**Basis of Preparation**

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

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

**Accounting Policies**

**State/Territory/New Zealand Committees**

The operating results of the State/Territory/New Zealand Committees have been incorporated in the financial report.

**Income Tax**

The College is exempt from income tax and therefore no income tax expense or liability for income tax is shown in the financial report.

**Property, Plant and Equipment**

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

**Plant and equipment**

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

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

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

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

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**NOTES TO THE FINANCIAL STATEMENTS  
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**Depreciation**

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over the asset

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

Class of Fixed Asset	Depreciation Rate
Plant and equipment	10% to 30%

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

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

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

**Financial Instruments**

**Initial Recognition and Measurement**

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

Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expenses to profit or loss immediately.

**Classification and Subsequent Measurement**

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, prices quoted in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

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

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

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

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

(ii) Loans and receivables

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

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the college's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

(iv) Available-for-sale financial assets

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

(v) Financial liabilities

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

**Fair value**

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

**THE ROYAL AUSTRALASIAN COLLEGE  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**Impairment**

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

**Impairment of Assets**

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

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

**Employee Benefits**

Provision is made for the college's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Those cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows.

**Provisions**

Provisions are recognised when the college has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions recognised represent the best estimate of the amounts required to settle the obligation at reporting date.

**Cash and Cash Equivalents**

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

**Special Funds**

The income and expenses from the special funds accounts have been included in the balance sheet to correctly show the total income and expenditure for the year.

**THE ROYAL AUSTRALASIAN COLLEGE  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**Revenue and Other Income**

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at reporting date and where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

**Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

**Comparative Figures**

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

**THE ROYAL AUSTRALASIAN COLLEGE  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2009**

	2009 \$	2008 \$
<b>2 Revenue</b>		
<b>Operating activities</b>		
Dividends received	1,112	1,112
Interest received	128,879	66,628
Membership Fees	541,309	407,452
Candidates Fees	108,869	85,368
Sponsorship, Distributions & Advertising	36,304	66,459
Seminar, Course & Meeting Income	58,615	56,401
Conference Income	15,455	31,407
AMC Levy	-	4,325
Workshop Income	67,210	-
GST Adjustments	776	-
Grant Income	6,242	18,499
Sundry Income	10,611	3,074
Rent Received	-	3,626
Movement in Net Market Values		
Bernard Nicholson Prize Fund Shares	(3,443)	(4,180)
<b>Total operating revenue</b>	<u>971,939</u>	<u>740,171</u>
<b>Non-operating activities</b>		
Profit on Sale of Non-current Assets	-	1,108,927
<b>Total non-operating revenue</b>	<u>-</u>	<u>1,108,927</u>
<b>Total Income</b>	<u>971,939</u>	<u>1,849,098</u>
<b>3 Profit</b>		
<b>Expenses</b>		
Depreciation of property, plant and equipment	10,781	9,782
Bad Debts Written Off	-	34,919
Auditor's Remuneration		
Audit of the Accounts	12,050	11,250
<b>4 Cash and Cash Equivalents</b>		
State Committees Bank Accounts	68,704	34,851
Support Scheme for Rural Specialists ANZ V2 Plus A/c	-	35,453
ANZ V2 Plus AMC Levy Account	21,760	20,405
National Bank Cheque Account	206,728	92,340
National Australia Bank EFT Account	37,122	34,424
National Australia Bank Business Cash Maximiser Account	533,806	446,920
Macquarie Bank Rental Bond Account	14,695	-
	<u>882,815</u>	<u>664,393</u>

**THE ROYAL AUSTRALASIAN COLLEGE  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2009**

	2009	2008
	\$	\$
<b>Reconciliation of cash</b>		
Cash at the end of the financial year as shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:		
Cash at bank	243,850	126,764
At call deposits	570,261	502,778
Cash at bank State Committees	68,704	34,851
	<u>882,815</u>	<u>664,393</u>
<b>5 Trade and Other Receivables</b>		
<b>Current</b>		
AMC Levy Debtors	2,051	-
Membership Debtors	332,952	53,102
Less: Provision for Doubtful Debts	(18,000)	(18,000)
Other Debtors	94	8,911
	<u>317,097</u>	<u>44,013</u>
The college does not hold any financial assets whose terms have been renegotiated, but which would otherwise be past due or impaired.		
<b>6 Financial Assets</b>		
<b>Current</b>		
Term Deposits	1,444,487	1,466,888
Bernard Nicholson Prize Fund		
Bernard Nicholson Fund Shares	22,982	26,425
Sir Raphael Cilento Oration Fund		
Cilento Oration Fund Bank A/c	-	(8)
Cilento Oration Fund Term Deposit	9,578	9,333
New South Wales Education Fund		
NSW Education Fund Bank A/c	27,333	31,441
Western Australian Education Fund		
WA Education Fund Bank A/c	23,955	28,060
Victoria State Committee Term Deposit	14,333	13,500
	<u>1,542,668</u>	<u>1,575,639</u>



**THE ROYAL AUSTRALASIAN COLLEGE  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2009**

	2009 \$	2008 \$
<b>7 Property, Plant and Equipment</b>		
<b>Plant and Equipment:</b>		
At cost	150,968	147,365
Accumulated depreciation	(124,074)	(113,293)
<b>Total Plant and Equipment</b>	<b>26,894</b>	<b>34,072</b>

**Movements in Carrying Amounts**

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

	Freehold Land \$	Buildings \$	Plant and Equipment \$	Leased Plant and Equipment \$	Total \$
Balance at 1 July 2008	-	-	147,365	-	147,365
Additions	-	-	3,603	-	3,603
Depreciation expense	-	-	(124,074)	-	(124,074)
Carrying amount at 30 June 2009	-	-	26,894	-	26,894

**8 Trade and Other Payables**

**Current**

Creditors & Accruals	124,965	104,883
Other Creditors	-	1,302
Amounts Withheld from Wages	12,592	8,264
GST Payable	31,656	20,776
	<b>169,213</b>	<b>135,225</b>

**9 Provisions**

Provision for Annual Leave	29,411	15,722
<b>Total provisions</b>	<b>29,411</b>	<b>15,722</b>

**Analysis of Total Provisions**

Current	29,411	15,722
	<b>29,411</b>	<b>15,722</b>

**THE ROYAL AUSTRALASIAN COLLEGE  
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A.B.N. 39 004 688 215**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2009**

	2009 \$	2008 \$
<b>10 Other Liabilities</b>		
<b>Current</b>		
Income in Advance	678,203	342,962
Monies Held in Trust	1,009	-
	<u>679,212</u>	<u>342,962</u>
<b>11 Special Funds</b>		
<b>Bernard Nicholson Prize Fund</b>		
Opening Balance	26,425	30,605
Transfer from (to) Retained Funds	-	(4,180)
	<u>26,425</u>	<u>26,425</u>
<b>Sir Raphael Cilento Oration Fund</b>		
Opening Balance	9,325	8,931
Transfer from (to) Retained Funds	253	394
	<u>9,578</u>	<u>9,325</u>
<b>NSW Administration Course &amp; Education Fund</b>		
Opening Balance	30,117	31,674
Transfer from (to) Retained Funds	(2,784)	(1,557)
	<u>27,333</u>	<u>30,117</u>
<b>Western Australian Education Course</b>		
Opening Balance	28,060	30,174
Transfer from (to) Retained Funds	1,997	(2,114)
Transfer from (to) State Funds	(6,102)	-
	<u>23,955</u>	<u>28,060</u>
	<u>87,291</u>	<u>93,927</u>
<b>12 Reserves</b>		
<b>Asset Revaluation Reserve</b>		
Opening Balance	-	673,727
Write back of Revaluation on sale of property	-	(673,727)
	<u>-</u>	<u>-</u>
<b>13 Retained Earnings</b>		
Retained earnings at the beginning of the financial year	1,730,280	693,152
Net profit attributable to members of the College	73,533	1,029,672
Transfer To Reserves	(2,250)	-
Transfer from Special Funds	2,784	7,457
Retained earnings at the end of the financial year	<u>1,804,347</u>	<u>1,730,281</u>

**THE ROYAL AUSTRALASIAN COLLEGE  
OF MEDICAL ADMINISTRATORS  
A.B.N. 39 004 688 215**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2009**

