

**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 2017**

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 2017**

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**GENERAL SURGEONS AUSTRALIA  
DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**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 to 9 May 2017**

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 Sunshine Coast Health Care District 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. Co-opted GSA ASC Brisbane 2010 Representative from 2007-2010. GSA Secretary/Treasurer June 2010-June 2012. GSA Vice President June 2012-May 2014. GSA President 2014-2017. Elected May 2010.

**Collinson, Mr Trevor Graham  
Vice-President to 9 May 2017  
President from 10 May 2017**

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 since 2015. Member RACS Property Committee since 2017. GSA Vice President 2014-2017. GSA President since May 2017. Elected May 2012.

**Turner, Prof Richard Clive  
Vice President from 10 May  
2017**

MBBS, B Med Sc, PhD, FRACS. General surgeon with sub-specialist interests in Rural, Trauma, Upper GI/HPB, Colorectal and Minimally Invasive Surgery, and High Resolution Anoscopy. Multi-disciplinary interests include Academic Surgery, Surgical Audit, 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 2008-2016. Member of RACS Examinations Committee 2008-2016. Member of RACS Court of Examiners in General Surgery 2008-2016. Member of RACS Board in General Surgery 2007-2016. Member of Tasmanian Audit of Surgical Mortality (TASM) Committee since 2011. Member of Operating with Respect (OWR) faculty since 2017. Member of RACS Surgical Audit Committee since 2017. GSA Vice-President since 2017. Elected May 2010.

**GENERAL SURGEONS AUSTRALIA  
DIRECTORS' REPORT (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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

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:

**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. GSA Treasurer since June 2012. Elected May 2012.

**Butchers, Dr Sally Louise  
McGregor  
Appointed 9 May 2017**

MBBS, FRACS. General Surgeon with sub-specialist interests in Rural Surgery, Trauma, Breast Surgery, and Surgical Teaching. VMO General Surgeon at Lismore Base Hospital since 2008. Chair of RACS Rural Section since 2014. Deputy Chair of RACS Rural Section 2010-2014. Member of RACS NSW State Committee since 2011 (Executive since 2014). Chair, Lismore Base Community Theatre Management Group 2009-2012. Scientific Convenor, Provincial Surgeons of Australia 2015 Annual Scientific Conference. Elected May 2017.

**Clarke, Mr Graeme Wayne**

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.

**Hughes, Mr Andrew S**

MBBS, FRACS. General Surgeon with sub-specialist interests in Laparoscopic Gastrointestinal, Hernia, Endocrine, Melanoma Surgery, and Endoscopy/Colonoscopy. Research interests include Surgical Education and Data Collection for Clinical Trials. Senior Staff Specialist, The Prince Charles Hospital (TPCH) since 2007. Lecturer in Surgery, University of Queensland. VMO Northwest Private/Holy Spirit Northside Private Hospital since 2007. Trauma/Transplant Fellowship at Princess Alexandra Hospital in 2006. Advanced General Surgery Trainee at Princess Alexandra Hospital, Gold Coast Hospital, Nambour Hospital, and Mater Health Services 2002-2005. Surgical Supervisor TPCH and Member of RACS Board in General Surgery - