

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

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2015**

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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 2015.

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

Dr L Gruner
Dr M Walsh
Dr D Kasap retired 10 September 2014
Dr S Tideman retired 8 July 2014
Prof J Braithwaite
A/Prof E Pedagogos
Dr K Morris
Dr S Watson
Dr A Pantle
Dr P Eleftheriou
Dr S Ayre appointed 10 September 2014
Dr H Naidoo appointed 10 September 2014

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 \$571,482.

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
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DIRECTORS' REPORT

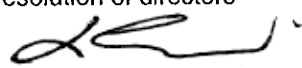
Directors Meetings and Attendance

	Directors Meetings	
	Number eligible to attend	Number attended
Dr L Gruner	10	10
Dr M Walsh	10	8
Dr D Kasap	3	3
Dr S Tideman	4	0
Prof J Braithwaite	4	4
A/Prof E Pedagogos	4	2
Dr K Morris	4	2
Dr S Watson	4	3
Dr A Pantle	4	4
Dr P Eleftheriou	4	4
Dr S Ayre	8	8
Dr H Naidoo	7	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 L Gruner

Director: 

Dr H Naidoo

Dated this 31 day of AUGUST 2015

**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 2015 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 AUDIT PTY LTD**
Chartered Accountants

Name of Director: _____
Kerpal S Harnam - Registered Company Auditor

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 2015**

	Note	2015 \$	2014 \$
Income			
Revenue	2	2,008,829	1,844,290
Other income	2	<u>282,027</u>	<u>296,044</u>
		2,290,856	2,140,334
Expenditure			
Governance and member services		(425,496)	(338,759)
Professional services	3	(73,973)	(80,565)
Employment expenses		(1,007,809)	(909,824)
Occupancy expenses		(24,343)	(55,089)
Other overhead expenses		<u>(187,435)</u>	<u>(163,933)</u>
		571,800	592,164
Profit for the year	4	571,800	592,164
Retained earnings at the beginning of the financial year		<u>4,384,798</u>	<u>3,789,869</u>
Profit		<u>4,956,598</u>	<u>4,382,033</u>
Other comprehensive income, net of income tax			
Bernard Nicholson Prize Fund Shares		<u>(318)</u>	<u>2,766</u>
Other comprehensive income for the year, net of tax		<u>(318)</u>	<u>2,766</u>
Total comprehensive income for the year		<u>571,482</u>	<u>594,930</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 2015**

	Note	2015 \$	2014 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	3,669,606	7,920,935
Trade and other receivables	6	511,410	508,693
Financial assets	7	13,530,730	7,409,745
Other current assets	8	<u>11,946</u>	<u>11,913</u>
TOTAL CURRENT ASSETS		<u>17,723,692</u>	<u>15,851,286</u>
NON-CURRENT ASSETS			
Trade and other receivables	6	185,844	139,961
Property, plant and equipment	9	<u>774,827</u>	<u>804,465</u>
TOTAL NON-CURRENT ASSETS		<u>960,671</u>	<u>944,426</u>
TOTAL ASSETS		<u>18,684,363</u>	<u>16,795,712</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	793,198	1,102,790
Provisions	11	178,725	142,201
Other current liabilities	12	<u>12,688,229</u>	<u>11,097,991</u>
TOTAL CURRENT LIABILITIES		<u>13,660,152</u>	<u>12,342,982</u>
TOTAL LIABILITIES		<u>13,660,152</u>	<u>12,342,982</u>
NET ASSETS		<u>5,024,211</u>	<u>4,452,730</u>
EQUITY			
Special Funds	13	73,001	67,931
Retained earnings	14	<u>4,951,210</u>	<u>4,384,799</u>
TOTAL EQUITY		<u>5,024,211</u>	<u>4,452,730</u>

The accompanying notes form part of these financial statements.

