

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

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
30 JUNE 2019**

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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 2019.

**Information on Director**

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

A/Prof Alan Sandford AM  
Dr Michael Walsh  
Dr Kevin Morris  
Dr Sergio Diez Alvarez  
Prof Jeffrey Braithwaite  
Prof Barbara Workman  
A/Prof Pooshan Navathe  
Dr Luis Prado  
Dr Helen Parsons  
Prof Erwin Loh  
Prof Michael Cleary  
Dr Iwona Stolarek  
Dr Samantha Simpson  
A/Prof Vinay Rane

Directors who have completed their terms, been elected or appointed during the financial year have been identified.

**Operating Results**

The profit of the College for the financial year after providing for income tax amounted to \$871,457.

**Significant Changes in the State of Affairs**

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.

**Events After the Reporting Date**

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.

**Environmental Issues**

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

**Dividends paid or recommended**

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

**Indemnification and Insurance of Officers and Auditors**

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.

**THE ROYAL AUSTRALASIAN 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**

	<b>Directors Meetings</b>	
	<b>Number eligible to attend</b>	<b>Number attended</b>
A/Prof Alan Sandford AM	4	4
Dr Michael Walsh	2	2
Dr Kevin Morris	5	5
Dr Sergio Diez Alvarez	2	1
Prof Jeffrey Braithwaite	2	0
Prof Barbara Workman	2	0
A/Prof Pooshan Navathe	5	4
Dr Luis Prado	5	4
Dr Helen Parsons	5	4
Prof Erwin Loh	5	5
Prof Michael Cleary	2	2
Dr Iwona Stolarek	4	4
Dr Samantha Simpson	4	4
A/Prof Vinay Rane	4	4

**Auditor's Independence Declaration**

A copy of the auditor's 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:** \_\_\_\_\_  
**A/Prof Alan Sandford AM**

**Director:** \_\_\_\_\_  
**Prof Erwin Loh**

**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 2019 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  
A.B.N. 39 004 688 215**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2019**

	Note	2019 \$	2018 \$
<b>Income</b>			
Revenue	4	4,058,767	3,728,404
Other income	4	-	105,412
		<u>4,058,767</u>	<u>3,833,816</u>
<b>Expenditure</b>			
Governance and member services		(1,154,834)	(1,121,526)
Professional services		(226,128)	(319,025)
Employment expenses		(1,414,745)	(1,441,550)
Occupancy expenses		(58,083)	(112,021)
Other overhead expenses		(333,997)	(299,536)
		<u>(3,187,787)</u>	<u>(3,293,658)</u>
<b>Profit for the year</b>		870,980	540,158
Retained earnings at the beginning of the financial year		6,267,443	5,725,432
<b>Profit</b>		<u>7,138,423</u>	<u>6,265,590</u>
<b>Other comprehensive income, net of income tax</b>			
Bernard Nicholson Prize Fund Shares		477	1,853
<b>Other comprehensive income for the year, net of tax</b>		<u>477</u>	<u>1,853</u>
<b>Total comprehensive income for the year</b>		<u>871,457</u>	<u>542,011</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 2019**

	Note	2019 \$	2018 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	7	6,239,915	5,046,293
Trade and other receivables	8	1,028,044	828,574
Financial assets	9	3,623,997	4,947,684
Other current assets	10	-	11,950
<b>TOTAL CURRENT ASSETS</b>		<u>10,891,956</u>	<u>10,834,501</u>
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables	8	299,092	287,876
Property, plant and equipment	11	2,428,088	2,452,801
<b>TOTAL NON-CURRENT ASSETS</b>		<u>2,727,180</u>	<u>2,740,677</u>
<b>TOTAL ASSETS</b>		<u>13,619,136</u>	<u>13,575,178</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	12	285,851	277,266
Provisions	13	80,157	113,540
Other current liabilities	14	6,043,105	6,816,343
<b>TOTAL CURRENT LIABILITIES</b>		<u>6,409,113</u>	<u>7,207,149</u>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	13	-	29,463
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>-</u>	<u>29,463</u>
<b>TOTAL LIABILITIES</b>		<u>6,409,113</u>	<u>7,236,612</u>
<b>NET ASSETS</b>		<u>7,210,023</u>	<u>6,338,566</u>
<b>EQUITY</b>			
Special Funds	15	71,123	71,123
Retained earnings	16	7,138,900	6,267,443
<b>TOTAL EQUITY</b>		<u>7,210,023</u>	<u>6,338,566</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 2019**

Note	Retained earnings \$	Bernard Nicholson Prize Fund \$	Sir Raphael Cilento Oration Fund \$	NSW Administratio n Course & Education Fund \$	Total \$
<b>Balance at 1 July 2017</b>	5,725,432	32,988	12,086	26,049	5,796,555
Profit attributable to members	542,011				542,011
<b>Balance at 30 June 2018</b>	6,267,443	32,988	12,086	26,049	6,338,566
Profit attributable to members	871,457				871,457
<b>Balance at 30 June 2019</b>	<u>7,138,900</u>	<u>32,988</u>	<u>12,086</u>	<u>26,049</u>	<u>7,210,023</u>

The accompanying notes form part of these financial statements.

**THE ROYAL AUSTRALASIAN COLLEGE  
OF MEDICAL ADMINISTRATORS  
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**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2019**

	2019 \$	2018 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from members	3,718,132	3,326,512
Conferences, sponsorship & other receipts	3,776,953	17,322,110
Interest received	88,124	50,304
Payment to suppliers & employees	<u>(6,901,146)</u>	<u>(21,087,604)</u>
<b>Net cash provided by (used in) operating activities</b>	<u>682,063</u>	<u>(388,678)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from investments	1,324,164	8,568,227
Proceeds from sale of other current assets	11,950	-
Payments for equipment	(28,684)	(48,050)
Payments for Gowns	(2,851)	-
Payments for E Portfolio system	<u>(8,566)</u>	<u>(133,348)</u>
<b>Net cash provided by investing activities</b>	<u>1,296,013</u>	<u>8,386,829</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Fees received in advance	<u>(784,454)</u>	<u>(10,642,650)</u>
<b>Net cash used in financing activities</b>	<u>(784,454)</u>	<u>(10,642,650)</u>
Net increase (decrease) in cash held	1,193,622	(2,644,499)
Cash at beginning of financial year	<u>5,046,293</u>	<u>7,690,792</u>
<b>Cash at end of financial year</b>	<u><u>6,239,915</u></u>	<u><u>5,046,293</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 2019**

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**1 Summary 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 guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of The Royal Australasian College of Medical Administrators is Australian dollars.

The financial report was authorised for issue by the Directors.

Comparatives are consistent with prior years, unless otherwise stated.

**2 Basis of Preparation**

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations and the other authoritative pronouncements of the Australian Accounting Standards Board (AASB), the Corporations Act 2001 and the Australian Charities and Not-for-profits Commission Act 2012.

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 otherwise stated .

**3 Summary of Significant 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 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.

**THE ROYAL AUSTRALASIAN COLLEGE  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019**

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**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**

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:

<b>Fixed Asset Class</b>	<b>Depreciation Rate</b>
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.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019**

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**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).

**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.

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.

**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 comprise listed securities.

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

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.

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

**THE ROYAL AUSTRALASIAN COLLEGE  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019**

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### **Trade and Other Payables**

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 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)**

Revenue, 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.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing or financing activities which is recoverable from, or payable to, the taxation authority is 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  
OF MEDICAL ADMINISTRATORS  
A.B.N. 39 004 688 215**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019**

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**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 college 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.

**Rental income**

Investment property revenue is recognised on a straight-line basis over the period of the lease term so as to reflect a constant periodic rate of return on the net investment.

**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.

**Other income**

Other income is recognised on an accruals basis when the college is entitled to it.

**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.

**THE ROYAL AUSTRALASIAN COLLEGE  
OF MEDICAL ADMINISTRATORS  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019**

		2019	2018
		\$	\$
<b>4</b>	<b>Revenue</b>		
	<b>Operating activities</b>		
	Dividends received	1,694	1,271
	Interest received	88,124	50,304
	Membership Subscriptions	1,148,200	1,056,489
	Training Fees	2,478,389	2,014,078
	Advertising & Sponsorship	53,042	56,991
	Annual Conference	184,483	107,421
	Externally Delivered Programs	58,635	185,636
	LTI Forum	24,089	91,195
	Net project revenue	-	156,199
	Donations Received	-	73,236
	Government Subsidies	-	65,848
	Miscellaneous Income	22,111	6,370
	Rent Received	-	19,565
	<b>Total operating revenue</b>	<u>4,058,767</u>	<u>3,884,603</u>
	<b>Non-operating activities</b>		
	Movement in Net Market Values		
	Bernard Nicholson Prize Fund Shares	477	1,853
	Loss on Sale of Non-current Assets	-	(50,787)
	<b>Total non-operating revenue</b>	<u>477</u>	<u>(48,934)</u>
	<b>Total Income</b>	<u>4,059,244</u>	<u>3,835,669</u>
<b>5</b>	<b>Auditor's Remuneration</b>		
	Audit of accounts	14,300	13,400
	Grant audits	4,000	2,000
		<u>18,300</u>	<u>15,400</u>
<b>6</b>	<b>Profit</b>		
	<b>Expenses</b>		
	Depreciation of property, plant and equipment	64,814	41,323
	Bad Debts Written Off	40,349	31,817
	Increase (decrease) in :		
	Holiday Pay Provision	(24,798)	(24,192)
	Long Service Leave Provision	(38,048)	(70,756)

**THE ROYAL AUSTRALASIAN COLLEGE  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
<b>Significant Revenue and Expenses</b>		
The following significant revenue and expense items are relevant in explaining the financial performance:		
Project Income	3,723,911	17,191,883
Project Expenses	<u>(3,723,911)</u>	<u>(17,033,684)</u>
	<u>-</u>	<u>158,199</u>
<b>7 Cash and Cash Equivalents</b>		
ANZ V2 Plus AMC Levy Account	25,455	25,408
National Australia Bank Cheque Account	585,517	1,014,809
National Australia Bank EFT Account	-	136,731
National Australia Bank Business Cash Maximiser Account	1,188,762	695,383
National Australia Bank STP Account	4,216,106	2,468,366
National Australia Bank STP 2 Account	-	597,262
State Account - New Zealand	361	379
TryBooking Account	135,629	48,360
Debit Card Accounts	8,972	15,000
Undeposited Funds	79,113	44,595
	<u>6,239,915</u>	<u>5,046,293</u>
<b>Reconciliation of cash</b>		
Cash at the end of the financial year as shown in the cash flow statement is reconciled to the related items in the statement of financial position as follows:		
Cash at banks	585,517	1,151,540
At call deposits	5,430,322	3,786,419
Cash at Bank State Committee	361	-
Debit Card Accounts	8,972	15,000
Try Booking Accounts	135,629	48,360
Undeposited Funds	79,114	44,595
	<u>6,239,915</u>	<u>5,045,914</u>
<b>8 Trade and Other Receivables</b>		
<b>Current</b>		
Trade Debtors	885,345	836,765
Less: Provision for Doubtful Debts	(45,000)	(45,000)
Other Debtors	187,699	36,809
	<u>1,028,044</u>	<u>828,574</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 2019**

	2019	2018
	\$	\$
<b>Non-Current</b>		
<b>State's Funds</b>		
NSW State Funds	94,311	97,991
Queensland State Funds	58,536	59,284
South Australia State Funds	3,185	3,738
Victoria State Funds	98,267	81,227
Western Australia State Funds	19,862	19,814
Northern Territory Funds	1,009	1,009
New Zealand Funds	23,922	24,813
Australian Capital Territory	-	-
Tasmania	-	-
	<u>299,092</u>	<u>287,876</u>
The college does not hold any financial assets whose terms have been renegotiated, but which would otherwise be past due or impaired.		
<b>9 Financial Assets</b>		
<b>Current</b>		
ANZ Banking Group Term Deposit	270,600	270,600
National Australia Bank Term Deposits	3,320,303	4,644,467
Bernard Nicholson Prize Fund		
Bernard Nicholson Fund Shares	33,094	32,617
	<u>3,623,997</u>	<u>4,947,684</u>
<b>10 Other Non-Financial Assets</b>		
<b>Current</b>		
Security Deposit	-	11,950
	<u>-</u>	<u>11,950</u>



