

**THE AUSTRALIAN SOCIETY OF SPECIALIST GENERAL SURGEONS**

**TRADING AS**

**GENERAL SURGEONS AUSTRALIA**

**(INCORPORATED IN VICTORIA - LIMITED BY GUARANTEE)**

**A.B.N 31 091 317 690**

**GENERAL PURPOSE FINANCIAL REPORT**

**FOR THE YEAR ENDED 31 December 2008**

REGISTERED OFFICE

Royal Australasian College of Surgeons  
'College of Surgeons Gardens'  
Spring Street  
Melbourne Victoria 3000

**GENERAL SURGEONS AUSTRALIA  
GENERAL PURPOSE FINANCIAL REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2008**

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**GENERAL SURGEONS AUSTRALIA  
DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2008**

Your Directors submit the following report for the financial year ended 31 December 2008.

**1. BOARD OF DIRECTORS**

The names, qualifications, special responsibilities and experience of the Directors in office at any time during the year and at the date of this report are:

**Truskett, Mr Philip Gregory  
(President)**

MBBS, FRACS. General Surgeon with sub-specialist interests in Upper-Gastrointestinal, Hepatobiliary, and Trauma Surgery. Member of RACS Early Management of Severe Trauma Committee from 2001-2007. Member of RACS Care of the Critically Ill Surgical Patient Committee since 2002. Member of RACS International Committee since 2006. Member of RACS Infection Control Committee since 2004. Member of RACS Safe Hours Working Party from 2006-2008. Member of RACS Emergency Surgery Working Party from 2007-2008. Member of RACS GP Procedural Working Party since September 2007. Ex-Officio member of RACS Board in General Surgery since 2004. Member of RACS Court of Examiners in General Surgery since 2004. Member of the RACS Post Fellowship Education & Training Steering Committee since 2008. Member of the RACS Board of Basic Surgical Training Committee since 2008. Coopted GSA NSW State Representative May 2002-2004. Chair, RACS NSW State Committee from 2006-2008. Elected GSA New South Wales State Representative since May 2004. GSA Vice President 2004-2006. GSA President since July 2006.

**Campbell, Mr Graeme John  
(Vice President)**

MBBS, FRACS. General Surgeon with sub-specialist interests in Rural Surgery, Breast Surgery, and Skin Melanoma. Member of RACS Board in General Surgery and RACS Victorian Board in General Surgery since 2005. Member of RACS Divisional Group of Rural Surgery (DGRS) Executive Committee since 2003. Member of RACS Rural Craft Group Audit Steering Committee since 2006. Member of RACS Care of the Critically Ill Surgical Patient Committee since May 2007. Member of RACS Rural Trauma Committee since September 2007. Member of RACS GP Procedural Working Party since September 2007. Member of RACS Section of Breast Surgery and Victorian Hand Surgery Society. Secretary of RACS Victorian State Committee from 2006-2008. Ex-Officio member of RACS Victorian State Committee since 2008. Member of RACS Professional Development and Standards Board Executive since 2008. Coopted GSA DGRS Representative and GSA Victorian State Committee Representative since July 2006. GSA Vice President since July 2006.

**Pitcher, Ms Meron Edith  
(Secretary/Treasurer)**

MBBS, FRACS. General Surgeon with sub-specialist interests in Breast Surgery and Surgical Oncology. Deputy Chair, Breast Study Committee, Cancer Council Victoria since 2001. Member of RACS Section of Breast Surgery. Member of RACS Court of Examiners in General Surgery since 2000. Senior Examiner, RACS Court of General Surgery since 2007. Member of RACS Victorian Skills Consortium. Member of RACS Victorian State Committee - Executive 1998-2002. Chair, RACS Victorian State Committee 2002-2004. Member of Victorian Board in General Surgery since 2005. Member of Radiation Safety Guidelines Working Party from 2006-2007. Member of RACS Professional Development Committee from 2007-2008. GSA Professional Development and Standards Board Representative since 2004. Coopted GSA Victorian State Representative May 2002-2004. Elected GSA Victorian State Representative since May 2004. GSA Secretary/Treasurer since July 2005

## 1. BOARD OF DIRECTORS (CONT'D)

**Baker, Dr Sam Patrick  
(Appointed 26 June 2008)**

MBBS, FRACS. General Surgeon with sub-specialist interest in Rural, Skin Melanoma, Trauma, Hepatobiliary, Upper-Gastrointestinal, Burns, Colorectal, Endocrine, Obesity, and Oncology Surgery. Member of RACS FLS Advisory Group from 2006-2007. RACS Surgical Training Supervisor (Queensland) from 2006 to 2008. Member of RACS Section of Trauma Surgery since 2006. Member of RACS Divisional Group of Rural Surgery since 2005. Member of RACS Queensland Trauma Committee since 2005. Ex-Officio member of RACS Queensland State Committee since 2008. Member of RACS Professional Standards Committee since 2008. Ex-Officio GSA RACS Speciality Councillor for General Surgery since June 2008.

**Blackham, Dr Ruth Elisa  
(Appointed 28 September 2008)**

MBBS. General Surgical trainee (Western Australia). Member of RACS Trainee Rural Surgical Training Program since 2008. Member of RACS Trainees' Association since 2008. Coopted GSA Trainees' Association representative since September 2008.

**Christophi, Prof Christopher  
(Appointed 28 July 2008)**

MBBS, FACS, FRCS, FRACS. General Surgeon with sub-specialist interest in Hepato-Biliary Surgery. Member of ANZ Chapter American College of Surgeons. Chairman, RACS Victorian Board of General Surgery from 2000-2005. Chairman, RACS Board of General Surgery from 2003-2005. Member of RACS Court of Examiners from 1995-2003. Chairman, RACS Provisional Training Board in General Surgery from 2005-2007. Member and Chairman of RACS Section of Upper GI/HPB Surgery since 2006. GSA Board in General Surgery Representative (Ex-officio) from 2003-2005. Coopted GSA Section of Upper GI/HPB Surgery Representative since July 2008.

**Cox, Dr Michael Robert**

MBBS, MS, FRACS. General Surgeon with sub-specialist interests in Upper-Gastrointestinal, Hepatobiliary, and Obesity Surgery. Professor of Surgery, Nepean Hospital. Member of RACS Section of Upper GI/HPB Surgery. Member of Australian Medical Association. Member of RACS Surgical Education and Training Working Party from 2006-2007. Member of RACS Court of Examiners in General Surgery since 2004. Member of RACS Board of Specialist Surgical Training from 2005-2007. Member of RACS Board in General Surgery since 2005. Chair, RACS Board of General Surgery 2005-2007. GSA Board in General Surgery Representative (Ex-officio) 2006-2007. Coopted GSA New South Wales State Representative since July 2007.

**Danne, Assoc Prof Peter David**

MBBS, FACS, FRACGP, M.D., FACS, FRACS. General Surgeon with sub-specialist interests in Colorectal and Trauma Surgery. Inaugural Director of Trauma Services and Trauma Unit, Royal Melbourne Hospital 1998-2003. Member of the Ministerial Task Force on Trauma and Emergency Services 1997-1999. Chair, RACS Main Trauma Committee 1999-2005, Trauma-Regional Chairmen Sub-Committee, and Trauma - Executive Sub-Committee from 2001-2005. Member of RACS Trauma-Education & Curriculum Development Sub-Committee, Trauma-Systems Performance Improvement & Registries Sub-Committee, and Trauma-Verification Sub-Committee since 2001. Member of RACS DSTC Course Ad Hoc Committee since 2001. Member of National Trauma Register Consortium since 2001. Member of Disaster Preparedness Working Party since 2005. Past Chair and Member of RACS Victorian State Committee. Coopted GSA Trauma Group Representative since May 2002.

## 1. BOARD OF DIRECTORS (CONT'D)

**Donovan, Mr Michael Peter**

MBBS, FRACS. General Surgeon with sub-specialist interests in Hepatobiliary, Upper-Gastrointestinal, and Breast Surgery. RACS Basic Surgical Training Supervisor (Queensland) from 2006-2007. Member of RACS Queensland Regional Subcommittee of General Surgery since 2008. Coopted GSA ASC Brisbane 2009 Representative since July 2007.

**Foster, Mr Hamish Cromie  
McArthur**

MBBS, B.Sc., MS, FRCS, FACS, FICS, FRACS. General Surgeon with sub-specialist interests in Head & Neck, Breast, Colorectal, and Trauma Surgery. Member of Pan Pacific Surgical Association. Member of RACS Section of General Surgery, RACS Section of Upper GI/HPB Surgery, RACS Endosurgery Group, RACS Military Medicine Group, RACS Medico-Legal Group, RACS Trauma Group, and RACS Section of Breast Surgery. Past Director of General Surgery, Royal Darwin Hospital. Past Associate Professor of Surgery, NT Clinical School. Chair, RACS Military Surgery Executive since 2005. Previous coopted GSA Queensland State Representative 2004, and Northern Territory Representative 2005. Coopted Military Surgery and Regional Surgery Representative since May 2006.

**Gani, Mr Jonathan Stephen  
(Retired 14 May 2008)**

M.B. CH.B, FRCS, FRACS, MD. General Surgeon with sub-specialist interests in Upper-Gastrointestinal, Hepatobiliary, and Colorectal Surgery. Member of RACS Bariatric Surgery Steering Committee from 2006-2007. Member of RACS Court of Examiners in General Surgery since February 2007. Chair and Member of RACS Section of Upper GI/HPB Surgery since 2003. Coopted GSA Section of Upper GI/HPB Surgery Representative since May 2003.

**Mackie, Mr William Stewart  
(Retired 14 May 2008)**

MBBS, FRACS. General Surgeon. Member of Australian Medical Association. Member of RACS Endosurgery Group. Member of RACS Access to Elective Surgical Care Working Party from 2004-2007. Member of RACS Australia Day Surgery Council Committee since May 2007. Member and Treasurer of RACS Divisional Group of Rural Surgery since 2001. Chair, RACS Rural Surgery Group. Coopted GSA Rural Surgery Group Representative since May 2002.

**Maguire, Prof. Errol John  
(Retired 14 May 2008)**

AM, RFD, KCHS, MBBS (Queensland), FRCS (England), FRCS (Edinburgh), FRACS, FACTM, PhD (Stamford Hill, UK). Lt. Col. Army Reserve (retired). General Surgeon with sub-specialist interests in Breast, Endocrine, and Laparoscopic Surgery. Senior surgeon, The Townsville Hospital (retired 2005). Senior Staff Surgeon (part-time), Gold Coast Hospital since 2005. Immediate Past Chair RACS Queensland State Committee 2002-2004. Member of RACS Court in General Surgery 1995-2003. GSA Vice President 2000-2004. Coopted GSA Queensland State Representative May 2000-2004. Member of Australian and New Zealand Audit of Surgical Mortality Steering Committee since 2005. Elected GSA Queensland State Representative since May 2004. GSA President 2004-2006. Ex-Officio GSA RACS Speciality Councillor for General Surgery since June 2004.

## 1. BOARD OF DIRECTORS (CONT'D)

**Mann, Assoc Prof G Bruce  
(Retired 11 November 2008)**

MBBS, PhD., FRACS. General Surgeon with sub-specialist interests in Surgical Oncology, Breast Surgery, Skin Melanoma, Upper Gastrointestinal and Hepatobiliary Surgery. Member of Australian Medical Association and Australian Association of Surgeons. Member of RACS Section of Breast Surgery. Member of RACS Victorian Board in General Surgery since 2006. Chair of RACS Surgical Oncology Group from 2004-2007. Member of RACS Surgical Oncology Group since 2007. Coopted GSA Surgical Oncology Group Representative since May 2004.

**Oliver, Mr David John**

MBBS, FRACS. General Surgeon with sub-specialist interests in Breast and Endocrine Surgery. Member of RACS Section of Breast Surgery, and RACS Section of Endocrine Surgery. Member of Australian Medical Association. Member of National Breast Cancer Audit Clinical Advisory Committee since 2005. Member of RACS Breast Audit Committee since February 2007. Chair, RACS Section of Breast Surgery since 2005. Coopted GSA Section of Breast Surgery Representative since July 2006.