**THE ROYAL AUSTRALASIAN COLLEGE
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**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2015**

Note	Retained earnings \$	Bernard Nicholson Prize Fund \$	Sir Raphael Cilento Oration Fund \$	NSW Administratio n Course & Education Fund \$	Total \$
Balance at 1 July 2013	3,789,869	29,957	11,236	26,738	3,857,800
Profit attributable to members	594,930				594,930
Balance at 30 June 2014	4,384,799	29,957	11,236	26,738	4,452,730
Profit attributable to members	571,482				571,482
Transfer from (to) Retained Funds		3,931	1,139	-	5,070
Bernard Nicholson Prize Fund	(3,931)				(3,931)
Sir Raphael Cilento Oration Fund	(1,139)				(1,139)
Balance at 30 June 2015	<u>4,951,211</u>	<u>33,888</u>	<u>12,375</u>	<u>26,738</u>	<u>5,024,212</u>

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 2015**

	2015 \$	2014 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from members	1,867,051	1,591,719
Conferences, sponsorship & other receipts	17,786,550	12,279,826
Interest received	115,680	120,445
Payment to suppliers & employees	<u>(19,443,628)</u>	<u>(13,193,213)</u>
Net cash provided by operating activities	<u>325,653</u>	<u>798,777</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for equipment	-	(8,578)
Payments for investments	<u>(6,121,336)</u>	<u>(5,086,445)</u>
Net cash used in investing activities	<u>(6,121,336)</u>	<u>(5,095,023)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Fees received in advance	<u>1,544,354</u>	<u>1,245,540</u>
Net cash provided by financing activities	<u>1,544,354</u>	<u>1,245,540</u>
Net decrease in cash held	(4,251,329)	(3,050,706)
Cash at beginning of financial year	<u>7,920,935</u>	<u>10,971,641</u>
Cash at end of financial year	<u><u>3,669,606</u></u>	<u><u>7,920,935</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 2015**

1 Statement of Significant Accounting Policies

The financial statements cover The Royal Australasian College of Medical Administrators as an individual entity. The Royal Australasian College of Medical Administrators is a company limited by shares, incorporated and domiciled in Australia.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations and the Associations Incorporation Reform Act 2012.

These financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The significant accounting policies used in the preparation and presentation of these financial statements are provided below and are consistent with prior reporting periods unless stated otherwise.

The financial statements are based on historical costs, except for the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

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.

Cash and Cash Equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the statement of financial position.

Accounts receivable are recognised initially at the transaction price (i.e. cost) and are subsequently measured at cost less provision for impairment. 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.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

Property, Plant and Equipment

Classes of property, plant and equipment are measured using the cost or revaluation model as specified below.

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Land and buildings

Land and buildings are measured using the cost model.

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

The depreciable amount of all property, plant and equipment, except for freehold land is depreciated on a straight line method from the date that management determine that the asset is available for use.

The depreciation rates used for each class of depreciable asset are shown below:

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

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

When an assets is disposed, the gain or loss is calculated by comparing proceeds received with its carrying amount and is taken to profit or loss.

Financial Instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that college becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

Financial Assets

Financial assets are divided into the following categories which are described in detail below:

- loans and receivables;
- financial assets at fair value through profit or loss;
- available-for-sale financial assets; and
- held-to-maturity investments.

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

All income and expenses relating to financial assets are recognised in the statement of comprehensive income in the 'finance income' or 'finance costs' line item respectively.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

The college's trade and most other receivables fall into this category of financial instruments.

Discounting is omitted where the effect of discounting is considered immaterial.

Significant receivables are considered for impairment on an individual asset basis when they are past due at the reporting date or when objective evidence is received that a specific counterparty will default.

The amount of the impairment is the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

For trade receivables, impairment provisions are recorded in a separate allowance account with the loss being recognised in profit or loss. When confirmation has been received that the amount is not collectable, the gross carrying value of the asset is written off against the associated impairment provision.

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

In some circumstances, the college renegotiates repayment terms with customers which may lead to changes in the timing of the payments, the college does not necessarily consider the balance to be impaired, however assessment is made on a case-by-case basis.

**THE ROYAL AUSTRALASIAN COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets:

- acquired principally for the purpose of selling in the near future
- designated by the entity to be carried at fair value through profit or loss upon initial recognition or
- which are derivatives not qualifying for hedge accounting.

Assets included within this category are carried in the statement of financial position at fair value with changes in fair value recognised in finance income or expenses in profit or loss.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity. Investments are classified as held-to-maturity if it is the intention of the college's management to hold them until maturity.

Held-to-maturity investments are subsequently measured at amortised cost using the effective interest method, with revenue recognised on an effective yield basis. In addition, if there is objective evidence that the investment has been impaired, the financial asset is measured at the present value of estimated cash flows. Any changes to the carrying amount of the investment are recognised in profit or loss.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that do not qualify for inclusion in any of the other categories of financial assets. The college's available-for-sale financial assets include listed securities.

Purchases and sales of available-for-sale investments are recognised on settlement date.

