AMA

ANNUAL REPORT 2022

AUSTRALIAN MEDICAL ASSOCIATION

AMA

Australian Medical Association

Annual Report 2022

Editor: Jane Faure-Brac, Federal AMA

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FROM OUR NEW SECRETARY GENERAL

NATALIA CENTELLAS
Secretary General

In this, my first year at the AMA, I am pleased to present the Annual Report for 2022. In summary, 2022 was a year of solid campaigning by the AMA built around political opportunities for reform and public investment as the nation approached the federal election in May.

Being an even-numbered year, 2022 also saw the election of a new President, Steve Robson, and Vice President, Danielle McMullen, and four new faces on the Board of Directors. Led by the new Chair, Kate Kearney, the Board works well as a collective, is responsive to the membership and in my estimation, will not shy away from hard decisions when the best interests of members warrant them.

The year which largely preceded my arrival was a successful one. During the federal election campaign, the AMA sought commitments from the major political parties, rated the parties' health policies and helped to make health 'front of mind' for voters on polling day.

In a key tactical manoeuvre the AMA was strong in its advocacy on general practice, with inadequate indexation contributing to a decline in bulk-billing rates and access and affordability key issues for patients. As a result, the AMA was able to achieve a commitment of nearly $1 billion for GPs from the incoming Albanese government.

Throughout the year, the AMA launched four major health campaigns and released a swag of reports on pressing issues. These included a campaign to clear the logjam in public hospitals (See page 17), the Modernise Medicare campaign, and a summer health promotion for a tax on sugary soft drinks.

Working with Doctors for the Environment Australia, the AMA also achieved a government commitment to fund a national health sustainability and climate unit to coordinate efforts to reduce those health sector emissions that contribute to climate change. (See page 21)

A major summit at Canberra's Parliament House in June brought together disparate players from the private health insurance sector, where the AMA made the case for an independent private health authority (See page 19).

Immediate past-President Omar Khorshid championed the need for greater health spending and public hospital funding reform on national television, while he and immediate past-Vice President Chris Moy served us well as trusted, calm voices throughout the COVID-19 pandemic, especially in the pre-vaccine period when fear gripped millions of Australians. We acknowledge their valued contributions to the wellbeing of the nation in that difficult time.

The AMA's position statements and submissions addressed a range of health issues for doctors, the public and government and included position statements on the role of doctors in natural disasters, the role of nurse practitioners and health literacy and better digital connectivity to improve health in rural areas.

The 2022 statement on natural disasters elevated the role and importance of health services in natural disasters. Our advocacy resulted in a $143 million funding package for rural health.

We are progressing towards gender equity at the AMA. I am committed to continuing the important work of achieving gender equity across all AMA representative structures, including Federal Council.

In the coming year I intend to focus on the pursuit of good governance and fiscal responsibility and assist the Board to set the strategic direction of this esteemed organisation with a focus on member engagement.

I wish to thank Martin Laverty for his three years as Secretary General and Warwick Hough, who was acting Secretary General for the six months before my appointment.

IMMEDIATE PAST PRESIDENT AND VICE PRESIDENT, DR OMAR KHORSHID & DR CHRIS MOY

DR MARTIN LAVERTY

MR WARWICK HOUGH

PROF STEVE ROBSON
AMA President

DR DANIELLE MCMULLEN
AMA Vice President

PRESIDENTS' MESSAGE

My first action after being elected on 1 August was to ensure the continuation of our general practice advocacy by appointing our new Vice President, Dr Danielle McMullen, a practising GP, to the federal government taskforce for strengthening Medicare. The taskforce met monthly with the Federal Health Minister, Mark Butler, his department and other sector representatives, with the final report released in February 2023.

Our focus on Medicare reform and rebate indexation continued with the release, in October, of the AMA's 7-point plan to revitalise general practice and the *Why Medicare indexation matters* report in November.

During the year, the AMA's unyielding public stance to preserve the term 'surgeon' solely for doctors who completed the necessary years of surgical training saw long-overdue changes to federal law.

Backed by the AMA's strong policy, advocacy and media team, I defended doctors in the face of an unsupported media claim of Medicare rorts totalling $8 billion.

I stood with doctors in Lismore when their surgeries and medical equipment were destroyed in the floods, where I also called for a greater role for doctors in disaster planning and management.

When three states commenced trials of pharmacy prescribing, we labelled this move a dangerous experiment and highlighted patient safety as part of our efforts to preserve the vital separation between prescribing and dispensing.

We advocated for improved regulation to address vaping and stop these dangerous products getting into the hands of schoolchildren and, through our research reports, we tackled the problems of ambulance ramping, elective surgery waiting lists, and antimicrobial resistance.

Dr McMullen and I have worked to keep COVID-19 safety in the public mind while many public health measures were being wound back. This was the year a suite of Omicron sub-variants caused a third and fourth wave of the virus, causing more Australian deaths (14,676) than the first two years of the pandemic.

I have three high priorities for my tenure as President: public hospitals, private practice, and doctors' mental health. On the last of these, I'm pleased the AMA has expanded its Drs4Drs program and released its first mental health edition of the public hospital report card.

As a former navy medical officer, I have a particular interest in improving war veterans' health, hence I often remind doctors to attend to the non-visible scars borne by our veterans. To this end, I'm making Remembrance Day a time to focus on these issues. I also thank doctors in the armed forces for their service. Meanwhile, our Vice President has focused on preventative health through healthy lifestyles, women's health and climate and health.

> *Danielle and I wish to thank Omar Khorshid and Chris Moy for their outstanding work over their two-year terms. We are committed to continuing their work to improve the lot of doctors, our members, their patients and the entire health system.*

CHAIR OF THE BOARD'S REPORT

KATE KEARNEY
Chair of the Board

I took up the position of Board Chair on 10 October, after three years as a Board member, on the retirement of the previous Chair, Rosanna Capolingua. Rosanna made significant progress in reforming and strengthening the AMA and her receipt of a President's Award for outstanding service was richly deserved. I want to also acknowledge the excellent advocacy undertaken by the AMA secretariat.

In December, the Board appointed a new Secretary General, Natalia Centellas, who brings to the AMA her experience in running a large medical college, outstanding strategic capability and a passion for healthcare policy. We are delighted to have her leading our organisation.

2022 was the third year of the COVID-19 pandemic and consequently another big year for healthcare and the AMA. As a team, we successfully navigated the challenges of changing leadership in both elected and operational roles.

The work of interim Secretary General, Warwick Hough, and the senior leadership group of Luke Toy, Irene Quah, Guy Feeney and Georgina Adams helped to build success into the year's activities. In difficult circumstances such as these, it could have easily been otherwise, so I thank them for their contribution.

The fundamental work of healthcare reform, however incremental, is where we, the nation's peak medical body, may have a generational impact on behalf of the medical profession. This is the core tenet of the AMA's mission as we advocate for the benefit of members in all states.

I anticipate in 2023 we on the Board will continue our work undertaking an ambitious and strategic agenda for the organisation and the broader AMA family. To have success, we must remain committed to our core values and work together as a federation. The aims of the AMA are too important to approach in any other way.

AMA BOARD OF DIRECTORS

DR KATE KEARNEY
Chair, from 10 October 2022)

A/PROFESSOR ROSANNA CAPOLINGUA
Chair, until 22 September 2022

DR OMAR KHORSHID
Board Member
from September 2022
President and Board Member
until 31 July 2022

DR RUTH KEARON
Board Member to June 2022

DR BAVAHUNA MANOHARAN

A/PROFESSOR WILLIAM TAM

DR STEPHEN GOURLEY
Deputy Chair

DR JESSICA DEAN

DR CHRIS MOY

Vice President and Board Member until July 2022

DR SHEHZAD KUNWAR

DR DANIELLE MCMULLEN

Vice President
Board Member from August 2022

PROF STEVE ROBSON

President
Board Member from August 2022

DR GARY SPECK AM

DR ANTONIO DI DIO

Board Member
to 30 November 2022

AMA FEDERAL COUNCIL

Until 31st July 2022

PRESIDENT
- Dr Omar Khorshid

VICE PRESIDENT
- Dr Chris Moy

CHAIR OF COUNCIL
- A/Prof Julian Rait

AMA BOARD CHAIR
- A/Prof Rosanna Capolingua

AMA BOARD REPRESENTATIVE
- Dr Antonio Di Dio

STATE NOMINEES

Australian Capital Territory (ACT)
- Prof Walter Abhayaratna

New South Wales (NSW)
- Dr Danielle McMullen

Northern Territory (NT)
- A/Prof Robert Parker

Queensland (QLD)
- Dr Maria Boulton

South Australia (SA)
- Dr John Williams

Tasmania (TAS)
- Dr Helen Mcardle

Victoria (VIC)
- Dr Enis Kocak

Western Australia (WA)
- Dr Mark Duncan-Smith

AREA NOMINEES

New South Wales/Australian Capital Territory (NSW/ACT)
- Michael Bonning

Queensland (QLD)
- Dr Dilip Dhupelia

South Australia/Northern Territory (SA/NT)
- Dr Michelle Atchison

Tasmania (TAS)
- Dr Annette Barratt

Victoria (VIC)
- Dr Eugenie Kayak

Western Australia (WA)
- Dr Katharine Noonan

SPECIALITY GROUP REPRESENTATIVES

Anaesthetists
- Dr Andrew J Miller

Dermatologists
- Dr Chris Baker

Emergency Physicians
- Dr Sarah Whitelaw

General Practitioners
- Dr Richard Kidd

Obstetricians and Gynaecologists
- Prof Steve Robson

Ophthalmologists
- Dr Peter Sumich

Orthopaedic Surgeons
- Dr Sarah Col

Paediatricians
- Dr Paul Bauert

Pathologist
- Dr Daniel Owens

Physicians
- Dr Matthew McConnell

Psychiatrists
- A/Prof Jeffrey Looi

Radiologists
- Dr Brendan Adler

Surgeons
- Prof Owen Ung

PRACTICE GROUP REPRESENTATIVES

Doctors in Training
- Dr Hashim Abdeen

Rural Doctors
- Dr Marco Giuseppin

Private Specialist Practice
- A/Prof Julian Rait

Public Hospital Practice
- Dr Roderick McRae

OTHER REPRESENTATIVES

Australian Medical Students' Association (AMSA)
- Ms Jasmine Davis

Australian Indigenous Doctors' Association (AIDA)
- Dr Tanya Schramm

Australian Salaried Medical Officers Federation (ASMOF)
- Dr Tony Sara

AMA FEDERAL COUNCIL

From 1st August 2022

PRESIDENT
- Prof Steve Robson

VICE PRESIDENT
- Dr Danielle McMullen

CHAIR OF COUNCIL
- Dr Matthew McConnell

AMA BOARD CHAIR
- Dr Kate Kearney

STATE NOMINEES

Australian Capital Territory (ACT)
- Prof Walter Abhayaratna

New South Wales (NSW)
- Dr Michael Bonning

Northern Territory (NT)
- A/Prof Robert Parker

Queensland (QLD)
- Dr Maria Boulton

South Australia (SA)
- Dr Michelle Atchison

Tasmania (TAS)
- Dr John Saul

Victoria (VIC)
- Dr Roderick McRae

Western Australia (WA)
- Yet to be determined

SPECIALITY GROUP REPRESENTATIVES

Anaesthetists
- Dr Suzi Nou

Dermatologists
- Dr Chris Baker

Emergency Physicians
- Dr Sarah Whitelaw

General Practitioners
- Dr Richard Kidd

Obstetricians and Gynaecologists
- Dr Hasthika Ellepola

Ophthalmologists
- Dr Peter Sumich

Orthopaedic Surgeons
- Prof Edward Mah

Paediatricians
- Dr Clair Pridmore

Pathologist
- Dr Daniel Owens

Physicians
- Dr Matthew McConnell

Psychiatrists
- A/Prof Jeffrey Looi

Radiologists
- Dr Xavier Yu

Surgeons
- Dr Mark Frydenberg

PRACTICE GROUP REPRESENTATIVES

General Practitioners (elected)
- A/Prof Magdalena Simonis

General Practitioners (appointed)
- Dr Simon Torvaldsen

Rural Doctors (elected)
- Dr Ian Kamerman

Rural Doctors (appointed)
- Dr Georgina Taylor

Doctors in Training (elected)
- Dr Hannah Szewczyk

Doctors in Training (appointed)
- Dr Dan Wilson

Public Hospital Practice
- Dr Katherine Tan

Private Specialist Practice
- Dr Mark Duncan-Smith

OTHER REPRESENTATIVES

Australian Medical Students' Association (AMSA)
- Ms Tish Sivagnanan

Australian Indigenous Doctors' Association (AIDA)
- Dr Simone Raye

Ordinary Member
- Dr Michael Page

Ordinary Member
- Dr Ekta Paw

Ordinary Member
- Dr Jeanette Ward

Independent Member
- Ms Bronwyn Fagan

AMA POLICY, ADVOCACY & CAMPAIGNING:

> *The AMA has an enviable track record of effective advocacy. Our messages are heard by decision makers at the highest levels of government. Our advocacy is based on solid policy determined through the AMA's councils and committees and developed by a dedicated policy team.*

Our research unit investigates and analyses trends, data and complex elements of the health system and produces research reports to inform policy.

Working with these teams our communication experts develop meaningful campaigns and messages which reach the public via the media to build consensus and momentum for change. Change that will benefit the working lives our members, their patients and all Australians using our health system.

