

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

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2011**

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

DIRECTORS' REPORT

Your directors present their report on the College for the financial year ended 30 June 2011.

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

Dr R Boyd
Dr R Ashby
Dr D Kasap
Dr L Gruner
Dr R Lawrence
Dr A Johnson
Dr M Walsh
Dr W Hsueh
Dr E Pedagogos

Directors 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 \$641,732.

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.

During the financial year the College has paid premiums to insure the directors 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 a director of the College, other than conduct involving wilful breach of duty in relation to the College.

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.

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

DIRECTORS' REPORT

Directors Meetings and Attendance

Directors Meetings

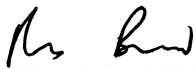
	Number eligible to attend	Number attended
Dr R Boyd	10	10
Dr R Ashby	10	8
Dr D Kasap	10	10
Dr L Gruner	10	6
Dr R Lawrence	10	8
Dr A Johnson	10	7
Dr M Walsh	10	7
Dr W Hsueh	10	6
Dr E Pedagogos	10	6

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 3.

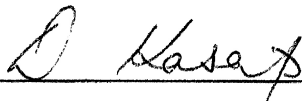
Signed in accordance with a resolution of directors

Director:



Dr R Boyd

Director:



Dr D Kasap

Dated this 16 day of September 2011

**AUDITORS' INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS 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 2011 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 **day of**

**THE ROYAL AUSTRALASIAN COLLEGE
OF MEDICAL ADMINISTRATORS
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**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2011**

	Note	2011 \$	2010 \$
Revenue	2	1,829,749	1,059,717
		<u>1,829,749</u>	<u>1,059,717</u>
Administration expenses		(290,991)	(216,463)
Bad and doubtful debts		-	(27,000)
Member services		(76,373)	(76,526)
Employment expenses	3	(627,537)	(449,401)
Conference, seminar & meeting expenses		(181,049)	(133,217)
Occupancy expenses		<u>(12,067)</u>	<u>(71,180)</u>
Profit before income tax	3	641,732	85,930
Income tax expense		<u>-</u>	<u>-</u>
Profit for the year		<u><u>641,732</u></u>	<u><u>85,930</u></u>
Other comprehensive income:			
Net gain on revaluation of non-current assets		-	-
Net gain (loss) on revaluation of financial assets		-	-
Other comprehensive income for the year		-	-
Total comprehensive income for the year		-	-
Profit attributable to members of the entity		<u>641,732</u>	<u>85,930</u>
Total comprehensive income attributable to members of the entity		<u><u>641,732</u></u>	<u><u>85,930</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**

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2011**

	Note	2011 \$	2010 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	1,559,993	637,190
Trade and other receivables	5	6,955,958	454,929
Financial assets	6	1,086,989	1,053,627
TOTAL CURRENT ASSETS		<u>9,602,940</u>	<u>2,145,746</u>
NON-CURRENT ASSETS			
Property, plant and equipment	7	779,932	782,812
TOTAL NON-CURRENT ASSETS		<u>779,932</u>	<u>782,812</u>
TOTAL ASSETS		<u>10,382,872</u>	<u>2,928,558</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	699,141	203,954
Provisions	9	74,745	38,613
Other current liabilities	10	6,983,300	702,036
TOTAL CURRENT LIABILITIES		<u>7,757,186</u>	<u>944,603</u>
TOTAL LIABILITIES		<u>7,757,186</u>	<u>944,603</u>
NET ASSETS		<u>2,625,686</u>	<u>1,983,955</u>
EQUITY			
Special Funds	11	86,606	84,651
Retained earnings	12	2,539,080	1,899,304
TOTAL EQUITY		<u>2,625,686</u>	<u>1,983,955</u>

The accompanying notes form part of these financial statements.

**THE ROYAL AUSTRALASIAN COLLEGE
OF MEDICAL ADMINISTRATORS
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**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2011**

Note	Retained earnings \$	Bernard Nicholson Prize Fund \$	Sir Raphael Cilento Oration Fund \$	NSW Administratio n Course & Education Fund \$	Western Australian Education Course \$	Total \$
Balance at 1 July 2009	1,810,734	26,425	9,578	27,333	23,955	1,898,025
Transfer from (to) Retained Funds						
11		-	221	(4,012)	1,151	(2,640)
Profit attributable to members	85,930					85,930
Transfers to						
Sir Raphael Cilento Oration Fund	(221)					(221)
Western Australian Education Course	(1,151)					(1,151)
Transfers from						
NSW Administration Course & Education Fund	4,012					4,012
Balance at 30 June 2010	1,899,304	26,425	9,799	23,321	25,106	1,983,955
Profit attributable to members	641,732					641,732
Transfer from (to) Retained Funds	(1,538)	(1,538)	588	1,399	1,506	417
Bernard Nicholson Prize Fund	2,597					2,597
Balance at 30 June 2011	2,542,095	24,887	10,387	24,720	26,612	2,625,687

The accompanying notes form part of these financial statements.

**THE ROYAL AUSTRALASIAN COLLEGE
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**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2011**

	2011	2010
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from members	(5,236,953)	586,267
Conferences, sponsorship & other receipts	410,584	225,116
Interest received	117,817	46,308
Payment to suppliers & employees	(633,608)	(889,939)
Grant income	37,273	36,855
Net cash provided by (used in) operating activities	<u>(5,304,887)</u>	<u>4,607</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from investments	(34,371)	489,039
Payments for property	-	(765,100)
Payments for equipment	(13,810)	(4,495)
Payments for gowns	(6,400)	-
Net cash used in investing activities	<u>(54,581)</u>	<u>(280,556)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Fees received in advance	6,282,271	22,824
Net cash provided by financing activities	<u>6,282,271</u>	<u>22,824</u>
Net increase (decrease) in cash held	922,803	(253,125)
Cash at beginning of financial year	637,190	890,315
Cash at end of financial year	<u>1,559,993</u>	<u>637,190</u>

The accompanying notes form part of these financial statements.

**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 2011**

1 Statement of Significant Accounting Policies

These financial statements are for The Royal Australasian College of Medical Administrators as an individual entity, incorporated in Australia. The Royal Australasian College of Medical Administrators is a company limited by guarantee.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

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

Accounting Policies

State/Territory/New Zealand Committees

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

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 statements.

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. For this purpose, deferred consideration is not discounted to present values when recognising 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.

**THE ROYAL AUSTRALASIAN COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

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.

Property

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

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the income statement.

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

Plant and equipment

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

The carrying amount of plant and equipment is reviewed annually by 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.

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets is depreciated on a diminishing value basis over the asset's useful life commencing from the time the asset is held ready for use.

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

Class of Fixed Asset	Depreciation Rate
Plant and equipment	10% to 50%
Buildings	2.5%

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

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.

Fair value

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

Impairment

At 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.

**THE ROYAL AUSTRALASIAN COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

Foreign Currency Transactions and Balances

Functional and presentation currency

The functional currency of the entity is measured using the currency of the primary economic environment in which that entity operates. The financial statements are presented in Australian dollars which is the college's functional and presentation currency.

Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the income statement, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the income statement.

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.

**THE ROYAL AUSTRALASIAN COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

Cash and Cash Equivalents

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

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 statement of financial position are shown inclusive of GST.

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

Special Funds

The income and expenses from the special funds accounts have been included in the statement of financial position to correctly show the total income and expenditure for the year.

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 2011**

	2011 \$	2010 \$
2 Revenue		
Operating activities		
Dividends received	1,112	1,112
Interest received	117,817	46,308
Membership Fees	644,998	530,209
Candidates Fees	166,767	216,044
Sponsorship, Distributions & Advertising	36,550	33,031
Seminar, Course & Meeting Income	180,229	46,796
Conference Income	43,024	16,149
AMC Levy	(94)	(91)
Workshop Income	220,622	75,891
Project Income	310,034	53,350
Grant Income	37,273	36,855
Sundry Income	70,358	3,201
Unrealised Foreign Currency Exchange Profit (Loss)	-	16
Movement in Net Market Values		
Bernard Nicholson Prize Fund Shares	1,059	846
Total operating revenue	<u>1,829,749</u>	<u>1,059,717</u>
Total Income	<u>1,829,749</u>	<u>1,059,717</u>
3 Profit		
Expenses		
Depreciation of property, plant and equipment	23,090	13,676
Foreign currency translation losses	-	(16)
Doubtful Debts	-	27,000
Increase (decrease) in :		
Holiday Pay Provision	30,819	(2,152)
Long Service Leave Provision	5,313	11,354
Auditor's Remuneration		
Audit of the Accounts	13,050	11,550
4 Cash and Cash Equivalents		
State Committees Bank Accounts	814	88,550
ANZ V2 Plus AMC Levy Account	23,089	22,287
National Bank Cheque Account	471,815	306,272
National Australia Bank EFT Account	8,777	4,682
National Australia Bank Business Cash Maximiser Account	630,554	215,399
National Australia Bank STP Account	424,944	-
	<u>1,559,993</u>	<u>637,190</u>