All other available-for-sale financial assets are measured at fair value, with subsequent changes in value recognised in other comprehensive income.

Gains and losses arising from financial instruments classified as available-for-sale are only recognised in profit or loss when they are sold or when the investment is impaired.

In the case of impairment or sale, any gain or loss previously recognised in equity is transferred to the profit or loss.

Losses recognised in prior period income statements resulting from the impairment of debt securities are reversed through the income statement, if the subsequent increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss.

Impairment of financial assets

At the end of each reporting period, the college assesses whether there is any objective evidence that a financial asset has been impaired.

**THE ROYAL AUSTRALASIAN COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

Financial assets at amortised cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate.

Impairment on loans and receivables is reduced through the use of an allowance accounts, all other impairment losses on financial assets at amortised cost are taken directly to the asset.

Available-for-sale financial assets

A significant or prolonged decline in value of an available-for-sale asset below its cost is objective evidence of impairment, in this case, the cumulative loss that has been recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. Any subsequent increase in the value of the asset is taken directly to other comprehensive income.

Impairment of Non-Financial Assets

At the end of each reporting period the college determines whether there is an evidence of an impairment indicator for non-financial assets.

Where this indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the assets is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

Accounts payable and other payables represent the liabilities at the end of the reporting period for goods and services received by the college that remain unpaid.

Accounts payable are recognised at their transaction price. Accounts payable are obligations on the basis of normal credit terms.

**THE ROYAL AUSTRALASIAN COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

Employee Benefits

Provision is made for the college's liability for employee benefits arising from services rendered by employees at the end of the reporting period. 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.

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. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. 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 are measured at the present value of management's best estimate of the outflow required to settle the obligation at the end of the reporting year. The discount rate used is a pre tax rate 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 unwinding of the discount is taken to finance costs in the statement of other comprehensive income.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

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

**THE ROYAL AUSTRALASIAN COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

Revenue and Other Income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the entity and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Interest revenue

Interest revenue is recognised using the effective interest rate method.

Dividend revenue

Dividends are recognised when the right to receive payment is established.

Rendering of services

Revenue in relation to rendering of services is recognised depends on whether the outcome of the services can be measured reliably. If this is the case then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period. If the outcome cannot be reliably measured then revenue is recognised to the extent of expenses recognised that are recoverable.

Subscriptions

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the financial year.

Grant revenue

Non-reciprocal grant revenue is recognised in profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

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 2015**

	2015 \$	2014 \$
2 Revenue		
Operating activities		
Dividends received	1,218	1,165
Interest received	115,680	120,445
Membership Subscriptions	764,448	805,400
Training Fees	959,773	771,337
Advertising & Sponsorship	31,979	22,100
Annual Conference	48,305	54,437
Externally Delivered Programs	71,160	50,970
Net project revenue	282,027	296,044
Miscellaneous Income	16,266	18,436
Total operating revenue	<u>2,290,856</u>	<u>2,140,334</u>
Non-operating activities		
Movement in Net Market Values		
Bernard Nicholson Prize Fund Shares	(318)	2,766
Total non-operating revenue	<u>(318)</u>	<u>2,766</u>
Total Income	<u>2,290,538</u>	<u>2,143,100</u>
3 Auditor's Remuneration		
Audit of accounts	11,400	13,150
Grant audits	2,000	2,500
	<u>13,400</u>	<u>15,650</u>
4 Profit		
Expenses		
Depreciation of property, plant and equipment	29,638	34,350
Bad Debts Written Off	56,626	15,104
Increase (decrease) in :		
Holiday Pay Provision	31,304	18,668
Long Service Leave Provision	5,219	14,224
Significant Revenue and Expenses		
The following significant revenue and expense items are relevant in explaining the financial performance:		
Project Income	17,754,568	12,257,726
Project Expenses	<u>(17,472,542)</u>	<u>(11,961,681)</u>
	<u>282,026</u>	<u>296,045</u>

