

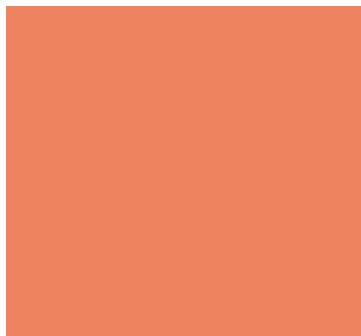


2010 Annual Report

Australian Medical Association Victoria Ltd



Advancing the medical profession
Advancing the health of Victorians



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Medico-political

AMA Victoria's clarion cry over the last few years has been for more beds and greater capacity in our public hospitals. During 2010, AMA Victoria has delivered, with commitments for almost 1500 hospital beds over the next four years – increasing the supply of hospital beds in the state by over 12 per cent.

AMA Victoria has also consistently called for a plan for the future, and during the Coalition's election campaign we received a commitment that the new Government would release a plan within its first six months in office. We obtained a commitment to consultation with the profession, and outlined key areas to be addressed, such as clinical engagement, training and prevention, our theme being reform and innovation.

Over the past decade, if not longer, we have continued to call for hospitals to publish outpatient waiting times, to increase transparency and allocative efficiency, and to allow GPs to better manage their patients. This should be a reality by July 2011, after pledges to AMA Victoria Council made by the now Health Minister, David Davis.

Both sides of politics have listened to AMA Victoria in 2010. For the first time in living memory, we had a debate between the Health Minister and the Shadow Minister at AMA House during an election campaign. We had both sides of politics adopting entire chunks of AMA policy for their own election platforms. We had Minister Davis attend half a dozen Subdivision and other AMA Victoria member forums and meetings during the year, and our influence in the media has been consistently outstanding.

In November 2009, health was ranked as the third-highest issue of importance for Victorian voters. By November 2010, it was the first – and higher than it had been for the previous three elections. AMA Victoria's strategic imperative in 2010 was to be the predominant influencer in health for the state election, and we delivered.

After a tricky COAG negotiation, Victoria came away with an additional \$1.2 billion over four years, 334 new sub-acute beds over two years and the maintainance of local control through a single funding pool. The increased funding delivered a key element missing from the initial version of the

Prime Minister's plan – greater hospital capacity, right now.

AMA Victoria worked with the Victorian Government to put pressure on the Federal Government, and we got a better deal. However, there is much more to be done to ensure that health financing changes actually result in improved patient care. We are pleased that the Baillieu Government will be having another look at the National Health and Hospitals Network Agreement in early 2011.

Workplace relations

In 2010, AMA Victoria registered the AMA DiT Agreement 2008–2012 under federal law. The agreement contains advancements to entitlement that cumulatively, over the agreement's life, represent a salary improvement of up to 17 per cent. The agreement also introduces a continuing medical education allowance and enhanced parental leave entitlements.

AMA Victoria complemented the agreement's registration with the launch of a number of new member resources including comprehensive web-based and print versions of the agreement and a web-based Wage Calculator. These agreement resources provide members with self-advocacy tools and simplified explanations of their complex entitlements. The Wage Calculator, designed to account for all monetary-based entitlements and their interaction with predictable workplace variables, enables members to track hospital compliance with their entitlements and creates visibility of pay errors.

Funding flowed to hospitals in the first stage of the roll out of 80-20 clinical support time. This was an initiative in Victoria where specified funding was made available to hospitals to support doctors in achieving 20 per cent of their time in clinical support roles.

Two new awards were introduced into Victoria, covering nurses and administrative staff employed in medical practices. Practices struggled with the onerous translation provisions and AMA Victoria was able to provide information on translation and rates of pay. Training sessions were conducted on the new awards.

AMA Victoria commenced negotiation on Registered Agreements covering conditions of employment for

doctors employed in community health centres. This area is not well-regulated and our work has assisted in formalising conditions of employment for members.

Disciplinary procedures against doctors in public hospitals continue to place a significant demand on our services. AMA Victoria plays an important role in representing doctors who have allegations made against them, particularly when hospitals do not follow their own procedures. The other significant area of dispute was in non-compliance by hospitals with enterprise bargaining conditions. Often the problem was related to poor interpretation of our agreements.

A number of practices were the subject of claims of unfair dismissal. In all cases the matters were headed towards conciliation and, ultimately, arbitration. Assisting doctors through this process ensured that members were protected against unreasonable claims by former employees.

Legal

In 2010 AMA Victoria helped a number of doctors who were subject to audit by either the TAC or WorkSafe. In most instances doctors represented by AMA were not required to refund monies and in one instance WorkSafe refunded monies to one of the doctors we represented.

The Peer Support Service was extended with the establishment of the Doctor Support Program. This program trains and coordinates volunteer doctors who make themselves available to be on-call to support other doctors going through difficult times in their professional lives.

AMA Victoria rolled out the Legal Series medico-legal education seminars in 2010, designed to provide doctors with information about the complex interplay between medical and legal issues.

Also in 2010, we provided a submission to the WorkSafe review of fees. This work is part of our continued campaign to have WorkSafe appropriately recognise the work of doctors in providing care to claimants.

Medical registration under the new national registration regime was a source of significant stress for many members. We helped a large number of doctors having difficulty with renewal of their registration.



Training, recruitment and practice support

In addition to supplying medical practices with practice managers and other support staff, we have continued to extend our recruitment services into the public and private health sector. In addition to its recruitment service mpstaff offered interview coaching, psychometric testing, unbundled recruitment services and an independent performance review service.

Over 100 medical practitioners attended the ministerially-approved impairment assessment training. We are keen to increase the number of medical practitioners performing these assessments in rural Victoria, where there is a shortage, as well as the number of accredited assessors attending update sessions.

The short course program, which was primarily directed at practice managers and practice support staff, also had a number of sessions that were well-attended. Not all practice staff are interested in undertaking certificate-level programs and many prefer short sessions, like these, that build upon their current level of knowledge. To limit the need for staff to have time away from work to attend, we are working towards the delivery of webcasts in 2011.

Our practice services business, mp practice solutions, provides a free telephone advisory service on any aspect of running a medical practice. This has been well-utilised throughout the year. Members can also access a fee-for-service consulting service through mp practice solutions, at a discounted rate. This service assists doctors in setting up a new practice, renovations of practices and building new practices, marketing practices, building websites, developing business models and preparing for accreditation.

Public health

2010 was a busy year for AMA Victoria's public health advocacy. We began the year advocating for subsidised air conditioners to protect the elderly against heat-related death and illness.

In February I held a joint press conference with the then-Environment Minister Gavin Jennings urging men to take an interest in their health and visit their family doctor for a check-up. Minister Jennings had suffered a heart attack the previous year and I was fortunate to be in the building at the time to offer

assistance. He has made a speedy recovery, and is now opposition spokesman for health.

In May the Commonwealth delivered two key steps in the fight against tobacco: a price rise of about \$2 per packet and a commitment for all cigarettes to be sold in plain packaging from 2012. The research shows that these two measures should cut the number of people smoking, and more importantly, help stop children from starting smoking.

On a state level, we lobbied for the introduction of tobacco licensing fees to reduce the availability of tobacco and make enforcement efforts a little simpler. We also called for a ban on smoking in alfresco dining areas and awaited the introduction of a tobacco display ban from 1 January 2011, which we called for back in 2008.

During the state election campaign we put a number of public health proposals on the table in the areas of tobacco, Indigenous health, and obesity, along with specific recommendations for a prison needle exchange, harsher penalties for liquor licence breaches and greater support for new parents.

AMA Victoria will continue to be a leading public health advocate in 2011, with a continued focus on obesity, maternal and child health, and tobacco reform.

Subdivisions

Subdivision forums allow our members to come together from all disciplines and craft groups to discuss issues of relevance to health care. They are fundamental in terms of how we receive member input and channel it into AMA Victoria policy.

In 2010 I discussed a range of issues with members at metropolitan, rural and regional Subdivision forums, and in an election year these proved to be vital channels of communication for formulating AMA Victoria policy, and passing our views on to decision-makers.

Never was this more evident than during the lead-up to the state election, when a number of candidates and sitting members attended our Subdivision forums to absorb the views of the medical profession and to air their party's health policies before a highly knowledgeable and engaged audience. Greens MLC Colleen Hartland, the then-Shadow Minister for Health, David Davis, and Liberal MLC Wendy Lovell attended Subdivision

forums around Victoria. No doubt the outcomes of these meetings influenced policy at the very highest level in the state.

Thank you

2010 was a very important year in terms of our ability to influence policy directly in two very close elections; much was achieved by our organisation. This was possible because of the hard work of the AMA Victoria staff, led by Chief Executive Officer Jane Stephens. I extend my thanks to all those who make AMA Victoria strong and by doing so contribute to the wellbeing of the medical profession and our patients.

Dr Harry Hemley
President, AMA Victoria



AMA Victoria had a big year in the spotlight in 2010. The federal and state elections demonstrated that political parties are prepared to take our health lobbying very seriously indeed and that we are an important force in health reform. Our members contributed to our election platform with robust discussion at a grassroots level that found its way into the public arena and from there into government policy.

Member surveys

The annual member satisfaction survey was focused on specialists in 2010. A total of 176 members took part in the survey in August. Results revealed that 71 per cent of specialist members are extremely satisfied to satisfied with their membership, while 21 per cent are neither satisfied or dissatisfied. The main reasons given for being a member were the AMA is "my professional association" (40 per cent), "the profession's eyes, ears and voice on government policy issues for the profession" (19 per cent) and "I have needed/ may need AMA's assistance at some point" (27 per cent combined). The most important AMA services identified were policy development and lobbying of governments, industrial advice and advocacy, and legal information and advice. Satisfaction with AMA services was overwhelmingly positive, with only a small number of dissatisfied members. Competition for membership was highlighted by results showing that 85 per cent of respondents are members of at least two other medical membership organisations (13 per cent are members of more than six other medical organisations).

Excellence in member services

During 2010 we implemented a number of technological initiatives designed to help members, including online renewal, which simplified the membership renewal process. Many members took advantage of this new service. We also launched a new Facebook page, allowing us to engage with the growing number of internet-connected doctors who use social media as a channel for networking and receiving information. This further expanded the number of ways we communicate with our membership base.

Our Wage Calculator was recognised as a valuable tool for doctors, particularly doctors in training, and was used widely. The Wage Calculator is an easy-to-use online application designed to help AMA Victoria members ensure they are being paid their correct entitlements. Where there is an underpayment, the Wage Calculator will calculate the entitlements owed to the member and produce a report for the member to take to his or her employer to seek an explanation.

In terms of our print publications, March *vicdoc* was the first ever bumper non-member issue of our flagship publication and was well-received. In 2011 we will again distribute a bumper issue to all Victorian doctors.

Membership

Membership grew exponentially in 2010. We were very pleased with the positive membership results – around 100 more members than in the previous year.

2010 has been a critical and highly successful year for AMA Victoria. I thank the staff, and the senior staff team, for their work, and the board for their continuing commitment and support throughout this year.

A handwritten signature in black ink that reads "Jane Stephens". The signature is written in a cursive, flowing style.

Jane Stephens
Chief Executive Officer, AMA Victoria

HIGHLIGHTS FOR 2010



January

AMA Victoria started the year with a number of proposals for the State Government to consider funding in the 2010 – 11 Budget. In a *Sunday Age* feature article, Dr Hemley urged the government to increase the number of medical specialist training places and employ recently retired doctors as VMO teachers and trainers. A *Herald Sun* article and reader poll on AMA Victoria's air conditioner subsidy proposal for older Victorians received wide reader support, with 85 per cent voting yes.

Events: Graduate functions.

