

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

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2010**

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

DIRECTORS' REPORT

Your directors present their report on the College for the financial year ended 30 June 2010.

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 B Street retired 1 March 2010
Dr R Lawrence
Dr A Johnson appointed 21 September 2009
Dr M Walsh appointed 1 March 2010
Dr W Hsueh appointed 21 May 2010
Dr E Pedagogos appointed 21 May 2010
Dr D Rankin retired 1 March 2010
Prof G Frost retired 1 March 2010
Dr H McArdle retired 1 March 2010
Dr A Nel retired 1 March 2010
Dr S Tideman retired 1 March 2010
Dr R Lambert appointed 16 October 2009 retired 1 March 2010
Dr M Platell retired 29 September 2009
Dr J Menzies retired 21 September 2009
Dr M Salmon appointed 21 September 2009 retired 1 March 2010
Dr T Waterhouse appointed 21 September 2009 retired 1 March 2010
Dr J Gallichio appointed 16 October 2009 retired 1 March 2010
Dr W Ramsay retired 21 September 2009
Dr M Naidoo retired 19 October 2009
Dr A James appointed 16 October 2009 retired 1 March 2010

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 \$85,930.

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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DIRECTORS' REPORT

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.

Directors Meetings and Attendance

	Directors Meetings		Executive Meetings	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Dr R Boyd	12	12	2	2
Dr R Ashby	12	10		
Dr D Kasap	12	11	2	2
Dr L Gruner	12	11	2	1
Dr B Street	7	7	2	1
Dr R Lawrence	12	11		
Dr A Johnson	9	8		
Dr M Walsh	3	3	2	1
Dr W Hsueh	2	1		
Dr E Pedagogos	2	1		
Dr D Rankin	7	7	2	2
Prof G Frost	7	6	2	2
Dr H McArdle	7	5		
Dr A Nel	7	7		
Dr S Tideman	6	4		
Dr R Lambert	6	4		
Dr M Platell	3	0		
Dr J Menzies	3	3		
Dr M Salmon	4	2		
Dr T Waterhouse	4	2		
Dr J Gallichio	2	2		
Dr W Ramsay	3	0		
Dr M Naidoo	5	1		
Dr A James	2	1		

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DIRECTORS' 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 directors

Director: _____
Dr R Boyd

Director: _____
Dr D Kasap

Dated this day of

**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 2010 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
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A.B.N. 39 004 688 215**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2010**

	Note	2010 \$	2009 \$
Revenue	2	1,059,717	961,202
		<u>1,059,717</u>	<u>961,202</u>
Administration expenses		(216,463)	(225,434)
Bad and doubtful debts		(27,000)	-
Member services		(76,526)	(110,552)
Employment expenses	3	(449,401)	(362,014)
Conference, seminar & meeting expenses		(133,217)	(125,333)
Occupancy expenses		(71,180)	(70,187)
Profit before income tax	3	<u>85,930</u>	<u>67,682</u>
Income tax expense		-	-
Profit for the year		<u>85,930</u>	<u>67,682</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>85,930</u>	<u>67,682</u>
Total comprehensive income attributable to members of the entity		<u>85,930</u>	<u>67,682</u>

The accompanying notes form part of these financial statements.

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

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2010**

	Note	2010 \$	2009 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	637,190	890,311
Trade and other receivables	5	454,929	316,761
Financial assets	6	<u>1,053,627</u>	<u>1,542,668</u>
TOTAL CURRENT ASSETS		<u>2,145,746</u>	<u>2,749,740</u>
NON-CURRENT ASSETS			
Property, plant and equipment	7	<u>782,812</u>	<u>26,894</u>
TOTAL NON-CURRENT ASSETS		<u>782,812</u>	<u>26,894</u>
TOTAL ASSETS		<u>2,928,558</u>	<u>2,776,634</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	203,954	169,985
Provisions	9	38,613	29,411
Other current liabilities	10	<u>702,036</u>	<u>679,212</u>
TOTAL CURRENT LIABILITIES		<u>944,603</u>	<u>878,608</u>
TOTAL LIABILITIES		<u>944,603</u>	<u>878,608</u>
NET ASSETS		<u>1,983,955</u>	<u>1,898,026</u>
EQUITY			
Special Funds	11	84,651	87,291
Retained earnings	12	<u>1,899,304</u>	<u>1,810,735</u>
TOTAL EQUITY		<u>1,983,955</u>	<u>1,898,026</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 2010**

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 2008	1,742,519	26,425	9,325	30,117	28,060	1,836,446
Transfer from (to) Retained Funds		-	253	(2,784)	1,997	(534)
Transfer from (to) State Funds		-	-	-	(6,102)	(6,102)
Profit attributable to members	67,682					67,682
Transfers to						
Sir Raphael Cilento Oration Fund	(253)					(253)
Western Australian Education Course	(1,997)					(1,997)
Transfers from						
NSW Administration Course & Education Fund	2,784					2,784
Balance at 30 June 2009	1,810,735	26,425	9,578	27,333	23,955	1,898,026
Profit attributable to members	85,930					85,930
Sir Raphael Cilento Oration Fund	(221)	-	-	-	-	(221)
Western Australian Education Course	(1,151)	-	-	-	-	(1,151)
NSW Administration Course & Education Fund	4,012					4,012
Balance at 30 June 2010	1,899,305	26,425	9,578	27,333	23,955	1,983,956

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 2010**

	2010 \$	2009 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from members	586,267	613,271
Conferences, sponsorship & other receipts	225,116	189,290
Interest received	46,308	128,879
Payment to suppliers & employees	(889,939)	(848,703)
Grant income	36,855	6,242
Net cash provided by operating activities	<u>4,607</u>	<u>88,979</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from investments	489,039	33,982
Payments for property	(765,100)	-
Payments for equipment	(4,495)	(3,603)
Net cash provided by (used in) investing activities	<u>(280,556)</u>	<u>30,379</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Fees received in advance	22,824	99,064
Net cash provided by financing activities	<u>22,824</u>	<u>99,064</u>
Net increase (decrease) in cash held	(253,125)	218,422
Cash at beginning of financial year	890,315	671,889
Cash at end of financial year	<u>637,190</u>	<u>890,311</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 2010**

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.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

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 30%
Buildings	2.5%

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

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.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

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 directors deemed it necessary to increase the provision for doubtful debts from \$18,000 to \$45,000 for the year ending 30 June 2010.

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.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

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.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

	2010 \$	2009 \$
2 Revenue		
Operating activities		
Dividends received	1,112	1,112
Interest received	46,308	128,879
Membership Fees	530,209	541,309
Candidates Fees	216,044	108,869
Sponsorship, Distributions & Advertising	33,031	36,304
Seminar, Course & Meeting Income	46,796	55,746
Conference Income	16,149	15,455
AMC Levy	(91)	-
Workshop Income	75,891	67,210
Project Income	53,350	-
GST Adjustments	-	776
Grant Income	36,855	5,009
Sundry Income	3,201	4,475
Unrealised Foreign Currency Exchange Profit (Loss)	16	(499)
Movement in Net Market Values		
Bernard Nicholson Prize Fund Shares	846	(3,443)
Total operating revenue	<u>1,059,717</u>	<u>961,202</u>
Total Income	<u>1,059,717</u>	<u>961,202</u>
3 Profit		
Expenses		
Depreciation of property, plant and equipment	13,676	10,781
Foreign currency translation losses	(16)	499
Doubtful Debts	27,000	-
Increase (decrease) in :		
Holiday Pay Provision	(2,152)	13,689
Long Service Leave Provision	11,354	-
Auditor's Remuneration		
Audit of the Accounts	<u>11,550</u>	<u>12,050</u>
4 Cash and Cash Equivalents		
State Committees Bank Accounts	88,550	76,200
ANZ V2 Plus AMC Levy Account	22,287	21,760
National Bank Cheque Account	306,272	206,728
National Australia Bank EFT Account	4,682	37,122
National Australia Bank Business Cash Maximiser Account	215,399	533,806
Macquarie Bank Rental Bond Account	-	14,695
	<u>637,190</u>	<u>890,311</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

	2010	2009
	\$	\$
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	310,954	243,850
At call deposits	237,686	570,261
Cash at bank State Committees	88,550	76,200
	<u>637,190</u>	<u>890,311</u>
5 Trade and Other Receivables		
Current		
AMC Levy Debtors	351	1,715
Membership Debtors	499,484	332,952
Less: Provision for Doubtful Debts	(45,000)	(18,000)
Other Debtors	94	94
	<u>454,929</u>	<u>316,761</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	956,065	1,444,487
Bernard Nicholson Prize Fund		
Bernard Nicholson Fund Shares	23,828	22,982
Sir Raphael Cilento Oration Fund		
Cilento Oration Fund Term Deposit	9,800	9,578
New South Wales Education Fund		
NSW Education Fund Bank A/c	23,321	27,333
Western Australian Education Fund		
WA Education Fund Bank A/c	25,105	23,955
Victoria State Committee Term Deposit	15,508	14,333
	<u>1,053,627</u>	<u>1,542,668</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

	2010 \$	2009 \$
7 Property, Plant and Equipment		
LAND AND BUILDINGS		
Freehold land Milton Parade, Malvern Victoria		
At Cost	145,000	-
	145,000	-
Building Milton Parade, Malvern Victoria		
At Cost	620,100	-
Less accumulated depreciation	(3,876)	-
	616,224	-
Total Land and Buildings	761,224	-
Plant and Equipment:		
At cost	46,437	150,968
Accumulated depreciation	(24,849)	(124,074)
Total Plant and Equipment	21,588	26,894
Total Property, Plant and Equipment	782,812	26,894

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)
Balance at 30 June 2009	-	-	26,894	-	26,894
Additions	145,000	620,100	4,495	-	769,595
Depreciation written back	-	-	15,048	-	15,048
Depreciation expense	-	(3,876)	(24,849)	-	(28,725)
Carrying amount at 30 June 2010	145,000	616,224	21,588	-	782,812

8 Trade and Other Payables

Current

Creditors & Accruals	124,269	124,965
Other Creditors	26,144	(525)
Amounts Withheld from Wages	11,860	12,592
GST Payable	41,681	32,953
	203,954	169,985

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

	2010 \$	2009 \$
9 Provisions		
Provision for Annual Leave	27,259	29,411
Provision for Long Service Leave	11,354	-
	<u>38,613</u>	<u>29,411</u>
Total provisions	<u>38,613</u>	<u>29,411</u>
Analysis of Total Provisions		
Current	38,613	29,411
	<u>38,613</u>	<u>29,411</u>
10 Other Liabilities		
Current		
Income in Advance	701,027	678,203
Monies Held in Trust	1,009	1,009
	<u>702,036</u>	<u>679,212</u>
11 Special Funds		
Bernard Nicholson Prize Fund		
Opening Balance	26,425	26,425
Sir Raphael Cilento Oration Fund		
Opening Balance	9,578	9,325
Transfer from (to) Retained Funds	221	253
	<u>9,799</u>	<u>9,578</u>
NSW Administration Course & Education Fund		
Opening Balance	27,333	30,117
Transfer from (to) Retained Funds	(4,012)	(2,784)
	<u>23,321</u>	<u>27,333</u>
Western Australian Education Course		
Opening Balance	23,955	28,060
Transfer from (to) Retained Funds	1,151	1,997
Transfer from (to) State Funds	-	(6,102)
	<u>25,106</u>	<u>23,955</u>
	<u>84,651</u>	<u>87,291</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 2010**

	2010	2009
	\$	\$
<hr/>		
12 Retained Earnings		
Retained earnings at the beginning of the financial year	1,810,734	1,742,519
Net profit attributable to members of the College	85,930	67,682
Transfer to Special Funds		
Sir Raphael Cilento Oration Fund	(221)	(253)
Western Australian Education Course	<u>(1,151)</u>	<u>(1,997)</u>
	(1,372)	(2,250)
Transfer from Special Funds		
NSW Administration Course & Education Fund	<u>4,012</u>	<u>2,784</u>
Retained earnings at the end of the financial year	<u><u>1,899,304</u></u>	<u><u>1,810,735</u></u>

**THE ROYAL AUSTRALASIAN COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

	2010	2009
	\$	\$
<hr/>		
13 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 \$11,284 for work performed for the College.		
14 Cash Flow Information		
Reconciliation of Cash Flow from Operations with Profit after Income Tax		
Profit after income tax	85,930	67,682
Non-cash flows in profit:		
Depreciation	13,676	10,781
Charges to provisions	36,202	13,690
Changes in assets and liabilities		
(Increase) Decrease in current receivables	(165,168)	(36,907)
Increase (Decrease) in payables	-	27,882
Increase (Decrease) in other creditors	33,967	-
	4,607	83,128
	4,607	83,128

**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 2010**

	2010	2009
	\$	\$
<hr/>		
15 Financial Risk Management		
<p>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.</p> <p>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:</p>		
	2010	2009
	\$	\$
Financial Assets		
Cash at Bank	310,954	243,850
Short term deposits	956,065	1,444,487
ANZ V2 Plus Account	22,287	21,760
Loans and receivables	481,929	316,761
State Committees Term Deposits	73,734	75,199
State Committees Cash at Bank	88,550	76,200
Total Financial Assets	<u>1,933,519</u>	<u>2,178,257</u>
Financial Liabilities		
Trade and other payables	<u>169,214</u>	<u>169,985</u>
Total Financial Liabilities	<u>169,214</u>	<u>169,985</u>

Financial Risk Management Policies

The College does not have any derivative instruments at 30 June 2010.

16 Company Details

The registered office of the company is:

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

17 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 20, 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 2010 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 **day of**

**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 2010, 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 2010 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**