**THE ROYAL AUSTRALASIAN COLLEGE  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
<b>11 Property, Plant and Equipment</b>		
<b>LAND AND BUILDINGS</b>		
<b>Land and Building Cato Street, Hawthorn</b>		
At Cost	1,548,903	1,548,903
	<u>1,548,903</u>	<u>1,548,903</u>
<b>Land Milton Parade, Malvern Victoria</b>		
At Cost	145,000	145,000
	<u>145,000</u>	<u>145,000</u>
<b>Building Milton Parade, Malvern Victoria</b>		
At Cost	642,809	642,809
Less accumulated depreciation	(146,563)	(130,493)
	<u>496,246</u>	<u>512,316</u>
<b>Total Land and Buildings</b>	<u>2,190,149</u>	<u>2,206,219</u>
<b>Plant and Equipment:</b>		
At cost	349,978	342,569
Accumulated depreciation	(116,960)	(98,706)
	<u>233,018</u>	<u>243,863</u>
<b>Gowns</b>		
At Cost	9,251	6,400
Accumulated depreciation	(4,330)	(3,681)
	<u>4,921</u>	<u>2,719</u>
<b>Total Plant and Equipment</b>	<u>237,939</u>	<u>246,582</u>
<b>Total Property, Plant and Equipment</b>	<u>2,428,088</u>	<u>2,452,801</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 2017	145,000	2,129,469	86,319	3,359	2,364,147
Additions	-	-	180,707	-	180,707
Disposals	-	(50,731)	-	-	(50,731)
Depreciation expense	-	(17,520)	(23,163)	(640)	(41,323)
Balance at 30 June 2018	<u>145,000</u>	<u>2,061,218</u>	<u>243,863</u>	<u>2,719</u>	<u>2,452,800</u>
Additions	-	-	37,250	2,851	40,101
Disposals	-	-	(29,840)	-	(29,840)
Depreciation expense	-	(16,069)	(18,254)	(649)	(34,972)
Carrying amount at 30 June 2019	<u>145,000</u>	<u>2,045,149</u>	<u>233,019</u>	<u>4,921</u>	<u>2,428,089</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 2019**

	2019	2018
	\$	\$
<b>12 Trade and Other Payables</b>		
<b>Current</b>		
Creditors & Accruals	142,189	199,931
Other Creditors	4,440	6,357
Amounts Withheld from Wages	29,668	40,730
GST Payable	109,554	30,248
	<u>285,851</u>	<u>277,266</u>
<b>13 Provisions</b>		
Annual Leave	69,948	94,746
Long Service Leave	10,209	48,257
<b>Total provisions</b>	<u>80,157</u>	<u>143,003</u>
<b>Analysis of Total Provisions</b>		
Current	80,157	113,540
Non-current	-	29,463
	<u>80,157</u>	<u>143,003</u>
<b>Employee Provisions</b>		
<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>		
<b>14 Other Liabilities</b>		
<b>Current</b>		
<b>Income in Advance</b>		
Unearned Subscription Income	1,199,490	1,112,795
Unearned Workshop Income	554,914	444,640
	<u>1,754,404</u>	<u>1,557,435</u>
<b>Unearned Income</b>		
Unearned STPI Grant Income	3,989,609	3,752,880
Unearned PICS Grant Income	-	1,218,152
	<u>3,989,609</u>	<u>4,971,032</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 2019**

	2019	2018
	\$	\$
<b>Funds held for State Committees</b>		
NSW Funds Held	94,311	97,991
Queensland Funds Held	58,536	59,284
South Australia Funds Held	3,185	3,738
Victoria Funds Held	98,267	81,227
West Australian Funds Held	19,862	19,814
Monies Held in Trust (NT)	1,009	1,009
New Zealand Funds Held	23,922	24,813
	<u>299,092</u>	<u>287,876</u>
	<u>6,043,105</u>	<u>6,816,343</u>
<b>15 Special Funds</b>		
<b>Bernard Nicholson Prize Fund</b>		
Opening Balance	32,988	32,988
<b>Sir Raphael Cilento Oration Fund</b>		
Opening Balance	12,086	12,086
<b>NSW Administration Course &amp; Education Fund</b>		
Opening Balance	26,049	26,049
	<u>71,123</u>	<u>71,123</u>
<b>16 Retained Earnings</b>		
Retained earnings at the beginning of the financial year	6,267,443	5,725,432
Net profit attributable to members of the College	871,457	542,011
Retained earnings at the end of the financial year	<u>7,138,900</u>	<u>6,267,443</u>
<b>17 Related Party Transactions</b>		
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	<u>-</u>	<u>1,033</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 2019**