February

In February's *Sunday Herald Sun* and regional newspapers, Dr Hemley warned that rural towns would be without doctors if the government did not implement a rural workforce rescue plan in the May Budget. AMA Victoria highlighted problems with the Victorian Ombudsman's investigation into doctors' billing practices and its bias against doctors.

Events: Finance Forum.

March

Budget submission media stories continued in March with a *Sunday Age* article on AMA Victoria's proposed aged care "step out" facility – a share-house style of accommodation for older Victorians that are not sick enough to be in hospital or well enough to return home. AMA Victoria provided commentary for media across the country on the state of Victoria's health system in the lead-up to the COAG health negotiations.

Subdivision meetings: Peninsula.

Events: GP Forum, Mythbusters.

April

Dr Hemley urged Premier Brumby not to sign up to the Prime Minister's health agreement unless it would deliver greater funds and better care for Victoria's hospital system. AMA Victoria's nation-wide health reform media coverage continued during the COAG negotiations and Dr Hemley's opinion editorial weighing up the outcomes was published in *The Age*. AMA Victoria's lobbying helped Victoria achieve an extra \$890 million in funding for Victoria's health system over four years, an additional 332 sub-acute public hospital beds, and an agreement that states would regain control of hospital networks.

Subdivision meetings: Gippsland roadshow – East and Central West South Gippsland, Northern, Bendigo.

Events: Working Seminar, GP Registrar Forum, Retired Doctors' Lunch.

May

AMA Victoria welcomed an additional 600 public hospital beds in state-wide media interviews responding to the May budget. Dr Hemley also noted the need for a plan for future capacity increases in the hospital system rather than ad hoc additions.

Subdivision meetings: Western, Geelong, Eastern, Ballarat, Southern, Otway.

Events: Women in Medicine, GP Forum, Careers in Medicine, Career Electives, Council AGM.

June

Dr Hemley outlined an alternative chronic disease management plan in Croakey, Crikey's health blog, after noting the Federal Government's diabetes plan would not improve patient care. Dr Hemley raised questions about the role and purpose of Medicare Locals in an Australian Doctor magazine opinion editorial.

Subdivision meetings: Mallee.

Events: Mythbusters, Medical Careers Expo, Private Practice Seminar, Legal Series Seminar.

July

After many months of AMA Victoria lobbying for improvements to basic hospital IT infrastructure, Dr Hemley welcomed the State Government's announcement to trial 500 iPads for junior doctors to access patient records at their bedside. In an interview in *The Age* newspaper interview, Dr Hemley highlighted the importance of medication safety tools that alert clinicians to potential medication interactions.

Events: GP Forum, DiTs meet the Minister, DiT Ball, Legal Series Seminar.

August

The federal election was called for 21 August.

A number of public hospital equipment shortfalls came to light throughout August, with AMA Victoria leading calls for more public hospital beds. Federally, AMA Victoria continued the fight against the Commonwealth's diabetes plan with a brochure drop to GP clinics in five federal marginal electorates and national media coverage of this grass roots lobbying technique.

Subdivision meetings: Southern, Ballarat.

Events: Careers in Medicine, IMG Seminar, Legal Series Seminar, President's Reception, Finance Forum.

September

AMA Victoria's state election campaign kicked off with a focus on rural workforce shortages the need to improve incentives to get doctors to work and stay in country Victoria. September also saw the release of the annual Your Hospitals report which showed a steady increase in the number of Victorians being let down by the public hospital system. In state-wide press, radio and television interviews Dr Hemley took the opportunity to call for political leaders to come up with a plan to better serve Victoria's population growth.

Subdivision meetings: Northern, Geelong, Goulburn Valley (where Liberal MLCs David Davis and Wendy Lovell made an appearance)

Events: Mythbusters, Wellbeing Seminar, Career Electives, Legal Series Seminar.

October

The election campaign continued with dozens of lobbying and media stories calling for: more public hospital beds; the publication of outpatient waiting lists; a long term health growth plan; a WorkSafe review; harsher penalties for liquor licence breaches; funding for more mental health care coordinators; an audit of doctors' working hours; a women-only option in psychiatric wards; a prison needle exchange; and more hospital alternatives for the frail elderly.

Subdivision meetings: Bendigo, Eastern, Western (where Green MLC Colleen Hartland made an appearance), Central West South Gippsland (where National MLCs Russell Northe and Gary Blackwood made an appearance), Wimmera (where ALP MLC Mandy Kirsopp made an appearance), Senior Salaried Staff.

Events: Retired Doctors' Lunch, Women in Medicine - Geelong, Sexual Health Seminar.

November

AMA Victoria's final election campaigning focussed on measures to reduce obesity and tobacco use, and to improve access to maternal and child health services and indigenous health services. The Victorian election was held on 27 November. These election lobbying efforts paid off, with the Coalition announcing it would add an extra 885 public hospital beds to the system in the first term, develop a long term health plan within the first 150 days in office and implement regional relocation and retention incentives to entice more doctors to work in country Victoria.

Subdivision meetings: East Gippsland (where Liberal MLC Sonia Buckley and ALP MLC Craig Ingram made an appearance), Peninsula (where the then-Shadow Health Minister David Davis made an appearance), Mallee.

Events: Women in Medicine, Finance Forum.

December

AMA Victoria welcomed the appointment of David Davis as Health Minister in the new Baillieu Liberal Government.

Events: Retired Doctors' Lunch.



REPORT OF DIRECTORS




Treasurer's report

The consolidated result for the AMA Victoria group of companies - including AMAV Ltd, MSV Inc and AMAVS Pty Ltd, and the new business ventures as part of AMAVS Pty Ltd - is a loss of \$663k. This included a number of non-budgeted expenses such as member publications and EBA expenses. The economic climate in 2010 resulted in, among other factors, an increase in interest rates. This was reflected in investment interest income, but also resulted in a fall in dividend income. The investment portfolio, which is part of a reserve for unforeseen contingencies, has shown a modest gain.

The new business ventures that are part of AMA Victoria Services Pty Ltd had a loss for the year of \$130k. The operation of these ventures is subject to periodic review. Overall AMA Victoria Services Pty Ltd results were \$76k better than the prior year. Both sales and event revenue have improved over last year although this has been offset partly by a fall in commission income. Member subscription income is close to last year's figure despite an increase in member numbers.

Operating costs have been maintained at levels close to the previous year, including personnel costs, which are similar to last year. Delays in obtaining RTO registration have meant that Solutions Plus Training Ltd will not start trading until the second quarter of 2011. This should open up new training opportunities and revenue streams for AMA Victoria.



Prof Robert Conyers
Treasurer

Report of Directors 31/12/2010

Your Directors present their report on the consolidated entity consisting of Australian Medical Association (Victoria) Limited and the entities it controlled at the end of the year ended 31 December 2010.

Directors

The following persons held office as Directors of Australian Medical Association (Victoria) Limited at the date of this report:

Dr L Baker
Dr T Bartone
Prof G Burrows
Prof R Conyers
Dr H Hemley
Dr J Leslie
Dr E Loh
Dr R McRae
Dr S Parnis
Dr G Speck
Dr Z Wainer

Principal activities

The principal continuing activities of the economic entity constituted by the Australian Medical Association (Victoria) Limited and the entities it controlled from time to time during the year consisted of the provision of services to the medical profession.

Results

The net result of operations for the year ended 31 December 2010 was a consolidated loss after tax of \$662,838 (2009: a consolidated loss after tax of \$440,721). The 2010 loss of \$662,838 includes a non cash fair value gain to the financial assets of \$2,369 (2009: gain of \$372,971). This adjustment is a result of the application of International Financial Reporting Standards adopted by Australian Medical Association (Victoria) Limited. to the portfolio.

Dividends

No dividends were declared or paid during the year.

Review of operations

The Directors continue to develop operations to provide for the stability and security of the economic entity.

Significant changes

There have been no significant changes in the operations of the economic entity during the year.

Matters subsequent to the end of the financial year

There is at the date of this report no matter or circumstance which has arisen since 31 December 2010 that has significantly affected or may significantly affect:

- (i) the operations of the economic entity;
 - (ii) the results of those operations; or
 - (iii) the state of affairs of the economic entity;
- in financial years subsequent to 31 December, 2010.

Likely developments

The Directors are not aware of any specific developments likely to have a significant effect on the operations of the consolidated entity constituted by the Australian Medical Association (Victoria) Limited and the entities it controls or the expected results of those operations in financial years subsequent to 31 December 2010.



Dr Harry Hemley



Dr Lorraine Baker



Dr Tony Bartone



Prof Graham Burrows



Prof Robert Conyers



Dr John Leslie



Dr Erwin Loh



Dr Roderick McRae



Dr Stephen Parnis



Dr Gary Speck



Dr Zoe Wainer

Information on directors

Dr Harry Hemley MBBS, FAMA
AMA (Victoria) President,
Non executive Director since May 2005

Dr Lorraine Baker MBBS Dip RANZCOG
GradDip. WomHlth
Non executive Director since May 2010

Dr Tony Bartone MBBS FRACGP MBA
Non executive Director since May 2010

Prof Graham Burrows AO, KCSJ
BSc,MB,ChB,DPM,MD, DipMHlthSc(Clinical
Hypnosis) DSc,FRANZCP,FRCPsych,
MRACMA,FACHAM Professor of psychiatry
Non executive Director since May 2007

Prof Robert Conyers MBBS, FRCPA
Non executive Director since May 2006

Dr John Leslie MBBS, FRACS
Non executive Director since May 2009

Dr Erwin Loh MBBS LLB(Hons) MBA
MHSMgt FAICD FAFLM FCHSM FRACMA
Non executive Director since May 2010

Dr Roderick McRae MBBS, FANZCA, BMedSc
Non executive Director since May 2009

Dr Stephen Parnis, MBBS, Dip SurgAnat. FACEM
Non executive Director since May 2006

Dr Gary Speck MBBS BMedSc FRACS (Orth)
Non executive Director since May 2010

Dr Zoe Wainer MBBS BHSc
Non executive Director since May 2008

Dr Catherine Hutton MBBS FRACGP
Non executive Director since May 2008
(until 25 May 2010)

Meetings of directors

The number of meetings of the Company's Board of Directors held during the year ended 31 December 2010, and the number of meetings attended by each Director was:

	Meetings Attended: A	
	Meetings Eligible: E	
	A	E
Dr L Baker	6	6
Dr T Bartone	5	6
Prof G Burrows	9	10
Prof R Conyers	10	10
Dr H Hemley	10	10
Dr C Hutton	4	4
Dr J Leslie	10	10
Dr E Loh	6	6
Dr R McRae	7	10
Dr S Parnis	10	10
Dr G Speck	5	6
Dr Z Wainer	8	10

Directors' benefits

Since the date of Incorporation, no Director of the Company has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the financial statements or the fixed salary as a full time employee of the Company or of a related corporation) because of a contract made by the company or a related body corporate with the Directors or with a Firm of which the Director is a member, or with a Company in which the Director has a substantial financial interest.

Directors' insurance

During the financial year the company paid a premium in respect of a contract insuring the Directors and certain Directors of related bodies corporate against a liability incurred as such by a Director, Secretary or Executive Officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Signed in accordance with a resolution of Directors at Melbourne this 29th day of March 2011.

Dr Harry Hemley
Director

Prof Robert Conyers
Director

Directors' declaration

The Directors declare that in their opinion, the concise financial report of the consolidated entity for the year ended 31 December 2010 as set out on pages 3 and 5 complies with Accounting Standard AASB 1039: Concise Financial Reports.

The financial statements and specific disclosures included in this concise financial report have been derived from the full financial report for the year ended 31 December 2010.

The concise financial report cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report, which as indicated in note 3, is available on request.

This declaration is made in accordance with a resolution of the Directors.

Signed at Melbourne this 29th day of March 2011.