**Peters, Dr Matthew  
(Retired 28 September 2008)**

MBBS, BSc. Advanced General Surgical trainee (Queensland). Member of RACS Trainees' Association since 2005. Chair of RACS Trainees' Association since 2007. Member of RACS Faculty of Surgical Educators Working Party since August 2008. Joint coopted GSA Trainees' Association representative since September 2007.

**Pyke, Dr Christopher Martin**

PhD, FRACS, FACS. General Surgeon with sub-specialist interests in Breast and Endocrine Surgery. Member of Australian Medical Association. Member of ANZ Chapter American College of Surgeons. Member of RACS Board in General Surgery since 2003. Chair, RACS Queensland Regional Subcommittee Board in General Surgery from 2002-2007. Chair, Fundamentals of Laparoscopic Surgery Advisory Group from 2006-2007. Member of National Breast Cancer Audit Clinical Advisory Committee since 2005. Member of RACS Clinical Skills Advisory Group since 2006. Member of RACS Board of Specialist Surgical Training since 2007. Member of RACS IMG Interview Committee since 2007. Member of RACS Surgical Education and Training Working party since 2007. Chair (Aus), RACS IMG Applications for Interview Committee from 2007-2008. Member of RACS Section of Endocrine Surgery Executive from 2006-2007. Deputy Chair, RACS Section of Breast Surgery Executive since 2007. Chair, RACS Board of General Surgery since 2007. GSA Board in General Surgery Representative (Ex-officio) since July 2007.

**Sayed-Hassen, Mr Akhtar  
Hussein  
(Retired 14 May 2008)**

M.B. CH.B, FRACS. General Surgeon with sub-specialist interest in Upper Gastrointestinal Surgery. Member of RACS Section of Upper GI/HPB Surgery. Member of RACS Victorian State Committee since 2006. Member and Chair of RACS Victorian Board in General Surgery since 2005. Coopted GSA ASC Hong Kong 2008 Representative since July 2006.

## 1. BOARD OF DIRECTORS (CONT'D)

### **Serpell, Prof Jonathan William**

MBBS, FACS, FRACS. General Surgeon with sub-specialist interests in Endocrine and Breast Surgery and Skin Melanoma. Member of RACS Section of Endocrine Surgery, RACS Section of Breast Surgery, and RACS Section of Academic Surgery. Member of ANZ Chapter American College of Surgeons. Member of RACS Victorian Board in General Surgery from 2000-2006. Member of RACS Board of Basic Surgical Training from 2002-2006. Chair of RACS Clinical Exam bank Subcommittee from 1994-2005. Member RACS Court of Examiners in General Surgery since 2002. Member of RACS Examinations Committee in 2005. Chair, RACS Section of Endocrine Surgery since 2006. Coopted GSA Section of Endocrine Surgery Representative since July 2006.

### **Shannon, Mr Kerwin Frank**

MBBS, FRACS. General Surgeon with sub-specialist interests in Head & Neck, Trauma, and Endocrine Surgery, Skin Melanoma, and Surgical Oncology. Member of RACS SST Hospital Supervisors – General since 2001. Member of RACS NSW Regional Board in General Surgery since 2001. Coopted GSA Head & Neck Group Representative since June 2000.

### **Sweeney, Mr James Leslie (Retired 1 May 2008)**

MBBS, FRACS. General Surgeon with sub-specialist interest in Colorectal Surgery. Previous Chair, RACS Section of Colorectal Surgery. Coopted GSA Section of Colorectal Surgery Representative 2001-2002. Member of RACS Section of Colon and Rectal Surgery. Member of Australian Medical Association. Member of RACS South Australia Board in General Surgery from 2005-2008. Ex-Officio member of RACS Board in General Surgery from 2006-2008. Senior Examiner, RACS Court in General Surgery from 2006-2008. GSA Court of Examiners Representative (Ex-officio) since July 2006.

### **Tan, Dr Jeremy Tian-Hui (Appointed 28 July 2008)**

MBBS, FRACS. General Surgeon with sub-specialist interests in Trauma, Hepatobiliary, Upper-Gastrointestinal, Colorectal, Obesity, and Oncology Surgery. RACS Surgical Training Supervisor (Western Australia). Coopted GSA ASC Perth 2010 Representative since July 2008.

### **Theophilus, Dr Mary (Retired 20 April 2008)**

MBBS. Advanced General Surgical trainee (Western Australia). Member of RACS Board of Specialist Surgical Training from 2006-2007. Member of RACS Trainees' Committee from 2006-2008. Member of RACS Board in General Surgery from 2007-2008. Joint coopted GSA Trainees' Association representative since September 2007.

### **Vallance, Mr Stephen**

MBCHB, FRACS, FRCS (Eng), FRCS (Edin), MD. General Surgeon with sub-specialist interest in Vascular Surgery. Member of RACS Divisional Group of Rural Surgery (DGRS) since 2003. Member of RACS New Zealand National Board since 2007. Member of NZAGS Executive Committee from 2006-2007. Member of RACS Board in General Surgery since 2008. Member of the RACS Post Fellowship Education & Training Steering Committee since 2008. President of New Zealand Association of General Surgeons (NZAGS) since 2007. Coopted GSA NZAGS Representative since February 2007.

## 1. BOARD OF DIRECTORS (CONT'D)

### **Wall, Mr Daryl Robert**

AM, MBBS (First Class Honours), FRACS. General Surgeon with sub-specialist interest in Transplantation, Trauma, Upper Gastrointestinal, and Hepatobiliary Surgery. Director of Surgery, Princess Alexandra Hospital. Senior Liver Transplant Surgeon, Associate Professor of Surgery, Department of Surgery, University of Queensland. Member of RACS Anatomy Bank Subcommittee from 2001-2002. Member of RACS Trauma Committee since 2007. Member of RACS Court of Examiners in General Surgery from 1999-2007. Member of RACS Section of General Surgery. Member of DSTC Course Ad Hoc Committee since 2006. Chair, RACS Trauma Regional Sub-Committee since 1992. Chair, National Road Trauma Advisory Committee since 2001. Coopted Member of RACS Queensland State Committee since 2006. Australian Sports Medal. Coopted GSA Section of General Surgery Representative since May 2000.

### **Wilson, Mr Thomas Graham**

MBBS, FRACS. General Surgeon with sub-specialist interests in Upper Gastrointestinal, Hepatobiliary, and Obesity Surgery. Member of RACS Section of Upper GI/HPB Surgery, RACS Section of Transplantation Surgery, and RACS Endosurgery Group. Member of RACS Court of Examiners in General Surgery since 2004. Past Chair RACS South Australian State Committee 2000-2002. Coopted Member of RACS South Australian State Committee since 2008. Member of RACS South Australian Board in General Surgery since 2005. Chair of Conjoint Committee for Recognition of Training in Gastrointestinal Endoscopy. Head of Upper GI & HPB Surgical Unit, Flinders Medical Centre. Elected GSA South Australian State Representative since May 2004.

**GENERAL SURGEONS AUSTRALIA  
DIRECTORS' REPORT (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2008**

**2. PRINCIPAL ACTIVITIES**

The principal activities of the Company during the year were to promote and represent the interests of Specialist General Surgeons in Australia, including associated specialties. This included advising outside organisations and government bodies on all matters relating to General Surgery, as well as Continuing Professional Development (CPD) in all areas of General Surgery. There was no significant change in the nature of that activity during the year.

In 2009, the Company will assume full responsibility for the General Surgery training program, to the level of Fellowship, as part of the Service Agreement signed with the Royal Australasian College of Surgeons (RACS). Activities covered by the Service Agreement include management of the Board in General Surgery, selection into the General Surgery training program for 2010; curriculum development, hospital inspections, and delivery of regional education and training activities.

**3. RESULTS OF OPERATIONS**

The net operating result for the year ended 31 December 2008 was a surplus of \$78,791 (2007: deficit \$30,313).

The Company is exempt from income tax (Division 50 of the Income Tax Assessment Act 1997) and no provision for income tax is included in these accounts.

**4. REVIEW OF OPERATIONS**

In this financial year, the Board of Directors continued their work in meeting the objectives of the five-year Strategic Plan, to ensure the provision of high quality, comprehensive Specialist General Surgical services to the Australian community, through the promotion of specialist training, continuing professional development, and audit for members.

In May 2008, the GSA Board of Management met in Hong Kong as part of the Royal Australasian College of Surgeons (RACS) Annual Scientific Congress. GSA continued to negotiate with the RACS to assume responsibility for General Surgery training to the level of Fellowship. The RACS appointed a Project Officer to oversee the transition, which resulted in the Company's appointment of two full time managers in July (Specialty Support & Relationships) and September (Education & Training) respectively. In November 2008, GSA employed a full time Executive Officer to support the Board in General Surgery, and signed an agreement with the RACS to assume responsibility for the General Surgery training program from 1 January 2009.

On 25 September 2008, GSA held a one-day Curriculum Development Workshop with the key stakeholders of the General Surgery training program. The curriculum was reviewed in line with the RACS Surgical Education & Training (SET) program and examinations. Two new modules (Surgical Oncology and Transplantation) were also developed.

GSA held its Annual Scientific Meeting at the Hyatt Regency Coolumb, Queensland, from 26-28 September 2008. The meeting was attended by 242 delegates and exhibitors, and recorded a surplus in excess of \$18,000. The meeting covered important surgical themes including Acute Care and Oncology for the General Surgeon, with a strong emphasis on surgical trainees. Guest speakers included Professor Stephen Ackland, Associate Professor Fran Boyle, Professor Michael Cox, Mr Jonathan Koea, Dr Damien Petersen, Associate Professor Sandro Porceddu, Professor Robert Thomas, Dr Jane Turner, and Associate Professor Owen Ung. The meeting also included an exam session for trainees, a trainees' forum, an Ultrasound Workshop for surgeons, and a workshop for supervisors of surgical training.

GSA continued to promote and support education and training opportunities for its members, including: the 17th Seminars in Operative Surgery; the Combined Australia and New Zealand Colorectal Surgical Meeting; Controversies in Transplant Surgery; Definitive Surgical Trauma Care courses; Gastrointestinal Skills Training (GIST) courses; the International College of Surgeons Pacific Regional Meeting; International Surgical Week (ISW) 2009; the National Endoscopic Training Initiative (NETI) Basic Colonoscopy Workshop; the Occupational Medicine Bridging Course; Skills Workshops in Advanced Minimal Access Surgery, Laparoscopic Inguinal Hernia Repair, and Laparoscopic Suturing; the SWAN XVI Trauma Conference; and, the XXII International Congress of The Transplantation Society.

GSA also promoted the Annual Scientific Meetings of the New Zealand Association of General Surgeons (NZAGS), and the Association of Surgeons of Great Britain and Ireland (ASGBI). Sponsorship was provided for the key-note speaker at the Provincial Surgeons Association (PSA) Annual Scientific Meeting in Wagga in October. GSA continued to strengthen its relationship with NZAGS, ASGBI, and PSA, and continued to work with these groups to promote the interests of General Surgeons and surgical trainees.

**GENERAL SURGEONS AUSTRALIA  
DIRECTORS' REPORT (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2008**

**4. REVIEW OF OPERATIONS (CONT'D)**

GSA continued the development of its website, including work on a more functional "Find a Surgeon" service and members' area. The Board of Directors agreed to change website providers from 2009 onwards, as the original service provider was not able to develop the services required by the Company.

Revenue from subscriptions, advertising, and administration income increased in this financial period. As part of the transition agreement with the RACS, GSA received preliminary Service Agreement funding of \$160,000 to fund the appointment of a full time Education & Training manager, as well as fund the Curriculum Development Workshop and trainees' program at the GSA Annual Scientific Meeting. Employment costs for this financial period also increased.

Revenue from subscriptions, advertising, administration, and interest income contributed towards the surplus for the year, as did the surplus from the GSA Annual Scientific Meeting.

**5. DETAILS OF SIGNIFICANT CHANGES IN STATE OF AFFAIRS**

No significant change in the state of affairs of the Company occurred during the year.

**6. LIKELY FUTURE DEVELOPMENTS AND EXPECTED RESULTS**

In 2009, GSA will assume full responsibility for the General Surgery training program, to the level of Fellowship, as part of the Service Agreement signed with the RACS. GSA will sub-contract services for 5.2 full time equivalent employees from the RACS in New South Wales, Queensland, South Australia, Victoria, and Western Australia, to administer the training program.

Projected revenue in 2009 from the RACS Service Agreement will be approximately \$970,000. The first instalment will be paid in January, with the second instalment in June following adjustments to the Trainee numbers. Activities covered by the Service Agreement include management of the Board in General Surgery, selection into the General Surgery training program for 2010, curriculum development, and delivery of regional education and training activities. In May 2009, GSA will co-ordinate inspections of approximately 20 hospitals in Queensland, as part of the quinquennial accreditation process.

GSA will commence the redevelopment of its website in January 2009, including an improved "Find a Surgeon" service and members' area, which will allow the Company to provide valuable benefits and services that support the professional lives of its members. GSA will continue to promote professional development activities for its members through the website, and will develop an on-line discussion forum and Wikipedia for General Surgery.

Planning for the 2009 GSA Annual Scientific Meeting will continue, to be held as part of International Surgical Week (ISW) in Adelaide in September 2009. Over 1,000 local and international delegates are expected to attend the meeting. GSA will co-badge a session focussing on Melanoma, and will receive a proportion of delegate registration fees for GSA members attending ISW.

In 2009, GSA will run two Trainees' Days and exam sessions. The May program will focus on Vascular and Transplantation Surgery for the General Surgeon, and the September program will focus on case presentations and sessions with experts presenting as part of ISW2009.

Planning for the 2010 GSA Annual Scientific Meeting will commence. GSA will form a Working Party to develop a position paper on Emergency Surgery specific to General Surgery. GSA will also work with the RACS to improve pass rates for the Surgical Science Exam for General Surgery.

**7. DIVIDENDS**

The Company is limited by guarantee. The Memorandum of the Constitution precludes the payment of a dividend.

**8. SIGNIFICANT AFTER BALANCE DATE EVENTS**

Since the end of the financial year the Directors are not aware of any matter or circumstances not otherwise dealt with in the report of accounts that has significantly affected or may significantly affect the operations of the Company, the result of those operations or the state of affairs of the Company in subsequent financial years.

On 22 January 2009, the Company received the amount of \$535,063 from the Royal Australasian College of Surgeons representing the first instalment of the Service Agreement funding for the administration of the General Surgery training program.

**GENERAL SURGEONS AUSTRALIA  
DIRECTORS' REPORT (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2008**

**9. ENVIRONMENTAL REGULATIONS**

The Company's operations are not subject to any significant environmental regulations under either Federal Government, State or Territory legislation.

**10. INDEMNIFICATION OF DIRECTORS AND OFFICERS**

By way of coverage for all Directors and officers of the Company, the Company has paid a premium in respect of a contract insuring those Directors and officers against liability. In accordance with normal practice, under the terms of the insurance contracts, the nature of the liabilities insured against and the amount of the premiums paid are confidential.

**11. MEETINGS OF DIRECTORS**

Name of Director	Number of meetings entitled to attend *	Number of meetings attended *
Truskett, P (President)	6	6
Campbell, G (Vice President)	6	5
Pitcher, M (Sec/Treasurer)	6	4
Baker, S (from 26/06/08)	2	1
Blackham, R (from 28/09/08)	1	0
Christophi, C (from 28/07/08)	2	0
Cox, M	4	4
Danne, P	6	1
Donovan, M	4	3
Foster, H	4	2
Gani, J (to 14/05/08)	2	1
Mackie, W (to 14/05/08)	2	1
Maguire, E (to 14/05/08)	2	1
Mann, B (to 11/11/08)	5	3
Oliver, D	4	1
Peters, M (to 28/09/08)	3	2
Pyke, C	4	4
Sayed-Hassen, A (to 14/05/08)	2	1
Serpell, J	4	2
Shannon, K	4	2
Sweeney, J (to 01/05/08)	1	0
Tan, J (from 28/07/08)	2	1
Theophilus, M (to 20/04/08)	1	0
Vallance, S	4	3
Wall, D	4	2
Wilson, T	6	6

**12. DIRECTORS' BENEFITS**

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 emoluments received or due and receivable by Directors shown in the accounts by reason of a contract made by the Company or a related corporation with a Director or with a firm of which he is a member, or with a Company in which he has a substantial interest.

**13. AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001**

The Auditor's Independence Declaration is set out on page 27 and forms part of the Director's Report for the year ended 31 December 2008.

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

Chairman (President)  
28 April 2009

**GENERAL SURGEONS AUSTRALIA  
INCOME STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2008**

	Notes	2008 \$	2007 \$
<b>Revenue</b>			
Members' subscriptions		87,335	57,484
Sale of goods		-	70
Advertising income		209	127
Administration income		491	-
GSA ASM 2008 income		18,616	-
Service Agreement income		160,000	-
Cost of Sales - GSA Ties		(2,572)	(74)
		<u>264,079</u>	<u>57,607</u>
Other income	2	<u>2,899</u>	<u>1,343</u>
		266,978	58,950
Expenses from Commercial activities:			
RACS ASC 2008		(3,066)	-
RACS ASC 2007		-	(2,596)
Strategic Planning Meeting - February 2007		-	(15,077)
International Doctors' Health Conf - October 2007		-	(589)
Curriculum Development Workshop - September 2008		(18,140)	-
GSA ASM 2008		(374)	-
GSA Trainees Day - September 2008		(40,000)	-
External professional services expense	10	(5,500)	(6,000)
Employee benefits expense		(98,521)	(48,600)
Administrative expense		(16,967)	(13,302)
Finance costs		(3,101)	(2,529)
Depreciation expense	3	(2,518)	(570)
		<u>78,791</u>	<u>(30,313)</u>
Surplus(Deficit) for the period		<u><u>78,791</u></u>	<u><u>(30,313)</u></u>

The accompanying notes form part of these financial statements.

**GENERAL SURGEONS AUSTRALIA  
BALANCE SHEET  
AS AT 31 DECEMBER 2008**

	Notes	2008 \$	2007 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	124,230	26,432
Trade and other receivables	5	6,433	2,716
Inventories	6	278	2,849
<b>TOTAL CURRENT ASSETS</b>		<u>130,941</u>	<u>31,997</u>
<b>NON CURRENT ASSETS</b>			
Plant and equipment	7	7,014	852
<b>TOTAL NON CURRENT ASSETS</b>		<u>7,014</u>	<u>852</u>
<b>TOTAL ASSETS</b>		<u>137,955</u>	<u>32,849</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	8	24,672	9,659
Provision for employee benefits	9	21,849	11,945
<b>TOTAL CURRENT LIABILITIES</b>		<u>46,521</u>	<u>21,604</u>
<b>NON CURRENT LIABILITIES</b>			
Provision for employee benefits	9	1,398	-
<b>TOTAL NON CURRENT LIABILITIES</b>		<u>1,398</u>	<u>-</u>
<b>TOTAL LIABILITIES</b>		<u>47,919</u>	<u>21,604</u>
<b>NET ASSETS</b>		<u>90,036</u>	<u>11,245</u>
<b>MEMBERS' FUNDS</b>			
Accumulated surplus		<u>90,036</u>	<u>11,245</u>
<b>TOTAL MEMBERS' FUNDS</b>		<u>90,036</u>	<u>11,245</u>

The accompanying notes form part of these financial statements.

**GENERAL SURGEONS AUSTRALIA  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2008**

	<b>Accumulated Surplus</b>	<b>Total Equity</b>
	<b>2008</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
Balance at 1 January 2008	11,245	11,245
Net Surplus for the year	78,791	78,791
	<u>90,036</u>	<u>90,036</u>
Balance at 31 December 2008	<u>90,036</u>	<u>90,036</u>

	<b>Accumulated Surplus</b>	<b>Total Equity</b>
	<b>2007</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
Balance at 1 January 2007	41,558	41,558
Net (Deficit) for the year	(30,313)	(30,313)
	<u>11,245</u>	<u>11,245</u>
Balance at 31 December 2007	<u>11,245</u>	<u>11,245</u>

**GENERAL SURGEONS AUSTRALIA  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2008**

	Notes	2008 Inflows/ (Outflows) \$	2007 Inflows/ (Outflows) \$
Cash flows from operating activities			
- Receipts from members and customers		261,570	59,129
- Payments to suppliers and employees		(154,890)	(69,310)
- Interest received		2,899	1,343
- Interest expense		(3,101)	(6,234)
Net cash provided by/(used in) operating activities	12(b)	106,478	(15,072)
Cash flows from investing activities			
- Payment for plant and equipment		(8,680)	(1,277)
Net cash used in investing activities		(8,680)	-
Net increase/(decrease) in cash held		97,798	(16,349)
Cash and cash equivalents at the beginning of the year		26,432	42,781
Cash and cash equivalents at the end of the year	12(a)	124,230	26,432

The accompanying notes form part of these financial statements.

**GENERAL SURGEONS AUSTRALIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2008**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

General Surgeons Australia is a Company limited by guarantee incorporated in Victoria, Australia. The registered office and principal place of business is c/- Royal Australasian College of Surgeons, 'College of Surgeons Gardens', Spring Street, Melbourne, Victoria. The principal activities of the Company were to promote and represent the interests of Specialist General Surgeons in Australia, including associated specialties. This included advising outside organisations and government bodies on all matters relating to General Surgery, as well as Continuing Professional Development (CPD) in all areas of General Surgery. The financial statements are presented in Australian dollars. The report was approved for issue by the Directors on the date the Declaration by Directors was signed.

The principal accounting policies adopted by General Surgeons Australia are stated to assist in a general understanding of these financial statements. These policies have been consistently applied except as otherwise indicated.

The financial report constitutes a general purpose financial report which has been drawn up in accordance with Accounting Standards and other Authoritative pronouncements of the Australian Standards Board, Australian Accounting Interpretations and the Corporations Act 2001.

**(a) Basis of Accounting**

The financial report has been prepared on the historical cost basis and except where stated, does not take into account current valuations of non-current assets.

The carrying amounts of non-current assets do not exceed the net amounts that are expected to be recovered through cash inflows and outflows arising from their continued use and subsequent disposal. The expected net cash flows included in determining the recoverable amounts have been discounted to their present values.

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Management does not consider that any of the judgements or estimations adopted have had a significant impact on the financial report.

**(b) Plant and equipment**

Each class of plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

**Depreciation of plant and equipment**

Depreciation is provided on the straight-line basis, at rates which will fully depreciate assets over their estimated useful lives to the Company. Profits and losses on disposal of plant and equipment are taken into account in determining the result for the year.

<u>Class of Asset</u>	<u>Rate of Depreciation</u>
Computer hardware/software	25% - 33%

**GENERAL SURGEONS AUSTRALIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2008**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(b) Plant and equipment (continued)**

At each reporting date the Company reviews the carrying amounts of assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss if any. The Directors are satisfied that the carrying amounts of assets do not exceed the net amounts that are expected to be recovered through the cash inflows and outflows arising from the continued use and subsequent disposal of the assets.

**(c) Income Tax**

The Company is not liable for income tax as it is a non-profit organisation within the meaning of Division 50 of the Income Tax Assessment Act 1997.

**(d) Limited by Guarantee**

General Surgeons Australia is a Company limited by guarantee. The amount of capital which is capable of being called up in the event of and for the purpose of the winding up of the Company is limited to \$1.00 per member.

**(e) Accounts Receivable**

All trade receivables are recognised at the amounts receivable as they are due for settlement no more than 30 days from the date of recognition. Collectibility of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off.

**(f) Accounts Payable**

Accounts payable represent the principal amounts outstanding at balance date plus, where applicable, any accrued interest.

**(g) Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Membership subscriptions

Membership subscriptions are brought to account when invoiced on an annual basis throughout the membership period.

Meetings/Workshops

Meeting & Workshop revenue is not recognised until the meeting or workshop has been held.

**(h) Conferences/Seminars**

Conferences/seminars are an outsourced activity. Net income/expense has been recognised in the current financial year.

**(i) Cash and Cash Equivalents**

Cash and short-term deposits in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less. For the purposes of the Cash Flow Statement, cash and cash equivalents consists of cash and cash equivalents as defined above.

**GENERAL SURGEONS AUSTRALIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2008**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(j) Statement of Compliance**

For the purpose of this financial report, General Surgeons Australia is considered to be a not-for-profit company and as such has prepared this financial report with reference to the requirements regarding Not-For-Profits in the Australian Accounting Standards.

**(k) Inventories**

Finished goods are valued at the lower of cost and net realisable value. Costs have been assigned to inventory quantities on hand at reporting date using the Weighted Average Costs basis.

Cost comprises all costs of purchase.

**(l) Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

*Employee leave benefits*

**(i) Wages, salaries, annual leave and sick leave**

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in respect of the employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Expenses for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable

**(ii) Long service leave**

The liability for long service leave is recognised and measured as the present value of expected future payments to be made in respect of services provided' by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

**(m) Financial Assets and Financial Liabilities**

Financial assets and financial liabilities are recognised on the balance sheet when the Company becomes party to the contractual provisions of the financial instrument.

A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or are transferred and no longer controlled by the Company.

A financial liability is removed from the balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

**(n) New and Revised Accounting Standards and Interpretations**

In the current year, the Company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to the operations and effective for the current reporting period. The adoption of these new and revised Standards and Interpretations have not resulted in changes to the Company's accounting policies for the current and prior years.

At the date of this report certain new Accounting Standards and Interpretations have been published that are not mandatory for the financial year ended 31 December 2008. They are available for early adoption, but have not been applied in preparing this financial report. The Company's assessment of the impact of the new Standards and Interpretations relevant to the Company is set out below:

**GENERAL SURGEONS AUSTRALIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2008**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(n) New and Revised Accounting Standards and Interpretations (cont'd)**

- AASB 101 *Presentation of Financial Statements* was revised amending the name and disclosure requirements of the three primary statements to *Statement of Comprehensive Income* previously *Income Statement*), *Statement of Financial Position* (previously *Balance Sheet*) and *Statement of Cash Flows* (previously *Cash Flow Statement*). The changes will not affect any of the amounts recognised in the financial statements. The revised standards are effective for annual reporting periods on or after 1 January 2009.
- AASB 2008-5 *Amendments to Australian Accounting Standards arising from the Annual Improvement Program* specifies amendments to 25 Standards. The amendments to some Standards result in accounting changes for presentation, recognition and measurement purposes, while some amendments that relate to terminology and editorial changes are expected to have no or minimal effect on accounting. The full impact on the Company's future financial statements has not yet been assessed. The revised standards will be effective for annual reporting periods beginning on or after 1 January 2009.

	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
<b>2. OTHER INCOME</b>		
Interest	2,899	1,343
	<u>2,899</u>	<u>1,343</u>
	=====	=====
<b>3. SURPLUS / (DEFICIT) FROM OPERATIONS</b>		
Surplus/(deficit) from operating activities includes the following specific expenses and losses/(gains):		
Expenses:		
Depreciation/amortisation - plant and equipment	2,518	570
	<u>2,518</u>	<u>570</u>
	=====	=====
<b>4. CASH &amp; CASH EQUIVALENTS</b>		
Cash at bank	124,027	26,353
Cash on hand	203	79
	<u>124,230</u>	<u>26,432</u>
	=====	=====
<b>5. RECEIVABLES</b>		
Trade receivables	3,960	2,618
Other receivables	2,473	98
	<u>6,433</u>	<u>2,716</u>
	=====	=====
Trade receivables consist of invoices to Members prior to 31 December 2008 for Membership Subscriptions relating to the 2007/2008 financial year.		
There are no balances within receivables that contain assets that are past due but not impaired. It is expected these balances will be received when due. There are no impaired assets.		
<b>6. INVENTORIES</b>		
Ties - at cost	278	2,849
	<u>278</u>	<u>2,849</u>
	=====	=====

**GENERAL SURGEONS AUSTRALIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2008**

	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
<b>7. PLANT AND EQUIPMENT</b>		
Plant and equipment - at cost	13,323	4,642
Accumulated depreciation	(6,309)	(3,790)
	<u>7,014</u>	<u>852</u>
Total plant and equipment	<u>7,014</u>	<u>852</u>

**Reconciliation of movements**

Reconciliations of the carrying amount of plant and equipment at the beginning and end of the current financial year is set out below:

**Plant and Equipment at cost**

Carrying amount at 1 January	852	145
Additions	8,680	1,277
Depreciation	(2,518)	(570)
	<u>7,014</u>	<u>852</u>

**8. PAYABLES**

Trade accounts payable	6,403	7,545
Other	18,269	2,114
	<u>24,672</u>	<u>9,659</u>

**9. PROVISION FOR EMPLOYEE BENEFITS**

**CURRENT**

Provision for Annual Leave	12,053	5,643
Provision for Long Service Leave	9,796	6,302
	<u>21,849</u>	<u>11,945</u>

**NON CURRENT**

Provision for Long Service Leave	1,398	-
	<u>1,398</u>	<u>-</u>

<b>TOTAL</b>	<u>23,247</u>	<u>11,945</u>
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**10. AUDITORS' REMUNERATION**

Amounts received or due and receivable by the auditors for:  
Auditing services

	5,500	6,000
	<u>5,500</u>	<u>6,000</u>

**11. REMUNERATION OF DIRECTORS**

Total income received or due and receivable by Directors

	-	-
--	---	---

The non-executive Directors of the Company serve voluntarily and do not receive any income for their services.

**GENERAL SURGEONS AUSTRALIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2008**

**12. STATEMENT OF CASH FLOWS**

**(a) Reconciliation of cash**

For the purposes of the statement of cash flows, cash includes cash on hand and in banks net of outstanding bank overdrafts. Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

	<b>2008</b>	<b>2007</b>
	\$	\$
Cash at Bank	124,027	26,353
Petty Cash	203	79
	<u>124,230</u>	<u>26,432</u>
	=====	=====

**(b) Reconciliation of net cash (used in)/provided operating activities to operating surplus**

Operating surplus/(deficit)	78,791	(30,313)
Depreciation	2,518	570
Changes in assets and liabilities:		
(Increase)/Decrease in trade receivables	(2,509)	1,448
Decrease in inventories	2,571	74
Increase in accounts payable	13,805	1,204
Increase in provision for employee entitlements	11,302	11,945
	<u>106,478</u>	<u>(15,072)</u>
	=====	=====

**13. SEGMENT INFORMATION**

General Surgeons Australia is involved in the promoting of the interests of General Surgeons predominantly in Australia.

**GENERAL SURGEONS AUSTRALIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2008**

**14. FINANCIAL INSTRUMENTS**

**Interest rate risk**

The entity's exposure to interest rate risk and the weighted average interest rate for classes of financial assets and liabilities is set out below:

2008	Non interest bearing \$	Floating interest rate \$	Fixed interest rate		Total \$
			1 year or less \$	1 to 5 years \$	
<b>Financial assets:</b>					
Cash	203	124,027	-	-	124,230
Receivables	6,433	-	-	-	6,433
	<u>6,636</u>	<u>124,027</u>	<u>-</u>	<u>-</u>	<u>130,663</u>
Interest rates	-	4.35%	-	-	
<b>Financial liabilities:</b>					
Creditors	6,403	-	-	-	6,403
	<u>6,403</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,403</u>
Interest rates	-	-	-	-	
Net financial assets	<u>233</u>	<u>124,027</u>	<u>-</u>	<u>-</u>	<u>124,260</u>
<b>2007</b>					
2007	Non interest bearing \$	Floating interest rate \$	Fixed interest rate		Total \$
			1 year or less \$	1 to 5 years \$	
<b>Financial assets:</b>					
Cash	79	26,353	-	-	26,432
Receivables	2,618	-	-	-	2,618
	<u>2,697</u>	<u>26,353</u>	<u>-</u>	<u>-</u>	<u>29,050</u>
Interest rates	-	4.80%	-	-	
<b>Financial liabilities:</b>					
Creditors	7,545	-	-	-	7,545
	<u>7,545</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,545</u>
Interest rates	-	-	-	-	
Net financial assets	<u>(4,848)</u>	<u>26,353</u>	<u>-</u>	<u>-</u>	<u>21,505</u>

**GENERAL SURGEONS AUSTRALIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2008**

**14. FINANCIAL INSTRUMENTS (CONTINUED)**

**Credit Risk Exposure**

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted.

**Financial Instruments on Statement of Financial Position**

The credit risk on financial assets, excluding investments of the entity which have been recognised on the statement of financial position, is the carrying amount, net of any provision for doubtful debts.

The entity is not materially exposed to any individual debtor.

**Net Fair Values of Financial Assets and Liabilities**

The carrying amounts of bank accounts, term deposits, bank bills, accounts receivables and payables, funds held in trust all approximate net fair value.

**15. FINANCIAL RISK MANAGEMENT**

The Company's activities expose it to a variety of financial risks: market risks (including fair value interest rate risk and cash flow interest rate risks), credit risk, and liquidity risk. An evaluation of the nature and extent of risks arising from financial instruments to which the Company is exposed at the reporting date follows:

**(a) Market Risk**

(i) Currency Risk

The Company's cash and receivables are all dominated in Australian dollars and are not subject to foreign exchange risk.

(ii) Price Risk

The Company has no financial instruments that are subject to fluctuation in market prices.

(iii) Interest Rate Risk

The entity's exposure to market interest rates relates primarily to cash and short term deposits held.

*Sensitivity analysis*

At 31 December, if interest rates had moved, as illustrated in the table below, with all other variables held constant, Members' funds would have been affected as follows:

	<b>Increase by 1% (100 basis points) Year Ended 31 December</b>		<b>Decrease by 2% (200 basis points) Year Ended 31 December</b>	
	<b>2008</b>	<b>2007</b>	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Effect on Members' funds</b>				
Increase/(Decrease)	1,240	264	(2,480)	(527)

**(b) Credit Risk**

The Company implements strict credit recovery controls which minimise the risk of non-recovery of trade receivables. The company is not materially exposed to any individual customer.

**(c) Liquidity Risk**

The Company maintains sufficient cash assets and low amounts of liability. Liquidity risk is low.

**GENERAL SURGEONS AUSTRALIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2008**

**16. CONTINGENT LIABILITIES AND COMMITMENTS**

There are no matters to report, relating to contingent assets or liabilities, or any capital commitments.

**17. SUBSEQUENT EVENTS**

On 22 January 2009, the Company received the amount of \$535,063 from the Royal Australasian College of Surgeons representing the first instalment of the Service Agreement funding for the administration of the General Surgery Training program.

**GENERAL SURGEONS AUSTRALIA  
DIRECTORS' DECLARATION**

In the opinion of the directors of the General Surgeons Australia:

- (a) The accompanying financial statements and notes are in accordance with the Corporations Act 2001, including:
  - (i) giving a true and fair view of the financial position of the Company as at 31 December 2008 and of its performance, as represented by the results of its operations and its cash flows, for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
- (b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.

A handwritten signature in black ink, appearing to read 'Michael D. ...', is written over the text 'Signed in accordance with a resolution of the Directors.'

Chairman (President)  
28 April 2009



**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF GENERAL SURGEONS AUSTRALIA**

Chartered Accountants  
& Business Advisers

**Report on the Financial Report**

We have audited the accompanying financial report of General Surgeons Australia, which comprises the balance sheet as at 31 December 2008, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

**Directors' Responsibility for the Financial Report**

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

**Independence**

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

**Auditor's Opinion**

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

- (a) giving a true and fair view of the General Surgeons Australia's financial position as at 31 December 2008 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*.

PKF

D J Garvey  
Partner

28 April 2009  
Melbourne

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GPO Box 5099 | Melbourne | Victoria 3001



Chartered Accountants  
& Business Advisers

### AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of General Surgeons Australia for the year ended 31 December 2008, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

D J Garvey  
Partner  
PKF

28 April 2009  
Melbourne

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