	2019 \$	2018 \$
<b>18 Cash Flow Information</b>		
<b>Reconciliation of result for the year to cashflows from operating activities.</b>		
Profit after income tax	871,457	542,011
Cash flows excluded from profit attributable to operating activities		
<b>Non-cash flows in profit</b>		
Change in net market value	(477)	(1,853)
Depreciation	64,814	41,323
Charges to provisions	(62,845)	(94,948)
Loss on sale of non-current assets	-	50,787
<b>Changes in assets and liabilities</b>		
(Increase) Decrease in current receivables	(199,469)	(221,362)
Increase (Decrease) in other creditors	8,583	(704,636)
	<u>682,063</u>	<u>(388,678)</u>

**19 Financial Risk Management**

The college is exposed to a variety of financial risks through its use of financial instruments.

This note discloses the college's objectives, policies and processes for managing and measuring these risks.

The college's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

	2019 \$	2018 \$
<b>Financial Assets</b>		
Cash at banks	585,517	1,244,495
Short term deposits	5,430,322	3,786,419
Investments	3,623,996	4,947,684
Loans and receivables	1,028,044	828,574
States funds held	299,093	287,876
New Zealand bank account	361	379
Bank debit cards	8,972	15,000
<b>Total Financial Assets</b>	<u>10,976,305</u>	<u>11,110,427</u>
<b>Financial Liabilities</b>		
Trade and other payables	281,411	277,266
Unexpended Grants	3,989,609	4,971,032
Income in advance	1,754,404	1,557,435
State committee funds	299,093	287,876
<b>Total Financial Liabilities</b>	<u>6,324,517</u>	<u>7,093,609</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 2019**

2019	2018
\$	\$

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The college does not have any derivative instruments at 30 June 2019.

**20 Company Details**

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

The Royal Australasian College  
of Medical Administrators  
Suite 1, 20 Cato Street  
Hawthorn East Vic 3123

**21 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 2019 and of the performance for the year ended on that date of the college; and
  - (c) satisfy the requirements of Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.
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:** \_\_\_\_\_  
**A/Prof Alan Sandford AM**

**Director:** \_\_\_\_\_  
**Prof Erwin Loh**

**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 Audit of the Financial Report**

**Opinion**

We have audited the financial report of The Royal Australasian College of Medical Administrators, (the company) which comprises the statement of financial position as at 30 June 2019 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows and cash flow statement for the year then ended, and notes to the financial statements, including a of significant accounting policies and the directors' declaration.

In our opinion, the accompanying financial report of the company is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2019 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.
- (iii) complying with the requirements of the Australian Charities and Not-for-profits Commission Act 2012.

**Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Report section of our report. We are independent of the company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditors' report.

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

**Responsibilities of Directors' for the Financial Report**

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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

**Auditor's Responsibility for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



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

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

**PROFIT AND LOSS STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2019**

	2019 \$	2018 \$
<b>INCOME</b>		
Membership Subscriptions	1,148,200	1,056,489
Training Fees	2,478,389	2,014,078
Advertising & Sponsorship	53,042	56,991
Annual Conference	184,483	107,421
Externally Delivered Programs	58,635	185,636
LTI Forum	24,089	91,195
	<u>3,946,838</u>	<u>3,511,810</u>
<b>OTHER INCOME</b>		
Dividends Received	1,694	1,271
Interest Received	88,124	50,304
Donations Received	-	73,236
Movement in Net Market Values		
Bernard Nicholson Prize Fund Shares	477	1,853
Government Subsidies	-	65,848
Miscellaneous Income	22,111	6,370
Loss on Sale of Non-current Assets	-	(50,787)
Rent Received	-	19,565
Project Income	3,723,912	17,191,883
Project Expenses	(3,723,912)	(17,035,684)
	<u>-</u>	<u>156,199</u>
<b>Total Other Income</b>	<u>112,406</u>	<u>323,859</u>
<b>TOTAL INCOME</b>	<u>4,059,244</u>	<u>3,835,669</u>
<b>EXPENSES</b>		
Governance & CPMC		
Meeting Expenses	26,312	20,018
Teleconference & Video - Governance	444	2,509
Travelling & Accommodation - Governance	68,658	99,106
CPMC Subscriptions	14,859	20,901
	<u>110,273</u>	<u>142,534</u>
Faculty Support		
Censors Workshops & Expenses	4,974	15,326
State Workshops & Seminars	26,211	113,444
Travel & Accommodation - Faculty	24,482	67,561
Honorarium	3,750	-
Printing & Stationery - Faculty	9,063	4,465
Teleconference & Video - Faculty	662	1,468
Faculty Meeting Expenses	1,954	1,581
	<u>71,096</u>	<u>203,845</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 2019**