We advocate across the spectrum of issues affecting all our members and our work is structured under the pillars of the healthcare system we want to reform. These are laid out in the AMA's Vision for Australia's Health.

Our 2022 election platform signaled the AMA's campaign priorities for the next term of government and in the week before Australians went to the polls, the AMA scored the health policies of the major parties against our priorities in our Federal Election Health Report Card report card.

While the successes of our advocacy are too numerous to recount entirely, we have highlighted some of our best in the following pages.

PILLAR 1 – GENERAL PRACTICE

Advocacy for general practice was one of the AMA's greatest efforts in 2022 with the biggest outcome: an ALP commitment to invest $970m in primary health and infrastructure upgrades in GP practices.

The AMA was active well before the general election seeking to secure a major funding commitment to implement Australia's 10 Year Primary Health Care Plan. The plan which the AMA helped develop was released in 2021 but remained completely unfunded by the national government. It was critical to securing a funding commitment from the ALP.

Our Modernise Medicare campaign resonated with Australians, who heard the 1980s-designed Medicare needed to match today's patient profile and offer 'more care', 'more time' and 'more health'. We argued for voluntary patient enrollment to enable more GP-coordinated allied care under the roof of a patient's usual GP practice.

The new Health Minister, Mark Butler established the Strengthening Medicare Taskforce to determine priorities for reform of primary care. Vice President Dr McMullen was appointed as a member of the taskforce and lobbied hard for the AMA's Modernise Medicare priorities over six months. The final report of the taskforce was released in early 2023.

Investing in general practice – AMA research

Under the Modernise Medicare campaign, we released a series of research reports to argue for changes to primary care and Medicare indexation to support general practice. These reports, addressing the complex issues affecting the experience of patients and doctors alike, were reported in the national print media and on influential national breakfast TV and radio programs.

Professor Steve Robson launched the AMA's seven-point plan to revitalise general practice at Parliament House in Canberra with the media in attendance and running the story across all platforms. The report outlines ways to improve access to GPs and support them to provide more and better care for their patients.

Our report, Why Medicare indexation matters, analysed the inadequate indexation of the most commonly used Medicare item in general practice, the Level B consultation item, and found it saved successive governments around $8.6 billion since 1993. That's $8.6 billion that wasn't invested into general practice.

We took a deep dive into the underlying causes of doctor workforce shortages with our research paper, The general practitioner workforce: why the neglect must end.

It projected a staggering shortfall of more than 10,600 GPs by 2031, being felt worst in rural and remote areas. The report proposed solutions under the AMA's Plan to Modernise Medicare.

We explained the $3 billion a year cost of wound care to general practice in our report, Solutions to the chronic wound care problem in Australia. It proposed a national scheme to fund medical dressings for chronic wounds and extra Medicare funding to cover the unmet costs of providing care for patients suffering chronic wounds.

Media Moment

Released from Western Australia's closed border, Dr Khorshid travelled to South Australia and Tasmania in March to launch state chapters of the Public Hospital Report Card as part of the Clear the hospital logjam campaign.

Media Moment

More than 80 leaders from the Private health sector gathered at Parliament House, Canberra in June for a summit on the private health system. Both the Health Minister, Mark Butler and his opposition counterpart, Anne Ruston attended.

Funding for rural doctors

The medical divide between patients in Australia's larger cities and those in rural and remote areas is a big concern for the AMA and for rural doctors who are overstretched and under-resourced.

The AMA has been tirelessly advocating for initiatives on training and retention to address the chronic medical workforce shortages in rural, regional and remote Australia. AMA strongly advocated for trials of the single employer model to provide parity in employment conditions and pay between GP registrars and their hospital-based counterparts.

Our advocacy resulted in wins for rural doctors as the Albanese Government announced $143.3 million for rural and remote healthcare, including funding to recognise doctors with additional skills practising in rural and remote Australia:

- $35 million in new funding will significantly expand the successful Innovative Models of Collaborative Care program from 1 January 2023. The AMA has been calling for investment in GP-led collaborative care models to enhance access to medical care in rural Australia.
- $15 million will expand the John Flynn Prevocational Doctor Program to more than 1,000 placements in rural Australia per year by 2026. We've been seeking more exposure for prevocational doctors to work and live in rural areas so they're more likely to consider working in rural settings.
- $9 million for additional training posts outside of community general practice for rural generalists and GP registrars and Fellowed GPs to undertake advanced skills training.

The AMA raised the alarm that poor digital connectivity is affecting the health of rural Australians and preventing rural doctors from providing quality digital healthcare in the bush.

Our position statement, Better Digital Connectivity to improve healthcare of rural and remote communities, received nation-wide media coverage.

We recognise technology-based patient consultations and telehealth can improve access to care, but rural and regional Australians are still dealing with unreliable broadband to access the internet.

Doctors in Training

Securing GP registrar conditions - employment reform

The AMA has been raising the disparity of employment conditions and remuneration between GP trainees and their hospital counterparts for years. As a result in 2022, the Department of Health and Aged Care took the initial step of commissioning accounting firm KPMG to carry out a scoping assessment of leave entitlements for trainee doctors. AMA Advocacy on the single employer model for GP registrars continues.

Defending doctors - Bonded medical program

It was a bungle that has taken more than 18-months to correct, but the AMA's purposeful advocacy with the Commonwealth Department of Health and Aged Care has finally resolved the predicament of several thousand junior doctors and other doctors incorrectly bonded into the reformed Bonded Medical Program.

The AMA intervention ensured successful remediation at no disadvantage to the participants and addressed a variety of administrative errors and inefficiencies that caused genuine hardship for bonded doctors. The AMA will continue this work as remediation moves to the next phase of the program to streamline administration and improve support for bonded doctors under the program.

PILLAR 2 – PUBLIC HOSPITALS

Ramping, bed block, exit block and long elective surgery wait lists are impacting Australian patients at every turn. The challenge was getting the public to understand these terms signal a public hospital system in crisis. The AMA created an umbrella term, 'the hospital logjam' to cut through and reach the public and decision makers in government.

Launching in February on national television, the AMA's 'Clear the hospital logjam' campaign made public hospitals an election issue, engaging the public who told us their heartbreaking stories about hospitals in logjam and lobbied their MPs to reform flawed hospital funding. The campaign reached 26,435 people from launch to year's end and continues to roll out in 2023.

Town Hall meetings were also convened in various states where political candidates heard from frontline Emergency Department doctors struggling under the load.

As soon as he could cross Western Australia's re-opened border, then AMA President, Dr Omar Khorshid travelled to South Australia and Tasmania to launch the state chapters of the AMA's Public Hospital Report Card, with local AMAs. Both visits drew great interest with the SA health minister and shadow health minister, as well as the then leader of the opposition (and ultimately Premier) all taking part in Dr Khorshid's media conference.

In Tasmania, where hospital performance languished at the bottom of the all the states, Dr Khorshid visited the marginal seat of Bass, spoke on morning breakfast radio and held a widely covered media conference, which made the hospital crisis front page news in the Mercury newspaper.

The logjam campaign articulated AMA's call to reform the National Health Reform Agreement with 50-50 shared funding between states and territories, to scrap the artificial cap on hospital activity and instead fund hospitals to improve performance, expand capacity and fund alternatives for out-of-hospital care.

The AMA set the debate and by April '50-50', 'scrap the cap' and the AMA's cost figure of $20.5 million had been cited across the media and later adopted by all state premiers.

They brought the AMA reform plan to national cabinet and in February 2023, Health Minister Mark Butler appointed two health and finance experts to independently review the Agreement. The current hospital funding agreement expires in 2025 and we fully expect our advocacy to influence a better design of the next one. We will continue our tireless work supporting public hospitals and doctors.

Hospitals in crisis – AMA research

The AMA Public Hospital Report Card 2022 was released in March with the latest hospital performance data providing more substance and depth to the Logjam campaign and virtual town halls. It showed continued decline in hospital beds for the 28th consecutive year and one in three people waiting longer than the recommended 30 minutes for urgent care in the Emergency Department (ED).

In May, the AMA brought together the first ever national picture of ambulance ramping with the AMA Ambulance Ramping Report Card showing every state and territory failing its performance target of delivering ambulance patients into the care of EDs within the recommended time.

Burgeoning elective surgery wait lists are sadly a feature of the public hospital system, but the AMA revealed the waitlist to get on the waitlist in its report, Shining a light on the elective surgery 'hidden' waiting list.

The 'hidden' waiting list is the time it takes to see a specialist in a public hospital outpatient clinic, adding months, sometimes years to the time patients wait for elective surgery. Inconsistent and unreliable data means the scale of the national problem is unknown.

Focusing on a 'vulnerable and overlooked' group of patients using public hospitals in increasing numbers, the AMA released a special and inaugural Mental Health Edition of the Public Hospital Report Card in November. It found more patients with mental health problems, more frequently arriving by ambulance, increasingly severely ill and needing intensive mental health care and admission to hospital.

Media Moment

On 18 March, Dr Khorshid travelled to Launceston in the marginal seat of Bass and discussed the public hospital crisis on morning radio. His visit and the public hospital issue made the front page news of the Launceston Examiner.

Media Moment

The Clear the hospital logjam campaign resonated, with hundreds of patients sharing their stories and exceptionally high media coverage of the campaign. Watch this snapshot.

PILLAR 3 – PRIVATE HEALTH

Future proofing private health insurance

Private Health Insurance is in trouble. After extensive analysis, the AMA developed a check-list of policy prescriptions to improve the health of the system in 2020. The goal of each proposal was either making private health insurance more affordable or improving its value proposition for consumers and the wider health system.

The Commonwealth Government responded to our call to action by implementing many of the AMA recommendations. In the 2020-21 and 2021-22 Commonwealth budgets a range of studies were announced to support a new wave of reforms. Much of this work was put out directly for consultation or developed further through webinars and meetings throughout 2022 and will likely lead to further budget announcements in 2023.

The AMA has been active to ensure the government continues to support these important reforms without diminishing clinical autonomy or increasing managed care by insurers. In particular, the AMA voiced strong concerns about the direction the government is planning to take in relation to risk payments and default benefits to hospitals.

AMA summit on the private health system

It was no small matter bringing together more than 80 leaders from various parts of the private healthcare system. Insurers, private hospitals and doctors' groups often have competing and conflicting goals.

The brainchild of then AMA President, Dr Khorshid, the AMA Private Health Summit was held in June at Parliament House in Canberra. The sector sought common ground to tackle the challenges that face our private system; mainly affordability of private health insurance premiums. The outcome built a base for future collaboration, where all stakeholders need to work constructively on areas to ensure our private health sector is sustainable and continues to deliver exceptional outcomes for patients.

In a discussion paper released on the day of the summit, the AMA proposed a Private Health System Authority to oversee the private health sector. There was clear consensus that innovation and further reforms are needed. The AMA is working through submissions to its paper and meeting with stakeholders to achieve sector consensus on a Private Health System Authority.

Private Health Insurance Report Card

The AMA's annual report card on private health insurance forms part of our on-going advocacy scrutinising the insurers and letting the public know what to look out for when choosing private health insurance.

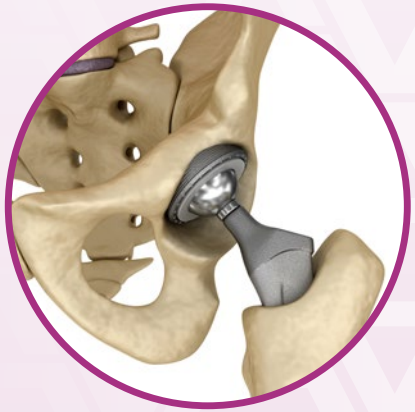
The 2022 Report Card found private health insurer profits were up with increased member numbers and reduced elective surgeries. Executive salaries were also rising.

The amount insurers paid in management expenses varied considerably with some insurers paying more than 15 per cent of their premium income as management expenses compared to the industry average of 11.7 per cent.

The AMA called for the money patients pay in premiums be directed to their health care, not increased profits for insurers.

Prostheses List – protecting choice

The AMA worked tirelessly to oppose proposals to radically reform the Prosthesis List, including the introduction of Diagnosis Related Group funding. Campaigning on a platform of protecting clinician and patient choice, the AMA forced the Government to agree to a set of much more sensible reforms. These will still deliver significant savings to the private health system but preserve one of the key tenets of our private health system – choice.



Protecting patients and doctors – conditions imposed on Honeysuckle Health

In protracted negotiations, the AMA successfully secured stronger protection for patients and doctors in additional conditions on the Honeysuckle Health (HH) medical buying group arrangements.

In 2022, the Australian Competition and Consumer Commission (ACCC) authorised HH to collectively negotiate and administer contracts with healthcare providers — including hospitals, medical specialists and allied health professionals — on behalf of participants in its buying group.

The AMA and other medical groups provided multiple submissions to the ACCC. The ACCC granted authorisation subject to a condition that major private health insurers be excluded from participation in the buying group and that the period of authorisation be limited to five years, rather than the requested ten years.

This was a large endeavour for the AMA. We engaged external counsel and an economist and Dr Khorshid lodged a detailed witness statement recognising many of the concerns of our psychiatry and rehabilitation colleagues. The AMA was particularly concerned about the potential for doctors to be economically coerced into signing agreements that contain targets.

A legally binding agreement was reached in July which includes many important protections won by the AMA. You can find the summary at: https://www.ama.com.au/summary-of-honeysuckle-health-settlement

Media Moment

The AMA National Conference opened with a video celebrating the AMA and its work.

PILLAR 4 – A HEALTH SYSTEM FOR ALL

Tackling climate change

The AMA, partnering with Doctors for the Environment Australia (DEA), secured a major financial commitment from the Australian Government to deal with the health impacts of climate change.

The AMA's sustained and determined advocacy, along with the DEA, effectively brought the Australian Government to recognise climate change for the first time and take steps to address the severe impacts of climate change on health. Responding to our advocacy, the Department of Health and Aged Care agreed to establish a National Health Sustainability and Climate Unit and develop a climate and health strategy. The unit is key to moving all health departments towards sustainable and decarbonised health care service delivery.

The government backed its commitment with $3.4 million over four years in the October Federal Budget, a major achievement by the AMA and its partner.

Climate change is increasingly affecting the health of patients and communities with significant, compounding extreme weather events. Besides the immediate impacts: displacement, diseases and disconnection from help and healthcare, there's also an incredible toll on mental and physical health.

The AMA maintains the healthcare sector has a responsibility to mitigate the health impacts of climate change and has committed to play its part to help the sector reach net zero carbon emissions by 2040.

In August, the AMA and DEA brought together 11 medical colleges, climate change and health experts to discuss environmentally sustainable healthcare. Health Minister Mark Butler addressed the virtual meeting of more than 300 participants. This resulted in the 11 colleges endorsing an AMA/DEA communique with several asks including the sustainable healthcare unit and climate/health strategy.

#Sickly-Sweet – campaigning for a sugar tax

The AMA rekindled its sugar tax advocacy in early January 2022 with a social media campaign to raise awareness of the enormous amount of sugar consumed in soft drinks and its links to obesity and diabetes. Our tongue-in-cheek parody of drinks manufacturers' advertising caught the eye of actor, Magda Szubanski who fronted a three-part TV program on the state of Australia's health in November 2022. She was featured reading from the AMA website citing our call for a tax on sugary drinks, estimated to contain 8–12 teaspoons of sugar in the average can of soft drink.

System interoperability in healthcare

We have the technology to improve communication between the various aspects of our complex health system, we just need interoperability.

The AMA's position statement says a better-connected healthcare system will enable more equitable access to medical care. It calls for interoperability across intersecting health and human services sectors, including acute care, primary care, allied health, community care and aged care and disability services. This would deliver more efficient and effective healthcare, facilitate person-centred care, minimise avoidable health service use, promote patient independence and satisfaction and improve clinical safety and patient health outcomes. This would achieve concrete steps towards the future sustainability of healthcare.

Medical ethics in disaster management

Our complex heath environment often poses unforeseen ethical challenges in our work. The AMA gets across these issues as they emerge and communicates regularly with members, guiding them through the challenges.

In the shadow of the COVID-19 pandemic, and the increasing frequency of natural disasters in Australia such as bushfires and floods, the AMA focused heavily in 2022 on supporting doctors facing the extraordinary ethical challenges posed by disasters.

Our Position Statement provides an overarching ethical framework for doctors balancing obligations to individual patients with their obligations to the wider community in times of disaster. It advocates for the profession on disaster planning, the allocation of limited health care resources and doctors' personal risk of harm. Support for the profession is imperative during and after a disaster and includes providing disaster-related research and defines doctors' roles as government advisers during disasters.

Throughout the year, the AMA developed focused policies in response to specific challenges arising in 2022. This included a position statement supporting doctors managing patients unvaccinated against COVID-19 and a policy resolution advocating for public and private health care services in disaster-affected rural and regional areas be considered essential services for the purposes of support and recovery. This would ensure continuity and sustainability of these services to the community.

Media Moment

In September, AMA President Professor Steve Robson and AMA (NSW) President Dr Michael Bonning visited GPs and healthcare workers in Lismore, whose practices and medical equipment had been destroyed in the flooding.

At an emergency health summit, AMA leaders urged state and federal governments to immediately support healthcare services in the flood-devastated region.

PILLAR 5 – A HEALTH SYSTEM FOR THE FUTURE

Establishing the Australian Centre for Disease Control

As COVID-19 swept the globe, the world witnessed first-hand how health threats and diseases do not respect borders.

Australia is the odd-man-out among OECD countries, lacking an established national authority for communicable disease control.

The AMA ramped up its advocacy for an Australian Centre for Disease Control (CDC), first begun in 2017, calling for a national focus on current and emerging disease threats, engagement in global health surveillance, health security, epidemiology, and research. After many years of lobbying, the ALP agreed to establish a CDC as part of its 2022 Election Platform.

We welcomed an initial investment of $3.2 million dollars in the October budget for preparatory work for a CDC, with the AMA engaging with the Department of Health and Aged Care and President Prof Steve Robson involved in a stakeholder workshop to map out the plan.

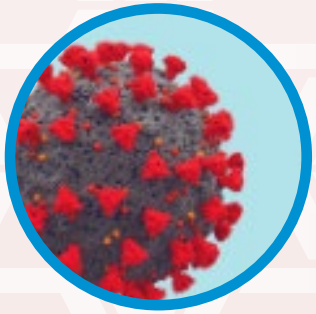
Robust governance will be critical to ensure a trustworthy, accountable CDC with the necessary expertise to effectively carry out its role. The AMA made a strong call for an independent CDC, stating public health and pandemic responses must be based on scientific and technical evidence without political interference.

The introduction of a CDC will be a fundamental shift in Australia's health system. It is vital that government gets this right, to create a CDC fit for purpose. The AMA will advocate at all stages of the design and development of this important body.

The threat of antimicrobial resistance

A special AMA research report, Antimicrobial resistance: the silent global pandemic makes clear antimicrobial resistance is one of the most serious world-wide health threats of the 21st century and could well be the cause of the next pandemic. It argues without a reset of government and industry focus, Australia could return to the medical dark ages where a superficial scratch could be life threatening and our current treatments are too risky to perform.

A CDC would harness scientific and medical research to combat super bugs through sovereign manufacturing of antimicrobials and position Australia as a global leader in a global, coordinated approach to combatting antimicrobial resistance.



Concerns over Health Practitioner National Law changes

Changes to the Health Practitioner National Law, (Tranche 2 amendments) passed by the Queensland Parliament in October and automatically to other jurisdictions with slight variation, take effect in stages throughout 2023.

The changes span relatively minor changes to Ahpra governance through to more significant changes impacting health practitioners.

The AMA strongly opposed a number of the changes, including:

- the introduction of a power for regulators to issue public statements without completing due process.
- changes to paramount principles which tilt the balance further away from fairness to practitioners who conform to accepted standards of professional practice.
- the removal of a ban on the use of testimonials by practitioners to promote their practices.

The AMA raised its concerns at every stage of development including inquiries into the legislation as well as in the media and other forums.

> *Our advocacy succeeded in removing the proposal to allow testimonials from the legislation.*

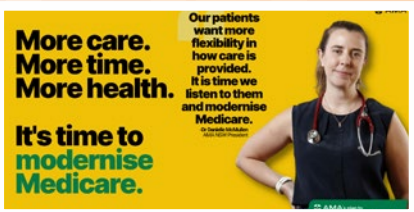
We continue our work to ensure guidelines for the issuing of public statements are only used as a last resort in very rare circumstances where there is a serious risk to public health and safety.

We welcomed plans to develop a culturally safe and respectful health workforce for Aboriginal and Torres Strait Islander peoples and support a power for regulators to issue interim prohibition orders restricting unregistered practitioners providing health services or using protected titles.

Media Moment

Dr Khorshid made the case for reform of public hospital funding on the ABC's Q&A program in March.

Media Moment



Dr Danielle McMullen featured in the AMA's Modernise Medicare campaign doing rounds of media on Medicare reform, bulk billing and general practice issues.

Cosmetic surgery and preserving the title “surgeon”

Media reports of patient harm from cosmetic surgery led to reviews of the regulation of the cosmetic surgery industry as well as who can use the title “surgeon” under the National Law.

The AMA contributed to both reviews making clear only those completing Australian Medical Council accredited programs of surgical training should be able to call themselves surgeons. The AMA also supported clearer information for consumers and pushed for the retention of the ban on testimonials.

Our advocacy resulted in state and territory health ministers agreeing to a range of measures including:

- only medical practitioners holding specialist registration in the specialties of surgery, obstetrics and gynecology and ophthalmology should be permitted to use the title ‘surgeon’.
- ensuring anyone conducting a cosmetic procedure has appropriate qualifications.
- limiting surgery to properly accredited facilities with minimum hygiene and safety standards.
- banning doctors using patient testimonials for cosmetic surgery including on social media.

NATIONAL CONFERENCE

After a two-year hiatus, AMA's National Conference returned in 2022 bringing doctors and members together in person as well as online at Sydney's Convention Centre at Darling harbour.

Big names and faces peppered the panels and discussions including Dr Anthony Fauci, the US President's Medical Adviser (Epidemiologist, Dr Raina McIntyre Chief Medical officer, Professor Paul Kelly and Commonwealth Department of Health Secretary, Professor Brendan Murphy to name a few.

Doctors grappled with the pressing issues facing the medical community including workforce shortages, the exodus of doctors from general practice and why climate change is the greatest health threat to Australians.

Participants queued up to ask questions of both the newly minted Labor federal health minister, Mark Butler and his opposition counterpart Anne Ruston who took questions from the floor in Q&A style session.

A range of awards recognised the service of AMA members with then President, Dr Khorshid presenting the special President's award to Professor Kerryn Phelps AM, Dr Chris Moy and Associate Professor Dr Rosanna Capolingua for their outstanding contributions.

Medical students Malissa Hodgson and Cameron Howard received the AMA's Indigenous medical scholarships. Cameron attended via videolink from Broome and Malissa, an NT resident attended in person. Both spoke about their journeys to choosing to study medicine, the healthcare needs in their communities and the impact the scholarship had made on their lives and studies.

It was a collegiate chance for doctors to reconnect socially after two years of lock downs and pandemic isolation.

Time for fun, too with stand-up comedian, GP, dermatologist and mental health activist, Dr Ahmed Kazmi making doctors laugh at the gala dinner.

The AMA's highest award, the gold medal, went to Professor Emily Banks for her internationally-renowned work on e-cigarettes.

The Victorian and Queensland governments received the dubious Dirty Ashtray award for their lack of effort on preventing vapes being sold to children, with retailers who illegally supply vapes to young people also getting a gong.

The conference brought to a close the two-year term of Drs Khorshid and Moy and members bid them farewell after electing Professor Robson and Dr McMullen as the new leadership team.

AMA AT WORK

COUNCILS, COMMITTEES & WORKING GROUPS 2022

Councils

Council of General Practice (CGP)
Council of Doctors in Training (CDT)
Council of Private Specialist Practice (CPSP)
Council of Public Hospital Doctors (CPHD)
Council of Rural Doctors (CRD)

Committees, taskforces and working groups

Ethics and Medico-Legal Committee
Equity, Inclusion and Diversity Committee
Fees List Committee
Funding and Health System Reform Committee
Medical Practice Committee
Medical Workforce Committee
Mental Health Committee
Public Health Committee
Taskforce on Indigenous Health

POSITION STATEMENTS

In 2022 the AMA developed and agreed 15 detailed position statements. These and all our position statements can be read here. Here are examples of their impact.

The AMA's Position Statement on Better Digital Connectivity to Improve Health Care of Rural Australians 2022 released in February urged governments to focus on improving mobile phone and broadband coverage and performance, and enhance the resilience of telecommunications infrastructure to natural disasters throughout the country. This gave rise to a Government commitment in the May Budget to invest $2.2B to fix digital connectivity in rural areas.

The AMA's Position on the Involvement of GPs in Disaster and Emergency Planning 2022 provided the platform for the AMA in November to call on the federal government to urgently implement the recommendations of the Royal Commission into National Natural Disaster Arrangements. The aim was to reduce the health and human cost of future bushfire seasons and other natural disasters. This came in the wake of the previous summer's unprecedented bushfires, followed by devasting flood events.

SUBMISSIONS

The AMA made 44 detailed submissions to various health-related consultations and inquiries in 2022, contributing to shaping health policy in Australia. Here is just one example of their impact. All our submissions can be viewed here.

Many aspects of proposed wide-ranging changes to the Health Practitioner National Law concerned the AMA, particularly allowing practitioners to promote their practices with testimonials and Ahpra's new power to issue damning public statements about medical practitioners before any investigation was completed. The AMA argued its case in a submission in October to the Queensland Parliamentary Health, Communities, Disability Services and Domestic and Family Violence Prevention Committee. Then AMA President Dr Omar Khorshid and AMA Queensland President Dr Maria Boulton appeared before a Queensland parliamentary committee in June arguing against amendments that would help neither patients or doctors. Our advocacy succeeded in removing the proposal to allow testimonials from the legislation.

Media Moment

Honouring armed service medical personnel on Remembrance Day, Professor Robson and Veterans' Affairs Chief Health Officer, Doctor Jenny Firman highlight veterans' mental health.

