

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 2009

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

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 2009**

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**GENERAL SURGEONS AUSTRALIA
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2009**

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** 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** 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** 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
(Retired 9 May 2009)**

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 from 2007-2009.

**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.

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.

**Pyke, Dr Christopher Martin
(Retired 10 May 2009)**

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) from 2007-2009.

1. BOARD OF DIRECTORS (CONT'D)

**Saunders, Mr Alan Charles
(Appointed 10 May 2009)**

MBBS, FRACS. General and Vascular Surgeon with sub-specialist interest in Transplant Surgery. Unit Head, Vascular/Transplantation Surgery at Monash Medical Centre, and Supervisor of training. Member of AusAID General Surgery service at Dili National Hospital, East Timor in 2002 and 2004. Member of RACS Section of Transplantation Surgery. Member of Australian & New Zealand Society of Vascular Surgery. Member of RACS IMG Interview Committee 2008-2009. Member of RACS Victorian State Committee from 2004-2006. Chair, Victorian Regional Subcommittee, Board in General Surgery from 2005-2007. Member of RACS Board in General Surgery since 2003. Chair, RACS Board in General Surgery since 2009. GSA Board in General Surgery Representative (Ex-officio) since May 2009.

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. Members 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.

Tan, Dr Jeremy Tian-Hui

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.

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, Assoc Prof 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.

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. However, in January 2009 the Company assumed 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 2009 was a surplus of \$427,920 (2008: surplus \$78,791).

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 GSA Strategic Plan. On 1 January 2009, GSA assumed full responsibility for the Surgical Education & Training (SET) Program in General Surgery, to the level of Fellowship, as part of the Service Agreement signed with the Royal Australasian College of Surgeons (RACS).

As part of this agreement, GSA sub-contracted from the RACS the services for 5.2 full time equivalent employees in New South Wales, Queensland, South Australia, Victoria, and Western Australia, to administer the SET Program in General Surgery in its regional offices. In July 2009, GSA employed a full-time Administrative Assistant to support the South Australian and Western Australian Regional Subcommittees of the Board in General Surgery. In August 2009, GSA employed a full-time Administrative Officer, as well as a full-time Executive Officer to support the Victorian Regional Subcommittee of the Board in General Surgery. This took the number of directly employed full-time staff to six.

**GENERAL SURGEONS AUSTRALIA
DIRECTORS' REPORT (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2009**

4. REVIEW OF OPERATIONS (CONT'D)

Activities undertaken by GSA in 2009 as part of the Service Agreement included management of the Board in General Surgery, selection into the SET Program in General Surgery for 2010, curriculum development, hospital accreditation, and delivery of regional education and training activities. GSA made several improvements to the selection process in 2009, including providing applicants with additional information and tips on producing a successful application. In total, 295 applications were received, of which 241 applicants were ranked as eligible for selection into the SET Program in General Surgery for 2010. From this group, 138 offers were made, and 102 new trainees were appointed.

In 2009, GSA and the Board in General Surgery co-ordinated Physical and Paper-Based inspections of hospitals in Queensland (21), South Australia (3), Northern Territory (1), Victoria (6), New South Wales (39), and Western Australia (6), as part of the quinquennial accreditation process for the SET Program in General Surgery.

As part of the delivery of regional education and training activities, the General Surgery Course held in New South Wales comprised 16 sessions covering various aspects of General Surgery, with 15 to 20 trainees in attendance at each session. The Advanced Surgery Course was held in New South Wales teaching hospitals, and was designed to assist trainees sitting the Clinical and Vivas Fellowship Examination. In total, 27 trainees attended.

In Queensland, the Core Course in General Surgery comprised 23 sessions held over 11 months, with an average of 28 trainees in attendance at each session. Peripheral hospitals were connected to the sessions via video-conference, and this facility was sponsored by Queensland Health. Two anatomy sessions were held at the University of Queensland. Presentations from each session were uploaded to the GSA website and could be accessed by all General Surgery trainees.

In South Australia, the Long Course Tutorials program was held over 11 months. The program covered a variety of topics including Vivas and two Pathology tutorials. On average, 25 trainees and International Medical Graduates were in attendance at each session. The South Australian Short Course (preparation for Fellowship Exam) was held over 11 weeks, including trial Clinical Viva sessions at major hospitals. Skills Courses in Advanced Laparoscopic Hernia, Advanced Laparoscopic Skills, Advanced Surgical Stapling, and Energy Sources in Surgery were held in May, August, October, and November in Adelaide. In Western Australia, the monthly WARTS Teaching Program covered a variety of topics, and was attended by 31 trainees on average.