**THE ROYAL AUSTRALASIAN COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

	2011	2010
	\$	\$
Reconciliation of cash		
Cash at the end of the financial year as shown in the cash flow statement is reconciled to the related items in the statement of financial position as follows:		
Cash at bank	480,592	310,954
At call deposits	1,078,587	237,686
Cash at bank State Committees	814	88,550
	<u>1,559,993</u>	<u>637,190</u>
5 Trade and Other Receivables		
Current		
Withholding Tax Debtors	351	351
Membership Debtors	375,472	499,484
Less: Provision for Doubtful Debts	(45,000)	(45,000)
Other Debtors	1,380	94
Other Debtor - Department of Health Australia	6,623,755	-
	<u>6,955,958</u>	<u>454,929</u>
The college does not hold any financial assets whose terms have been renegotiated, but which would otherwise be past due or impaired.		
6 Financial Assets		
Current		
Term Deposits	1,021,489	956,065
Bernard Nicholson Prize Fund		
Bernard Nicholson Fund Shares	24,887	23,828
Sir Raphael Cilento Oration Fund		
Cilento Oration Fund Term Deposit	-	9,800
New South Wales Education Fund		
NSW Education Fund Bank A/c	-	23,321
Western Australian Education Fund		
WA Education Fund Bank A/c	25,105	25,105
Victoria State Committee Term Deposit	15,508	15,508
	<u>1,086,989</u>	<u>1,053,627</u>

**THE ROYAL AUSTRALASIAN COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

	2011 \$	2010 \$
7 Property, Plant and Equipment		
LAND AND BUILDINGS		
Freehold land Milton Parade, Malvern Victoria		
At Cost	145,000	145,000
	<u>145,000</u>	<u>145,000</u>
Building Milton Parade, Malvern Victoria		
At Cost	620,100	620,100
Less accumulated depreciation	(19,379)	(3,876)
	<u>600,721</u>	<u>616,224</u>
Total Land and Buildings	<u>745,721</u>	<u>761,224</u>
Plant and Equipment:		
At cost	66,647	46,437
Accumulated depreciation	(32,436)	(24,849)
Total Plant and Equipment	<u>34,211</u>	<u>21,588</u>
Total Property, Plant and Equipment	<u>779,932</u>	<u>782,812</u>

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 \$	Gowns at Cost \$	Total \$
Balance at 1 July 2009	-	-	26,894	-	26,894
Additions	145,000	620,100	4,495	-	769,595
Depreciation expense	-	(3,876)	(9,801)	-	(13,677)
Balance at 30 June 2010	<u>145,000</u>	<u>616,224</u>	<u>21,588</u>	-	<u>782,812</u>
Additions	-	-	13,810	6,400	20,210
Depreciation expense	-	(15,503)	(7,588)	-	(23,091)
Carrying amount at 30 June 2011	<u>145,000</u>	<u>600,721</u>	<u>27,810</u>	6,400	<u>779,931</u>

8 Trade and Other Payables

Current

Creditors & Accruals	26,819	124,269
Other Creditors	22,136	26,144
Amounts Withheld from Wages	13,916	11,860
GST Payable	636,270	41,681
	<u>699,141</u>	<u>203,954</u>

**THE ROYAL AUSTRALASIAN COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

	2011 \$	2010 \$
9 Provisions		
Provision for Annual Leave	58,078	27,259
Provision for Long Service Leave	16,667	11,354
	<u>74,745</u>	<u>38,613</u>
Total provisions	<u>74,745</u>	<u>38,613</u>
Analysis of Total Provisions		
Current	74,745	38,613
	<u>74,745</u>	<u>38,613</u>
10 Other Liabilities		
Current		
Unexpended Grant Income	6,983,300	701,027
Monies Held in Trust	-	1,009
	<u>6,983,300</u>	<u>702,036</u>
11 Special Funds		
Bernard Nicholson Prize Fund		
Opening Balance	26,425	26,425
Transfer from (to) Retained Funds	(1,538)	-
	<u>24,887</u>	<u>26,425</u>
Sir Raphael Cilento Oration Fund		
Opening Balance	9,800	9,578
Transfer from (to) Retained Funds	588	221
	<u>10,388</u>	<u>9,799</u>
NSW Administration Course & Education Fund		
Opening Balance	23,321	27,333
Transfer from (to) Retained Funds	1,399	(4,012)
	<u>24,720</u>	<u>23,321</u>
Western Australian Education Course		
Opening Balance	25,105	23,955
Transfer from (to) Retained Funds	1,506	1,151
	<u>26,611</u>	<u>25,106</u>
	<u>86,606</u>	<u>84,651</u>

**THE ROYAL AUSTRALASIAN COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

	2011	2010
	\$	\$
12 Retained Earnings		
Retained earnings at the beginning of the financial year	1,899,303	1,810,734
Net profit attributable to members of the College	641,732	85,930
Transfer to Special Funds		
Bernard Nicholson Prize Fund	(1,059)	-
Sir Raphael Cilento Oration Fund	(588)	(221)
NSW Administration Course & Education Fund	(1,399)	-
Western Australian Education Course	(1,506)	(1,151)
	(4,552)	(1,372)
Transfer from Special Funds		
Bernard Nicholson Prize Fund	2,597	-
NSW Administration Course & Education Fund	-	4,012
	2,597	4,012
Retained earnings at the end of the financial year	2,539,080	1,899,304
13 State Committee Accounts		
The following funds are being held on behalf of the state committees:		
New South Wales	18,233	-
Queensland	70,047	-
South Australia	8,040	-
Victoria	22,311	-
Western Australia	2,758	-
Northern Territory	1,009	-
	122,398	-
14 Related Party Transactions		
Transactions between related parties are on normal commercial terms and conditions. These terms and conditions are no more favourable than those available to other parties unless otherwise stated.		
Transactions with related parties:		
A director, Dr Lee Gruner, received \$34,764 for work performed for the College.		

**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 2011**

	2011	2010
	\$	\$
15 Cash Flow Information		
Reconciliation of Cash Flow from Operations with Profit after Income Tax		
Profit after income tax	641,732	85,930
Non-cash flows in profit:		
Depreciation	(23,090)	13,676
Charges to provisions	36,131	36,202
Changes in assets and liabilities		
(Increase) Decrease in current receivables	(6,501,029)	(165,168)
Increase (Decrease) in other creditors	495,188	33,967
Increase (Decrease) in income in special funds	1,956	-
	<u>(5,349,112)</u>	<u>4,607</u>

16 Financial Risk Management

The College's financial instruments consists primarily 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:

	2011	2010
	\$	\$
Financial Assets		
Cash at Bank	480,592	310,954
Short term deposits	1,055,498	956,065
ANZ V2 Plus Account	23,089	22,287
Loans and receivables	8,022,447	481,929
State Committees Term Deposits	40,613	73,734
State Committees Cash at Bank	814	88,550
Total Financial Assets	<u>9,623,053</u>	<u>1,933,519</u>
Financial Liabilities		
Trade and other payables	48,955	169,214
Total Financial Liabilities	<u>48,955</u>	<u>169,214</u>

Financial Risk Management Policies

The College does not have any derivative instruments at 30 June 2011.

**THE ROYAL AUSTRALASIAN COLLEGE
OF MEDICAL ADMINISTRATORS
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

2011	2010
\$	\$

17 Company Details

The registered office of the company is:

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

18 Members' Guarantee

The entity is incorporated under the Corporations Act 2001 and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstandings and obligations of the entity.