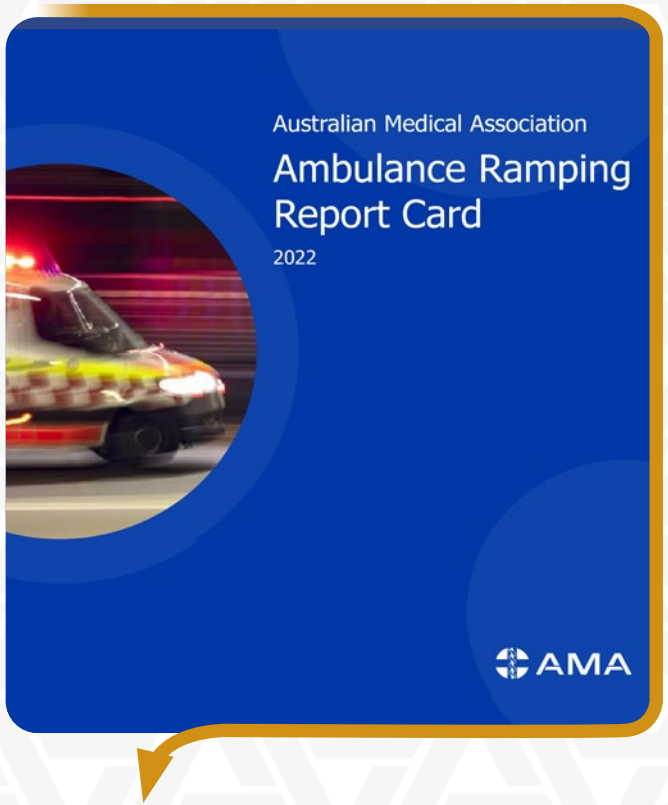
Media Moment

In Adelaide, (March 17) the SA Health Minister, Stephen Wade, Shadow Health Minister, Chris Picton and Leader of the Opposition, now Premier, Peter Malinauskas all attended Dr Khorshid's press conference on the public hospital crisis as part of the Clear the hospital logjam campaign.

REPORT CARDS

Public Hospital Report Card – 2022

Private Health Insurance Report Card, 2022



Ambulance Ramping Report Card

2022 Federal Election Health Report Card

Home / AMA 2022 Federal Election Health Report Card

AMA 2022 Federal Election Health Report Card

The AMA released its Vision for Australia's Health in 2021, detailing improvements needed across five key pillars of Australia's health care system.

The AMA has assessed each of the health policy promises made by the Liberal National Coalition, the Australian Labor Party and the Australian Greens during the 2022 Federal Election against the five key pillars of the AMA's Vision for Australia's Health, assigning green where significant policy commitments have been made, orange where partial commitments have been made, and red where no commitments have been made. This assessment informs the AMA 2022 Federal Election Health Report Card.

Across the five key pillars of the AMA's Vision for Australia's Health, the AMA scores promises on health as follows:

Key

Commitments aligned to AMA election priorities
Partial commitment/some relevant policies to AMA election priorities
No significant election policy announcements/not aligned to AMA election priorities

Public Hospital Report Card – Mental health edition

2022 Public hospital report card - mental health edition

President's Introduction

Prof Stephen Robson
Federal AMA President

Australia's health system is failing to provide appropriate, acceptable care to people experiencing poor mental health. This is painfully apparent in the growing numbers of patients presenting to public hospital emergency departments (EDs), often via ambulance, after they have exhausted all other avenues of seeking help they desperately need.

Attending an ED for a mental health issue may provide urgent care, but it is not the right setting to provide the longer-term whole-person care that is required for sustained recovery. The lack of mental health in-patient bed capacity caused by the public hospital logjam results in extended patient stays in EDs, causing distress for patients and their families.

The problem is a serious one that is frequently ignored which is why this year the AMA decided to develop a separate Edition to our Public Hospital Report Card that examines just one segment of public hospital performance – care for patients presenting for mental and behavioural disorders. Our aim is to shed the light on this often overlooked cohort, for whom our public hospitals frequently perform worse than for any other patient groups.

As this report card shows, from 1992 to 2020, Australia recorded a significant reduction in mental health beds, from 45.5 to 27.5 per 100,000 population - an almost 40 per cent decrease of available mental health public hospital beds. While this form of de-institutionalisation of mental health was needed and welcomed at the time, planning, funding or staffing for primary care or specialised community mental healthcare has been inadequate to meet the growing need.

Put another way, while the Australian population increased by 7,745,219, the number of public hospital mental health beds decreased by 587; a population increase by 43 per cent was met with a 7.7 per cent decrease in the overall number of mental health beds available.

AMA Representation

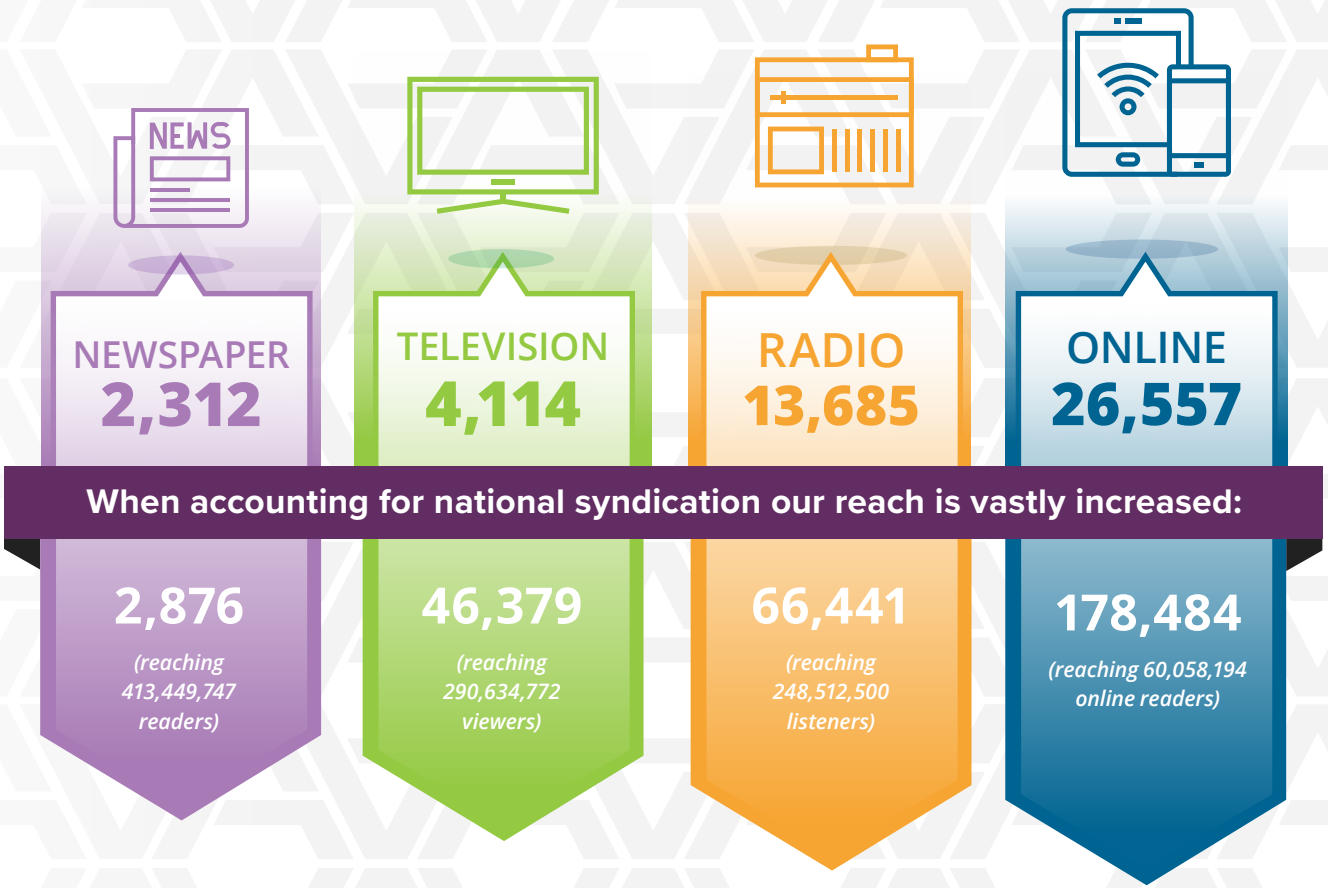
The AMA Presidents and Vice Presidents of 2022 represented the AMA on the following bodies:

- Prostheses List Reform Taskforce - Clinical Implementation Reference Group
- World Medical Association
- Cosmetic Surgery Project Advisory Committee
- General Practice Training Advisory Committee
- Department of Health COVID 19 Forum
- National Preventive Health Taskforce, Professional Services Review Advisory Committee
- Strengthening Medicare Taskforce
- National Women's Health Advisory Council
- Department of Health Consumer Health Complaints Reference group

MEDIA REPORT

The Presidents, Vice Presidents and other AMA spokespeople promoted the AMA's position as the nation's leading voice of the medical profession in the media, reaching a potential audience of millions of readers, viewers and listeners.

AMA MENTIONS IN TRADITIONAL MEDIA IN 2022

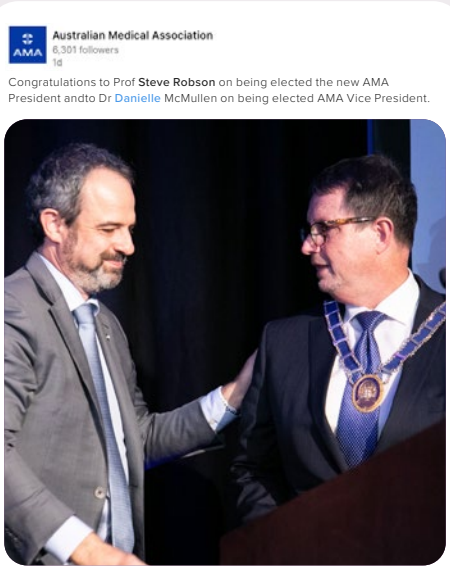


Social media impact 2022

The AMA reached 3.27 million people with social media posts in 2022 on Twitter, Facebook, and LinkedIn.

TOP POSTS:

LinkedIn



Celebrating the election of incoming AMA President Professor Steve Robson, this post was seen by an estimated 4,500 people.

Twitter

This video post from Budget Estimates with Professor Brendan Murphy refuting claims of Medicare Fraud published by the ABC and Nine Newspapers reached an estimated 136,000 people.

Facebook

Our top Facebook post encouraging people to share their stories with the AMA's 'clear the hospital logjam' campaign, reached an estimated 32,000 people.

MEMBERSHIP

THE VALUE OF MEMBERSHIP

The AMA is the leading national medical body that provides all members a voice, a connection and support in their lifespan as doctors.

ADVOCACY AND POLICY LEADERSHIP

Member-run and led, the AMA is the trusted voice of health policy advising government and achieving the best outcomes for doctors, their patients and the community.

COMMUNITY

The AMA offers members a national network of peers from all specialty groups, reinforcing enhancing and extending their practice of medicine.

SUPPORT

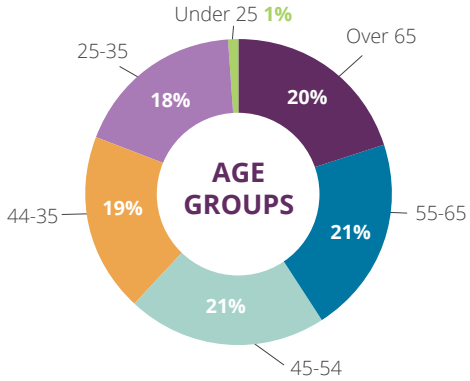
The AMA supports our members in their lifelong medical careers. Every member from every specialty group is represented, connected and supported in the work they do, advancing the medical profession and maintaining and improving the safety and quality of patient care, building a healthy, safe and happy society.

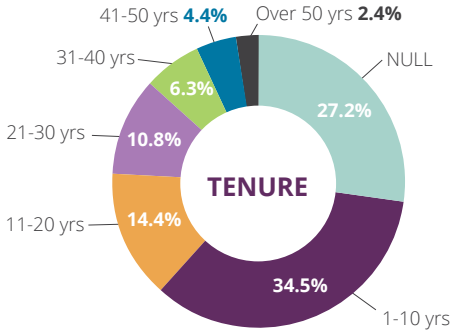
Progress on gender balance at the AMA

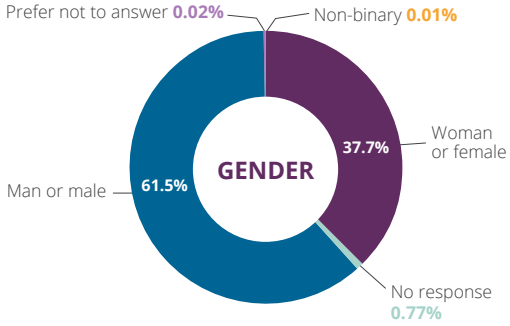
The AMA's fifth report on gender diversity showed progress towards meeting the gender target for the AMA Federal Council and its Councils and Committees. The target is 40 per cent female, 40 per cent male and 20 per cent flexible representation on all federal AMA councils, committees and boards. In 2022, 50 per cent of representative positions were held by males, and 42 per cent by females (1 per cent non-binary, 7 per cent unspecified). This was an improvement from 2021 (65%m; 35%f) and a marked improvement since the first report in 2018 (74%m; 26%f).

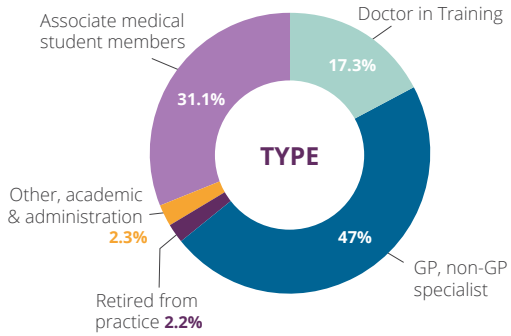
Engaging across the generations

The latest membership data demonstrates the AMA is delivering across the spectrum with all age groups fairly evenly represented.









AMA SUBSIDIARIES

AMPCo. Australasian Medical Publishing Company

As a respected medical publisher and leading provider of doctor data, the Australasian Medical Publishing Company produces leading-edge health information and resources. We are driven by our belief that to thrive, Australian health care needs timely, relevant and credible information.

AMPCo delivers revenue through its data rental, data licensing and advertising streams. Our newest product, LuminateDr, provides engagement insights from over 8 million doctor interactions. With over 99 per cent Ahpra-matched doctor data, AMPCo has one of the best medical datasets in Australia.

AMPCo publishes the globally ranked Medical Journal of Australia, freely available, peer reviewed medical research and articles. The InSight+ medical e-newsletter is published weekly and reaches over 56,000 Australian Doctors. InSight+ is one of the highest circulating medical publications in Australia.

AMPCo helps drive healthcare forward through the power of insight and inspiration.

DRS4DRS

Drs4Drs is dedicated to supporting doctors and medical students to stay healthy throughout their entire career, so they in turn can provide quality patient care for a healthier Australian community.

The strategic scope of Drs4Drs has expanded in response to the growing concern for doctors' wellbeing and aligns with Professor Steve Robson's AMA Presidential priority of doctors' mental health.

A new strategic direction was set for Drs4Drs in early 2022 through extensive consultation and engagement with principal stakeholders, including state and territory doctors' health service providers and other partners.

DrHS moved to fund dedicated service in the ACT and Tasmania and reached agreement to bolster confidential telehealth mental health services by offering a LGBTIQ dedicated service via 1300 Dr4Drs.

In late 2022, Drs4Drs launched the National Doctors Health & Wellbeing initiative aimed at sector-wide systemic culture change to improve the health and wellbeing of medical practitioners and medical students in every work and training setting. As a core part of the initiative a National Leadership Alliance is being established to develop a Wellbeing Action Plan based on the Every Doctor, Every Setting Framework.

The Drs4Drs mission is to:

- Help doctors stay healthy and support them when they are not.
- Promote proactive practices, positive health and wellbeing messages and strategies to Australian doctors and medical students.
- Coordinate, in association with partners, critical access to health and wellbeing support services.
- Advocate for doctors' wellbeing and build a supportive medical community in Australia promoting doctors' health, especially through workforce practices and culture, and ensuring every doctor has a GP regardless of their location across the country.
- Partner with allied organisations who are able to support and enhance the objectives of Drs4Drs.

MJA
The Medical Journal of Australia

The MJA navigated some big changes in 2022, including the end of Professor Nick Talley's tenure as Editor-in-Chief (2015 – 2022) and the welcoming of Professor Virginia Barbour as Nick's successor, who joined in January 2023. Nick's tenure was momentous, leading the journal through a series of leaps in impact factor to reach 12.8 and hold position as the 17th ranked general medical journal internationally.

Nick's tenure also brought a record number of article downloads during the critical phases of the COVID-19 pandemic (999,000 in 2022). 2022 also saw a strong uptick in open access publishing, doubling the previous year's output and firmly positioning the journal's ongoing relevance for Australian and global audiences. Research remained particularly strong in 2022.

Read Nick's top ten selection across a diverse field of study here.

cpd HOME

Doctorportal Learning Pty Ltd has transitioned to AMA Western Australia. The AMA family is committed to lifelong learning for doctors and has been supporting doctors for more than 100 years. The CPD Home is available to all doctors nationally who are required to work with a CPD home service provider. AMA members receive a 50 per cent discount. Details at www.cpdhome.org.au

AMA FEES LIST

The Fees list is one of the most valued and valuable services offered by the AMA. It contains some 4,692 items providing a pricing guide and costing assistance for medical services. It is free to members and through a paid licence to subscribers.

The Fees List saw regular and extensive updates across all GP and non-GP medical services throughout 2022 in response to changes to the Medicare Benefits Schedule. The AMA makes over 200 amendments to the fees list every quarter.

A particularly significant update in the first half of 2022 included the replacement of the AMA's several generic telehealth items with a more comprehensive range of service specific telehealth items.

Members and subscribers alike can be confident the AMA's continuing investment, balanced with continuing improvements and efficiencies produces high-level clinical, policy and economic oversight and governance of the Fees List. The Fees List benefits from internal committee governance and dedicated availability of AMA policy and economic experts.

GENERAL PURPOSE FINANCIAL REPORT

CONTENTS

Australian Medical Association Limited and Controlled Entities
ABN 37 008 426 793
For the financial year 31 December 2022

DIRECTORS' REPORT

Directors

The names of directors in office during the financial year are as follows:

DR KATE KEARNEY

FRACP, BPharm, MBBS, MMed (Clin Epi)

Chair (from 5 October 2022)

Chair, Audit, Risk and Performance Committee (to 1 December 2022)

Cardiologist

A/PROFESSOR ROSANNA CAPOLINGUA

MBBS, FAMA, MRACGP, FAICD

Chair (to 22 September 2022)

Investment Committee member (to 22 September 2022)

General Practitioner (Board member to 22 September 2022)

DR JESSICA DEAN

BMedSci (Hons), MBBS (Hons), LLB, GAICD

Chair, Audit, Risk and Performance Committee (from 1 December 2022)

ICU Registrar

DR ANTONIO DI DIO

MBBS (USYD) DipRACOG FRACGP

Audit, Risk and Performance Committee member (to 30 November 2022)

General Practitioner (Board member to 30 November 2022)

DR STEPHEN GOURLEY

MBBS, Grad Dip CE, MHM, MPH, FRCEM, FACEM, MAICD, AFRACMA

Deputy Chair

Audit, Risk and Performance Committee member

Investment Committee member

Head of Emergency Medicine

DR RUTH KEARON

FRACGP

Director of Health Workforce, Planning Unit, Department of Health (Board Member to 16 June 2022)

DR OMAR KHORSHID

MBBS, FRACS, FAOrthA, FAMA, A dvDipMgt, GAICD

Orthopaedic Surgeon

(Board Member from 27 September 2022) (President and Board Member to 31 July 2022)

DR SHEHZAD KUNWAR

BSc (HONS) Econ, MBChB, MRCGP, JCC (Anaesthetics), FRACGP, FACRRM

Deputy Executive Director

(Board Member from 22 September 2022)

DR BAVAHUNA MANOHARAN

MBBS, MPH, BSc, CHIA, GAICD

State Clinical Director

DR CHRIS MOY

MBBS, FRACGP, FAMA

General Practitioner (Vice President and Board Member to 31 July 2022)

DR DANIELLE MCMULLEN

MBBS (Hons), FRACGP, DCH

Vice President

General Practitioner (Board Member from 1 August 2022)

PROF STEVE ROBSON

BMedSc, MBBS,MPH, MMed,MD, PhD,FRANZCOG,FRCOG, FACOG,FAMA,CertGovPract

President

Obstetrician (Board Member from 1 August 2022)

DR GARY SPECK AM

MBBS, BMedSc (Hons), FRACS, FAOrthA, FAMA, GAICD

Chair, Investment Committee

Orthopaedic Spinal Surgeon

A/PROFESSOR WILLIAM TAM

MBBS, FRACP, PhD

Senior Gastroenterologist

Principal activities

Australian Medical Association Limited (AMA) is a public company limited by guarantee. The AMA represents the interests of the registered medical practitioners of Australia and the medical students of Australia, and advocates on behalf of its members and their patients. The members of the AMA are simultaneously members of the State and Territory AMAs, which are separate legal entities.

The principal activities of the AMA Group (Group) during the reporting year, as set out in the Constitution, were to:

- preserve, maintain, promote and advance the intellectual, philosophical, social, political, economic and legal interests of Members; and
- promote the wellbeing of patients, take an active part in the promotion of health care programs for the benefit of the community and to participate in the resolution of major social and community health issues.

The AMA undertakes advocacy on behalf of its members and provides services and communications to its members. Through its subsidiaries, it publishes and circulates the Medical Journal of Australia and coordinates the provision of medical services to all medical practitioners and medical students. The consolidated Group owns investment assets held for long term funding requirements.

Financial results

Review and result of operations

In 2022, the consolidated Group recorded a total comprehensive loss of $0.9 million (2021: profit $2.5 million).

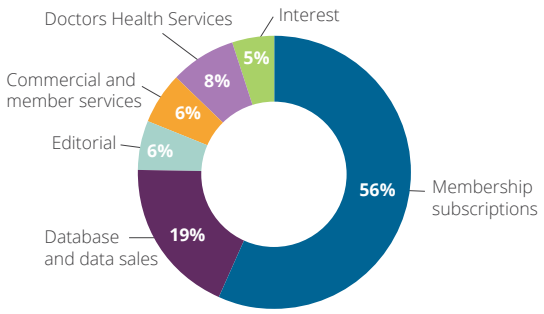
The consolidated comprehensive income for the year, is net of accounting for changes in fair value of long- term investments that are reflective of valuation at reporting date.

The Group's operations are largely unchanged. At the time of reporting, there are no other strong indicators to suggest material financial impacts to the Group's results in future financial years from on- going operations.

Revenue

Compared to 2021, total revenue from operations, remained consistent at $22.9 million (2021: $21.9 million).

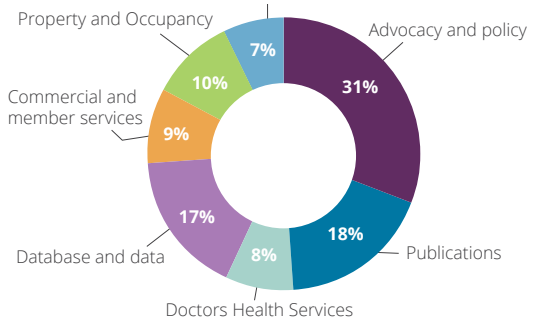
Graph 1 – Distribution of revenue



Expenses

Total expenses (before income tax) was similar to prior year at $21.7 million (2021: $21.3 million).

Graph 2 – Distribution of expenses (excluding income tax)



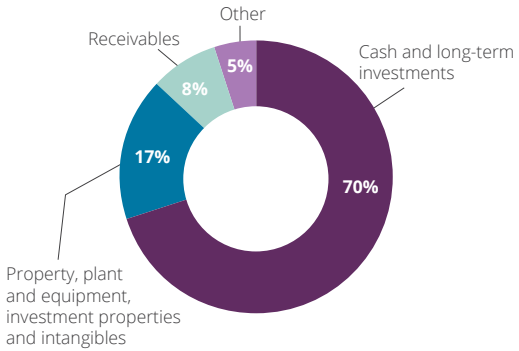
Review of financial position

Net assets decreased 2.8% to $31.6 million compared to prior year (2021: increased 8.3% to $32.5 million).

Assets

Total assets decreased 4.1% to $42.1 million compared to prior year (2021: $43.9 million).

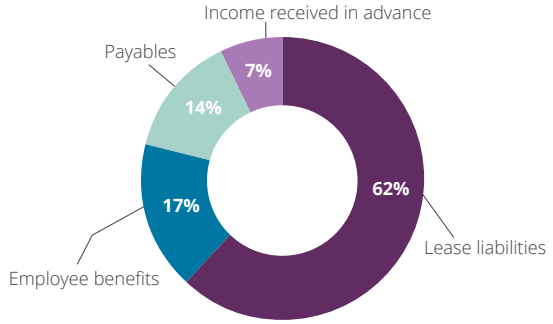
Graph 4 – Distribution of assets



Liabilities

Total liabilities decreased 7.9% to $10.5 million compared to prior year (2021: $11.4 million).

Graph 5 Distribution of liabilities



Rounding

Amounts in the financial report have been rounded to the nearest thousand dollars ($'000).

Dividends

The Constitution of Australian Medical Association Limited does not permit the distribution of dividends to members.

State of affairs

There was no significant change in the state of affairs of the Group during the financial year under review that is not disclosed in the financial statements.

Strategic direction

During the reporting year the Board of Australian Medical Association Limited are in progress to implement its operational plan to achieve its strategic objectives for 2020-2023.

The strategic objectives support the AMA's mission of Leading Australia's Doctors – Promoting Australia's Health. The four pillars of the Board's strategic plan are:

1 – Value for Members

2 – Focused Advocacy

3 – Effective and Efficient Operations

4 – Improved Federation

The strategic objectives are delivered through an operational plan, which is reviewed and updated each year. The activities agreed for inclusion in the operational plan are funded in the budget.

Auditor's Independence Declaration

A copy of the Auditor's independence declaration as required under s307C of the Corporations Act 2001 is set out on page 76.

Indemnification and insurance of officers and auditors

Indemnification

Since the end of the previous financial year, the Group has not indemnified or made a relevant agreement indemnifying against a liability of any person who is or has been an officer or auditor of the Group.

Insurance premiums

During the financial year the Group paid premiums in respect of Directors' and Officers' Liabilities and Professional Indemnity for the year ended 31 December 2022, insuring the directors of the company and all executive officers of the Group against a liability incurred by such a director or executive officer to the extent permitted by the Corporations Act 2001.

Information on directors

The Board is comprised of 11 medically qualified Directors and includes the President and Vice President, one Director nominated by each State and Territory AMA and one Director nominated by the AMA Council of Doctors in Training. The Chair is elected from among the Directors.

Under the Constitution, the Directors are required to be appointed based on their skills and experiences.