	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
<hr/>		
<b>14 Related Party Transactions</b>		
Councillors, Dr Lee Gruner received \$4,500 and Dr Bernard Street \$8,400 for work performed for the College.		
 <b>15 Cash Flow Information</b>		
<b>Reconciliation of Cash Flow from Operations with Profit after Income Tax</b>		
Profit after income tax	73,533	1,029,672
<b>Non-cash flows in profit:</b>		
Profit on sale of non-current assets	-	(1,108,927)
Depreciation	10,781	9,782
Charges to provisions	13,690	8,669
 <b>Changes in assets and liabilities</b>		
(Increase) Decrease in current receivables	(36,907)	27,663
Increase (Decrease) in payables	27,882	89,191
	<u>88,979</u>	<u>56,050</u>

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2009                      2008  
\$                              \$

**16 Financial Risk Management**

The college's financial instruments consists mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, loans to and from subsidiaries, bills and leases.

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

	2009	2008
	\$	\$
<b>Financial Assets</b>		
Cash at Bank	243,850	126,763
Short term deposits	1,978,293	1,913,808
ANZ V2 Plus Account	21,760	55,858
Loans and receivables	317,097	44,013
State Committees Term Deposits	75,199	82,332
State Committees Cash at Bank	68,704	34,851
<b>Total Financial Assets</b>	<u>2,704,903</u>	<u>2,257,625</u>
<b>Financial Liabilities</b>		
Bank overdraft secured	-	-
Bank loan secured	-	-
Trade and other payables	169,214	135,225
Amounts payable related parties	-	-
Lease liabilities	-	-
<b>Total Financial Liabilities</b>	<u>169,214</u>	<u>135,225</u>

**Financial Risk Management Policies**

The college does not have any derivative instruments at 30 June 2009.

**THE ROYAL AUSTRALASIAN COLLEGE  
OF MEDICAL ADMINISTRATORS  
A.B.N. 39 004 688 215**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2009**

		2009 \$	2008 \$		
	<b>Weighted Average Effective Interest Rate</b>	<b>2009 \$</b>	<b>2008 \$</b>		
	%				
<b>Floating Rate Instruments</b>					
Cash at Bank	1.4	243,850	126,763		
Short term deposits	7.4	1,978,293	1,913,808		
ANZ V2 Plus Account	5.8	21,760	55,858		
Loans and receivables	-	-	-		
State Committees Term Deposits	4.8	75,199	82,332		
State Committees Cash at Bank	1.7	68,704	34,851		
<b>Total floating rate financial assets</b>		<u>2,387,806</u>	<u>2,213,612</u>		
Bank overdraft secured	-	-	-		
Bank loan secured	-	-	-		
Trade and other payables	-	-	-		
Amounts payable related parties	-	-	-		
Lease liabilities	-	-	-		
<b>Total floating rate financial liabilities</b>		<u>-</u>	<u>-</u>		
<b>30 June, 2009</b>					
	<b>Weighted Average Effective Interest Rate</b>	<b>Fixed Interest Rate Maturing</b>		<b>Non Interest Bearing</b>	<b>Total</b>
	%	<b>Within 1 Year</b>	<b>1 to 5 Years</b>		
		\$	\$	\$	\$
<b>Financial assets - cash flows realisable</b>					
Loans and receivables		-	-	317,097	317,097
<b>Total anticipated inflows</b>		<u>-</u>	<u>-</u>	<u>317,097</u>	<u>317,097</u>
<b>Financial liabilities due for payment</b>					
Trade and other payables		-	-	169,214	169,214
<b>Total expected outflows</b>		<u>-</u>	<u>-</u>	<u>169,214</u>	<u>169,214</u>
<b>Net (outflow)/inflow on financial instruments</b>		<u>-</u>	<u>-</u>	<u>147,883</u>	<u>147,883</u>

**THE ROYAL AUSTRALASIAN COLLEGE  
OF MEDICAL ADMINISTRATORS  
A.B.N. 39 004 688 215**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2009**

			2009 \$	2008 \$
<b>30 June, 2008</b>	<b>Weighted Average Effective Interest Rate</b>	<b>Fixed Interest Rate Maturing</b>		
	%	Within 1 Year      1 to 5 Years	Non Interest Bearing	Total
		\$                      \$	\$	\$
<b>Financial assets - cash flows realisable</b>				
Loans and receivables		-                      -	44,013	44,013
<b>Total anticipated inflows</b>		-                      -	44,013	44,013
<b>Financial liabilities due for payment</b>				
Trade and other payables		-                      -	(135,225)	(135,225)
<b>Total expected outflows</b>		-                      -	135,225	135,225
<b>Net (outflow)/inflow on financial instruments</b>		-                      -	(91,212)	(91,212)

