

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

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2013**

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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 2013.

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
Prof G Frost
Dr A Johnson
Prof J Braithwaite
Dr E Pedagogos
Dr L Barrett Beck
Dr R Boyd retired 5 September 2012
Dr R Ashby retired 5 September 2012
Dr K Morris appointed 5 September 2012
Dr S Tideman appointed 5 September 2012

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 \$629,531.

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	7
Dr D Kasap	10	9
Prof G Frost	10	9
Dr A Johnson	5	5
Prof J Braithwaite	5	3
Dr E Pedagogos	5	4
Dr L Barrett Beck	5	5
Dr R Boyd	3	3
Dr R Ashby	3	2
Dr K Morris	3	3
Dr S Tideman	3	3

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 D Kasap

Dated this

11th day of August 2013

**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 2013 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.

Morton Watson & Young
Name of Firm: MORTON WATSON & YOUNG
Chartered Accountants

Graeme A. Hallam
Name of Partner: _____
GRAEME A. HALLAM, F.C.A.

Address: 51 Robinson Street, Dandenong Vic 3175

Dated this *26th* day of *August* 2013

**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 2013**

	Note	2013 \$	2012 \$
Revenue	2	11,563,830	9,941,873
		<u>11,563,830</u>	<u>9,941,873</u>
Administration expenses		(9,297,152)	(7,906,057)
Member services		(224,915)	(84,441)
Employment expenses	3	(1,270,471)	(1,092,914)
Conference, seminar & meeting expenses		(114,672)	(221,424)
Occupancy expenses		(33,867)	(31,597)
Profit before income tax	3	<u>622,753</u>	<u>605,440</u>
Income tax expense		-	-
Profit for the year		<u><u>622,753</u></u>	<u><u>605,440</u></u>
Other comprehensive income:			
Net gain (loss) on revaluation of financial assets		6,778	(2,859)
Profit attributable to members of the entity		<u>622,753</u>	<u>605,440</u>
Total comprehensive income attributable to members of the entity		<u><u>629,531</u></u>	<u><u>602,581</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 2013**

	Note	2013 \$	2012 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	10,971,639	3,349,299
Trade and other receivables	5	398,668	5,565,658
Financial assets	6	2,320,622	1,623,815
Other current assets	7	11,825	-
TOTAL CURRENT ASSETS		<u>13,702,754</u>	<u>10,538,772</u>
NON-CURRENT ASSETS			
Property, plant and equipment	8	830,237	776,765
TOTAL NON-CURRENT ASSETS		<u>830,237</u>	<u>776,765</u>
TOTAL ASSETS		<u>14,532,991</u>	<u>11,315,537</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	853,393	799,001
Provisions	10	109,309	93,528
Other current liabilities	11	9,712,490	7,194,741
TOTAL CURRENT LIABILITIES		<u>10,675,192</u>	<u>8,087,270</u>
TOTAL LIABILITIES		<u>10,675,192</u>	<u>8,087,270</u>
NET ASSETS		<u>3,857,799</u>	<u>3,228,267</u>
EQUITY			
Special Funds	12	67,930	86,144
Retained earnings	13	3,789,869	3,142,123
TOTAL EQUITY		<u>3,857,799</u>	<u>3,228,267</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 2013**

Note	Retained earnings \$	Bernard Nicholson Prize Fund \$	Sir Raphael Cilento Oration Fund \$	NSW Administratio n Course & Education Fund \$	Western Australian Education Fund \$	Total \$
Balance at 1 July 2011	2,539,080	24,887	10,388	24,720	26,611	2,625,686
Transfer from (to) Retained Funds						
12		(2,859)	416	989	992	(462)
Profit attributable to members	602,581					602,581
Transfers to						
Sir Raphael Cilento Oration Fund	(416)					(416)
NSW Administration Course & Education Fund	(989)					(989)
Western Australian Education Course	(992)					(992)
Transfers from						
Bernard Nicholson Prize Fund	2,859					2,859
Balance at 30 June 2012	3,142,123	22,028	10,804	25,709	27,603	3,228,267
Profit attributable to members	629,531					629,531
Transfer from (to) Retained Funds						
Bernard Nicholson Prize Fund	(7,929)	7,929	432	1,028	(27,603)	(18,214)
Sir Raphael Cilento Oration Fund	(432)					(432)
NSW Administration Course & Education Fund	(1,028)					(1,028)
Western Australian Education Course	27,604					27,604
Balance at 30 June 2013	3,789,869	29,957	11,236	26,737	-	3,857,798

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 2013**

	2013	2012
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from members	6,636,959	2,572,649
Conferences, sponsorship & other receipts	9,852,031	8,369,794
Interest received	241,829	389,732
Payment to suppliers & employees	<u>(10,842,319)</u>	<u>(9,190,520)</u>
Net cash provided by operating activities	<u>5,888,500</u>	<u>2,141,655</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from investments	(701,855)	-
Payments for property	(71,044)	-
Payments for equipment	(11,011)	(24,106)
Payments for investments	-	<u>(539,684)</u>
Net cash used in investing activities	<u>(783,910)</u>	<u>(563,790)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Fees received in advance	<u>2,517,750</u>	<u>211,441</u>
Net cash provided by financing activities	<u>2,517,750</u>	<u>211,441</u>
Net increase in cash held	7,622,340	1,789,306
Cash at beginning of financial year	<u>3,349,299</u>	<u>1,559,993</u>
Cash at end of financial year	<u>10,971,639</u>	<u>3,349,299</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 2013**

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. The College is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

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, except for the cash flow information, 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. The amounts in the financial statements have been rounded to the nearest dollar.

