

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

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2017**

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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 2017.

Information on Director

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

Prof Michael Cleary
Dr Michael Walsh
Dr Humsha Naidoo
Dr Kevin Morris
Dr Sara Watson retired 11 October 2016
Dr Sergio Diez Alvarez
Prof Jeffrey Braithwaite
Prof Barbara Workman
Dr Annette Pantle retired 11 October 2016
A/Prof Pooshan Navathe
Dr Luis Prado appointed 11 October 2016
Dr Helen Parson appointed 11 October 2016

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

Operating Results

The profit of the College for the financial year after providing for income tax amounted to \$292,509.

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.

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.

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DIRECTORS' REPORT

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	
	Number eligible to attend	Number attended
Prof Michael Cleary	5	5
Dr Michael Walsh	6	5
A/Prof Pooshan Navathe	5	5
Dr Humsha Naidoo	6	4
Prof Barbara Workman	4	2
Dr Kevin Morris	4	4
Dr Annette Pantle	4	2
Dr Sara Watson	4	4
Dr Sergio Diez Alvarez	1	1
Prof Jeffrey Braithwaite	4	3
Dr Lee Gruner	1	1
Dr Paul Eleftheriou	2	2

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: 
Prof Michael Cleary

Director: 
Dr Humsha Naidoo

Dated this 22 day of November 2017

**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 2017 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
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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	2017 \$	2016 \$
Income			
Revenue	4	3,023,544	2,239,129
Other income	4	<u>154,893</u>	<u>233,315</u>
		3,178,437	2,472,444
Expenditure			
Governance and member services		(944,478)	(557,840)
Professional services		(264,403)	(93,454)
Employment expenses		(1,445,289)	(1,159,605)
Occupancy expenses		(38,754)	(24,879)
Other overhead expenses		<u>(194,063)</u>	<u>(154,131)</u>
		<u>(2,886,987)</u>	<u>(1,989,909)</u>
Profit for the year		291,450	482,535
Retained earnings at the beginning of the financial year		5,432,924	4,951,210
Profit		<u>5,724,374</u>	<u>5,433,745</u>
Other comprehensive income, net of income tax			
Bernard Nicholson Prize Fund Shares		<u>1,059</u>	<u>(2,700)</u>
Other comprehensive income for the year, net of tax		<u>1,059</u>	<u>(2,700)</u>
Total comprehensive income for the year		<u>292,509</u>	<u>479,835</u>

The accompanying notes form part of these financial statements.

**THE ROYAL AUSTRALASIAN COLLEGE
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**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017**

	Note	2017 \$	2016 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	7,690,792	3,925,787
Trade and other receivables	8	607,212	563,314
Financial assets	9	13,514,057	15,141,876
Other current assets	10	11,949	11,948
TOTAL CURRENT ASSETS		<u>21,824,010</u>	<u>19,642,925</u>
NON-CURRENT ASSETS			
Trade and other receivables	8	171,778	165,507
Property, plant and equipment	11	2,364,148	790,458
TOTAL NON-CURRENT ASSETS		<u>2,535,926</u>	<u>955,965</u>
TOTAL ASSETS		<u>24,359,936</u>	<u>20,598,890</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	982,537	604,420
Provisions	13	216,988	198,449
Other current liabilities	14	17,342,892	14,291,974
TOTAL CURRENT LIABILITIES		<u>18,542,417</u>	<u>15,094,843</u>
NON-CURRENT LIABILITIES			
Provisions	13	20,963	-
TOTAL NON-CURRENT LIABILITIES		<u>20,963</u>	<u>-</u>
TOTAL LIABILITIES		<u>18,563,380</u>	<u>15,094,843</u>
NET ASSETS		<u>5,796,556</u>	<u>5,504,047</u>
EQUITY			
Special Funds	15	71,123	71,124
Retained earnings	16	5,725,433	5,432,923
TOTAL EQUITY		<u>5,796,556</u>	<u>5,504,047</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 2017**

	Note	Retained earnings \$	Bernard Nicholson Prize Fund \$	Sir Raphael Cilento Oration Fund \$	NSW Administratio n Course & Education Fund \$	Total \$
Balance at 1 July 2015		4,951,210	33,888	12,375	26,738	5,024,211
Transfer from (to) Retained Funds	15		(900)	(289)	(688)	(1,877)
Profit attributable to members		479,835				479,835
Transfers from						
Bernard Nicholson Prize Fund		900				900
Sir Raphael Cilento Oration Fund		289				289
NSW Administration Course & Education Fund		688				688
Balance at 30 June 2016		5,432,922	32,988	12,086	26,050	5,504,046
Profit attributable to members		292,509				292,509
Balance at 30 June 2017		<u>5,725,431</u>	<u>32,988</u>	<u>12,086</u>	<u>26,050</u>	<u>5,796,555</u>

The accompanying notes form part of these financial statements.