	2019 \$	2018 \$
<b>Training &amp; Education</b>		
Accel Pathway Expenses	-	1,120
Courses Expensed	2,290	13,075
Candidate Workshop CW1	14,586	5,439
Candidate Workshop CW2	-	12,033
Teleconference A& Video - Training	16,274	20,427
Exam Expenses	73,652	71,473
Travel & Accommodation - Training	145,216	83,484
Consultants & Honorarium	209,803	223,568
Workshop Expenses	224,321	186,626
	<u>686,142</u>	<u>617,245</u>
<b>Accreditation Costs</b>		
Travel & Accommodation - Accreditation	20,875	68,931
AMC Accreditation	86,953	20,000
	<u>107,828</u>	<u>88,931</u>
<b>Annual Conference</b>		
Conference Organiser	149,136	27,505
Trophies, Medals & Prizes	10,582	13,127
Incidental Conference Expenses	9,843	13,787
	<u>169,561</u>	<u>54,419</u>
<b>Publications</b>		
	9,934	14,552
<b>Employment Expenses</b>		
Holiday Pay Provision	(24,798)	(24,192)
Long Service Leave Provision	(38,048)	(70,756)
Other Employment Expenses	33,235	23,632
Payroll Tax	40,228	40,537
Professional Development	14,989	11,424
Recruitment Agency	8,289	21,748
Salaries & Wages	1,329,249	1,311,045
Staff Allocation to Projects	(81,246)	-
Superannuation Contributions	123,946	118,271
WorkCover	8,901	9,841
	<u>1,414,745</u>	<u>1,441,550</u>
<b>Office Supplies</b>		
Employees' Amenities	2,825	4,378
Photocopier Expenses	3,516	5,043
Postage	6,101	11,748
Printing & Stationery	25,828	62,404
	<u>38,270</u>	<u>83,573</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 2019**

	2019 \$	2018 \$
Professional Services		
Accountancy Fees	45,125	41,175
Advertising & Marketing	19,499	56,520
Auditor's Remuneration		
Audit of the Accounts	14,300	13,400
Bookkeeping	15,276	9,565
Consultancy Fees	115,694	170,305
Legal Costs	16,234	28,060
	<u>226,128</u>	<u>319,025</u>
Occupancy Expenses		
Agent's Fees	-	2,587
Body Corporate Fees	23,509	32,439
Cleaning & Rubbish Removal	6,864	5,128
Electricity & Gas	13,860	6,555
Rates & Land Tax	7,089	8,076
Rent of Premises	-	26,665
Repairs & Maintenance	4,304	28,780
Water	2,457	1,791
	<u>58,083</u>	<u>112,021</u>
Other Overhead Expenses		
Bad Debts Written Off	40,349	31,817
Bank Charges	2,004	2,352
Depreciation	64,814	41,323
General Expenses	816	170
Insurance	22,979	19,707
Merchant Fees	43,207	28,547
Subscriptions	4,740	6,856
Telephone/Video Conferencing	37,065	41,978
Travel & Accommodation	102	-
	<u>216,076</u>	<u>172,750</u>
IT Expenses		
Website	-	4,839
IT Support & Maintenance	55,172	24,424
Software & Licences	24,479	13,950
	<u>79,651</u>	<u>43,213</u>
<b>Total Expenses</b>	<u>3,187,787</u>	<u>3,293,658</u>
<b>PROFIT (LOSS) BEFORE INCOME TAX</b>	<u>871,457</u>	<u>542,011</u>

The accompanying notes form part of these financial statements.