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.

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 2013**

Trade and Other Receivables

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.

At the end of each reporting period, the carrying amount of accounts receivable and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in statement of comprehensive income.

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 cost 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.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

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%

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.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

Impairment of Assets

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.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

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.

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 not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

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 the end of the reporting period.

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 (ATO).

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

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

**THE ROYAL AUSTRALASIAN COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

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.

Revenue and Other Income

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.

Donations and bequests are recognised as revenue when received

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 from the rendering of a service is recognised upon the delivery of the service to the customer.

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

All revenue is stated net of the amount of goods and services tax (GST).

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 2013**

	2013	2012
	\$	\$
2 Revenue		
Operating activities		
Dividends received	1,112	1,112
Interest received	241,829	389,732
Membership Fees	633,128	553,894
Candidates Fees	165,328	90,660
Sponsorship, Distributions & Advertising	34,032	30,054
Seminar, Course & Meeting Income	229,486	284,666
Conference Income	51,489	64,171
AMC Levy	55,250	50,499
Workshop Income	207,225	135,253
Project Income	9,818,000	8,339,740
Management for Clinicians	100,977	-
Sundry Income	25,974	2,092
Total operating revenue	<u>11,563,830</u>	<u>9,941,873</u>
Non-operating activities		
Movement in Net Market Values		
Bernard Nicholson Prize Fund Shares	6,778	(2,859)
Total non-operating revenue	<u>6,778</u>	<u>(2,859)</u>
Total Income	<u>11,570,608</u>	<u>9,939,014</u>
3 Profit		
Expenses		
Depreciation of property, plant and equipment	28,582	27,273
Increase (decrease) in :		
Holiday Pay Provision	11,338	15,481
Long Service Leave Provision	4,444	3,302
Auditor's Remuneration		
Audit of the Accounts	17,740	14,800
Research and policy costs	3,600	23,012
Significant Revenue and Expenses		
The following significant revenue and expense items are relevant in explaining the financial performance:		
Project Income	9,817,999	8,339,740
Project Expenses	<u>(8,817,913)</u>	<u>(7,581,999)</u>
	<u>1,000,086</u>	<u>757,741</u>

**THE ROYAL AUSTRALASIAN COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

	2013	2012
	\$	\$
4 Cash and Cash Equivalents		
State Committees Bank Accounts	207	642
ANZ V2 Plus AMC Levy Account	24,464	23,901
National Bank Cheque Account	419,073	812,266
National Australia Bank EFT Account	120,298	93,269
National Australia Bank Business Cash Maximiser Account	3,605,119	405,323
National Australia Bank STP Account	1,251,495	890,223
National Australia Bank STP 2 Account	5,550,983	1,123,675
	<u>10,971,639</u>	<u>3,349,299</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 bank	539,371	905,535
At call deposits	10,432,061	2,443,122
Cash at bank State Committees	207	642
	<u>10,971,639</u>	<u>3,349,299</u>
5 Trade and Other Receivables		
Current		
Withholding Tax Debtors	351	351
Membership Debtors	432,144	353,362
Less: Provision for Doubtful Debts	(45,000)	(45,000)
Other Debtors	11,173	4,659
Other Debtor - Department of Health Australia	-	5,252,286
	<u>398,668</u>	<u>5,565,658</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	2,290,665	1,574,184
Bernard Nicholson Prize Fund		
Bernard Nicholson Fund Shares	29,957	22,027
Western Australian Education Fund		
WA Education Fund Bank A/c	-	27,604
	<u>2,320,622</u>	<u>1,623,815</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

	2013 \$	2012 \$
7 Other Current Assets		
Current		
Security Deposit	11,825	-
8 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	691,143	620,100
Less accumulated depreciation	(50,711)	(34,882)
	<u>640,432</u>	<u>585,218</u>
Total Land and Buildings	<u>785,432</u>	<u>730,218</u>
Plant and Equipment:		
At cost	101,764	90,753
Accumulated depreciation	(56,959)	(44,206)
Total Plant and Equipment	<u>44,805</u>	<u>46,547</u>
Total Property, Plant and Equipment	<u>830,237</u>	<u>776,765</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 2011	145,000	600,720	27,810	6,400	779,930
Additions	-	-	24,106	-	24,106
Depreciation expense	-	(15,502)	(11,130)	(640)	(27,272)
Balance at 30 June 2012	<u>145,000</u>	<u>585,218</u>	<u>40,786</u>	<u>5,760</u>	<u>776,764</u>
Additions	-	71,044	11,011	-	82,055
Depreciation expense	-	(15,829)	(12,177)	(576)	(28,582)
Carrying amount at 30 June 2013	<u>145,000</u>	<u>640,433</u>	<u>39,620</u>	<u>5,184</u>	<u>830,237</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