**THE ROYAL AUSTRALASIAN COLLEGE
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**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2017**

	2017 \$	2016 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from members	2,857,950	1,941,405
Conferences, sponsorship & other receipts	14,467,607	15,522,642
Interest received	85,821	130,836
Payment to suppliers & employees	<u>(16,716,671)</u>	<u>(17,292,972)</u>
Net cash provided by operating activities	<u>694,707</u>	<u>301,911</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from investments	1,628,878	-
Payments for property	(1,548,903)	(9,641)
Payments for equipment	(21,844)	(14,078)
Payments for investments	-	(1,613,849)
Payments for E Portfolio system	<u>(32,481)</u>	<u>(32,244)</u>
Net cash provided by (used in) investing activities	<u>25,650</u>	<u>(1,669,812)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Fees received in advance	<u>3,044,647</u>	<u>1,624,082</u>
Net cash provided by financing activities	<u>3,044,647</u>	<u>1,624,082</u>
Net increase in cash held	3,765,004	256,181
Cash at beginning of financial year	<u>3,925,787</u>	<u>3,669,606</u>
Cash at end of financial year	<u><u>7,690,791</u></u>	<u><u>3,925,787</u></u>

The accompanying notes form part of these financial statements.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

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) and the Corporations Act 2001.

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

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

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:

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

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

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

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).

Financial Assets

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

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

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

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

Loans and receivables

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

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

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

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

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

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

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

Financial assets at fair value through profit or loss

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

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

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

Held-to-maturity investments

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

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

Available-for-sale financial assets

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

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

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

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

Impairment of financial assets

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

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.

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**NOTES TO THE FINANCIAL STATEMENTS
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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)

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

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

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

**THE ROYAL AUSTRALASIAN COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

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

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.

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

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.

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.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

	2017 \$	2016 \$
4 Revenue		
Operating activities		
Dividends received	1,271	1,271
Interest received	85,821	130,836
Membership Subscriptions	978,399	874,045
Training Fees	1,250,256	875,059
Advertising & Sponsorship	35,875	37,620
Annual Conference	103,245	77,363
Externally Delivered Programs	152,271	65,704
LTI Forum	283,933	129,885
Net project revenue	154,893	233,315
Government Subsidies	44,312	30,426
Miscellaneous Income	31,294	16,920
Rent Received	56,867	-
Total operating revenue	<u>3,178,437</u>	<u>2,472,444</u>
Non-operating activities		
Movement in Net Market Values		
Bernard Nicholson Prize Fund Shares	1,059	(2,700)
Total non-operating revenue	<u>1,059</u>	<u>(2,700)</u>
Total Income	<u>3,179,496</u>	<u>2,469,744</u>
5 Auditor's Remuneration		
Audit of accounts	12,400	12,400
Grant audits	2,000	1,000
	<u>14,400</u>	<u>13,400</u>
6 Profit		
Expenses		
Depreciation of property, plant and equipment	29,539	40,332
Bad Debts Written Off	15,936	17,482
Increase (decrease) in :		
Holiday Pay Provision	(29,121)	13,191
Long Service Leave Provision	68,622	6,534
Significant Revenue and Expenses		
The following significant revenue and expense items are relevant in explaining the financial performance:		
Project Income	14,431,733	15,485,022
Project Expenses	<u>(14,276,840)</u>	<u>(15,251,707)</u>
	<u>154,893</u>	<u>233,315</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

	2017	2016
	\$	\$
7 Cash and Cash Equivalents		
ANZ V2 Plus AMC Levy Account	25,361	25,228
National Bank Cheque Account	1,544,807	888,356
National Australia Bank EFT Account	104,247	141,598
National Australia Bank Business Cash Maximiser Account	1,004,730	1,119,316
National Australia Bank STP Account	448,450	612,520
National Australia Bank STP 2 Account	4,554,521	1,133,529
State Account - New Zealand	681	1,682
Debit Card Accounts	7,995	3,558
	<u>7,690,792</u>	<u>3,925,787</u>
Reconciliation of cash		
Cash at the end of the financial year as shown in the cash flow statement is reconciled to the related items in the statement of financial position as follows:		
Cash at banks	1,108,977	1,029,954
At call deposits	6,573,139	2,890,593
Cash at bank State Committees	681	1,682
Debit Card Accounts	7,995	3,558
	<u>7,690,792</u>	<u>3,925,787</u>
8 Trade and Other Receivables		
Current		
Trade Debtors	549,980	567,794
Less: Provision for Doubtful Debts	(45,000)	(45,000)
Other Debtors	102,232	40,520
	<u>607,212</u>	<u>563,314</u>

**THE ROYAL AUSTRALASIAN COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

	2017	2016
	\$	\$
Non-Current		
State's Funds		
NSW State Funds	6,948	9,708
Queensland State Funds	60,351	63,863
South Australia State Funds	4,329	4,329
Victoria State Funds	70,468	53,413
Western Australia State Funds	19,809	24,097
Northern Territory Funds	1,009	1,009
New Zealand Funds	8,864	9,088
Australian Capital Territory	-	-
Tasmania	-	-
	<u>171,778</u>	<u>165,507</u>
The college does not hold any financial assets whose terms have been renegotiated, but which would otherwise be past due or impaired.		
9	Financial Assets	
	Current	
Term Deposits	13,483,293	15,112,171
Bernard Nicholson Prize Fund		
Bernard Nicholson Fund Shares	30,764	29,705
	<u>13,514,057</u>	<u>15,141,876</u>
10	Other Non-Financial Assets	
	Current	
Security Deposit	11,949	11,948
	<u>11,949</u>	<u>11,948</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

	2017 \$	2016 \$
11 Property, Plant and Equipment		
LAND AND BUILDINGS		
Land and Building Cato Street, Hawthorn		
At Cost	1,548,903	-
	<u>1,548,903</u>	<u>-</u>
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	700,784	700,784
Less accumulated depreciation	<u>(120,219)</u>	<u>(102,700)</u>
	580,565	598,084
	<u>2,274,468</u>	<u>743,084</u>
Total Land and Buildings		
Plant and Equipment:		
At cost	191,650	150,264
Accumulated depreciation	<u>(105,329)</u>	<u>(106,669)</u>
	86,321	43,595
Gowns		
At Cost	6,400	6,400
Accumulated depreciation	<u>(3,041)</u>	<u>(2,621)</u>
	3,359	3,779
Total Plant and Equipment	<u>89,680</u>	<u>47,374</u>
Total Property, Plant and Equipment	<u>2,364,148</u>	<u>790,458</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 2015	145,000	605,875	19,753	4,199	774,827
Additions	-	9,641	46,322	-	55,963
Depreciation expense	-	<u>(17,431)</u>	<u>(22,481)</u>	<u>(420)</u>	<u>(40,332)</u>
Balance at 30 June 2016	145,000	598,085	43,594	3,779	790,458
Additions	-	1,548,904	54,325	-	1,603,229
Depreciation expense	-	<u>(17,519)</u>	<u>(11,600)</u>	<u>(420)</u>	<u>(29,539)</u>
Carrying amount at 30 June 2017	<u>145,000</u>	<u>2,129,470</u>	<u>86,319</u>	<u>3,359</u>	<u>2,364,148</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 2017**

	2017	2016
	\$	\$
12 Trade and Other Payables		
Current		
Creditors & Accruals	607,925	257,770
Other Creditors	-	4,200
Amounts Withheld from Wages	33,464	31,344
GST Payable	341,148	311,106
	<u>982,537</u>	<u>604,420</u>
13 Provisions		
Annual Leave	118,938	148,059
Long Service Leave	119,013	50,390
Total provisions	<u>237,951</u>	<u>198,449</u>
Analysis of Total Provisions		
Current	216,988	198,449
Non-current	20,963	-
	<u>237,951</u>	<u>198,449</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>		
14 Other Liabilities		
Current		
Income in Advance		
Unearned Subscription Income	1,023,982	1,031,849
Unearned Workshop Income	476,386	93,645
	<u>1,500,368</u>	<u>1,125,494</u>
Unearned Income		
Unearned STPI Grant Income	1,234,063	1,919,230
Unearned PICS Grant Income	14,370,835	11,081,743
Unearned QRGP Monies	65,848	-
	<u>15,670,746</u>	<u>13,000,973</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 2017**