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

DIRECTORS' DECLARATION

The directors of the College declare that:

1. The financial statements and notes, as set out on pages 1 to 19, 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 2011 and of the performance for the year ended on that date of the college; and
2. In the directors' 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 board of directors.

Director:



Dr R Boyd

Director:



Dr D Kasap

Dated this

16 day of September 2011

**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 statements of The Royal Australasian College of Medical Administrators which comprises the Statement of Financial Position as at 30 June 2011, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration.

Councillors' Responsibility for the Financial Report

The directors of the College are responsible for the preparation and fair presentation of the financial statements 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 statements 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statements 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 statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, 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 statements 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 board, as well as evaluating the overall presentation of the financial statements.

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 directors of The Royal Australasian College of Medical Administrators would be in the same terms if provided to the directors 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:

the financial statements present fairly, in all materials respects, the financial position of The Royal Australasian College of Medical Administrators as of 30 June 2011 and its financial performance and cash flows for the year then ended in accordance with the Corporations Act 2001 and the Australian Accounting Standards (including Australian Accounting Interpretations).

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**

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

**PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2011**

	2011	2010
	\$	\$
INCOME		
Membership Fees	644,998	530,209
Candidates Fees	166,767	216,044
Sponsorship, Distributions & Advertising	36,550	33,031
Seminar, Course & Meeting Income	180,229	46,796
Conference Income	43,024	16,149
AMC Levy	(94)	(91)
	1,071,474	842,138
OTHER INCOME		
Workshop Income	220,622	75,891
Dividends Received	1,112	1,112
Interest Received	117,817	46,308
Project Income	310,034	53,350
Movement in Net Market Values		
Bernard Nicholson Prize Fund Shares	1,059	846
Grant Income	37,273	36,855
Sundry Income	70,358	3,201
Unrealised Foreign Currency Exchange Profit (Loss)	-	16
	758,275	217,579
	1,829,749	1,059,717

The accompanying notes form part of these financial statements.

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

**PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2011**

	2011 \$	2010 \$
EXPENSES		
Accountancy Fees	31,665	20,235
Advertising	12,103	5,692
Auditor's Remuneration		
Audit of the Accounts	13,050	11,550
Bank Charges	1,836	6,405
Body Corporate Fees	10,935	5,467
Cleaning	2,164	1,922
Computer Expenses	15,009	10,116
Conference Expenses	9,437	6,210
Contractors	49,628	37,599
Council Expenses	2,571	10,373
Depreciation	23,090	13,676
Doubtful Debts	-	27,000
DOHA Training Posts	87,500	-
Electricity & Gas	6,255	4,799
Education & Workshop Expenses	46,004	37,539
Employees' Amenities	1,031	874
Examination Expenses	23,398	7,191
Freight & Cartage	682	1,134
General Expenses	2,227	720
Holiday Pay Provision	30,819	(2,152)
Honoraria	14,540	19,148
Insurance	1,559	21,425
Legal Costs	12,226	31,570
Long Service Leave Provision	5,313	11,354
Medical Leadership Feasibility	-	47,818
Meeting Expenses	20,248	17,289
Merchant Fees	8,195	-
Photocopier Expenses	2,733	2,397
Postage	6,668	10,479
Printing & Stationery	20,329	28,643
Project Expenses	-	11,000
Rates & Land Tax	2,089	209
Rent of Premises	-	42,825
Repairs & Maintenance	1,250	974
Secretarial Expenses	-	1,488
Subscriptions	5,816	5,885
Superannuation Contributions	42,892	32,228

The accompanying notes form part of these financial statements.

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

**PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2011**

	2011	2010
	\$	\$
Telephone	18,628	21,502
Trophies, Medals & Prizes	4,224	4,459
Travelling Expenses	125,395	90,666
Wages & Salaries	487,726	361,173
WorkCover	1,932	1,405
Workshop Expenses	36,850	3,500
	<u>1,188,017</u>	<u>973,787</u>
PROFIT (LOSS) BEFORE INCOME TAX	<u><u>641,732</u></u>	<u><u>85,930</u></u>

The accompanying notes form part of these financial statements.