Dr Harry Hemley
Director

Prof Robert Conyers
Director

AUDITOR'S REPORT

INDEPENDENT AUDITOR'S
REPORT TO THE MEMBERS
OF AUSTRALIAN MEDICAL
ASSOCIATION (VICTORIA)
LIMITED

Report on the concise financial report

The accompanying concise financial report of Australian Medical Association (Victoria) Limited comprises the balance sheet as at 31 December 2010, statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended and related notes, derived from the audited financial report of Australian Medical Association (Victoria) Limited for the year ended 31 December 2010. The concise financial report does not contain all the disclosures required by the Australian Accounting Standards.

Directors' responsibility for the concise financial report

The directors are responsible for the preparation and presentation of the concise financial report in accordance with Accounting Standard AASB 1039 Concise Financial Reports, and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation of the concise financial report; 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 concise financial report based on our audit procedures. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the financial report of the Australian Medical Association (Victoria) Limited for the year ended 31 December 2010. Our audit report on the financial report for the year was signed on 29 March 2011 and was not subject to any modification. The Australian 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 report is free from material misstatement.

Our procedures in respect of the concise financial report included testing that the information in the concise financial report is derived from, and is consistent with, the financial report for the year, and examination on a test basis, of evidence supporting the amounts and other disclosures which were not directly derived from the financial report for the year. These procedures have been undertaken to form an

opinion whether, in all material respects, the concise financial report complies with Accounting Standard AASB 1039 Concise Financial Reports.

Our procedures include reading the other information in the Annual Report to determine whether it contains any material inconsistencies with the concise financial report.

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

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

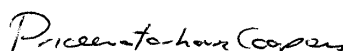
Auditor's opinion

In our opinion, the concise financial report of Australian Medical Association (Victoria) Limited for the year ended 31 December 2010 complies with Australian Accounting Standard AASB 1039: *Concise Financial Reports*.

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 Australian Medical Association (Victoria) Limited on 29 March 2011, would be in the same terms if provided to the directors as at the date of this auditor's report.

Liability limited by a scheme approved under Professional Standards Legislation



PricewaterhouseCoopers



Michael Shewan
Partner

Melbourne
29 March 2011

DISCUSSION AND ANALYSIS OF
CONSOLIDATED FINANCIAL STATEMENTS

Assets

There has been little movement in total assets in the financial year 2010 although there was a drop in cash and term deposits held. This was mostly offset by an increase in the value of AMA House following a revaluation. There was also a drop in trade debtors compared to the prior year.

Liabilities

There has been an increase in unearned income due to the higher number of 2011 membership payments prior to the end of 2010. This also increases the amount of funds held for the Federal AMA.

Consolidated balance sheet
as at 31 December 2010

	2010	2009
	\$	\$
Current Assets		
Cash and cash equivalents	5,985,348	6,211,994
Receivables	145,447	197,215
Other financial assets at fair value through profit & loss	3,464,854	3,328,168
Other	127,211	99,639
Total Current Assets	9,722,860	9,837,016
Non-Current Assets		
Property, plant and equipment	5,232,828	5,085,276
Investments	1	1
Total Non-Current Assets	5,232,829	5,085,277
Total Assets	14,955,689	14,922,293
Current Liabilities		
Payables	342,651	341,215
Provisions	396,087	392,319
Other	2,811,256	2,452,339
Total Current Liabilities	3,549,994	3,185,873
Non-Current Liabilities		
Provisions	62,330	40,369
Total Non-Current Liabilities	62,330	40,369
Total Liabilities	3,612,324	3,226,242
Net Assets	11,343,365	11,696,051
Equity		
Reserves	4,540,794	4,230,643
Retained profits	6,802,571	7,465,408
Total Equity	11,343,365	11,696,051

The above Balance Sheet should be read in conjunction with the accompanying notes.

DISCUSSION AND ANALYSIS OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Results of Operations

Revenue and losses from operating activities in 2010 reflect the following key points:

- Membership subscription revenue has remained static compared to 2009 despite an increase in member numbers. This reflects a shift in member categories such as GPs and SPs and a decrease in subscription rates for most DIT categories and discounted DIT1 rates. Both sales and function revenue have increased compared to 2009 due partly to growth in mp practice solutions and sales of publications.
- Income from interest and dividends has dropped slightly in 2010 due partly to the aftermath of the GFC and poor dividend performance.
- Personnel costs have been restrained and have been held at 2009 levels.
- The revaluation of the investment portfolio in December resulted in a fair value gain of \$2k. In 2009 revaluation resulted in a fair value gain of \$373k.
- There were also ongoing non budgeted costs relating to enterprise bargaining agreement negotiations and the production/distribution of a number of free member publications.

Consolidated income statement
for the year ended 31 December 2010

	2010	2009
	\$	\$
Revenue from ordinary activities	4,431,670	4,249,004
Fair value gains through Profit or Loss	2,369	372,971
Profit on Sale of Assets	16,107	—
Employee benefits expense	(3,097,371)	(3,091,790)
Depreciation	(216,169)	(223,779)
Other expenses from ordinary activities	(1,799,444)	(1,747,127)
Net Loss before income tax expense	(662,838)	(440,721)
Income tax (expense)/benefit	—	—
Net Loss attributable to members of Australian Medical Association (Victoria) Limited	(662,838)	(440,721)

The above Income Statement should be read in conjunction with the accompanying notes.

Consolidated statement of comprehensive income
for the year ended 31 December 2010

	2010	2009
	\$	\$
Loss for the year	(662,838)	(440,721)
Other Comprehensive Income		
Asset Revaluation Reserve	310,152	115,065
Total Comprehensive Income for the year	(352,686)	(325,656)
Total Comprehensive Income attributable to the Australian Medical Association (Victoria) Limited and controlled entities.	(352,686)	(325,656)

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

DISCUSSION AND ANALYSIS OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Cash flows from operating activities

There was a small movement upwards in cash flow from operating activities. This reflects a number of movements including an operating loss, and an increase in receipts from customers.