	2017	2016
	\$	\$
Funds held for State Committees		
NSW Funds Held	6,948	9,708
Queensland Funds Held	60,351	63,863
South Australia Funds Held	4,329	4,329
Victoria Funds Held	70,468	53,413
West Australian Funds Held	19,809	24,097
Monies Held in Trust (NT)	1,009	1,009
New Zealand Funds Held	8,864	9,088
	<u>171,778</u>	<u>165,507</u>
	<u>17,342,892</u>	<u>14,291,974</u>
15 Special Funds		
Bernard Nicholson Prize Fund		
Opening Balance	32,988	33,888
Transfer from (to) Retained Funds	-	(900)
	<u>32,988</u>	<u>32,988</u>
Sir Raphael Cilento Oration Fund		
Opening Balance	12,086	12,375
Transfer from (to) Retained Funds	-	(289)
	<u>12,086</u>	<u>12,086</u>
NSW Administration Course & Education Fund		
Opening Balance	26,049	26,738
Transfer from (to) Retained Funds	-	(688)
	<u>26,049</u>	<u>26,050</u>
	<u>71,123</u>	<u>71,124</u>
16 Retained Earnings		
Retained earnings at the beginning of the financial year	5,432,924	4,951,210
Net profit attributable to members of the College	292,509	479,835
Transfer from Special Funds		
Bernard Nicholson Prize Fund	-	900
Sir Raphael Cilento Oration Fund	-	289
NSW Administration Course & Education Fund	-	688
	<u>-</u>	<u>1,877</u>
Retained earnings at the end of the financial year	<u>5,725,433</u>	<u>5,432,922</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 2017**

	2017	2016
	\$	\$
17 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	3,750	1,043
18 Cash Flow Information		
Reconciliation of Cash Flow from Operations with Profit after Income Tax		
Profit after income tax	292,509	479,835
Non-cash flows in profit:		
Change in net market value	(1,059)	2,700
Depreciation	29,539	40,332
Charges to provisions	39,502	19,725
Changes in assets and liabilities		
(Increase) Decrease in current receivables	(43,899)	(51,905)
Increase (Decrease) in payables	378,115	(188,776)
	694,707	301,911

**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 2017**

	2017	2016
	\$	\$

19 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:

	2017	2016
	\$	\$
Financial Assets		
Cash at banks	1,108,977	1,029,954
Short term deposits	6,573,139	2,890,593
Investments	13,514,057	15,141,877
Loans and receivables	607,212	563,314
States funds held	171,778	165,506
New Zealand bank account	681	1,682
Bank debit cards	7,995	3,558
Total Financial Assets	<u>21,983,839</u>	<u>19,796,484</u>
Financial Liabilities		
Trade and other payables	982,537	604,423
Unexpended Grants	15,670,746	13,000,973
Income in advance	1,500,368	1,125,494
State committee funds	171,778	165,506
Total Financial Liabilities	<u>18,325,429</u>	<u>14,896,396</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 2017.

20 Company Details

The registered office of the company is:

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

2017	2016
\$	\$

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 22, 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 2017 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: 
Prof Michael Cleary

Director: 
Dr Humsha Naidoo

Dated this 8th day of January 2018

**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 2017, 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.

Auditor's 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**

Auditor's Opinion

In our opinion:

the financial report of The Royal Australasian College of Medical Administrators as of 30 June 2017 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 2017 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