**THE ROYAL AUSTRALASIAN COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

	2015 \$	2014 \$
5 Cash and Cash Equivalents		
ANZ V2 Plus AMC Levy Account	25,125	24,850
National Bank Cheque Account	608,181	502,348
National Australia Bank EFT Account	70,644	51,614
National Australia Bank Business Cash Maximiser Account	586,802	1,546,364
National Australia Bank STP Account	179,761	2,226,964
National Australia Bank STP 2 Account	2,193,186	3,551,711
State Account - New Zealand	307	715
Debit Card Accounts	5,600	16,369
	<u>3,669,606</u>	<u>7,920,935</u>
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 banks	678,825	553,962
At call deposits	2,984,874	7,349,890
Cash at bank State Committees	307	715
Debit Card Accounts	5,600	16,368
	<u>3,669,606</u>	<u>7,920,935</u>
6 Trade and Other Receivables		
Current		
Undeposited Funds	-	5,038
Trade Debtors	540,202	534,268
Less: Provision for Doubtful Debts	(45,000)	(45,000)
Other Debtors	16,208	14,387
	<u>511,410</u>	<u>508,693</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

	2015 \$	2014 \$
Non-Current		
State's Funds		
NSW State Funds	14,134	17,970
Queensland State Funds	67,330	68,929
South Australia State Funds	4,329	6,258
Victoria State Funds	58,590	51,612
Western Australia State Funds	29,198	1,924
Northern Territory Funds	1,009	1,009
New Zealand Funds	11,254	(7,741)
	<u>185,844</u>	<u>139,961</u>
The college does not hold any financial assets whose terms have been renegotiated, but which would otherwise be past due or impaired.		
7 Financial Assets		
Current		
Term Deposits	13,498,325	7,377,022
Bernard Nicholson Prize Fund		
Bernard Nicholson Fund Shares	32,405	32,723
	<u>13,530,730</u>	<u>7,409,745</u>
8 Other Non-Financial Assets		
Current		
Security Deposit	<u>11,946</u>	<u>11,913</u>
9 Property, Plant and Equipment		
LAND AND BUILDINGS		
Freehold land Milton Parade, Malvern Victoria		
At Cost	<u>145,000</u>	<u>145,000</u>
	<u>145,000</u>	<u>145,000</u>
Building Milton Parade, Malvern Victoria		
At Cost	691,143	691,143
Less accumulated depreciation	<u>(85,269)</u>	<u>(67,990)</u>
	<u>605,874</u>	<u>623,153</u>
Total Land and Buildings	<u>750,874</u>	<u>768,153</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 2015**

	2015 \$	2014 \$
Plant and Equipment:		
At cost	110,342	110,342
Accumulated depreciation	<u>(86,389)</u>	<u>(74,030)</u>
Total Plant and Equipment	<u>23,953</u>	<u>36,312</u>
Total Property, Plant and Equipment	<u><u>774,827</u></u>	<u><u>804,465</u></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 2013	145,000	640,433	39,620	5,184	830,237
Additions	-	-	8,578	-	8,578
Depreciation expense	-	<u>(17,279)</u>	<u>(16,553)</u>	<u>(518)</u>	<u>(34,350)</u>
Balance at 30 June 2014	145,000	623,154	31,645	4,666	804,465
Depreciation expense	-	<u>(17,279)</u>	<u>(11,892)</u>	<u>(467)</u>	<u>(29,638)</u>
Carrying amount at 30 June 2015	<u><u>145,000</u></u>	<u><u>605,875</u></u>	<u><u>19,753</u></u>	<u><u>4,199</u></u>	<u><u>774,827</u></u>

10 Trade and Other Payables

Current

Creditors & Accruals	79,436	293,191
Other Creditors	12,285	9,294
Amounts Withheld from Wages	30,318	23,253
GST Payable	<u>671,159</u>	<u>777,052</u>
	<u><u>793,198</u></u>	<u><u>1,102,790</u></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 2015**

	2015 \$	2014 \$
11 Provisions		
Provision for Annual Leave	134,869	103,564
Provision for Long Service Leave	<u>43,856</u>	<u>38,637</u>
	<u>178,725</u>	<u>142,201</u>
Total provisions	<u><u>178,725</u></u>	<u><u>142,201</u></u>
Analysis of Total Provisions		
Current	178,725	142,201
Non-current	<u>-</u>	<u>-</u>
	<u><u>178,725</u></u>	<u><u>142,201</u></u>
Employee Provisions		
<p>The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the College does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However these amounts must be classified as current liabilities since the College does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.</p>		
12 Other Liabilities		
Current		
Income in Advance		
Unearned Subscription Income	780,841	748,342
Unearned Workshop Income	<u>175,269</u>	<u>138,040</u>
	<u>956,110</u>	<u>886,382</u>
Unearned Income		
Unearned RHCE Grant Income	44,081	35,335
Unearned STPI Grant Income	2,942,878	2,274,648
Unearned PICS Grant Income	<u>8,559,316</u>	<u>7,761,665</u>
	<u><u>11,546,275</u></u>	<u><u>10,071,648</u></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 2015**