In Victoria, 20 trainees attended the Fellowship Examination Preparation Course, held over two weeks in March 2009. The weekly Saturday Educational Sessions program ran over 11 months, and was attended by 30 trainees on average. A Surgical Science Examination Course was held in February 2009, and a Trainees' Weekend in November was attended by 43 trainees.

The new-look GSA website was launched in March 2009, and included an improved "Find a Surgeon" service and members' area. These developments allowed the Company to provide valuable benefits and services that support the professional lives of its members. GSA continued to promote and support a large number of professional development, education, and training opportunities for its members through its website, Events Calendar, and regular Newsletters.

GSA held two Trainees' Days on Vascular & Transplantation Surgery (May 2009; Brisbane) and Complex Cases & Difficult Decision Making (September 2009; Adelaide). Over 160 trainees attended the programs, which each included an Exam Session and Dinner. In September 2009, GSA held its Annual Scientific Meeting as part of International Surgical Week (ISW) in Adelaide. The program focussed on the Management of Malignant Melanoma, with invited speakers from Melbourne, Sydney, and Adelaide.

The Company commenced planning for the 2010 GSA Annual Scientific Meeting, which will be held at the Hyatt Regency Sanctuary Cove from 17-19 September. The focus of the meeting is Emergency Surgery, with a Trainees' Day to focus on Colorectal Surgery & Emergencies. GSA also commenced planning for a Trainees' Day in Perth in May 2010, as part of the RACS Annual Scientific Congress. The program will focus on Sepsis, Shock, & Critical Care, with invited speakers from Australia and the United States.

GSA continued to strengthen its relationship with the New Zealand Association of General Surgeons, the Association of Surgeons of Great Britain and Ireland, and the Provincial Surgeons Association, and worked with these groups to promote the interests of General Surgeons and surgical trainees.

Employment costs for this financial period increased, as did expenses related to the delivery of activities under the Service Agreement. Revenue from Service Agreement activities, General Surgery Selection, membership subscriptions, and advertising increased in this financial period, and contributed towards the surplus for the year.

**GENERAL SURGEONS AUSTRALIA
DIRECTORS' REPORT (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2009**

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 2010, GSA will continue to improve the activities delivered as part of Service Agreement with the RACS, particularly with regards to General Surgery Selection processes and equity of access and content for regional education and training programs.

From 1 January 2010, four employees whose services were previously sub-contracted from the RACS will transfer employment to GSA. This will take the number of part-time and full-time staff employed by GSA to ten.

Projected revenue in 2010 from the RACS Service Agreement will be approximately \$1,009,000. The first instalment will be paid in February 2010, and the second instalment will be invoiced in June 2010 following adjustments to the final trainee numbers.

In January 2010, GSA and the Board in General Surgery will co-ordinate inspections of 44 hospitals in Victoria as part of the quinquennial accreditation process (20 physical inspections, and 24 paper based). Other hospital inspections to be undertaken in 2010 include Western Australia (16), Queensland (5), and New South Wales (1).

Existing regional education activities will continue in New South Wales, Queensland, South Australia, Victoria, and Western Australia. In addition, video / teleconference links for trainees in rural hospitals will be set up in South Australia and Western Australia, and Skills Courses for trainees in Western Australia will include Introductory GI Endoscopy, Core Skills, and Rural Emergency Surgery.

GSA will launch its online Selection Application in March 2010, developed specifically for applicants to the SET Program in General Surgery in Australia for 2011. GSA will also run Selection Information Workshops in Melbourne, Adelaide, Sydney and Brisbane in early March for all potential applicants. Curriculum Vitae scoring and offers processes will be automated as part of the online Selection process. Successful applicants will be required to attend a nationally run Orientation Workshop, to be held in each state in November 2010. Interviewer Training Workshops will be held with Board in General Surgery meetings concurrently, to ensure all General Surgery interviewers have up-to-date training. Planning is underway for a trainee Newsletter, to be produced every three months commencing in March 2010.

Work will continue on the GSA website to improve functionality for members, including the development of online discussion forums for members and trainees. Planning for the 2010 GSA Annual Scientific Meeting will continue, with over 250 local and international delegates expected to attend. The meeting will include a session designed to develop a Consensus Paper and 12-Point Plan on Emergency General Surgery in Australia. Twenty-four invited speakers from Australia and New Zealand will take part in the meeting.