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

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

Address: 51 Robinson Street, Dandenong Vic 3175

Dated this **day of**

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

**PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2017**

	2017 \$	2016 \$
INCOME		
Membership Subscriptions	978,399	874,045
Training Fees	1,250,256	875,059
Advertising & Sponsorship	35,875	37,620
Annual Conference	103,245	77,363
Externally Delivered Programs	152,271	65,704
LTI Forum	283,933	129,885
	<u>2,803,979</u>	<u>2,059,676</u>
OTHER INCOME		
Dividends Received	1,271	1,271
Interest Received	85,821	130,836
Movement in Net Market Values		
Bernard Nicholson Prize Fund Shares	1,059	(2,700)
Government Subsidies	44,312	30,426
Miscellaneous Income	31,294	16,920
Rent Received	56,867	-
Project Income	14,431,733	15,485,022
Project Expenses	(14,276,840)	(15,251,707)
	<u>154,893</u>	<u>233,315</u>
Total Other Income	<u>375,517</u>	<u>410,068</u>
TOTAL INCOME	<u>3,179,496</u>	<u>2,469,744</u>
EXPENSES		
Governance & CPMC		
Meeting Expenses	24,979	31,457
Teleconference & Video - Governance	4,239	7,498
Travelling & Accommodation - Governance	65,473	53,856
Insurance - Governance	-	1,662
CPMC Subscriptions	10,100	23,189
	<u>104,791</u>	<u>117,662</u>
Faculty Support		
Perceptor Workshops & Expenses	-	80
Censors Workshops & Expenses	27,754	13,182
State Workshops & Seminars	101,260	7,945
Travel & Accommodation - Faculty	70,965	25,220
Honorarium	(2,100)	5,100
Printing & Stationery - Faculty	5,083	6,145
Teleconference & Video - Faculty	1,516	13,293
Faculty Meeting Expenses	3,280	44
	<u>207,758</u>	<u>71,009</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 2017**

	2017 \$	2016 \$
Training & Education		
Accel Pathway Expenses	1,942	7,337
Courses Expenseds	24,905	11,666
Candidate Workshop CW1	14,604	21,845
Candidate Workshop CW2	25,105	10,753
Teleconference A& Video - Training	19,830	12,253
Exam Expenses	48,529	14,009
Travel & Accommodation - Training	61,629	22,558
Consultants & Honorarium	18,897	5,165
Workshop Expenses	344,508	218,100
	<u>559,949</u>	<u>323,686</u>
Accreditation Costs		
Contractors	6,000	-
Committee Expenses	47	7
Travel & Accommodation - Accreditation	49,346	20,265
	<u>55,393</u>	<u>20,272</u>
Annual Conference		
Conference Organiser	282	333
Trophies, Medals & Prizes	4,425	3,366
Incidental Conference Expenses	7,337	8,354
	<u>12,044</u>	<u>12,053</u>
Research & Policy		
Policy & Advocacy Project	1,740	-
Publications	2,803	13,158
Employment Expenses		
Holiday Pay Provision	(29,121)	13,191
Long Service Leave Provision	68,622	6,534
Other Employment Expenses	82,245	11,958
Payroll Tax	30,252	27,010
Professional Development	32,213	21,391
Recruitment Agency	86,934	52,947
Salaries & Wages	1,075,400	934,527
Superannuation Contributions	90,151	83,194
WorkCover	8,593	8,853
	<u>1,445,289</u>	<u>1,159,605</u>
Office Supplies		
Employees' Amenities	6,877	1,852
Photocopier Expenses	6,169	3,946
Postage	8,397	13,947
Printing & Stationery	22,461	15,782
	<u>43,904</u>	<u>35,527</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 2017**

	2017 \$	2016 \$
Professional Services		
Accountancy Fees	23,525	17,175
Advertising & Marketing	51,475	26,357
Auditor's Remuneration		
Audit of the Accounts	14,400	10,900
Bookkeeping	3,068	-
Consultancy Fees	152,822	10,425
Legal Costs	19,113	28,597
	<u>264,403</u>	<u>93,454</u>
Occupancy Expenses		
Agent's Fees	1,451	-
Body Corporate Fees	17,706	8,267
Cleaning & Rubbish Removal	2,475	2,693
Electricity & Gas	7,286	8,570
Rates & Land Tax	4,063	1,895
Repairs & Maintenance	4,207	2,242
Water	1,566	1,212
	<u>38,754</u>	<u>24,879</u>
Other Overhead Expenses		
Bad Debts Written Off	15,936	17,482
Bank Charges	2,227	2,333
Depreciation	29,539	40,332
General Expenses	259	2,992
Insurance	17,649	11,211
Merchant Fees	16,652	9,546
Subscriptions	1,770	2,059
Telephone/Video Conferencing	26,079	17,746
Travel & Accommodation	1,296	-
	<u>111,407</u>	<u>103,701</u>
IT Expenses		
IT Support & Maintenance	34,727	9,632
Software & Licences	4,025	5,271
	<u>38,752</u>	<u>14,903</u>
Total Expenses	<u>2,886,987</u>	<u>1,989,909</u>
PROFIT (LOSS) BEFORE INCOME TAX	<u>292,509</u>	<u>479,835</u>

The accompanying notes form part of these financial statements.