Cash flows from investing activities

Cash flows from investing activities reflect increased interest income due to higher yields despite reduced cash holdings. Dividend income is less than the prior year. There is a decrease in plant and equipment expenditure compared to 2009.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

The concise financial report relates to the consolidated entity consisting of Australian Medical Association (Victoria) Limited and the entities it controlled at the end of, or during, the year ended 31 December 2010. The concise financial report cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of Australian Medical Association (Victoria) Limited and its controlled entities as the full financial report. The accounting policies adopted are consistent with those of the previous year.

1. Segment Information

The Company operates as a membership organisation within the health industry solely in Australia and its predominant activity is to provide benefits to its members.

2. Dividends

The Articles of Association specifically prohibit the payment of any dividends to any members.

3. Full Financial Report

Further financial information can be obtained from the full financial report, which is available, free of charge, on request from the company. A copy may be requested by telephoning Mr John Fisher (Director – Corporate Services), AMA (Victoria) Ltd. on (03) 9280 8722.

Consolidated statement of changes in equity
for the year ended 31 December 2010

	2010	2009
	\$	\$
Total equity at the beginning of the financial year	11,696,051	12,021,707
Gain on revaluation of land and buildings, net of tax	310,152	115,065
Net income recognised directly in equity	310,152	115,065
Loss for the year	(662,838)	(440,721)
Total recognised income and expense for the year	(352,686)	(325,656)
Total equity at the end of the financial year	11,343,365	11,696,051

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated cash flow statement
for the year ended 31 December 2010

	2010	2009
	\$	\$
Cash flows from Operating Activities		
Receipt from customers (inclusive of GST)	4,413,659	4,099,550
Payments to suppliers and employees (inclusive of GST)	(4,891,536)	(4,823,551)
Payments for Other Financial Assets at fair value through profit or loss	(134,317)	(134,524)
Net Cash Outflow from Operating Activities	(612,194)	(858,525)
Cash Flows from Investing Activities		
Payments for property plant and equipment	(53,569)	(178,861)
Interest received	362,243	274,860
Dividends received	76,874	136,563
Net cash Inflow from investing activities	385,548	232,562
Net decrease in cash	(226,646)	(625,963)
Cash at the beginning of the year	6,211,994	6,837,957
Cash at the end of the year	5,985,348	6,211,994

The above Cash Flow Statements should be read in conjunction with the accompanying notes.

GOVERNANCE

Board of Directors

Dr Lorraine Baker
Board Member
(from 25 May 2010)

Dr Anthony Bartone
Board Member
(from 25 May 2010)

Prof Graham Burrows
Chairman of Council

Prof Robert Conyers
Treasurer

Dr Harry Hemley
President

Dr Cathy Hutton
Vice-President
(until 25 May 2010)

Dr John Leslie
Board Member

Dr Erwin Loh
Board Member
(from 25 May 2010)

Dr Roderick McRae
Board Member

Dr Stephen Parnis
Vice-President

Dr Gary Speck
Board Member
(from 25 May 2010)

Dr Zoe Wainer
Board Member

Information on Directors

Dr Lorraine Baker
MBBS Dip RANZCOG
GradDip.WomHlth
Board Member
Non executive Director
since May 2010

Dr Anthony Bartone
MBBS FRACGP MBA
Board Member
Non executive Director
since May 2010

Prof Graham Burrows AO,
KCSJ BSc,MB,ChB,DPM,MD,
DipMHlthSc(Clinical
Hypnosis) DSc,FRANZCP,FRC
Psych,MRACMA,FACHAM
Professor of psychiatry

Chairman of Council
Non executive Director
since May 2007

Dr Robert Conyers
MBBS FRCPA
Treasurer AMA Victoria
Non executive Director
since May 2006

Dr Harry Hemley
MBBS FAMA
President AMA Victoria
Non executive Director
since May 2005

Dr John Leslie
MBBS FRACS
Board Member
AMA Victoria
Non executive Director
since May 2009

Dr Erwin Loh
MBBS LLB(Hons)
MBA MHSMgt FAICD
FACLM FCHSM FRACMA
Board Member
Non executive Director
since May 2010

Dr Roderick McRae
MBBS FRANZCA BMedSc
Board Member
AMA Victoria
Non executive Director
since May 2009

Dr Stephen Parnis
MBBS Dip SurgAnat.FACEM
Vice President AMA Victoria
Non executive director
since May 2006

Dr Gary Speck
MBBS BMedSc
FRACS (Orth)
Board Member
Non executive Director
since May 2010

Dr Zoe Wainer
MBBS BHSc
Board Member
AMA Victoria
Non executive Director
since 2008

Industrial Relations Sub-Committee

Dr Stephen J Parnis (Chair)

Dr Ken Buxey

Dr Georgiana Chin

Dr Michael J Galvin

Dr Harry Hemley

Dr J Fergus Kerr

Dr Pearly Y L Khaw

Dr Raju Lakshmana

Dr Arian Lasocki

Dr John D Leslie

Dr Howard A Machlin

Dr Roderick J McRae

Dr John T Moloney

Dr Frank A Shann

Dr Paul A Shekleton

Dr Allan L Whitehead

WorkSafe/TAC Sub-Committee

Dr Gary Speck (Chair)

Dr Lorraine Baker

A/Prof Andrew Bucknill

Mr Tony Buzzard

Dr Stephen de Graaff

Dr Michael Epstein

Dr William McCubbery

Dr F John Parkes

Dr Rodney Richardson

Dr Mark Sandford

Dr Michael J Troy

Dr Mary E Wyatt

AMA Victoria Council 2010

Professional Affiliated Organisations

Alfred Hospital Medical
Staff Association
Dr Ian Porter

AMA Victoria Section
of General Practice
Dr Dennis Gratton

Austin Hospital Senior
Medical Staff Association
Dr Robert Weller

Australasian Integrative
Medicine Association
Dr Vicki Kotsirilos

Australian Association of
Consultant Physicians
Dr Andrew Nunn

Australian Association
of Surgeons (Victoria)
Dr Stephen Clifforth

Australian Chinese
Medical Association
Dr Theong Low

Australian Greek Medical
Society of Victoria
Dr Paul Eleftheriou

Australian Medical
Acupuncture College (Victoria)
Dr John Jagoda

Australian Salaried Medical
Officers Federation

Dr Roderick McRae

Australian & New Zealand
Society for Geriatric Medicine

Dr Henry Zeimer

Australian Society of
Anaesthetists
(Victorian Section)

Vacant

Australian Society of
Orthopaedic Surgeons
(Victorian Branch)

Dr Gary Speck

Australian Society of Plastic
Surgeons (Victoria)

Dr Mark Ashton

Bayside General Practice
Network

Dr Baden Boan

Dandenong Casey General
Practice Association

Dr Sally McDonald

Greater Monash GP Network

Dr Peter Giles

Italian Medical Society of
Victoria

Dr Anthony Mariani

Medical Association
for the Prevention of War
(Victorian Branch)

Vacant

Melbourne East General
Practice Network

Dr Bernard Crimmins

Melbourne General
Practice Network

Dr Fiona Broderick

National Association of
Specialist Obstetricians
and Gynaecologists
Dr Christine Thevathasan

North East Valley
Division of General
Practice

Dr Anthony Sellars

Northern Division
of General Practice
Dr David Andrew

Peninsula GP Network

Dr Geoffrey Campbell

Peninsula Health Senior
Medical Staff Association
Dr John Copland

Progressive Primary Health
Dr Catherine Hutton

Provincial Hospitals Group

Dr Peter Burke

Royal Children's Hospital
Medical Staff Association
Dr Jonathan Akikusa

Rural Doctors
Association of Victoria

Vacant

Skin and Cancer
Foundation of Victoria
Dr Edward Upjohn

Southcity GP Services
Vacant

Southern Health Senior
Medical Staff Association

Dr Andrew Schneider

St Vincent's Hospital
Medical Staff Association

Dr Robert Langham

Thoracic Society of
Australia and New Zealand
(Victorian Branch)

Dr Celia Lanteri

Urological Society of
Australia and New Zealand
(Victorian Branch)

Vacant

Victorian Medical
Benevolent Association

Dr George Tippett

Victorian Medical
Women's Society

Dr Natalie Marijanovic

Western Health Senior
Medical Staff Association

Dr Rodney Jacobs

World Federation of
Doctors Who Respect
Human Life

Dr David Westmore

Academic Affiliated Organisations

Australasian College for
Emergency Medicine
(Victorian Faculty)

Dr Allan Whitehead

Australasian College
of Dermatologists
(Victorian Faculty)

Dr Douglas Gin

Australasian Faculty
of Occupational &
Environmental Medicine
(Victorian Branch)

Dr Kevin Sleigh

Australasian Faculty of
Rehabilitation Medicine

Dr Robert Weller

Australian and
New Zealand College of
Anaesthetists (Vic)

Dr Mark Hurley

Australian Orthopaedic
Association (Vic)

Dr David Bainbridge

Australian Rheumatology
Association (Vic)

Dr Rachelle Buchbinder

Division of Paediatrics
Royal Australasian
College of Physicians

Dr Andrew Lovett

Royal Australasian
College of Medical
Administrators (Victorian
State Branch)

Dr Erwin Loh

Royal Australasian
College of Physicians
(Victorian Committee)

Dr Harvey Newnham

Royal Australasian
College of Surgeons
(Victorian State Committee)
Dr Andrew Cochrane

Royal Australian and
New Zealand College of
Obstetricians & Gynaecologists
(Victorian State Committee)
Dr Amarendra Trivedi

Royal Australian and
New Zealand College of
Ophthalmologists
Dr Malcolm Ferguson

Royal Australian and
New Zealand College
of Psychiatrists
(Victorian Branch)
Prof Graham Burrows

Royal Australian and
New Zealand College
of Radiologists
(Victorian Branch)
Dr Steven Stuckey

Royal Australian College
of General Practitioners
(Victorian Faculty)
Dr Timothy Ross

Royal College of
Pathologists of Australasia
(Victorian State Committee)
Dr Robert Conyers

Victorian Medical
Post Graduate Foundation
Dr John Tiller

AMA Subdivision Council Representatives

Albury/Wodonga Subdivision
Vacant

Ballarat & District Subdivision
Dr James Mullany

Bendigo & District Subdivision
Dr Albert Ruddock

Central Highlands
Vacant

Central West/South
Gippsland Subdivision
Dr Robert Hall

Doctors in Training
Dr Oliver Daly

East Gippsland
Dr Adrian Aitken

Eastern Suburban
Subdivision
Dr Kaenson Ang

Geelong & District
Subdivision
Dr Gil Stynes

Goulburn Valley Subdivision
Vacant

Mallee Subdivision
Dr Brian Murphy

Northern Suburban
Subdivision
Dr Dominic Barbaro

Peninsula Subdivision
Dr Daniel Stanzus

Senior Salaried Staff
Subdivision
Dr Stephen Parnis

Southern Subdivision
Dr Leon Massage
Western Suburban Subdivision
Dr Murray Verso

Wimmera Subdivision
Dr David Leembruggen

Fellows' Representatives

Fellows' Representatives

Dr Gerald Segal

Dr Mark Yates

Dr Michael Troy

Dr Catherine Duncan

Dr Sandra Hacker

Independent Members

Dr Terence Ahern

Dr John Mathew

Dr Will Manovel

Dr Douglas Travis

Honorary Student Representatives

Deakin University
Medical Students Society
Mr Stephen Kunz

Mr David Moniz

Medical Students
Society Victoria
Mr Michael Shun

Monash University
Medical Undergraduates
Mr Michael Loftus

University of Melbourne
Medical Students Society
Mr Justin Yousef

Mr Jonathan Galtieri

AMA Section Chairs

Section of Medico-Legal
Practice
Dr George Wahr

Section of Psychiatry
Prof Graham Burrows –
Chairman

Section of General Practice
Dr Anthony Bartone

AWARDS

Queen's Birthday Honours

Australian of the Year
Prof Patrick D McGorry AM

Officer (AO) in the
General Division
Dr George R Santoro

Member (AM) in the
General Division
Dr Leslie E Bolitho

Medal (OAM) in the
General Division
Dr Edward W Brentnall

Dr John A Fuller

Dr Keith J Lipshut
Prof Graham V Brown
Prof John F Cade
Prof Robert M Jones
Prof Marilyn J Liddell
Prof David F Scott
Prof Frank A Shann
Prof Garry L Warne