Directors' interests

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit, other than a benefit included in the aggregate amount of remuneration received or due and receivable by Directors shown in the financial statements in Note 19.

Directors meeting attendance

During the period 1 January 2022 to 31 December 2022 the Board met on 8 occasions.

The Audit, Risk and Performance Committee met 4 times. Three members of the Committee are Directors and one is an independent appointment.

The Investment Committee met 7 times. All three members of the Committee are Directors.

The following tables summarises the meeting attendance of the Directors and Committee members during 2022, noting the number of meetings each Director/Committee member was eligible to attend and attended.

BOARD MEETINGS		
	ELIGIBLE TO ATTEND	ATTENDED
Prof Steve Robson	4	4
Dr Danielle McMullen	4	4
Dr Kate Kearney	8	8
Dr Stephen Gourley	8	8
Dr Gary Speck	8	8
A/Prof William Tam	8	8
Dr Bavahuna Manoharan	8	6
Dr Jessica Dean	8	6
Dr Omar Khorshid	7	7
Dr Antonio Di Dio	7	5
Dr Shehzad Kunwar	5	4
A/Prof Rosanna Capolingua	5	5
Dr Chris Moy	4	4
Dr Ruth Kearon	3	2

AUDIT, RISK AND PERFORMANCE COMMITTEE		
	ELIGIBLE TO ATTEND	ATTENDED
Dr Kate Kearney	4	4
Mr Ed Killesteyn	4	4
Dr Stephen Gourley	4	3
Dr Antonio Di Dio	4	2

INVESTMENT COMMITTEE		
	ELIGIBLE TO ATTEND	ATTENDED
Dr Gary Speck	7	7
A/Prof Rosanna Capolingua	6	5
Dr Stephen Gourley	7	5

The AMA is a company limited by guarantee. If the AMA is wound up, each member of the AMA and each person who ceased to be a member in the preceding year, undertakes to contribute to the payment of debts and liabilities and the costs, charges and expenses of winding up the AMA, and the adjustments of rights of contributions amongst themselves, of an amount not exceeding two dollars.

Signed in accordance with a resolution of the Directors.

DR KATE KEARNEY

Chair
Australian Medical Association Limited

PROF STEVE ROBSON

President
Australian Medical Association Limited

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2022

		CONSOLIDATED	
	NOTE	2022 $'000	2021 $'000
Revenue		**21,494**	20,892
Other income		**1,449**	1,018
	2	**22,943**	21,910
Expenses			
Employment		**(13,064)**	(13,339)
Publications		**(140)**	(520)
Database and data		**(55)**	(52)
Advocacy and policy		**(1,012)**	(497)
Subsidies	2	**(1,588)**	(1,345)
Commercial and member services		**(81)**	(172)
Doctors Health Services		**(1,702)**	(1,423)
Property and occupancy		**(1,583)**	(1,350)
Depreciation and amortisation		**(661)**	(646)
Administration	2	**(1,852)**	(1,971)
		(21,738)	(21,315)
Profit before income tax		**1,205**	595
Income tax credit	4	**333**	457
Profit for the year		**1,538**	1,052
Other comprehensive income			
Changes in fair value of investments at fair value			
through other comprehensive income		**(3,242)**	1,945
Income tax relating to these items		**811**	(482)
Other comprehensive income for the year, net of tax		**(2,431)**	1,463
Total comprehensive income for the year		**(893)**	2,515

Notes to and forming part of these financial statements are annexed

STATEMENT OF FINANCIAL POSITION

As at 31 December 2022

		CONSOLIDATED	
	NOTE	2022 $'000	2021 $'000
Assets			
Current assets			
Cash and cash equivalents	5	**8,399**	8,403
Trade and other receivables	6	**3,500**	2,092
Inventories	7	**20**	32
Prepayments	8	**299**	213
Financial investments	9	**500**	1,625
Total current assets		**12,718**	12,365
Non-current assets			
Financial investments	9	**20,731**	22,537
Intangible assets	10	**925**	1,357
Property, plant and equipment	11	**1,852**	1,864
Deferred tax assets	12	**1,422**	278
Right-of-use assets	13	**4,439**	5,529
Total non-current assets		**29,369**	31,565
Total assets		**42,087**	43,930

		CONSOLIDATED	
	NOTE	2022 $'000	2021 $'000
Liabilities			
Current Liabilities			
Trade and other payables	14	**2,162**	2,488
Lease liabilities	13	**885**	900
Employee benefits	15	**1,646**	1,588
Income tax payable	16	**-**	-
Total current liabilities		**4,693**	4,976
Non-current liabilities			
Employee benefits	15	**156**	223
Make good provision	13	**163**	159
Lease liabilities	13	**5,469**	6,073
Total non-current liabilities		**5,788**	6,455
Total liabilities		**10,481**	11,431
Net assets		**31,606**	32,499
Equity			
Retained earnings		**32,283**	30,745
Reserve		**(677)**	1,754
Total equity		**31,606**	32,499

Notes to and forming part of these financial statements are annexed

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2022

CONSOLIDATED	RETAINED EARNINGS $'000	RESERVE $'000	TOTAL EQUITY $'000
At 1 January 2021	29,693	291	29,984
Profit for the year	1,052	-	1,052
Other comprehensive income	-	1,463	1,463
Total comprehensive income for the year	1,052	1,463	2,515
At 31 December 2021	**30,745**	**1,754**	**32,499**
Profit for the year	**1,538**	**-**	**1,538**
Other comprehensive loss	**-**	**(2,431)**	**(2,431)**
Total comprehensive income/(loss) for the year	**1,538**	**(2,431)**	**(893)**
At 31 December 2022	**32,283**	**(677)**	**31,606**

Notes to and forming part of these financial statements are annexed

STATEMENT OF CASH FLOWS

For the year ended 31 December 2022

		CONSOLIDATED	
	NOTE	2022 $'00	2021 $'000
Cash flow from operating activities			
Receipts from membership subscriptions		**12,885**	13,293
Other receipts from customers		**10,191**	9,689
Payment to suppliers and employees		**(22,865)**	(21,366)
Interest received		**36**	17
Net cash flow from operating activities		**247**	1,633
Cash flow from investing activities			
Payments for intangible assets	10	**-**	(78)
Payments for property, plant and equipment	11	**(217)**	(306)
Proceeds from investments		**1,045**	981
Payments for other investments		**(311)**	(1,325)
Net cash flow used in investing activities		**517**	(728)
Cash flow from financing activities			
Repayment of lease liabilities	13	**(768)**	(907)
Net cash flow used in financing activities		**(768)**	(907)
Net decrease in cash held		**(4)**	(2)
Cash and cash equivalents at the beginning of the year		**8,403**	8,405
Cash and cash equivalents at the end of the year		**8,399**	8,403

Notes to and forming part of these financial statements are annexed

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 1 Statement of Significant Accounting Policies

The consolidated financial statements and notes represent those of the Australian Medical Association Limited (AMA) and its controlled entities (the AMA Group).

The separate financial statements of the parent entity, Australian Medical Association Limited, have not been presented within this financial report as permitted by amendments made to the Corporations Act 2001.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The AMA is a not-for-profit entity for the purpose of preparing the financial statements under Australian Accounting Standards.

(i) Compliance with Australian Accounting Standards - Simplified Disclosure Requirements

The consolidated financial statements of the AMA Group comply with Australian Accounting Standards – Simplified Disclosures as issued by the AASB, registered and domiciled in Australia.

(ii) Historical cost convention

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(iii) New and amended standards adopted by the group

The AMA Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the AMA Group.

The following Accounting Standards and Interpretations are most relevant to the AMA Group:

AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities

AMA Group has adopted AASB 1060 from 1 January 2022. The standard provides a new Tier 2 reporting framework with simplified disclosures that are based on the requirements of IFRS for SMEs. Other than the change in disclosure requirements, the adoption of AASB 1060 has no significant impact on the consolidated financial statements because the group previously complied with Australian Accounting Standards – Reduced Disclosure Requirements in preparing its consolidated financial statements.

The financial statements were approved by the Board on 20 April 2023.

(a) Principles of consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by AMA at the end of the reporting period. A controlled entity is any entity that AMA Limited has the power to govern the financial and operating policies so as to obtain benefits from its activities.

Where controlled entities have entered or left the Group during the year, the financial performance of those entities is included only for the period of the year that they were controlled. A list of controlled entities is contained in Note 23 to the financial statements.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the consolidated group have been eliminated in full on consolidation.

Non-controlling interests, being the equity in a subsidiary not attributable, directly or indirectly, to a parent, are shown separately within the equity section of the consolidated statement of financial position and statement of comprehensive income. The non-controlling interests in the net assets comprise their interests at the date of the original business combination and their share of changes in equity since that date.

(b) Functional and presentation currency

These consolidated financial statements are presented in Australian dollars, which is the functional currency of the Group.

(c) Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions based on historical knowledge and best available current information that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

(c) Key estimates and judgements

Revenue from contracts with customers involving sale of goods

When recognising revenue in relation to the sale of goods to customers, the key performance obligation of the Group is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Estimation of useful lives of assets

The Group determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non- strategic assets that have been abandoned or sold will be written off or written down.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The Group assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Income tax

The Group is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Employee benefits provision

The liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

(d) Revenue recognition

Revenue is recognised for the major business activities upon satisfying the performance obligations, using the methods outlined below.

Membership subscription

Revenue from membership subscriptions is recognised in profit or loss in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is determined by reference to the membership year.

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Rendering of services

Revenue from a contract to provide services is

recognised over time as the services are rendered based on either a fixed price or contractual performance obligations.

Doctors Health Services

Doctors Health Services relates to the administration of government funding for distribution to doctors' health program providers and the Telehealth grant. Where performance obligations under the contract are not sufficiently specific, the Group recognises revenue when it gains control of (or has the right to receive) the asset (cash).

Rental income

Rental income is recognised in the statement of comprehensive income in the reporting period in which it is received, over the term of the lease in accordance with the lease agreement. Lease incentives granted are recognised as an integral part of the total rental income over the term of the lease.

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably.

Dividend income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Grant income

Grant income is recognised in profit or loss when the Group satisfies the performance obligations stated within the funding agreements. If conditions are attached to the grant which must be satisfied before the Group is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

(e) Finance income and expense

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues in profit and loss, using the effective interest method.

Finance expenses comprise interest expense on borrowings. All borrowing costs are recognised in profit or loss using the effective interest method.

(f) Tax consolidation and income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

(f) Tax consolidation and income tax (continued)

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Australian Medical Association Limited and its wholly-owned Australian subsidiaries formed an income tax consolidated group under the tax consolidation legislation with effect from 1 January 2011. Australian Medical Association Limited is the head entity of the Group.

Each entity in the Group recognises its own current and deferred tax assets and liabilities. Such taxes are measured using the 'separate taxpayer within group' approach to allocation. Current tax liabilities or assets and deferred tax assets arising from unused tax losses and tax credits in the subsidiaries are immediately transferred to the head entity.

The tax consolidated group has entered a tax funding arrangement whereby each company in the Group contributes to the income tax payable by the Group. Differences between the amounts of net tax assets and liabilities derecognised and the net amounts recognised pursuant to the funding arrangement are recognised as either a contribution by, or distribution to the head entity.

(g) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of the Goods and Services Tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Trade receivables and trade payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the Australian Tax Office (ATO) is included as a current liability in the statement of financial position. Other receivables and other payables are stated with the amount of GST excluded.

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

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

(h) Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, it's carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either:
(i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the Group intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12- month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

(i) Financial liabilities

Financial liabilities are recognised initially at fair value plus any attributable transaction costs. Subsequent to initial recognition, the financial liabilities are measured at amortised cost using the effective interest rate method. Financial liabilities comprise loans and borrowings, trade and other payables.

(j) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

(k) Trade and other receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. 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.

(l) Trade and other payables

Trade and other payables represent the liabilities for goods and services received by the Group that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(m) Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(n) Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self- constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised net, within profit or loss.

Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated.

The estimated depreciation rates for the current and comparative periods are as follows:

	2022	2021
Buildings	**2.5% - 4%**	2.5% - 4%
Office Furniture	**5% - 25%**	5% - 25%
Office Equipment	**10% - 50%**	10% - 50%
Fixture and Fittings	**5% - 10%**	5% - 10%
Computer Hardware	**20% - 33.33%**	20% - 33.33%
Items less than $300	**100%**	100%

Depreciation methods, useful lives and residual values are reassessed at the reporting date.

(o) Intangible assets

Intangible assets that are acquired by the Group, which have finite lives, are measured at cost less accumulated depreciation and accumulated impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss when incurred.

Research and development

Research costs are expensed in the period in which they are incurred. Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the Group is able to use or sell the asset; the Group has sufficient resources and intent to complete the development; and its costs can be measured reliably. Capitalised development costs are amortised on a straight-line basis over the period of their expected benefit.

Amortisation

Amortisation is calculated over the cost of the asset, or another amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use. The estimated depreciation rates for the current and comparative periods are as follows:

	2022	2021
Development	20% - 33.33%	20% - 33.33%
Computer Software	10% - 25%	10% - 25%

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(p) Right-of-use assets and lease liabilities

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

(q) Impairment

Financial assets

Trade receivables

The Group applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade and other receivables.

To measure the expected credit losses, trade and other receivables have been grouped based on shared credit risk characteristics and the days past due. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group.

Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Investments

All of the Group's investments at amortised cost and FVOCI are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months expected losses. Management consider 'low credit risk' when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

(r) Employee Benefits

Short-term benefits

Liabilities for employee benefits for wages and salaries (including superannuation), annual leave and long service leave represent present obligations resulting from employees' services provided to reporting date and are calculated at undiscounted amounts based on remuneration wage and salary rates that the Group expects to pay as at reporting date including related on-costs, such as workers compensation insurance and payroll tax.

Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods plus related on costs. That benefit is discounted to determine its present value and the fair value of any related assets is deducted. The discount rate is the yield at the reporting date on Commonwealth Government bonds that have maturity dates approximating the terms of the Group's obligations.

(s) Contract liabilities

Contract liabilities represent the Group's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Group recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Group has transferred the goods or services to the customer.

(t) Refund liabilities

Refund liabilities are recognised where the Group receives consideration from a customer and expects to refund some, or all, of that consideration to the customer. A refund liability is measured at the amount of consideration received or receivable for which the Group does not expect to be entitled and is updated at the end of each reporting period for changes in circumstances. Historical data is used across product lines to estimate such returns at the time of sale based on an expected value methodology.

(u) Parent entity financial information

The financial information for the Parent Entity, as disclosed in Note 22 has been prepared on the same basis as the consolidated financial statements, except as set out below.

Investments in controlled entities

Investments in controlled entities, are accounted for at cost in the financial statements of the Parent Entity. Dividends received from controlled entities are recognised in the Parent Entity's statement of comprehensive income.

(v) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year. Comparatives are adjusted for reclassified items in the financial statements.

Note 2 Revenue and Expenses

	CONSOLIDATED	
	2022 $'000	2021 $'000
Revenue		
Membership subscriptions	**11,708**	12,284
Database and data sales	**3,886**	3,887
Editorial	**1,297**	1,004
Commercial and member services	**1,287**	1,233
Doctors Health Services	**2,235**	1,486
Interest	**36**	17
Interest from investments at fair value		
through other comprehensive income	**1,045**	981
Other revenue including recoveries	**1,449**	1,018
	22,943	21,910
Expenses		
Contributions to employee superannuation plans	**1,019**	992
Cost of goods sold	**37**	17
Repairs and maintenance	**69**	64
Subsidies		
Subsidies to AMA States and Territories	**1,551**	1,282
Other subsidies	**37**	63
	1,588	1,345

	CONSOLIDATED	
	2022 $'000	2021 $'000
Administration		
Loss on disposal of assets	**-**	67
Insurance	**77**	74
Travel and accommodation	**191**	60
Other	**1,584**	1,770
	1,852	1,971
Note 3 Auditor's Remuneration		
Audit services		
Auditors of the Group		
Audit of financial report	**60**	56
Other services		
Auditors of the Group		
Taxation services	**20**	17
	80	73

Note 4 Income tax credit/(expense)

	CONSOLIDATED	
	2022 $'000	2021 $'000
Current tax credit/(expense)		
Current tax on profits for the year	**–**	–
	–	–
Deferred tax credit/(expense)		
Origination and reversal of temporary differences	**194**	70
Prior year adjustments	**139**	387
	333	457
Total income tax credit in income statement	**333**	457
Profit before income tax	**(1,205)**	(595)
Income tax using the domestic corporation tax rate 25% (2021: 26%)	**(301)**	(155)
Increase in income tax expense due to:		
Mutual expenditure	**(2,785)**	(3,015)
Non-deductible expenses	**(3)**	(1)
Sundry	**(22)**	(62)
	(2,810)	(3,078)
Decrease in income tax expense due to:		
Mutual income	**3,067**	3,261
Fully franked dividends	**87**	42
Foreign tax credits	**7**	-
Sundry	**144**	-
	3,305	3,303
Net change in income tax	**194**	70
Over provision for prior year - deferred tax expense	**139**	387
	139	387
Income tax credit	**333**	457
Attributable to: Continuing operations	**333**	457

Note 5 Cash and Cash Equivalents

		CONSOLIDATED	
	NOTE	2022 $'000	2021 $'000
Cash at bank	17(b)	**7,022**	5,103
Short-term deposits (less than 3 months' maturity)	17(b)	**1,377**	3,300
Total Cash and cash equivalents	17	**8,399**	8,403

(i) Classification of cash equivalents

Short-term deposits are presented as cash equivalents if they have a maturity of three months less from the date of acquisition.

(ii) Restricted cash and short-term deposits

The cash and cash equivalents disclosed above and in the statement of cash flows include $1.3 million (2021: $1.1 million), which are held by Doctors Health Services Pty Ltd. These monies are subject to grant funding arrangement restrictions and are therefore no available for general use by the other entities within the Group.

Note 6 Trade and other receivables

		CONSOLIDATED	
	NOTE	2022 $'000	2021 $'000
Trade receivables		**1,908**	648
Provision for impairment		**(15)**	–
		1,893	648
Other receivables		**1,607**	1,444
Total Trade and other receivables	17	**3,500**	2,092
Movements in the provision for impairment of trade receivables that are assessed for impairment collectively are as follows:			
Balance at 1 January		**–**	–
Addition		**15**	–
Balance at 31 December		**15**	–

(i) Classification as trade and other receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Other receivables generally arise from transactions outside the usual operating activities of the Group. Collateral is not normally obtained. If collection of the amounts is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are generally due for settlement within 30 days and therefore are all classified as current. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. The Group's impairment and other accounting policies for trade and other receivables are outlined in notes 1(q) and 1(k) respectively.

Note 7 Inventories

		CONSOLIDATED	
	NOTE	2022 $'000	2021 $'000
Finished goods		**20**	32
Total Inventories		**20**	32

Note 8 Prepayments

Prepayments		**299**	213
Total Prepayments		**299**	213

Note 9 Financial investments

Current assets *Financial assets at amortised cost*			
Short-term deposits (more than 3 months' maturity)	17	**500**	1,625
Total Current		**500**	1,625
Non-current assets *Financial assets at fair value through other comprehensive income*			
Managed securities fund	17	**20,731**	22,537
Total Non-current		**20,731**	22,537
Total Financial investments		**21,231**	24,162

(a) Financial assets at amortised cost

(i) Classification of financial assets at amortised cost
The Group classifies its financial assets as at amortised cost only if both of the following criteria are met:

- The asset is held within a business model whose objective is to collect the contractual cash flows; and
- The contractual terms give rise to cash flows that are solely payments of principal and interest.

(b) Financial assets at fair value through other comprehensive income

(i) Classification of financial assets at fair value through other comprehensive income
Financial assets at fair value through other comprehensive income (FVOCI) comprise:

- Equity securities which are not held for trading and which the Group has irrevocably elected at initial recognition to recognise in this category.
- Debt securities where the contractual cash flows are solely principal and interest and the objective of the Group's business model is achieved both by collecting contractual cash flows and selling financial assets.

(ii) Equity investments at fair value through other comprehensive income
On disposal of these equity investments, any related balance within the FVOCI reserve is reclassified to retained earnings.

(iii) Debt investments at fair value through other comprehensive income
On disposal of these debt investments, any related balance within the FVOCI reserve is reclassified to profit or loss.

(c) Financial assets at fair value through profit or loss

(i) Classification of financial assets at fair value through profit or loss

The Group classifies the following financial assets at fair value through profit or loss (FVPL):

- Debt investments that do not qualify for measurement at either amortised cost or FVOCI
- Equity investments that are held for trading; and
- Equity investments for which the entity has not elected to recognise fair value gains and losses through OCI.

Note 10 Intangible assets

	CONSOLIDATED	
	2022 $'000	**2021 $'000**
Development - at cost	**752**	752
Less: Accumulated amortisation	**(640)**	(451)
	112	301
Computer software - at cost	**1,694**	1,694
Less: Accumulated amortisation	**(881)**	(638)
	813	1,056
Total Intangible assets	**925**	1,357

Note 10 Intangible assets (continued)

Movement in carrying amounts:

CONSOLIDATED	DEVELOPMENT $'000	COMPUTER SOFTWARE $'000	DEVELOPMENT IN PROGRESS $'000	TOTAL $'000
31 December 2021				
Opening written down value	558	288	944	1,790
Additions	-	-	78	78
Transfer	-	1,022	(1,022)	-
Amortisation	(257)	(254)	-	(511)
Closing written down value	301	1,056	-	1,357
31 December 2022				
Opening written down value	**301**	**1,056**	**-**	**1,357**
Amortisation	**(189)**	**(243)**	**-**	**(432)**
Closing written down value	**112**	**813**	**-**	**925**

Note 11 Property, plant and equipment

	CONSOLIDATED	
	2022 $'000	2021 $'000
Property, Parap Rd, Parap - at cost	**381**	381
Less: Accumulated depreciation	**(107)**	(98)
	274	283
Office furniture - at cost	**515**	474
Less: Accumulated depreciation	**(343)**	(326)
	172	148
Office equipment - at cost	**1,035**	1,003
Less: Accumulated depreciation	**(820)**	(769)
	215	234
Fixtures and fittings - at cost	**1,237**	1,185
Less: Accumulated depreciation	**(155)**	(55)
	1,082	1,130
Computer hardware - at cost	**392**	424
Less: Accumulated depreciation	**(283)**	(355)
	109	69
Total Property, plant and equipment	**1,852**	1,864

An independent valuation of 2/25 Parap Road, Northern Territory was performed in December 2021 and valued at $400,000. Territory Property Consultants Pty Ltd prepared the valuation. As the valuation was in excess of the written down value disclosed in the financial statements, no adjustment is necessary nor has been made within the financial statements. It is the Group's accounting policy to obtain a valuation every 5 years.

Note 11 Property, plant and equipment (continued)

Movement in carrying amount:

CONSOLIDATED	OPENING WRITTEN DOWN VALUE $'000	ADDITIONS $'000	DISPOSALS $'000	DEPRECIATION $'000	CLOSING WRITTEN DOWN VALUE $'000
31 December 2021					
Property, Parap Rd Parap	292	-	-	(9)	283
Office furniture	46	157	(25)	(30)	148
Office equipment	103	197	(23)	(43)	234
Fixture and fittings	32	1,121	(6)	(17)	1,130
Computer hardware	45	71	(11)	(36)	69
	518	1,546	(65)	(135)	1,864
31 December 2022					
Property, Parap Rd Parap	**283**	**-**	**-**	**(9)**	**274**
Office furniture	**148**	**41**	**-**	**(17)**	**172**
Office equipment	**234**	**45**	**-**	**(64)**	**215**
Fixture and fittings	**1,130**	**52**	**-**	**(100)**	**1,082**
Computer hardware	**69**	**79**	**-**	**(39)**	**109**
	1,864	**217**	**-**	**(229)**	**1,852**

Note 12 Deferred tax assets and liabilities

CONSOLIDATED	DEFERRED TAX ASSETS		DEFERRED TAX LIABILITIES		TOTAL	
	2022 $'000	2021 $'000	2022 $'000	2021 $'000	2022 $'000	2021 $'000
Leases	**79**	52	**-**	-	**79**	52
Property, plant and equipment	**-**	-	**(9)**	(11)	**(9)**	(11)
Income in advance	**81**	-	**-**	(103)	**81**	(103)
Employee benefits	**250**	246	**-**		**250**	246
Investments	**227**	-	**-**	(584)	**227**	(584)
Others	**7**	1	**-**	-	**7**	1
Carried forward losses	**787**	677	**-**	-	**787**	677
Total Deferred tax assets/(liabilities)	**1,431**	976	**(9)**	(698)	**1,422**	278

Movement in temporary differences:

CONSOLIDATED	LEASES	PROPERTY, PLANT AND EQUIPMENT	INCOME IN ADVANCE	EMPLOYEE BENEFITS	INVESTMENTS	OTHERS	CARRIED FORWARD LOSSES	TOTAL
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
31 December 2021								
Opening written down value	(297)	(13)	(269)	148	(102)	47	789	303
Recognised in income statement	349	2	166	98	-	(46)	(112)	457
Recognised in equity	-	-	-	-	(482)	-	-	(482)
Closing written down value	52	(11)	(103)	246	(584)	1	677	278
31 December 2022								
Opening written down value	**52**	**(11)**	**(103)**	**246**	**(584)**	**1**	**677**	**278**
Recognised in income statement	**27**	**2**	**184**	**4**	**-**	**6**	**110**	**333**
Recognised in equity	**-**	**-**	**-**	**-**	**811**	**-**	**-**	**811**
Closing written down value	**79**	**(9)**	**81**	**250**	**227**	**7**	**787**	**1,422**

Note 13 Leases

(i) Amounts recognised in the balance sheet

ASSETS	CONSOLIDATED		
	OFFICE PREMISES $'000	IT EQUIPMENT $'000	TOTAL $'000
Right-of-use assets			
31 December 2021			
Opening written down value	2,026	-	2,026
Additions	4,402	125	4,527
Depreciation	(1,021)	(3)	(1,024)
Closing written down value	5,407	122	5,529
31 December 2022			
Opening written down value	**5,407**	**122**	**5,529**
Additions	**-**	**133**	**133**
Disposals	**(140)**	**-**	**(140)**
Depreciation	**(1,029)**	**(54)**	**(1,083)**
Closing written down value	**4,238**	**201**	**4,439**

LIABILITIES	CONSOLIDATED	
	2022 $'000	2021 $'000
Lease liabilities		
Current	**885**	900
Non-current	**5,469**	6,073
	6,354	6,973
Make good provision		
Non-current	**163**	159
Future lease payments in relation to lease liabilities as at period end are as follows:		
Within one year	**1,063**	930
Later than one year but not later than five years	**3,224**	2,278
Later than five years	**3,072**	4,957
	7,359	8,165

As at 31 December 2022, the Group has two office leases and a number of IT equipment leases.