	2015 \$	2014 \$
Funds held for State Committees		
NSW Funds Held	14,134	17,970
Queensland Funds Held	67,330	68,929
South Australia Funds Held	4,329	6,258
Victoria Funds Held	58,590	51,612
West Australian Funds Held	29,198	1,924
Monies Held in Trust (NT)	1,009	1,009
New Zealand Funds Held	11,254	(7,741)
	<u>185,844</u>	<u>139,961</u>
	<u>12,688,229</u>	<u>11,097,991</u>
13 Special Funds		
Bernard Nicholson Prize Fund		
Opening Balance	29,957	29,957
Transfer from (to) Retained Funds	3,931	-
	<u>33,888</u>	<u>29,957</u>
Sir Raphael Cilento Oration Fund		
Opening Balance	11,236	11,236
Transfer from (to) Retained Funds	1,139	-
	<u>12,375</u>	<u>11,236</u>
NSW Administration Course & Education Fund		
Opening Balance	26,738	26,738
	<u>73,001</u>	<u>67,931</u>
14 Retained Earnings		
Retained earnings at the beginning of the financial year	4,384,798	3,789,869
Net profit attributable to members of the College	571,482	594,930
Transfer from Special Funds		
Bernard Nicholson Prize Fund	(3,931)	-
Sir Raphael Cilento Oration Fund	(1,139)	-
	<u>(5,070)</u>	<u>-</u>
Retained earnings at the end of the financial year	<u>4,951,210</u>	<u>4,384,799</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 2015**

	2015 \$	2014 \$
15 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:		
The following directors received remuneration during the year		
K Morris	3,010	570
L Gruner	<u>825</u>	<u>3,150</u>
16 Cash Flow Information		
Reconciliation of Cash Flow from Operations with Profit after Income Tax		
Profit after income tax	571,482	594,930
Non-cash flows in profit:		
Change in net market value	318	(2,766)
Depreciation	29,638	34,350
Charges to provisions	36,523	32,892
Changes in assets and liabilities		
(Increase) Decrease in current receivables	(2,713)	(110,026)
Increase (Decrease) in other creditors	<u>(309,595)</u>	<u>249,397</u>
	<u>325,653</u>	<u>798,777</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 2015**

	2015	2014
	\$	\$
17 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:		
	2015	2014
	\$	\$
Financial Assets		
Cash at banks	678,825	553,962
Short term deposits	2,984,874	7,349,889
Investments	13,530,730	7,409,745
Loans and receivables	511,410	508,693
States funds held	185,844	139,961
New Zealand bank account	307	715
Bank debit cards	5,600	16,369
Total Financial Assets	<u>17,897,590</u>	<u>15,979,334</u>
Financial Liabilities		
Trade and other payables	793,198	1,102,790
Unexpended Grants	11,546,275	10,071,648
Income in advance	956,110	886,382
State committee funds	185,844	139,961
Total Financial Liabilities	<u>13,481,427</u>	<u>12,200,781</u>

Financial Risk Management Policies

The directors overall risk management strategy seeks to assist the College in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

Risk management policies are approved and reviewed by the directors on a regular basis. These included the credit risk policies and future cash flow requirements.

The College does not have any derivative instruments at 30 June 2015.

18 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**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

2015	2014
\$	\$

19 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 23, 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 2015 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 L Gruner

Director:



Dr H Naidoo

Dated this

31

day of

AUGUST 2015

**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 2015, 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 report of The Royal Australasian College of Medical Administrators as of 30 June 2015 and its financial performance and cash flows for the year then ended 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 2015 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Name of Firm: MORTON WATSON & YOUNG AUDIT PTY LTD
Chartered Accountants

Name of Partner: _____
Kerpal S Harnam - Registered Company Auditor

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 2015**

	2015 \$	2014 \$
INCOME		
Membership Subscriptions	764,448	805,400
Training Fees	959,773	771,337
Advertising & Sponsorship	31,979	22,100
Annual Conference	48,305	54,437
Externally Delivered Programs	71,160	50,970
	<u>1,875,665</u>	<u>1,704,244</u>
OTHER INCOME		
Dividends Received	1,218	1,165
Interest Received	115,680	120,445
Movement in Net Market Values		
Bernard Nicholson Prize Fund Shares	(318)	2,766
Miscellaneous Income	16,266	18,436
Project Income	17,754,569	12,257,725
Project Expenses	<u>(17,472,542)</u>	<u>(11,961,681)</u>
	282,027	296,044
Total Other Income	<u>414,873</u>	<u>438,856</u>
TOTAL INCOME	<u>2,290,538</u>	<u>2,143,100</u>
EXPENSES		
Governance & CPMC		
Council Expenses	-	1,847
Meeting Expenses	29,801	29,218
Teleconference & Video - Governance	2,166	-
Travelling & Accommodation - Governance	72,156	48,361
Insurance - Governance	395	575
CPMC Subscriptions	<u>13,093</u>	<u>6,592</u>
	117,611	86,593
Faculty Support		
Perceptor Workshops & Expenses	-	500
Censors Workshops & Expenses	10,071	3,529
State Workshops & Seminars	17,221	17,269
Travel & Accommodation - Faculty	40,645	18,014
Honorarium	1,500	1,000
Printing & Stationery - Faculty	1,112	68
Teleconference & Video - Faculty	141	-
Faculty Meeting Expenses	<u>8,276</u>	<u>200</u>
	78,966	40,580

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 2015**

	2015 \$	2014 \$
Training & Education		
Accel Pathway Expenses	1,116	4,376
Courses Expenseds	11,167	5,872
CEP Co-Ordination	-	1,125
Candidate Workshop CW1	27,578	24,685
Candidate Workshop CW2	35,302	26,528
Teleconference A& Video - Training	1,330	-
Exam Expenses	33,076	23,166
Travel & Accommodation - Training	41,485	44,854
Consultants & Honorarium	2,886	489
Workshop Expenses	8,497	-
	<u>162,437</u>	<u>131,095</u>
Accreditation Costs		
Travel & Accommodation - Accreditation	30,986	23,754
Annual Conference		
Conference Organiser	-	4,768
Trophies, Medals & Prizes	3,331	2,511
Incidental Conference Expenses	4,180	1,600
	<u>7,511</u>	<u>8,879</u>
Publications	14,379	9,397
World Federation Medical Managers	13,606	38,461
Employment Expenses		
Holiday Pay Provision	31,304	18,668
Long Service Leave Provision	5,219	14,224
Other Employment Expenses	73	7,043
Payroll Tax	14,355	10,564
Professional Development	4,793	18,903
Recruitment Agency	75,966	25,164
Salaries & Wages	797,835	741,252
Superannuation Contributions	72,900	66,852
WorkCover	5,364	7,154
	<u>1,007,809</u>	<u>909,824</u>
Office Supplies		
Employees' Amenities	4,343	2,295
Photocopier Expenses	2,281	3,730
Postage	7,135	7,972
Printing & Stationery	9,003	16,434
	<u>22,762</u>	<u>30,431</u>

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 2015**

	2015 \$	2014 \$
Professional Services		
Accountancy Fees	11,413	7,792
Advertising & Marketing	3,727	2,273
Auditor's Remuneration		
Audit of the Accounts	11,400	10,650
Consultancy Fees	11,867	21,581
Legal Costs	35,566	38,269
	<u>73,973</u>	<u>80,565</u>
Occupancy Expenses		
Body Corporate Fees	8,245	11,770
Cleaning & Rubbish Removal	3,332	4,770
Electricity & Gas	8,988	9,800
Rates & Land Tax	1,762	1,728
Rent of Premises	-	25,266
Repairs & Maintenance	717	553
Security Costs	60	-
Water	1,239	1,202
	<u>24,343</u>	<u>55,089</u>
Other Overhead Expenses		
Bad Debts Written Off	56,626	15,104
Bank Charges	2,352	2,269
Depreciation	29,638	34,350
General Expenses	226	2,755
Insurance	5,849	11,290
Merchant Fees	13,732	7,862
Subscriptions	2,966	10,196
Telephone/Video Conferencing	41,463	28,314
	<u>152,852</u>	<u>112,140</u>
IT Expenses		
Website	305	12,327
IT Support & Maintenance	8,582	8,021
Software & Licences	2,934	1,014
	<u>11,821</u>	<u>21,362</u>
Total Expenses	<u>1,719,056</u>	<u>1,548,170</u>
PROFIT (LOSS) BEFORE INCOME TAX	<u>571,482</u>	<u>594,930</u>

The accompanying notes form part of these financial statements.