**Net Fair Values**

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the balance sheet. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgment and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted market bid prices. Where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

**THE ROYAL AUSTRALASIAN COLLEGE  
OF MEDICAL ADMINISTRATORS  
A.B.N. 39 004 688 215**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2009**

	2009		2008	
	\$		\$	
	<b>2009</b>		<b>2008</b>	
	<b>Carrying Amount</b>	<b>Net Fair Value</b>	<b>Carrying Amount</b>	<b>Net Fair Value</b>
	\$	\$	\$	\$
<b>Financial Assets</b>				
Cash at Bank	243,850	243,850	126,763	126,763
Short term deposits	1,978,293	1,978,293	1,913,808	1,913,808
ANZ V2 Plus Account	21,760	21,760	55,858	55,858
Loans and receivables	317,097	317,097	44,013	-
State Committees Term Deposits	75,199	75,199	82,332	82,332
State Committees Cash at Bank	68,704	68,704	34,851	34,851
<b>Total Financial Assets</b>	<b>2,704,903</b>	<b>2,704,903</b>	<b>2,257,625</b>	<b>2,213,612</b>
<b>Financial Liabilities</b>				
Trade and other payables	169,214	169,214	135,225	135,225
<b>Total Financial Liabilities</b>	<b>169,214</b>	<b>169,214</b>	<b>135,225</b>	<b>135,225</b>

**17 Company Details**

**The registered office of the company is:**

The Royal Australasian College  
of Medical Administrators  
10/1 Milton Parade  
Malvern Vic 3144

**THE ROYAL AUSTRALASIAN COLLEGE  
OF MEDICAL ADMINISTRATORS  
A.B.N. 39 004 688 215**

**COUNCILLORS' DECLARATION**

The Councillors of the College declare that:

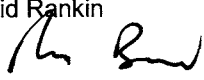
1. The financial statements and notes, as set out on pages 1 to 21, are in accordance with the Corporations Act 2001:
  - (a) comply with Australian Accounting Standards and the Corporations Regulations 2001; and
  - (b) give a true and fair view of the financial position as at 30 June 2009 and of the performance for the year ended on that date of the college; and
2. In the councillors' opinion there are reasonable grounds to believe that the college will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Council.

Councillor: \_\_\_\_\_

  
Dr David Rankin

Councillor: \_\_\_\_\_

  
Dr Roger Boyd

Dated this 21<sup>st</sup> day of AUGUST 2009



**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF THE ROYAL AUSTRALASIAN COLLEGE  
OF MEDICAL ADMINISTRATORS  
A.B.N. 39 004 688 215**

**Report on the Financial Report**

We have audited the accompanying financial report of The Royal Australasian College of Medical Administrators which comprises the balance sheet as at 30 June 2009, and the income statement and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the councillors' declaration.

**Councillors' Responsibility for the Financial Report**

The councillors of the College are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the councillors also state, in accordance with Accounting Standard AASB 101: "Presentation of Financial Statements", that compliance with the Australian equivalents to International Financial Reporting Standards (IFRS) ensures that the financial report, comprising the financial statements and notes, complies with IFRS.

**Auditors' Responsibility**

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

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

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

**Independence**

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the councillors of The Royal Australasian College of Medical Administrators would be in the same terms if provided to the councillors as at the date of this auditors' report.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF THE ROYAL AUSTRALASIAN COLLEGE  
OF MEDICAL ADMINISTRATORS  
A.B.N. 39 004 688 215**

**Auditors' Opinion**


In our opinion:

- (a) the financial report of The Royal Australasian College of Medical Administrators is in accordance with the Corporations Act 2001, including:
  - (i) giving a true and fair view of the College's financial position as at 30 June 2009 and of its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.
- (b) The financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

**Name of Firm:**

  
**MORTON WATSON & YOUNG**  
Chartered Accountants

**Name of Partner:**

  
\_\_\_\_\_  
GRAEME A. HALLAM, F.C.A.

**Address:**

51 Robinson Street, Dandenong Vic 3175

**Dated this**

**day of**