(ii) Amounts recognised in the statement of profit or loss		
Interest expense	179	142
(iii) Amounts recognised in the statement of cash flows		
Lease payments	768	907
(iv) Non-cash investing and financing activities		

Acquisition of office fit-outs and furniture from lessor as lease incentive	-	1,240

Note 14 Trade and other payables

	CONSOLIDATED	
	2022 $'000	2021 $'000
Trade payables	**168**	301
Other payables and accruals	**1,272**	1,596
Income in advance	**722**	591
Total Trade and other payables	**2,162**	2,488

Trade payables are unsecured and are usually paid within 30 days of recognition.

Note 15 Employee benefits

Current		
Long service leave provision	**667**	569
Annual leave provision	**979**	1,019
	1,646	1,588
Non-current		
Long service leave provision	**156**	223
Total Employee benefits	**1,802**	1,811

The employee benefits liability includes all of the accrued annual leave, the unconditional entitlements to long service leave where employees have completed the required period of service and also those where employees are entitled to pro-rata payments.

	-	–
	-	–

Note 16 Income tax payable

Income tax payable

Total Income tax payable

The income tax receivable/(payable) for the Group represents the amount of income taxes credit/(payable)
in respect of current and prior periods.

Note 17 Financial Instruments and Risk Management

Risk management

The Board of Directors, through its Audit, Risk and Performance Committee and Investment Committee, manages the financial risks relating to the operations of the Group. The Group adopts prudent risk based management procedures. The Audit, Risk and Performance Committee oversees compliance with the Group's risk management procedures and the Investment Committee oversees financial asset management. The Group does not enter into or trade financial instruments for speculative purposes.

The Group's activities expose it to the following risks from the use of financial instruments:

(a) Credit risk

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted the policy of only dealing with credit worthy counter parties and obtaining sufficient collateral or other security where appropriate as a means of mitigating the risk of financial loss from defaults.

The carrying amount of the Group's financial assets represents the maximum credit exposure.

		CONSOLIDATED	
	NOTE	2022 $'000	2021 $'000
Financial assets			
Cash and cash equivalents	5	**8,399**	8,403
Trade and other receivables	6	**3,500**	2,092
Financial assets at amortised costs	9	**500**	1,625
Financial assets at fair value through			
Other comprehensive income	9	**20,731**	22,537
		33,130	34,657

The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the Group's maximum exposure to credit risk.

The other classes within trade and other receivables do not contain impaired assets and are not past due. Based on the credit history of these other classes, it is expected that these amounts will be received when due. The Group does not hold any collateral in relation to these receivables.

(b) Market risk

Market risk is the risk that changes in market prices such as currency rates, interest rates and equity prices will affect the Group's income. The objective of market risk management is to manage and control market risk exposure within acceptable parameters whilst optimising returns.

(i) Interest risk

At the reporting date the interest rate profile of the Group's interest-bearing financial instruments was:

	NOTE	2022 $'000	2021 $'000
Variable rate instruments *Financial assets*			
Cash at bank	5	**7,022**	5,103
		7,022	5,103
Fixed rate instruments *Financial assets at amortised costs*			
Short term deposits			
- less than 3 months' maturity	5	**1,377**	3,300
- more than 3 months' maturity	9	**500**	1,625
		1,877	4,925

(ii) Currency risk

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign currency. The Group's exposure to currency rate risk is immaterial as the Group trades predominantly in Australian dollars.

(b) Market risk (continued)

(iii) Price risk

		CONSOLIDATED	
FINANCIAL ASSETS	NOTE	2022 $'000	2021 $'000
Non-current assets *Financial assets at fair value through other comprehensive income*			
Managed fund - Australian securities		15,778	15,833
Managed fund - International securities		4,953	6,704
	9	20,731	22,537

Exposure

Certain investments are designated as at fair value through profit and loss as these are short term investments that are primarily for meeting operational expenditure. The Group's exposure to equity securities price risk arises from investments held by the Group and classified in the balance sheet as at fair value through other comprehensive income (FVOCI). The main purpose of FVOCI investments are to provide long term funding to the Group. While income and realised capital gains may be used to meet shortfalls in operational expenditure, ordinarily though, the income and any realised capital gains generated are expected to be retained for reinvestment.

To manage its price risk arising from investments, the Group diversifies its portfolio through managed funds, assisted by external advisers and endorsed by the Board through its Investment Committee.

(c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its normal financial obligations as they fall due. The Group manages liquidity risk by maintaining adequate reserves and banking facilities and by continuously monitoring forecast and actual cash flows.

(d) Fair values versus carrying amount

The fair values of financial assets and liabilities, are not significantly different from the carrying amounts shown in the Statement of Financial Position.

(e) Capital management

The Group maintains a strong funding structure so as to enable it to continue operations to promote its core objectives. The strong funding structure is maintained through the optimisation of banking facilities and the preservation of revenue.

Note 18 Commitments

	CONSOLIDATED	
	2022 $'000	2021 $'000
Expenditure commitment		
Not later than 1 year	**37**	37
Later than 1 year but not later than 5 years	**58**	95
	95	132
Commitments receivable		
Not later than 1 year	**64**	61
Later than 1 year but not later than 5 years	**131**	192
	195	253

The Australian Medical Association Limited (AMA) renewed its on-going Memorandum of Understanding with the Australian Medical Students' Association Limited (AMSA), which continues to provide financial support in the form of cash sponsorship, direct employment and in-kind back office support.

Note 19 Directors and Executive disclosure

Transactions with Directors and Key Management Personnel

During the year the Group paid a premium to insure the Directors and Officers of the Group as disclosed in the Directors Report

.The Directors and Key Management Personnel are remunerated in the form of salaries or under contract as follows.

	CONSOLIDATED	
	2022 $'000	2021 $'000
Total remuneration	3,023	2,814

Apart from the details disclosed in this note, no Director has entered into a material contract with the Group since the end of the previous financial year and there were no material contracts involving Directors' interests subsisting at year end.

Note 20 Trust funds

The Group manages monies held in trust for a number of funds. The net values of the assets of those funds are as follows:

	CONSOLIDATED	
	2022 $	2021 $
The Indigenous Peoples' Medical Scholarship Trust Fund	**51,580**	51,178
The AMA Indigenous Medical Scholarship Foundation	**256,841**	217,301
	308,421	268,479

AMA Pty Limited acts as trustee for the Indigenous Peoples' Medical Scholarship Trust Fund and the AMA Indigenous Medical Scholarship Foundation. However, as the Fund does not have a Deductible Gift Recipient (DGR) status, a new DGR and Australian Charities and Not-for-profits Commission (ACNC) compliant fund, the AMA Indigenous Medical Scholarship Foundation, was established in 2016. It provides scholarships to assist Aboriginal and Torres Strait Islander people in tertiary courses at Australian universities, undertaking courses of study leading to registration as a medical practitioner.

Note 21 Subsequent events

No other matter or circumstance has arisen since the end of the financial year to the date of this report, which has significantly affected or may significantly affect the operations of the economic entity, the results of those operations or the state of affairs of the economic entity in subsequent financial years.

Note 22 Parent entity

As at, and throughout the financial year ended 31 December 2022, the parent company of the Group was the Australian Medical Association Limited. The following information has been extracted from the books and records of the parent and has been prepared in accordance with the accounting standards.

(A) FINANCIAL INFORMATION	2022 $'000	2021 $'000
Earnings before interest and tax	**(1,065)**	(1,240)
Interest income	**912**	862
Loss before tax	**(153)**	(378)
Income tax credit *	**333**	458
Profit for the year	**180**	80
Changes in fair value of investments at fair value through other comprehensive income (net of income tax)	**(2,084)**	1,294
Total comprehensive (loss)/profit	**(1,904)**	1,374
* The parent entity, the Australian Medical Association Limited, is the head entity for the income tax consolidated group and it provides income tax subsidies to its subsidiary companies within the Group.		
Statement of financial position		
Assets		
Current assets	**5,468**	6,292
Non-current assets	**26,720**	27,311
Total assets	**32,188**	33,603
Liabilities		
Current liabilities	**2,263**	2,505
Non-current liabilities	**8,157**	7,426
Total liabilities	**10,420**	9,931
Equity		
Retained earnings	**22,334**	22,154
Reserve	**(566)**	1,518
Total equity	**21,768**	23,672

Note 22 Parent entity (continued)

(b) Other commitments

There have been no contractual commitments entered into by the Australian Medical Association Limited for the acquisition of property, plant or equipment.

(c) Contingent liabilities

There are no contingent liabilities at the reporting date.

Note 23 Related party transactions Subsidiaries

Interests in subsidiaries are set out below.

	CONSOLIDATED	
	2022 $	2021 $
Parent entity		
Australian Medical Association Limited	n/a	n/a
Controlled entities		
Australasian Medical Publishing Company Proprietary Limited	**1**	1
AMA Pty Limited	**2**	2
AMA NT Pty Ltd	**1**	1
Doctors Health Services Pty Ltd	**1**	1
Doctorportal Learning Pty Ltd	**–**	1
	5	6

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in Note 1.

		EQUITY HOLDING	
	CLASS OF SHARES	2022 %	2021 %
Name of entity			
Australasian Medical Publishing Company Proprietary	Ordinary	100	100
AMA Pty Limited	Ordinary	100	100
AMA NT Pty Ltd	Ordinary	100	100
Doctors Health Services Pty Ltd	Ordinary	100	100
Doctorportal Learning Pty Ltd	Ordinary	-	100

Note 23 Related party transactions (continued)

The parent entity, the Australian Medical Association Limited, is a company limited by guarantee, incorporated and domiciled in Australia. The registered office of the Company is Level 1, 39 Brisbane Avenue, Barton ACT 2600. The Company promotes the interests of the medical profession in the medico political arena and also in the more general sphere, advocates for patient health and the health of the community.

Australasian Medical Publishing Company Proprietary Limited is a company limited by shares, incorporated and domiciled in Australia. The registered office of this company is Level 19, Town Hall House, 456 Kent St, Sydney NSW 2000. This company publishes the Medical Journal of Australia and maintains and operates a comprehensive database containing both member and non-member information.

AMA Pty Limited is a company limited by shares, incorporated and domiciled in Australia. The registered office of this company is Level 1, 39 Brisbane Avenue, Barton ACT 2600. This company acts as trustee for the Indigenous Peoples' Medical Scholarship Trust Fund and the AMA Indigenous Medical Scholarship Foundation

AMA NT Pty Ltd is a company limited by shares, incorporated and domiciled in Australia. The registered office of this company is Level 1, 39 Brisbane Avenue, Barton ACT 2600. This company purchased a commercial property in Darwin, Northern Territory on 1 February 2011 and provided services to members of the AMA in the Northern Territory from 1 November 2011.

Doctors Health Services Pty Ltd is a company limited by shares, incorporated and domiciled in Australia. The registered office of this company is Level 1, 39 Brisbane Avenue, Barton, ACT 2600. This company manages the delivery of health services for medical practitioners and medical students.

Doctorportal Learning Pty Ltd is a company limited by shares, incorporated and domiciled in Australia. This company manages the delivery of online accredited medical education for both members and non- members. A Deed of Transfer was signed between AMA Limited and AMA Services (WA) Pty Ltd to transfer all assets and liabilities, with a net asset of $1, relating to Doctorportal Learning Pty Ltd from 1 January 2022 for a cash consideration of $1.

DIRECTORS' DECLARATION

In the directors' opinion:

1) the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Reduced Disclosure Requirements, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

2) the attached financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the financial year ended on that date;

3) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable; and

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

DR KATE KEARNEY

Chair
Australian Medical Association Limited

PROF STEVE ROBSON

President
Australian Medical Association Limited

AUDITOR'S INDEPENDENCE DECLARATION

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AUDITOR'S INDEPENDENCE DECLARATION UNDER S307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF AUSTRALIAN MEDICAL ASSOCIATION LIMITED AND CONTROLLED ENTITIES

As lead auditor of Australian Medical Association Limited and its Controlled Entities, I declare that, to the best of my knowledge and belief, during the year ended 31 December 2022 there have been no contraventions of:

i. the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
ii. any applicable code of professional conduct in relation to the audit.

Sart Spinks
Registered Company Auditor
BellchambersBarrett

Canberra, ACT
Dated this 20th day of April 2023

Liability limited by a scheme approved under Professional Standards Legislation

INDEPENDENT AUDIT REPORT

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUSTRALIAN MEDICAL ASSOCIATION LIMITED AND CONTROLLED ENTITIES

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report of Australian Medical Association Limited and its Controlled Entities (the Group), which comprises the statement of financial position as at 31 December 2022, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

(i) giving a true and fair view of the company's financial position as at 31 December 2022 and of its performance for the year then ended; and
(ii) complying with Australian Accounting Standards – AASB 1060: *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and the *Corporations Regulations 2001*.

Basis for Opinion

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

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

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 31 December 2022 but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

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

AUDITOR'S INDEPENDENCE DECLARATION

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUSTRALIAN MEDICAL ASSOCIATION LIMITED AND CONTROLLED ENTITIES

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

Those charged with governance are responsible for overseeing the registered entity's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Report

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

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

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

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

Sart Spinks
Registered Company Auditor
BellchambersBarrett

Canberra, ACT
Dated this 20th day of April 2023

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