	2013 \$	2012 \$
9 Trade and Other Payables		
Current		
Creditors & Accruals	41,126	440,673
Other Creditors	80,630	19,134
Amounts Withheld from Wages	21,229	16,332
GST Payable	710,408	322,862
	<u>853,393</u>	<u>799,001</u>
10 Provisions		
Provision for Annual Leave	84,896	73,559
Provision for Long Service Leave	24,413	19,969
	<u>109,309</u>	<u>93,528</u>
Total provisions	<u>109,309</u>	<u>93,528</u>
Analysis of Total Provisions		
Current	109,309	93,528
Non-current	-	-
	<u>109,309</u>	<u>93,528</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>		
11 Other Liabilities		
Current		
Unearned Income		
Unearned Subscription Income	789,683	769,216
Unearned Workshop Income	4,509	78,192
Unearned RHCE Grant Income	49,004	72,538
Unearned STPI Grant Income	1,058,979	523,923
Unearned PICS Grant Income	7,810,315	5,750,872
	<u>9,712,490</u>	<u>7,194,741</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

	2013	2012
	\$	\$
12 Special Funds		
 Bernard Nicholson Prize Fund		
Opening Balance	22,028	24,887
Transfer from (to) Retained Funds	7,929	(2,859)
	<u>29,957</u>	<u>22,028</u>
 Sir Raphael Cilento Oration Fund		
Opening Balance	10,804	10,388
Transfer from (to) Retained Funds	432	416
	<u>11,236</u>	<u>10,804</u>
 NSW Administration Course & Education Fund		
Opening Balance	25,709	24,720
Transfer from (to) Retained Funds	1,028	989
	<u>26,737</u>	<u>25,709</u>
 Western Australian Education Fund		
Opening Balance	27,603	26,611
Transfer from (to) Retained Funds	(27,603)	992
	<u>-</u>	<u>27,603</u>
	<u>67,930</u>	<u>86,144</u>
13 Retained Earnings		
Retained earnings at the beginning of the financial year	3,142,123	2,539,080
Net profit attributable to members of the College	629,531	602,581
Transfer to Special Funds		
Sir Raphael Cilento Oration Fund	(432)	(416)
NSW Administration Course & Education Fund	(1,028)	(989)
Western Australian Education Course	27,604	(992)
	<u>26,144</u>	<u>(2,397)</u>
Transfer from Special Funds		
Bernard Nicholson Prize Fund	(7,929)	2,859
Retained earnings at the end of the financial year	<u>3,789,869</u>	<u>3,142,123</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 2013**

	2013	2012
	\$	\$
14 State Committee Accounts		
The following funds are being held on behalf of the state committees:		
New South Wales	18,996	12,263
Queensland	71,398	50,344
South Australia	6,365	6,499
Victoria	42,858	36,966
Western Australia	31,418	1,501
Northern Territory	1,009	1,009
Australian Capital Territory	-	-
Tasmania	-	-
New Zealand	5,076	-
	177,120	108,582
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	3,376	-
L Gruner	2,500	-
	5,876	-
16 Cash Flow Information		
Reconciliation of Cash Flow from Operations with Profit after Income Tax		
Profit after income tax	629,531	602,581
Non-cash flows in profit:		
Change in net market value	(6,778)	-
Depreciation	28,582	27,273
Charges to provisions	15,782	18,783
Investing flows in operating profits	-	2,859
Changes in assets and liabilities		
(Increase) Decrease in current receivables	5,166,990	1,390,301
Increase (Decrease) in other creditors	54,393	99,858
	5,888,500	2,141,655

**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 2013**

	2013	2012
	\$	\$

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:

	2013	2012
	\$	\$
Financial Assets		
Cash at banks	10,971,639	3,349,299
Short term deposits	2,290,665	1,601,787
Investments	29,957	22,027
Loans and receivables	398,668	5,565,657
Total Financial Assets	<u>13,690,929</u>	<u>10,538,770</u>
Financial Liabilities		
Trade and other payables	853,393	799,001
Unexpended Grants	9,712,490	7,194,741
Total Financial Liabilities	<u>10,565,883</u>	<u>7,993,742</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 2013.

18 Company Details

The registered office of the company is:

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

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 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 2013 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 D. Kasap

Dated this

10th day of August 2013

**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 2013, 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 2013 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 2013 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
Chartered Accountants

Name of Partner:



GRAEME A. HALLAM, F.C.A.

Address:

51 Robinson Street, Dandenong Vic 3175

Dated this 26th day of August 2013