Planning for the 2011 GSA Annual Scientific Meeting in Darwin will commence. GSA will form a Working Party to review the Medicare Benefits Schedule and Item Numbers for General Surgery. GSA will sponsor the development of a pilot program for surgical trainees, focussing on the Management of Surgical Emergencies and surgical decision making. In September 2010, GSA will run a Curriculum Review and Standard Setting Workshop for the Surgical Sciences Examination, designed to improve pass rates 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 26 February 2010, the Company received the amount of \$575,777 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 2009**

9. ENVIRONMENTAL REGULATIONS

The Company's operations are not subject to any significant environmental regulations under 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)	7	7
Campbell, G (Vice President)	7	5
Pitcher, M (Sec/Treasurer)	7	5
Baker, S	7	2
Blackham, R	6	3
Christophi, C	6	2
Cox, M	6	4
Danne, P	7	4
Donovan, M (to 10 May 2009)	2	2
Foster, H	6	3
Oliver, D	6	4
Pyke, C (to 10 May 2009)	2	1
Saunders, A (from 10 May 2009)	5	2
Serpell, J	6	2
Shannon, K	6	3
Tan, J	6	5
Vallance, S	6	4
Wall, D	6	5
Wilson, T	7	2

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 26 and forms part of the Director's Report for the year ended 31 December 2009.

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

Chairman (President)
26 March 2010

**GENERAL SURGEONS AUSTRALIA
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2009**

	Notes	2009 \$	2008 \$
Revenue			
Members' subscriptions		88,275	87,335
Advertising income		1,273	209
Administration income		-	491
GSA ASM 2009 income		-	18,616
GSA Trainees Day - September 2009		5,718	-
GSA Trainees Day - May 2009		12,069	-
Service Agreement income		1,007,439	160,000
Selection income		160,550	-
Regional Training Courses income		88,982	-
Cost of Sales - GSA Ties		-	(2,572)
		-----	-----
		1,364,305	264,079
Other income	2	15,118	2,899
		-----	-----
		1,379,424	266,978
Expenses from Commercial activities:			
RACS ASC 2010		(5,609)	-
RACS ASC 2009		(5,315)	(3,066)
Curriculum Development Workshop - September 2008		-	(18,140)
GSA ASM 2009		-	(374)
GSA Trainees Day - September 2009		(17,791)	-
GSA Trainees Day - May 2009		(16,647)	-
GSA Trainees Day - September 2008		-	(40,000)
Selection		(32,716)	-
Regional Training Courses		(54,117)	-
External professional services expense	10	(5,600)	(5,500)
Employee benefits expense		(379,624)	(98,521)
Administrative expense		(423,338)	(16,967)
Finance costs		(5,231)	(3,101)
Depreciation expense	3	(5,516)	(2,518)
		-----	-----
Surplus for the year		427,920	78,791
		=====	=====
Other comprehensive income		-	-
		-----	-----
Total comprehensive income for the year		427,920	78,791
		=====	=====

The accompanying notes form part of these financial statements.

**GENERAL SURGEONS AUSTRALIA
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2009**

	Notes	2009 \$	2008 \$
CURRENT ASSETS			
Cash and cash equivalents	4	551,281	124,230
Trade and other receivables	5	71,543	6,433
Inventories	6	278	278
		-----	-----
TOTAL CURRENT ASSETS		623,101	130,941
		-----	-----
NON CURRENT ASSETS			
Plant and equipment	7	19,770	7,014
		-----	-----
TOTAL NON CURRENT ASSETS		19,770	7,014
		-----	-----
TOTAL ASSETS		642,871	137,955
		-----	-----
CURRENT LIABILITIES			
Trade and other payables	8	40,256	24,672
Provision for employee entitlements	9	68,118	21,849
		-----	-----
TOTAL CURRENT LIABILITIES		108,374	46,521
		-----	-----
NON CURRENT LIABILITIES			
Provision for employee entitlements	9	16,541	1,398
		-----	-----
TOTAL NON CURRENT LIABILITIES		16,541	1,398
		-----	-----
TOTAL LIABILITIES		124,915	47,919
		-----	-----
NET ASSETS		517,956	90,036
		=====	=====
MEMBERS' FUNDS			
Accumulated surplus		517,956	90,036
		-----	-----
TOTAL MEMBERS' FUNDS		517,956	90,036
		=====	=====

The accompanying notes form part of these financial statements.

**GENERAL SURGEONS AUSTRALIA
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2009**

	Accumulated Surplus	Total Members' Funds
	2009	2009
	\$	\$
Balance at 1 January 2009	90,036	90,036
Other comprehensive income	-	-
Total comprehensive income for the year	427,920	427,920
	-----	-----
Balance at 31 December 2009	517,956	517,956
	=====	=====

	Accumulated Surplus	Total Members' Funds
	2008	2008
	\$	\$
Balance at 1 January 2008	11,245	11,245
Other comprehensive income	-	-
Total comprehensive income for the year	78,791	78,791
	-----	-----
Balance at 31 December 2008	90,036	90,036
	=====	=====

The accompanying notes form part of these financial statements.

**GENERAL SURGEONS AUSTRALIA
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31 DECEMBER 2009**

	Notes	2009 Inflows/ (Outflows) \$	2008 Inflows/ (Outflows) \$
Cash flows from operating activities			
- Receipts from members and customers		1,297,987	261,570
- Payments to suppliers and employees		(862,551)	(154,890)
- Interest received		15,118	2,899
- Interest expense		(5,231)	(3,101)
Net cash provided by operating activities	12(b)	445,323	106,478
Cash flows from investing activities			
- Payment for plant and equipment		(18,272)	(8,680)
Net cash used in investing activities		(18,272)	(8,680)
Net increase in cash held		427,051	97,798
Cash and cash equivalents at the beginning of the year		124,230	26,432
Cash and cash equivalents at the end of the year	12(a)	551,281	124,230

The accompanying notes form part of these financial statements.

**GENERAL SURGEONS AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

INTRODUCTION

The financial report is for the entity General Surgeons Australia as an individual entity. General Surgeons Australia is a Company limited by guarantee, incorporated and domiciled in Victoria, Australia. The financial statements are presented in Australian dollars and amounts are rounded to the nearest dollar. 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 report was approved for issue by the Directors on the date the Declaration by Directors was signed.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted by General Surgeons Australia are stated to assist in a general understanding of this financial report. The accounting 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.

The following is a summary of the material accounting policies adopted by the Company in the preparation of the financial report.

(a) Overall Policy

The financial report has been prepared on a going concern and accruals basis, is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non current assets. Cost is based on the fair values of the consideration given in exchange for assets.

General Surgeons Australia is considered to be a Not for Profit entity and has prepared the financial statements in accordance with the requirements regarding Not for Profit entities as contained in Australian Accounting Standards.

(b) Significant Judgements and Key Assumptions

No significant judgements have been made in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements.

No key assumptions have been made concerning the future and there are no other key sources of estimation uncertainty at the balance date that the Directors consider have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(c) 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	33%

**GENERAL SURGEONS AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) 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.

(d) 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.

(e) Trade and other receivables

All trade and other 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) Trade and other payables

Trade and other payables 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.

Interest revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Service agreement income

Service agreement income is brought to account when invoiced on a bi-annual basis.

(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 Statement of Cash Flow, 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 2009**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) 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.

(k) 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.

(l) 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.

(m) Adoption of new and revised Accounting Standards

The company has adopted the following new and amended Australian Accounting Standards and Interpretations as of 1 January 2009:

AASB 7: Financial Instruments: Disclosures effective 1 January 2009

AASB 101: Presentation of Financial Statements (revised 2007) effective 1 January 2009

Adoption of the above Standards is deemed to have no impact on the financial statements of the company.

(n) New and Revised Accounting Standards and Interpretations

All the new and revised Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are relevant to its operations and effective for the annual reporting period beginning on 1 January 2009 have been adopted by General Surgeons Australia in accordance with accounting policies described above. The directors have given due consideration to new and revised standards and interpretations issued by the AASB that are not yet effective and do not believe they will have any material financial impact on the financial statements of the Company.

**GENERAL SURGEONS AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

	2009	2008
	\$	\$
2. OTHER INCOME		
Interest	15,118	2,899
	-----	-----
	15,118	2,899
	=====	=====
3. SURPLUS / (DEFICIT) FROM OPERATIONS		
Surplus / (deficit) from operating activities includes the following specific expenses and losses / (gains):		
Expenses:		
Rental expense	9,975	-
Depreciation - plant and equipment	5,516	2,518
Employee benefits expense	351,298	91,604
Defined contribution plan expenses	28,326	6,917
	-----	-----
	395,115	101,039
	=====	=====
4. CASH AND CASH EQUIVALENTS		
Cash at bank	550,790	124,027
Cash on hand	491	203
	-----	-----
	551,281	124,230
	=====	=====
5. TRADE AND OTHER RECEIVABLES		
Trade receivables	5,005	3,960
Other receivables	66,538	2,473
	-----	-----
	71,543	6,433
	=====	=====
Trade receivables consist of invoices to Members prior to 31 December 2009 for Membership Subscriptions relating to the 2009 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.		
6. INVENTORIES		
Ties – at cost	278	278
	-----	-----
	278	278
	=====	=====
7. PLANT AND EQUIPMENT		
Plant and equipment - at cost	31,595	13,323
Accumulated depreciation	(11,825)	(6,309)
	-----	-----
	19,770	7,014
	-----	-----
Total plant and equipment	19,770	7,014
	=====	=====

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:

**GENERAL SURGEONS AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

	2009 \$	2008 \$
7. PLANT AND EQUIPMENT (CONT'D)		
Plant and equipment at cost		
Carrying amount at 1 January	7,014	852
Additions	18,272	8,680
Depreciation	(5,516)	(2,518)
	-----	-----
Carrying amount at 31 December	19,770	7,014
	=====	=====
8. TRADE AND OTHER PAYABLES		
Trade payables	18,078	6,403
Other	22,178	18,269
	-----	-----
	40,256	24,672
	=====	=====
9. PROVISION FOR EMPLOYEE ENTITLEMENTS		
CURRENT		
Provision for annual leave	39,573	12,053
Provision for long service leave	28,545	9,796
	-----	-----
	68,118	21,849
NON CURRENT		
Provision for long service leave	16,541	1,398
	-----	-----
	16,541	1,398
	-----	-----
TOTAL	84,659	23,247
	=====	=====
10. AUDITORS' REMUNERATION		
Amounts received or due and receivable by the auditors for: Auditing services	5,600	5,500
	-----	-----
	5,600	5,500
	=====	=====

11. RELATED PARTIES

(a) Names of directors and key management personnel

The names of persons who held the position of director during the year ended 31 December 2009 were:

Truskett, Mr Philip Gregory
Campbell, Mr Graeme John
Pitcher, Ms Meron Edith
Baker, Dr Sam Patrick
Blackham, Dr Ruth Elisa
Christophi, Prof Christopher
Cox, Dr Michael Robert
Danne, Assoc Prof Peter David
Donovan, Mr Michael Peter (to 10 May 2009)
Foster, Mr Hamish Cromie McArthur
Oliver, Mr David John
Pyke, Dr Christopher Martin (to 10 May 2009)
Saunder, Mr Alan Charles (from 10 May 2009)
Serpell, Prof Jonathan William

**GENERAL SURGEONS AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

	2009 \$	2008 \$
11. RELATED PARTIES (CONT'D)		
Shannon, Mr Kerwin Frank		
Tan, Dr Jeremy Tian-Hui		
Vallance, Mr Stephen		
Wall, Assoc Prof Daryl Robert		
Wilson, Mr Thomas Graham		

The names of key management personnel during the year ended 31 December 2009 were:

Benson, Ms Sarah
Carrarini, Ms Monica

(b) Director's Remuneration

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.

(c) Key Management Personnel Compensation

Key management personnel comprise directors and other persons having authority and responsibility for planning, directing and controlling the activities of General Surgeons Australia.

The aggregate compensation of the key management personnel of the Company is set out below:

Short term employment benefits	156,217	76,859
Post employment benefit	14,060	6,917
	-----	-----
	170,277	83,776
	=====	=====

12. STATEMENT OF CASH FLOWS

(a) Reconciliation of cash and cash equivalents

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:

Cash at Bank	550,790	124,027
Petty Cash	491	203
	-----	-----
	551,281	124,230
	=====	=====

(b) Reconciliation of net cash provided by operating activities to operating surplus

Operating surplus	427,920	78,791
Depreciation	5,516	2,518
Changes in assets and liabilities:		
(Increase) in trade and other receivables	(65,110)	(2,509)
Decrease in inventories	-	2,571
Increase in trade and other payables	15,584	13,805
Increase in provision for employee entitlements	61,413	11,302
	-----	-----
Net cash provided by operating activities	445,323	106,478
	=====	=====

**GENERAL SURGEONS AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

13. FINANCIAL INSTRUMENTS

(a) Financial risk management objectives and policies

The Company's principal financial instruments comprise receivables, payables and cash at bank. The main risks arising from these financial instruments are interest rate risk, credit risk and liquidity risk.

The following table sets out the carrying amount, by maturity of the financial instruments exposed to credit risk and interest rate risk as at 31 December 2009 and 31 December 2008:

2009	Non interest bearing \$	Floating interest rate \$	Fixed interest rate		Total \$
			1 year or less \$	1 to 5 years \$	
Financial assets:					
Cash and cash equivalents	491	550,790	-	-	551,281
Trade and other receivables	71,543	-	-	-	71,543
	-----	-----	-----	-----	-----
	72,034	550,790	-	-	622,824
	=====	=====	=====	=====	=====
Weighted average interest rates	-	4.05%	-	-	
Financial liabilities:					
Trade and other payables	18,078	-	-	-	18,078
	-----	-----	-----	-----	-----
	18,078	-	-	-	18,078
	=====	=====	=====	=====	=====
Weighted average interest rates	-	-	-	-	
Net financial assets	53,956	550,790	-	-	604,746
	=====	=====	=====	=====	=====
2008					
2008	Non interest bearing \$	Floating interest rate \$	Fixed interest rate		Total \$
			1 year or less \$	1 to 5 years \$	
Financial assets:					
Cash and cash equivalents	203	124,027	-	-	124,230
Trade and other receivables	6,433	-	-	-	6,433
	-----	-----	-----	-----	-----
	6,636	124,027	-	-	130,663
	=====	=====	=====	=====	=====
Weighted average interest rates	-	4.35%	-	-	
Financial liabilities:					
Trade and other payables	6,403	-	-	-	6,403
	-----	-----	-----	-----	-----
	6,403	-	-	-	6,403
	=====	=====	=====	=====	=====
Weighted average interest rates	-	-	-	-	
Net financial assets	233	124,027	-	-	124,260
	=====	=====	=====	=====	=====

**GENERAL SURGEONS AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

13. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Risk Exposures and Responses

(i) Interest rate risk

The Company's exposure to market interest rates relates primarily to cash at bank.

The Company's policy is not to actively manage interest income but to place surplus cash in interest bearing bank account.

Sensitivity analysis

At 31 December 2009, if interest rates had moved, as illustrated in the table below, with all other variables held constant, net results and net assets would have been affected as follows:

Possible Movements:	Net Results Higher / (Lower)		Net Assets Higher / (Lower)	
	2009	2008	2009	2008
	\$	\$	\$	\$
+1.0% (100 basis points)	2,231	540	2,231	540
-1.0% (100 basis points)	(2,231)	(540)	(2,231)	(540)

(ii) Price risk

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

(iii) Currency risk

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

(iv) Credit risk exposures

The credit risk on financial assets of the Company, which have been recognised on the statement of financial position, is generally the carrying amount, net of any allowance for doubtful debts.

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.

(v) Liquidity risk

The Company maintains sufficient cash assets and low amounts of liability. The Company's expose to liquidity risk is generally minimal.

(c) Net fair value of Financial Assets and Liabilities

The carrying amounts of bank accounts, accounts receivables and accounts payables are all approximate net fair value.

No financial assets and financial liabilities are readily traded on organised markets in standardised form.

The aggregate net fair values and carrying amount of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.

14. CONTINGENT LIABILITIES AND COMMITMENTS

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

**GENERAL SURGEONS AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

15. SUBSEQUENT EVENTS

On 26 February 2010, the Company received the amount of \$575,777 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.

16. MEMBERS' GUARANTEE

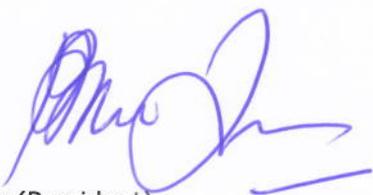
General Surgeons Australia is a Company limited by guarantee. The amount of capital which is capable of being called up in the event of and for the purpose of the winding up of the Company is limited to \$1.00 per member. At 31 December 2009 the number of financial members was 497 (2008: 482).

**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 2009 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.



Chairman (President)
26 March 2010



**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 statement of financial position as at 31 December 2009, and the statement of comprehensive income, statement of changes in equity and statement of cash flow 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 General Surgeons Australia's financial position as at 31 December 2009 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

26 March 2010
Melbourne

D J Garvey
Partner

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of General Surgeons Australia for the year ended 31 December 2009, 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.

This declaration is in respect of General Surgeons Australia during the year.



DJ Garvey
Partner
PKF

26 March 2010
Melbourne

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