Australia Day Honours

Officer of the Order of
Australia Award (AO)

**Dr Mukesh Chandra
Haikerwal**

Member of the Order
of Australia Award (AM)

Dr Arthur Joseph Day

Prof Anthony John D'Apice

Prof George Jerums

Prof Hatem Hassan Salem

Medal of the Order of Australia Award (OAM)

Prof David Leon Copolov

Dr John Francis Oswald

Dr John Andrew Pickering

Dr Laurence Simpson

Prof Gregory Ian Snell

Public Service Medal (PSM)

**Prof Christopher
William Brook**

Appointment & Nominations

AMA Victoria Secretariat

Chief Executive Officer
Ms Jane Stephens

Executive Assistant
Mrs Judith Clark

Business Development/
Agency Director
Mr Frank Spranger

Administrative Assistant
Ms Claire Bellett

Publications Coordinator
Mrs Debra O'Brien

Membership &
Marketing Director
Ms Michelle Bourke

Events Coordinator
Mrs Lisa Busuttill

Membership Assistant
Ms Jackie Brown
Ms Nicole Saccaro
Ms Nina Reicher

Membership Officer
Ms Susan Chandler
(until May 2010)
Ms Fernanda Alberici

Marketing and
Communications
Coordinator
Mr Sean Mulquiney

Editor and writer
Ms Susanna Nelson

Publications Officer
Ms Niki Vounoridis

Policy and Public
Affairs Director
Mr Ben Harris

Policy Assistant
Ms Madelene Fox

Media and Public Affairs
**Ms Fronscesca Jackson-
Webb**

Training and Professional
Support Director
Mrs Judith Merrick

mpstaff Recruitment
Services Manager
Ms Katrina Cox

Recruitment Consultant
Mr Stephen Hyde
(until April 2010)
Ms Susan Gosel
(from May 2010)

Senior Training
Administrator
Mrs Julie Mineely

Education and
Training Manager
Ms Christie Boucher

mp practice solutions
Practice Services Manager
Mrs Andrea Ravas

Corporate Services
Director
Mr John Fisher

Corporate Services
co-ordinator
Mrs Nicole Pinnone

Finance Officer
Mrs Matilda Stathopoulos

Property Services &
Membership Data Officer
Mrs Judy Saunders

Finance and Records Officer
Mrs Josephine Marsay
(until November 2010)
Ms Cheryl Bird
(from December 2010)

Workplace &
Advocacy Director
Mr Geoff O'Kearney

IR Adviser
Mr Doug Bishop
(retired from August 2009)

Administrative Officer
Ms Aspa Papas

Senior IR Adviser
Mr Rod Felmingham

Senior IR Adviser
Mr Andrew Lewis

Project Officer
Mrs Kay Dunkley

IR Adviser
Mr David Kelly

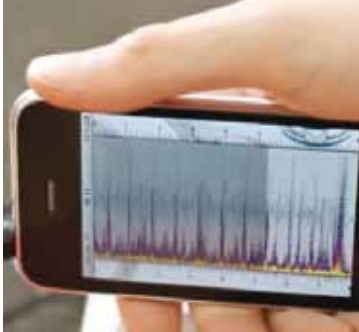
IR Adviser (Rural Contracts)
Mr Michael Grimes

Senior Legal Adviser
Mr David Goldberg
(until July 2010)

Mr George Joseph
(from Nov 2010)
Legal Services Officer
Mrs Annie Morrison
Solicitor
Ms Anjali Parboo

Deceased Members

Dr Frederick J Appelbe
Dr Alan R Belcher
Dr Frank P Callaghan
Dr Allen J Christophers
Dr John Kevin Clarebrough
Dr Bryan E Cohen
Dr Frank T Combe
Dr Allan B Connard
Dr Donald P Cordner
Dr Roger Fagan
Dr Roy Gillott
Dr Keith O Gough
Dr Bruce H Guarán
Dr Robin B Handscombe
Dr Keith L Hayes
Dr Brian M Hoare
Dr June Louise Howqua
Dr J Sam H Jones
Dr Francis James Kenny
Dr Donald F King
Dr Colin Laing
Dr Keith J Lipshut
Dr William G Maling
Dr Robert McAlister
Dr Alan D McCutcheon
Dr Gerald A Manly
Dr David L Morton
Dr Michael Mark O'Brien
Dr K-H John Ouw
Dr Geoffrey M Patience
Dr James S Peters
Dr Peter Graeme Petty
Dr Winton H Phillips
Dr Geoffrey P Ryan
Dr Norman Rose
Dr Cyril D Rosengarten
Dr Alexander Ross
Dr William A St Clair
Dr Jahar Sinha
Dr Guy J Dowling
Dr Luan D Renouf
Dr Thomas E G Roberston
Dr Joan E T Sprong
Dr Graeme F Salter
Dr Ronald J Sawers
Dr John R Sullivan
Dr Murray L Verso (snr)
Dr Saul Wiener
Dr Charles W Wilson
Dr Blair Widmer



Australian Medical Association Victoria
 PO Box 21
 293 Royal Parade
 Parkville
 Victoria 3052
 Telephone: 03 9280 8722
 Facsimile: 03 9280 8786
 Country Freecall 1800 810 451
 Email: amavic@amavic.com.au
[http:// www.amavic.com.au](http://www.amavic.com.au)




Advancing the medical profession
 Advancing the health of Victorians