

**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 2015**

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 2015**

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**GENERAL SURGEONS AUSTRALIA  
DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**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:

**Donovan, Mr Michael Peter  
President**

MBBS, FRACS. General Surgeon with sub-specialist interests in Endocrine, Laparoscopic, Upper-Gastrointestinal, and Bariatric Surgery. Member of Executive, Sunshine Coast Local Medical Association from 2005-2011. SMO, General Surgery at Nambour Hospital since 2002. VMO at Nambour Selangor Private Hospital since 2006. VMO Noosa Private Hospital since 2002. RACS Basic Surgical Training Supervisor (Queensland) from 2006-2007. Surgical Supervisor SET Program in General Surgery, Nambour General Hospital, from 2007-2014. Member of RACS Queensland Regional Subcommittee of the Board in General Surgery 2007-2014. Member of RACS Court of Examiners in General Surgery since 2012. Coopted GSA ASC Brisbane 2010 Representative from 2007-2010. GSA Secretary/Treasurer June 2010-June 2012. GSA Vice President June 2012-May 2014. President since May 2014. Elected May 2010.

**Collinson, Mr Trevor Graham  
Vice-President**

B Arch (Hons), BM BS, MS, FRACS. General Surgeon with sub-specialist interests in Advanced Laparoscopic Surgery, Breast and Endocrine Surgery, Endoscopy & Colonoscopy. Research interests include Sentinel node biopsy, laparoscopic procedures, and abdominal wall reconstruction. Visiting General Surgeon St Andrews Hospital, Stirling, Mt. Barker, Murray Bridge since 1997. General Surgery Convener ASC Adelaide 2011; co-opted member of GSA Board of Management 2010-2011. Member Binational Colorectal Cancer Audit Steering Committee 2015-; Vice President since May 2014. Elected May 2012.

**Sayed-Hassen, Mr Akhtar  
Hussein  
Treasurer**

MBChB, BA, FRCS, FRACS. General Surgeon with sub-specialist interest in Upper Gastrointestinal and HPB Surgery. Member of RACS Section of Upper GI/HPB Surgery. Member of RACS Victorian State Committee 2006-2010. Member and former Chair of RACS Victorian Board in General Surgery. Coopted GSA ASC Hong Kong Convener 2006-2008. Scientific Convener, 2014 Singapore ASC. Director of General Surgery, Eastern Health since 2012. Chairman, SEAM Working Party. Treasurer since June 2012. Elected May 2012.

**Campbell, Mr Graeme John  
Retired 5 May 2015**

MBBS, FRACS. General Surgeon with interests in Rural Surgery, Breast Surgery, and Colorectal Surgery. Member of RACS Divisional Group of Rural Surgery (DGRS) Committee 2003-2011. Member of RACS Care of the Critically Ill Surgical Patient Committee since 2007. Secretary of RACS Victorian State Committee from 2006-2008. Ex-Officio member of RACS Victorian State Committee since 2008. Member of RACS Council since 2007. Chair, RACS Fellowship Services Committee 2008-2011. Chair RACS Professional Standards Committee since 2011. GSA Vice President 2006-2010. GSA President June 2010-June 2012. Director, Surgant Pty Ltd. Director, Scottbourne Pty Ltd. Elected July 2006.

**GENERAL SURGEONS AUSTRALIA  
DIRECTORS' REPORT (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**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:

**Clarke, Mr Graeme Wayne  
Appointed 5 May 2015**

MBBS, FRACS, FRCS (Ed). General Surgeon with sub-specialist interest in Colorectal Surgery and Research interest in Hernia Surgery. General Surgeon St John of God Mt Lawley Hospital since 1992 and General Surgeon St John of God Midland Public and Private Hospital since its inception 24 November 2015. General and Colorectal Surgeon, Sir Charles Gairdner Hospital from 1992-2011. General Surgeon at Swan District Hospital 1992 to 2015. Chair, MAC Swan District Hospital 1994 to 2015 Member, RACS Western Australian State Committee from 1993-1999; Chair from 1999-2001. Member of RACS Court of Examiners in General Surgery from 2003-2011. Elected May 2015.

**Cox, Dr Michael Robert  
Retired 5 May 2015**

MBBS, MS, FRACS. General Surgeon with sub-specialist interests in Upper-Gastrointestinal, Hepatobiliary, and Obesity Surgery. Current Appointments: Professor of Surgery, Nepean Clinical School, University of Sydney; Clinical Director of Surgery Nepean Blue Mountains Local Health District. 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 2004-2011. Member of RACS Board of Specialist Surgical Training from 2005-2007. Member of RACS Board in General Surgery from 2005-2010; Chair from 2005-2007. GSA Board in General Surgery Representative (Ex-officio) 2006-2007. Coopted GSA New South Wales State Representative from July 2007-May 2010. GSA Vice President June 2010-June 2012. GSA President June 2012-May 2014. Elected January 2006.

**Premaratne, Mr Wijaya Gamini**

MBBS, FRCS (Eng), FRACS. Masters of Surgery, University of Colombo (Sri Lanka). General Surgeon with sub-specialist interests in Thyroid and Parotid Surgery, Advanced Laparoscopy, and Colonoscopy / Endoscopy. Research interests in Acute Diverticulitis and primary healing of abdominal incisions. Head of the Academic Department of Surgery Caboolture clinical school since 2009, Director of surgery since 1993. External Examiner for MD Part 1 & 2 Examination, Postgraduate Institute of Medicine, University of Colombo, Sri Lanka since 1994. Member of RACS Queensland Regional Subcommittee of the Board in General Surgery from 2005-2013. Elected May 2012.

**GENERAL SURGEONS AUSTRALIA  
DIRECTORS' REPORT (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**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:

**Saunders, Mr Alan Charles**

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; Nauru AUSAID Surgeon 2005-2014. Member of RACS Section of Transplantation Surgery. Member of Australian & New Zealand Society of Vascular Surgery. Member of RACS IMG Interview Committee 2008-2010. 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 2010-2011. GSA Board in General Surgery Representative (Ex-officio) 2010-2011. GSA Transplantation Representative May 2011-June 2012. Member of GSA Transplantation Training Committee since 2014. RACS Specialty Elected Councillor for General Surgery since February 2012. Elected May 2009.

**Turner, Prof Richard Clive**

MBBS, B Med Sc, PhD, FRACS. General surgeon with sub-specialist interests in Rural, Trauma, Upper GI/HPB, Obesity, Colorectal and Minimally Invasive Surgery. Multi-disciplinary interests include Academic Surgery, Professional Development and Research. Interest in epidemiology, as it relates to surgical diseases and procedures. Professor of Surgery and Director of Hobart Clinical School, University of Tasmania School of Medicine since 2009. Previous Associate Professor in Surgery at James Cook University, Cairns. Member of RACS Queensland Regional Subcommittee of the Board in General Surgery from 2005-2008. Member of RACS Rural Trauma Committee since 2006. Chair, Northern Australia Surgeons Network Steering Committee from 2007-2010. Deputy Chair of RACS Physiology Bank Subcommittee since 2008. Member of RACS Examinations Committee since 2008. Member of RACS Court of Examiners in General Surgery since 2008. Member of RACS Board in General Surgery since 2007. Elected May 2010.

**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, and to administer the Surgical Education and Training (SET) Program in General Surgery in Australia. This included advising outside organisations and government bodies on all matters relating to General Surgery and General Surgery training, 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.

**3. RESULTS OF OPERATIONS**

The net operating result for the year ended 31 December 2015 was a surplus of \$335,263 (2014: surplus \$446,328).

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.

**GENERAL SURGEONS AUSTRALIA  
DIRECTORS' REPORT (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**4. SHORT TERM AND LONG TERM OBJECTIVES OF THE COMPANY**

In November 2014, the Directors reviewed the objectives of the Company and developed a Strategic Plan for the period 2015-2018, grouped into six Key Result Areas. Each Key Results Area outlines short and longer term priorities as follows:

**1. Member Services**

To provide GSA members with valuable benefits and services that support their professional lives.

*Short Term Priorities*

- Develop a range of options to improve communication with members
- Introduce monthly online case discussions with the facility for comparison to peers/peer feedback, via the GSA website (*Refer: Continuing Medical Education*)
- Establish discussion forums for special interest groups including rural and emergency surgery
- Review Find a Surgeon functionality and develop individual web profiles for members
- Introduce an open call for member submissions for GSA newsletter

*Longer Term Priorities*

- Develop a career transition induction and support program ("The Journey") for graduating General Surgery Trainees and Younger Fellows, including career information
- Establish a brokering service for members including job listings and locum matching
- Create a post-Fellowship database of specialty and sub-specialty opportunities, and foster placement in co-operation with sub-specialty groups
- Continue advocacy for appropriate remuneration for General Surgeons
- Develop regular position papers on professional practice issues
- Develop a process to recognise significant contributions to General Surgery and to GSA, including Honorary membership with voting rights

**2. Education and Training**

To provide and foster education and training to the level of Fellowship in General Surgery and beyond.

*Short Term Priorities*

- Develop a support service for General Surgery Supervisors and trainers (Faculty of General Surgery Trainers), including professional development and mentoring opportunities
- Advocate for General Surgery Supervisors to be given adequate time, remuneration, and resources for supervision
- Improve support services for General Surgery IMGs, including Fellowship Examination preparation and career development
- Develop educational, skills, and career resources for junior doctors, to foster interest in General Surgery as a prestigious and rewarding surgical career

*Longer Term Priorities*

- Offer eLearning component of SEAM I to General Surgery IMGs, Supervisors, and junior doctors who are members of GSA
- Implement SEAM II in alignment with the Curriculum, and provide access to General Surgery Trainees, IMGs, and Fellows
- Engage sub-specialty societies and groups in the content development of SEAM II (*Refer: Professional and Community Liaison*)
- Acquire current information regarding General Surgery workforce data

**GENERAL SURGEONS AUSTRALIA  
DIRECTORS' REPORT (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**4. SHORT TERM AND LONG TERM OBJECTIVES OF THE COMPANY (CONT'D)**

**3. Continuing Medical Education**

To provide a Continuing Medical Education (CME) program consistent with the highest standards of General Surgical practice.

*Short Term Priorities*

- Deliver an annual Consensus Conference on a General Surgery "hot topic" (e.g. severe pancreatitis), including publication of position papers, guidelines, or recommendations
- Introduce monthly online case discussions with the facility for comparison to peers/peer feedback, via the GSA website (*Refer: Member Services*)
- Maintain an independent, single stream GSA ASM program with a broad General Surgery focus, as well as developing a parallel stream with sub-specialty focus where appropriate

*Longer Term Priorities*

- Establish a GSA Subcommittee to oversee the development and publication of consensus statements, position papers, and guidelines
- Develop and publish regular position/best-practice papers relevant to General Surgeons involved in acute and emergency care (e.g. Current Recommendations for the Management of Severe Pancreatitis), based on seminal papers presented at the GSA ASM
- Develop additional education resources for members, such as "How I Do It" video series
- Incorporate the role of bedside ultrasound in contemporary General Surgical practice
- Establish a Centre for Evidence Based Surgery, based on consensus statements

**4. Surgical Research and Outreach**

To promote high quality research in the specialty of General Surgery.

*Short Term Priorities*

- Provide a range of research grants and scholarships for Trainees and junior doctor members of GSA, including grants for consumables and statistics support
- Develop a program for hosting of international travel grant recipients in local hospitals, prior to the GSA ASM

*Longer Term Priorities*

- Provide increased opportunities for Trainee research presentations and provide formal feedback to improve educational outcomes
- Develop a database of research projects available for Trainees and members, and facilitate placement of interested individuals
- Develop an audit or database tool on an aspect of acute or emergency surgery, e.g. severe pancreatitis

**5. Professional and Community Liaison**

To establish GSA as the peak body for specialist General Surgery in Australia.

*Short Term Priorities*

- Collaborate with sub-specialty societies and groups and the RACS on the development of credentialing guidelines for complex procedures, specialist practice, and acceptable practice for General Surgeons
- Engage sub-specialty societies and groups in the content development of SEAM II (*Refer: Education & Training*)
- Establish an annual meeting of sub-specialty society representatives at the RACS ASC, to discuss and address issues of concern
- Explore options for dual membership of GSA and sub-specialty societies and groups (*Refer: Administration and Resource Management*)

**GENERAL SURGEONS AUSTRALIA  
DIRECTORS' REPORT (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**4. SHORT TERM AND LONG TERM OBJECTIVES OF THE COMPANY (CONT'D)**

**Professional and Community Liaison (cont'd)**

*Longer Term Priorities*

- Develop a series of position papers on acceptable surgical practice, e.g. questions to ask your surgeon, surgery at the end of life/futile surgery, handover of General Surgery patients
- Develop patient information brochures on core General Surgery procedures, e.g. hernia, acute appendicitis
- Develop a database of media contacts and prepare media releases/commentary on issues related to General Surgery.
- Develop governance models for representation on international bodies relevant to General Surgery

**6. Administration and Resource Management**

To maintain an efficient and sustainable organisation to manage the resources of GSA.

*Short Term Priorities*

- Expand social media presence
- Review technologies for delivery of GSA services, including websites and mobile-friendly applications
- Review membership categories including Honorary membership with voting rights, and the introduction of junior doctor membership
- Explore options for dual membership of GSA and sub-specialty societies and groups (*Refer: Professional and Community Liaison*)
- Optimise membership retention strategies, e.g. direct deposit for annual subscriptions

*Longer Term Priorities*

- Develop and allocate portfolios to elected Directors
- Expand Event Management services for core General Surgery meetings
- Review access data for GSA services by members, Trainees, and IMGs members by programming Google Analytics and tailoring user experience
- Optimise the tax status of GSA

**5. PERFORMANCE MEASUREMENT**

The Board of Directors meets regularly to review the performance of the Company, including monitoring performance against Key Performance Indicators (KPIs) outlined in the 2015-2018 Strategic Plan.

In 2015, the Directors continued working towards meeting the primary strategic objectives of the Company, particularly through the promotion, development, and support of education and training programs for Trainees and members.

A highlight of the Company's achievements in 2015 was the successful delivery of the Provincial Surgeons of Australia 2015 Annual Scientific Conference, the first external meeting to be managed by the GSA Events Department.

A further achievement was the successful implementation of the *Future Ways of Working* IT program, designed to provide all GSA staff with a modern technology toolkit that embraces a "Cloud First" approach.

Some of the key indicators of success measured in 2015 include:

**GENERAL SURGEONS AUSTRALIA  
DIRECTORS' REPORT (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2015**

INDICATOR	TARGET	2015 RESULTS
Membership	<ul style="list-style-type: none"> <li>• Membership increase &gt;5% p.a.</li> <li>• New membership amongst Fellows &gt;10 years post FRACS &gt;25%</li> </ul>	<ul style="list-style-type: none"> <li>• 58 new members; 4% overall increase</li> <li>• 60 new General Surgery Fellows in 2015; 30 of these joined GSA</li> <li>• 10 new members were Fellows &gt;10 years post FRACS (17%)</li> </ul>
Website Services	<ul style="list-style-type: none"> <li>• 80% of active members listed on Find a Surgeon</li> </ul>	<ul style="list-style-type: none"> <li>• 49.5% of active members listed on Find a Surgeon (344)</li> </ul>
Selected Trainees	<ul style="list-style-type: none"> <li>• Retention &gt;90%</li> </ul>	<ul style="list-style-type: none"> <li>• 96% retention in 2015 (3% Withdrawn; 1% Dismissed)</li> </ul>
Supervisors	<ul style="list-style-type: none"> <li>• 100% of General Surgery Supervisors as members of GSA</li> </ul>	<ul style="list-style-type: none"> <li>• 59% of General Surgery Supervisors (74) were active members of GSA</li> </ul>
Fellowship Examination pass rate	<ul style="list-style-type: none"> <li>• 80% by second attempt</li> </ul>	<ul style="list-style-type: none"> <li>• Overall pass rate: 70% Of those that passed, 94% (84) passed within two attempts</li> <li>• Trainee pass rate: 76% IMG pass rate: 40%</li> </ul>
CPD compliance	<ul style="list-style-type: none"> <li>• 100% compliance with existing RACS CPD</li> </ul>	<ul style="list-style-type: none"> <li>• 100% of GSA members compliant for 2014 CPD Program</li> </ul>
GSA ASM	<ul style="list-style-type: none"> <li>• 50% growth of practicing surgeons at GSA ASM in 3 years</li> </ul>	<ul style="list-style-type: none"> <li>• 2015: 50% of delegates were surgeons</li> <li>• 2014 ASM: 52% of delegates were surgeons</li> <li>• 2013 ASM: 66% of delegates were surgeons</li> <li>• 2012 ASM: 61% of delegates were surgeons</li> </ul>
Scholarships	<ul style="list-style-type: none"> <li>• All scholarships awarded annually</li> </ul>	<ul style="list-style-type: none"> <li>• Four Pacific Island &amp; South East Asian Travel Grants awarded</li> <li>• John Ham, Noel Newton, GSA Research Prize, GSA Poster Prize, and Hernia Prize awarded</li> </ul>
Collaboration	<ul style="list-style-type: none"> <li>• Develop co-badged or co-located scientific meetings and workshops with sub-specialty groups</li> </ul>	<ul style="list-style-type: none"> <li>• Combined one-day Scientific Program held with ANZHPBA at 2015 GSA ASM in Cairns; 77 ANZHPBA members attended</li> </ul>
Budget performance	<ul style="list-style-type: none"> <li>• +/- 5% of budget annually</li> </ul>	<ul style="list-style-type: none"> <li>• Total expenditure 2.0% over budget</li> </ul>
Compliance	<ul style="list-style-type: none"> <li>• Lodgement of Statutory Accounts four months after EOFY</li> </ul>	<ul style="list-style-type: none"> <li>• Australian Charities and Not-for-profits Commission Submission lodged 27 April 2015</li> </ul>

**GENERAL SURGEONS AUSTRALIA  
DIRECTORS' REPORT (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**6. REVIEW OF OPERATIONS**

The 2015 training year saw the financial impact of the SET Transition, with reductions in both Partnering Agreement and Selection revenue for the year, as had been anticipated and planned for by the Board. Combined with a low return on investments, these factors saw the surplus of the organisation decrease significantly from the previous financial year.

The Directors agreed to invest a further \$300,000 of surplus funds from the 2014 financial year, split across the RACS Small Scale Offering and ANZ Bank OneAnswer portfolio. Global market performance was again poor in 2015, with the overall return on investments 32% lower than the previous financial year. Despite this, the Directors remain committed to a long-term investment strategy, with returns used to fund annual grants and research scholarships. As at 31 December, the total amount invested with the RACS Small Scale Offering and ANZ Bank OneAnswer was \$1,927,898.

Total expenditure remained steady for the period, and the Board was pleased to note that the organisation continued to achieve its strategic goals, despite the challenges presented by the changing landscape of Surgical Education & Training and the poor performance of global financial markets.

In early 2015, GSA participated in the Strategic Planning Workshop held by the RACS Board in General Surgery, which reviewed current practice and future goals in the areas of Supervision, Assessment of Performance, Training Requirements, Operative Experience, and Accreditation of Training Posts. The meeting provided an important opportunity for our organisation to help determine the future direction of General Surgery training in Australia.

A major achievement for the organisation in 2015 was the implementation of the Future Ways of Working (FWOW) IT program. The FWOW program was designed to remove GSA's reliance on IT infrastructure provided by the Royal Australasian College of Surgeons (RACS), and has created an integrated, secure, cloud services model accessed by GSA staff across all regions. The program has empowered GSA staff to become more autonomous and less constrained by the RACS IT Standard Operating Environment, as well as providing a more realistic gauge of actual IT spend per user; costs that were previously hidden in College overheads. The introduction of the FWOW program met one of the organisation's strategic priorities for 2015, by investing in contemporary technologies to help maintain an efficient and sustainable organisation.

Another strategic goal achieved in 2015 was the expansion of GSA's Event Management services for core General Surgery meetings, through the successful management and delivery of the Provincial Surgeons of Australia (PSA) 2015 Annual Scientific Conference in Lismore, and the provision of event support for the Advanced Hernia Masterclass and Cadaver Workshop in Sydney. These Event Management services, as well as Post-Fellowship Education & Training opportunities, are assisting the organisation to create sustainable non-membership based revenue streams, which will build capacity for future investment in surgical education and training.

The 2015 GSA Annual Scientific Meeting (ASM), "Complex General Surgery", was held at the Pullman Cairns International hotel in September, and achieved a surplus of almost \$50,000. The meeting was a great success, with strong attendance from over 410 members, trainees, and other medical professionals. The 2015 ASM saw the first delivery of a single day combined scientific program, with GSA and ANZHPBA joining forces to provide a highly engaging, educational, and thought-provoking program.

Over 40 national and international speakers contributed across the four days, including Keynote Speaker Professor Kemal Deen - President Elect of The College of Surgeons of Sri Lanka - and international guests Dr Sivasuriya Sivaganesh from Colombo, ASGBI President Mr John Moorehead from Belfast, and renowned Vascular Surgeon Dr John Swinnen from Médecins Sans Frontières.

The 2015 ASM program again included a number of educational workshops for consultants, presented by a range of our industry partners. The workshop program included 'Acute Rural Trauma Management', 'The Use of Biosynthetic Mesh in Hernia Surgery and Abdominal Wall Reconstruction', 'Maximising Your Earnings While in Private Practice', and 'Practice Managers: Tax Structures - The Good, The Bad, The Ugly'.

The 2015 sponsorship campaign saw the engagement of numerous industry partners, with Applied Medical and Cook Medical providing Major Sponsorship, and W L Gore and Bongiorno's National Network providing Workshop Sponsorship. A further 12 industry partners participated in the meeting at various levels.

**GENERAL SURGEONS AUSTRALIA  
DIRECTORS' REPORT (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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

The GSA Research & Scholarships Committee reviewed and ranked 85 abstracts submitted for consideration by SET Trainees in General Surgery (28), Interns/PGY2 (15), Medical Students (7), Non-accredited Registrars (30), and Fellows/IMGs (5). The top eight abstracts were selected for verbal presentations, and 18 abstracts were selected for poster presentations. Additionally, two abstracts were selected for the combined GSA-ANZHPBA Program, both of which had an HPB theme.

Winners of the 2015 ASM prizes and awards included Dr Matthew Read (SET Trainee - VIC) - John Ham Award; Dr Janindu Goonawardena (PGY2/Intern - VIC) - Noel Newton Award; Dr Rahul Mehrotra (SET Trainee - NSW) - GSA Research Award; Dr Havish Srinath (SET Trainee - QLD) - Hernia Award; and Dr Adam Cristaudo (Non-accredited registrar QLD) - GSA Poster Award. At the ASM Gala Dinner, five exceptional General Surgery Supervisors were awarded the Excellence in Surgical Teaching Award, including Dr Carina Chow (QLD), Dr Dean Fisher (NSW), Mr Graham Hool (WA), Assoc Prof Francis Miller (VIC), and Dr Marina Yeow (SA). Also attending the 2015 ASM were four worthy recipients of the GSA Pacific Island and South East Asian Travel Grants, including Dr Bwabwa Mereki Oten (Republic of Nauru), Dr Maloni Bulanauca (Fiji), Dr Truc Thanh Nguyen (Vietnam), and Dr Doreen Lee (Malaysia).

Activities related to the administration of the SET Program in General Surgery in Australia continued in 2015, with the development and launch of the final four online Surgical Education & Assessment Modules (SEAM) - Nutrition and Peri-Operative Care in Term 1, and Critical Care & Trauma and Post-Operative & Palliative Care in Term 2. Two Standard Setting and Question Writing Workshops were held with fourteen subject matter experts participating in the process, designed to ensure the reliability and validity of SEAM Summative Assessments. Satisfactory completion of modules is recorded via the TMS database, with the first two cohorts expected to complete the SEAM program by mid-Term 2, 2016.

The change to minimum eligibility for applications to General Surgery training necessitated a full upgrade of the online Selection Application, with development and testing conducted in late 2015. Significant investment was also made in the online application tool for Hospital Accreditations introduced in 2015 for Quinquennial Accreditations, with 41 Hospitals inspected in Victoria and Tasmania, as well as seven Hospitals accredited for the PFET Program in Transplantation Surgery.

Four applicants to the PFET Program in Transplantation Surgery were assessed in 2015, with three candidates appointed to the training program for the 2016/2017 training years. The GSA Transplant Training Committee also launched a process for Recognition of Prior Learning, where evidence of at least two years training equivalent to the PFET Program in Transplantation Surgery was completed between 2012 and 2016.

The IMG Clinical Assessment and Management System (ICAMS) database was launched in 2015, to manage the supervision oversight requirements of 37 IMGs in General Surgery, post initial clinical assessment by the RACS.

Over 180 educational webcasts were added to the GSA Educational Resources in 2015, covering sessions from the Regional Educational programs held in New South Wales, Queensland, South Australia, and Western Australia, the two national Trainees' Day programs held in Perth and Cairns, and the 2015 GSA ASM. Analysis of statistics shows that the webcasts added in 2015 were accessed over 3,400 times by GSA Members, Trainees, and IMGs, confirming that the program continues to provide an invaluable online educational resource.

GSA again coordinated the delivery of Fellowship Examination Preparation Courses in New South Wales, South Australia, and Victoria, and the Surgical Sciences Examination Preparation Course in Victoria. In 2015 the SA Registrar's Paper Day was held in Adelaide in July, and the GSA Trainees' Weekend was held in Torquay, Victoria in November. Over 350 Trainees and IMGs were in attendance across the two national 2015 GSA Trainees' Days, which focused on Trauma Surgery (May, Perth) and Vascular & Transplantation Surgery (September, Cairns), and the three MOSES programs held in Melbourne, Perth, and Cairns.

In 2015, GSA processed 311 applications to the SET Program in General Surgery, via the online General Surgery Selection Application. Six applicants did not meet minimum eligibility criteria; 305 candidates proceeded to the Referee Report stage, and 152 candidates proceeded to the Interview stage of the Selection process. Interviews were held in Sydney, Melbourne, Brisbane, Perth, and Adelaide in June and July 2015.

**GENERAL SURGEONS AUSTRALIA  
DIRECTORS' REPORT (CONT'D)  
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**6. REVIEW OF OPERATIONS (CONT'D)**

With the introduction of the second phase of the SET Transition Project, including the requirement for 26 weeks' experience in General Surgery, a total of 89 offers were made; 70 offers were accepted, 13 offers were declined, and 6 applicants requested deferral in 2016. SET Orientation Workshops were held in Sydney, Melbourne, Brisbane, and Perth during November 2015.

This year, members of the GSA Board continued their involvement in a number of reviews and projects related to General Surgery, including recommendations for the NPS MedicineWise Choosing Wisely Australia initiative and the Rapid Review process for the Medicare Benefits Schedule Reform.

While overall expenditure was steady, employment costs for this financial period decreased. The total number of full-time and part-time staff employed by GSA during the 2015 financial year was twelve. Expenses related to Selection, Research & Travel Grants, PFET, and the implementation of the FWO program all increased. The GSA ASM recorded a surplus, and revenue from membership subscriptions, SEAM Administration, IMG Services, PFET, and GSA meetings all increased in this financial period, contributing towards the surplus for the year.

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

No significant changes occurred in the state of affairs of the Company during the year, other than those included under "Review of Operations".

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

In 2016, GSA will continue delivering activities under the Partnering Agreement with the RACS, including further Standard Setting Workshops for the SEAM Program, and the development of non-mandatory organ specific modules for SEAM II, aimed at mid-SET Trainees and those preparing for the RACS Fellowship Examination.

As part of the 2015-2018 Strategic Plan, work will commence on the development of a program of educational, skills, and career resources for Junior Doctors interested in General Surgery. Services provided to IMGs in General Surgery will also expand, particularly in the area of Fellowship Examination preparation.

GSA will continue to expand its Event Management services, including the inaugural Peter MacCallum Cancer Institute Advanced Melanoma Meeting in August, a Clinical Ultrasound Workshop for Endocrine Surgeons in May, the PSA 2016 Annual Scientific Conference in Albany in August, and the Hernia Forum in Sydney in October.

The 2016 ASM will be held at the Crown Conference Centre in Melbourne from 29 September to 1 October. The theme for the meeting will be "Tales of the Unexpected", with keynote international speakers Mr Brendan Moran of Basingstoke and Mr Nick Maynard of Oxford invited to participate. The two national GSA Trainees' Days in 2016 will be held in Brisbane (May, Breast & Endocrine Surgery) and Melbourne (September, Surgical Oncology). GSA will again deliver three commercial MOSES programs in Brisbane, Sydney, and Melbourne. Regional education activities and the webcasting program will also continue.

Recommendations from the RACS Board in General Surgery Strategic Plan Working Parties will commence implementation, including the possible development of revised online In-Training Assessment tools. The triennial review of the General Surgery Curriculum will occur in October, and will include a corresponding of the General Surgery logbook.

The Board will continue to monitor the financial impact from the final phase of the SET Transition; reductions in SET Program and Selection revenue are expected to resolve by the end of the 2016 training year. Continued improvements to the functionality of the TMS and ICAMS databases will occur in 2016, with a transition to a new database developer.

Projected revenue in 2016 from the RACS Partnering Agreement is approximately \$1,337,000, with the bulk of revenue to be invoiced in February 2016, a second instalment in April 2016, and the final instalment due in July 2016. SEAM Administration fees will provide revenue of approximately \$56,000, which will continue to offset ongoing development and Standard Setting costs. Projected revenue from membership subscriptions, regional and national courses, MOSES, IMG administration, PFET, Event Management services, and Selection fees is approximately \$540,000.

**GENERAL SURGEONS AUSTRALIA  
DIRECTORS' REPORT (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**9. DIVIDENDS**

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

**10. 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 19 February 2016, the Company received the amount of \$1,209,065 from the Royal Australasian College of Surgeons representing the first instalment of the Partnering Agreement funding for the administration of the General Surgery Training program.

**11. ENVIRONMENTAL REGULATIONS**

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

**12. 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.

**13. MEETINGS OF DIRECTORS**

<b>Name of Director</b>	<b>Number of meetings entitled to attend</b>	<b>Number of meetings attended</b>
Donovan, M (Vice President to 6 May 2014; President from 7 May 2014)	6	6
Collinson, T (Vice President from 7 May 2014)	6	4
Sayed-Hassen, A (Treasurer)	6	4
Campbell, G	1	1
Clarke, G	5	3
Cox, M (President to 6 May 2014)	1	1
Premaratne, W G	6	5
Saunders, A	6	6
Turner, R	6	2

**14. 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.

**15. AUDITOR'S INDEPENDENCE DECLARATION**

The Auditor's Independence Declaration is set out on page 30 and forms part of the Director's Report for the year ended 31 December 2015.

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



Chairman (President)  
29 March 2016

**GENERAL SURGEONS AUSTRALIA  
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Notes	2015 \$	2014 \$
<b>Revenue</b>			
Members' subscriptions		151,438	146,738
Advertising income		3,524	3,425
Administration income		-	455
GSA Trainees Day - May 2015		14,094	-
GSA Trainees Day - May 2014		-	13,880
Partnering Agreement income		1,253,161	1,373,976
SEAM Administration income		137,600	-
IMG Services income		47,000	39,125
Hospital Inspection income		131,400	146,100
Selection income		200,330	270,254
Regional Training Courses income		159,091	175,702
MOSES income		21,670	45,700
Post Fellowship Education & Training income		4,140	840
2016 GSA ASM income		18,014	-
2015 GSA ASM income		290,216	11,727
2014 GSA ASM income		-	270,772
Event Management income		14,050	14,500
PSA 2016 ASM		4,800	-
Merchandise		112	200
Cost of Sales - GSA Ties		-	(102)
		-----	-----
		2,450,640	2,513,292
Other revenue - interest	2	31,081	45,098
Income on investments	2	69,727	103,288
		-----	-----
		2,551,448	2,661,678
Expenses from Commercial activities:			
RACS ASC 2016		(8,000)	-
RACS ASC 2015		(6,563)	(7,000)
RACS ASC 2014		-	(4,073)
2017 GSA ASM		(2,442)	-
2016 GSA ASM		(29,226)	(3,062)
2015 GSA ASM		(235,130)	(14,126)
2014 GSA ASM		-	(270,026)
Event Management services		(2,624)	(4,230)
GSA Trainees Days - 2014		-	(63,154)
GSA Trainees Days - 2015		(63,841)	-
MOSES		(43,743)	(59,426)
Selection		(122,625)	(117,643)
Regional Training Courses		(112,071)	(112,843)
Research & Travel Grants		(16,431)	(7,195)
PSA Education Grants		(3,273)	(6,600)
GSA Awards		(6,130)	(7,301)
Employee benefits expense	3	(835,927)	(856,365)
Administrative expense		(685,897)	(637,864)
Finance costs		(13,634)	(14,562)
External professional services expense		(18,720)	(20,533)
Depreciation expense	3	(9,906)	(9,346)
		-----	-----
Surplus for the year		335,263	446,328
		=====	=====
Other comprehensive income		-	-
		-----	-----
Total comprehensive income for the year		335,263	446,328
		=====	=====

The accompanying notes form part of these financial statements.

**GENERAL SURGEONS AUSTRALIA  
STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2015**

	Notes	2015 \$	2014 \$
CURRENT ASSETS			
Cash and cash equivalents	4	617,887	606,143
Trade and other receivables	5	33,460	18,808
Financial assets at fair value through profit and loss	8	1,927,898	1,558,171
Inventories	6	4,873	4,873
TOTAL CURRENT ASSETS		----- 2,584,118	----- 2,187,995
NON CURRENT ASSETS			
Plant and equipment	7	6,083	9,060
TOTAL NON CURRENT ASSETS		----- 6,083	----- 9,060
TOTAL ASSETS		----- 2,590,201	----- 2,197,055
CURRENT LIABILITIES			
Trade and other payables	9	37,822	19,977
Provision for employee entitlements	10	153,467	78,832
TOTAL CURRENT LIABILITIES		----- 191,289	----- 98,809
NON CURRENT LIABILITIES			
Provision for employee entitlements	10	33,749	68,346
TOTAL NON CURRENT LIABILITIES		----- 33,749	----- 68,346
TOTAL LIABILITIES		----- 225,038	----- 167,155
NET ASSETS		----- 2,365,163	----- 2,029,900
MEMBERS' FUNDS			
Accumulated surplus		----- 2,365,163	----- 2,029,900
TOTAL MEMBERS' FUNDS		----- 2,365,163	----- 2,029,900

The accompanying notes form part of these financial statements.

**GENERAL SURGEONS AUSTRALIA  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2015**

	<b>Accumulated Surplus</b>	<b>Total Members' Funds</b>
	<b>2015 \$</b>	<b>2015 \$</b>
Balance at 1 January 2015	2,029,900	2,029,900
Surplus for the year	335,263	335,263
Other comprehensive income	-	-
	-----	-----
Total comprehensive income for the year	335,263	335,263
	-----	-----
Balance at 31 December 2015	2,365,163	2,365,163
	=====	=====

	<b>Accumulated Surplus</b>	<b>Total Members' Funds</b>
	<b>2014 \$</b>	<b>2014 \$</b>
Balance at 1 January 2014	1,583,572	1,583,572
Surplus for the year	446,328	446,328
Other comprehensive income	-	-
	-----	-----
Total comprehensive income for the year	446,328	446,328
	-----	-----
Balance at 31 December 2014	2,029,900	2,029,900
	=====	=====

The accompanying notes form part of these financial statements.

**GENERAL SURGEONS AUSTRALIA  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

	<b>Notes</b>	<b>2015</b>	<b>2014</b>
		<b>\$</b>	<b>\$</b>
Cash flows from operating activities			
- Receipts from members and customers		2,135,987	2,211,387
- Payments to suppliers and employees		(1,834,761)	(1,913,647)
- Interest received		31,081	45,098
- Interest expense		(13,634)	(14,562)
		-----	-----
Net cash provided by operating activities	13(b)	318,673	328,276
		-----	-----
Cash flows from investing activities			
- Payment for plant and equipment		(6,929)	(4,375)
- Payment for investments		(300,000)	(300,000)
		-----	-----
Net cash used in investing activities		(306,929)	(304,375)
		-----	-----
Net increase in cash held		11,744	23,901
Cash and cash equivalents at the beginning of the year		606,143	582,242
		-----	-----
Cash and cash equivalents at the end of the year	13(a)	617,887	606,143
		=====	=====

The accompanying notes form part of these financial statements.

**GENERAL SURGEONS AUSTRALIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**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 Australian Charities and Not-for-profits Commission Act 2012.

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.

Accounting Standards include Australian equivalents to International Financial Reporting Standards. A statement of compliance with International Financial Reporting Standards cannot be made as the Company 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 profit or loss during the financial period in which they are incurred.

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.

**GENERAL SURGEONS AUSTRALIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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

**(c) Plant and equipment (continued)**

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

**Depreciation of plant and equipment**

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.

Partnering agreement income

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

**(h) Conferences/Seminars**

Net income/expense has been recognised in the current financial year.

**(i) Cash and Cash Equivalents**

Cash and short-term deposits in the statement of financial position 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 Flows, 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 2015**

**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) Investments and Other Financial Assets**

Investments and other financial assets, are measured at either amortised cost or fair value depending on their classification. Classification is determined based on the purpose of the acquisition and subsequent reclassification to other categories is restricted. The fair values of quoted investments are based on current bid prices. For unlisted investments, the company establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the company has transferred substantially all the risks and rewards of ownership.

*Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss are either:

- (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit; or
- (ii) designated as such upon initial recognition, where they are managed on a fair value basis or to eliminate or significantly reduce an accounting mismatch. Except for effective hedging instruments, derivatives are also categorised as fair value through profit or loss. Fair value movements are recognised in profit or loss.

*Impairment of financial assets*

The company assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired. Objective evidence includes significant financial difficulty of the issuer or obligor; a breach of contract such as default or delinquency in payments; the lender granting to a borrower concessions due to economic or legal reasons that the lender would not otherwise do; it becomes probable that

**GENERAL SURGEONS AUSTRALIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**(l) Investments and Other Financial Assets (continued)**

the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for the financial asset; or observable data indicating that there is a measurable decrease in estimated future cash flows.

The amount of the impairment allowance for financial assets carried at cost is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the current market rate of return for similar financial assets.

**(m) Fair value measurement hierarchy**

The company is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and,
- Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

**(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 2015 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.

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
<b>2. OTHER REVENUE</b>		
Interest	31,081	45,098
Income on investments	69,727	103,288
	-----	-----
	<b>100,808</b>	<b>148,386</b>
	=====	=====
<b>3. SURPLUS FROM OPERATIONS</b>		
Surplus from operating activities includes the following specific expenses and losses:		
Expenses:		
Rental expense	94,541	95,218
Depreciation - plant and equipment	9,906	9,346
Employee benefits expense	770,814	788,073
Defined contribution plan expenses	65,113	68,292
	-----	-----
	<b>940,374</b>	<b>960,929</b>
	=====	=====

**GENERAL SURGEONS AUSTRALIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
<b>4. CASH AND CASH EQUIVALENTS</b>		
Cash at bank	617,330	605,320
Cash on hand	557	823
	-----	-----
	617,887	606,143
	=====	=====
<b>5. TRADE AND OTHER RECEIVABLES</b>		
Trade receivables	8,731	5,225
Other receivables	24,729	13,583
	-----	-----
	33,460	18,808
	=====	=====

Trade receivables consist of invoices to Members prior to 31 December 2015 for Membership Subscriptions relating to the 2015 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 & Scarves – at cost	4,873	4,873
	-----	-----
	4,873	4,873
	=====	=====
<b>7. PLANT AND EQUIPMENT</b>		
Plant and equipment - at cost	78,154	71,224
Accumulated depreciation	(72,071)	(62,165)
	-----	-----
	6,083	9,060
	-----	-----
Total plant and equipment	6,083	9,060
	=====	=====

**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	9,060	14,031
Additions	6,929	4,375
Depreciation	(9,906)	(9,346)
	-----	-----
Carrying amount at 31 December	6,083	9,060
	=====	=====

**8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS**

RACS Small Scale Offering	1,157,322	953,484
ANZ Pool Investment	770,576	604,687
	-----	-----
	1,927,898	1,558,171
	=====	=====

**Reconciliation**

Opening fair value	1,558,171	1,154,883
Additions	300,000	300,000
Revaluation increments	69,727	103,288
	-----	-----
Closing fair value	1,927,898	1,558,171
	=====	=====

Refer to note 15 for further information on fair value measurement.

**GENERAL SURGEONS AUSTRALIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
<b>9. TRADE AND OTHER PAYABLES</b>		
Trade payables	14,309	13,079
Other	23,513	6,898
	-----	-----
	<b>37,822</b>	<b>19,977</b>
	=====	=====
<b>10. PROVISION FOR EMPLOYEE ENTITLEMENTS</b>		
<b>CURRENT</b>		
Provision for annual leave	69,236	47,544
Provision for long service leave	84,231	31,288
	-----	-----
	<b>153,467</b>	<b>78,832</b>
	-----	-----
<b>NON CURRENT</b>		
Provision for long service leave	33,749	68,346
	-----	-----
	<b>33,749</b>	<b>68,346</b>
	-----	-----
<b>TOTAL</b>	<b>187,216</b>	<b>147,178</b>
	=====	=====
<b>11. AUDITORS' REMUNERATION</b>		
Amounts received or due and receivable by the auditors for:		
Auditing services	10,500	10,000
	-----	-----
	<b>10,500</b>	<b>10,000</b>
	=====	=====

**12. 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 2015 were:

- Campbell, Mr Graeme John
- Clarke, Mr Graeme Wayne
- Collinson, Mr Trevor Graham
- Cox, Dr Michael Robert
- Donovan, Mr Michael Peter
- Premaratne, Mr Wijaya Gamini
- Saunder, Mr Alan Charles
- Sayed-Hassen, Mr Akhtar Hussein
- Turner, Prof Richard Clive

**(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 senior persons having authority and responsibility for planning, directing and controlling the core activities of General Surgeons Australia. The aggregate compensation of the key management personnel of the Company is set out below:

Short term employment benefits	326,901	316,160
Post employment benefit	29,242	29,675
	-----	-----
	<b>356,143</b>	<b>345,834</b>
	=====	=====

**GENERAL SURGEONS AUSTRALIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

	2015	2014
	\$	\$
<b>13. STATEMENT OF CASH FLOWS</b>		
<b>(a) Reconciliation of cash and cash equivalents</b>		
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 statement of financial position as follows:		
Cash at bank	617,330	605,320
Cash on hand	557	823
	-----	-----
	617,887	606,143
	=====	=====
<b>(b) Reconciliation of net cash provided by operating activities to operating surplus</b>		
Operating surplus	335,263	446,328
Depreciation	9,906	9,346
Unrealised (gain) on investment - other	(69,727)	(103,288)
Changes in assets and liabilities:		
(Increase) in trade and other receivables	(14,652)	(1,902)
Increase / (Decrease) in trade and other payables	17,845	(29,195)
Increase in provision for employee entitlements	40,037	6,885
	-----	-----
Net cash provided by operating activities	318,673	328,276
	=====	=====

**GENERAL SURGEONS AUSTRALIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**14. 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 2015 and 31 December 2014:

**2015**

	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over Remaining 5 contractual years maturities \$
<b>Financial assets:</b>					
<i>Non-interest bearing</i>					
Cash and cash equivalents	-	557	-	-	557
Trade and other receivables	-	33,460	-	-	33,460
Financial assets at fair value Through profit and loss	-	1,927,898	-	-	1,927,898
		1,927,898	-	-	1,927,898
<i>Interest bearing - floating rate</i>					
Cash and cash equivalents	5.03	617,330	-	-	617,330
		617,330	-	-	617,330
Total assets		2,579,245	-	-	2,579,245
<b>Financial liabilities:</b>					
<i>Non-interest bearing</i>					
Trade and other payables		37,822	-	-	37,822
		37,822	-	-	37,822
Net financial assets		2,541,423	-	-	2,541,423

**2014**

	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over Remaining 5 contractual years maturities \$
<b>Financial assets:</b>					
<i>Non-interest bearing</i>					
Cash and cash equivalents	-	823	-	-	823
Trade and other receivables	-	18,808	-	-	18,808
Financial assets at fair value Through profit and loss	-	1,558,171	-	-	1,558,171
		1,577,802	-	-	1,577,802
<i>Interest bearing - floating rate</i>					
Cash and cash equivalents	7.44	605,320	-	-	605,320
		605,320	-	-	605,320
Total assets		2,183,122	-	-	2,183,122

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**14. FINANCIAL INSTRUMENTS (CONTINUED)**

2014

	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over Remaining 5 contractual years maturities \$	Remaining maturities \$
<b>Financial liabilities:</b>						
<i>Non-interest bearing</i>						
Trade and other payables		19,977	-	-	-	19,977
		-----	-----	-----	-----	-----
		19,977	-	-	-	19,977
		=====	=====	=====	=====	=====
Net financial assets		2,163,145	-	-	-	2,163,145
		=====	=====	=====	=====	=====

**(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 2015, 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)	
	2015 \$	2014 \$	2015 \$	2014 \$
+1.0% (100 basis points)	6,173	6,053	6,173	6,053
-1.0% (100 basis points)	(6,173)	(6,053)	(6,173)	(6,053)

(ii) Price risk

The Company exposure to price risk relates to financial instruments held in pool investment funds. At year end, the Company's exposure to price risk would not have material impact on the operating results.

(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.

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**14. FINANCIAL INSTRUMENTS (CONTINUED)**

**(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.

**15. FAIR VALUE MEASUREMENT**

**(a) Fair Value Hierarchy**

The following tables detail the company's assets, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: Unobservable inputs for the asset or liability

**(b) Financial Assets at Fair Value through Profit or Loss**

**2015**

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<i>Assets</i>				
Financial assets at fair value through profit or loss	-	1,927,898	-	1,927,898
Total assets	-	1,927,898	-	1,927,898

**2014**

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<i>Assets</i>				
Financial assets at fair value through profit or loss	-	1,558,171	-	1,558,171
Total assets	-	1,558,171	-	1,558,171

There were no transfers between levels during the financial year.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

**16. CONTINGENT LIABILITIES AND COMMITMENTS**

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

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**17. SUBSEQUENT EVENTS**

On 19 February 2016, the Company received the amount of \$1,209,065 from the Royal Australasian College of Surgeons representing the first instalment of the Partnering Agreement funding for the administration of the General Surgery Training program. Other than the above, there were no subsequent events.

**18. 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 2015 the number of financial members was 694 (2014: 669).

**19. OPERATING LEASE**

Total future minimum lease payments under non-cancellable operating lease payable:

	<b>2015</b>	<b>2014</b>
	\$	\$
Not later than one year	111,445	51,643
Later than one year but not later than five years	135,767	101,874
Later than five years	-	-
	-----	-----
	<b>247,212</b>	<b>153,517</b>
	=====	=====

There are office premises under various lease agreements with expiry dates ranging from 16 months to 36 months.

Total future minimum lease payments under non-cancellable lease payable for office equipment:

	<b>2015</b>	<b>2014</b>
	\$	\$
Not later than one year	20,396	-
Later than one year but not later than five years	32,294	-
Later than five years	-	-
	-----	-----
	<b>52,690</b>	<b>-</b>
	=====	=====

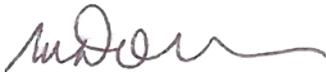
There are monthly instalment payments for the purchase of office equipment with an expiry date of 21 July 2018.

**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 Australian Charities and Not-for-profits Commission Act 2012, including:
  - (i) giving a true and fair view of the financial position of the Company as at 31 December 2015 and of its performance, for the financial year ended on that date; and
  - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Australian Charities and Not-for-profits Commission Regulations 2013; 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)  
29 March 2016

**DECLARATION OF INDEPENDENCE BY ALEX SWANSSON TO THE DIRECTORS OF GENERAL SURGEONS AUSTRALIA**

As lead auditor of General Surgeon Australia for the year ended 31 December 2015, I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in blue ink, appearing to read 'AS', with a long horizontal flourish extending to the right.

Alex Swansson  
Partner

Melbourne, 29 March 2016

## INDEPENDENT AUDITOR'S REPORT

To the members of General Surgeons Australia

### Report on the Financial Report

We have audited the accompanying financial report of General Surgeons Australia ("The company"), which comprises the statement of financial position as at 31 December 2015, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Directors declaration.

#### Directors' Responsibility for the Financial Report

The Directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act)* and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

#### 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. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about 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 Directors' preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. 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.

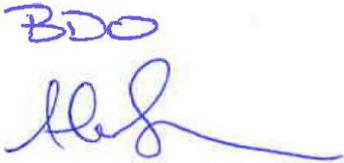
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Opinion

In our opinion the financial report of General Surgeons Australia has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the Company's financial position as at 31 December 2015 and of its financial performance and cash flows for the year ended on that date; and
- (b) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

## BDO East Coast Partnership

A handwritten signature in blue ink, appearing to read 'Alex Swansson', with a long horizontal flourish extending to the right. Above the signature, the letters 'BDO' are written in a similar blue ink.

**Alex Swansson**  
Partner

Melbourne, 29 March 2016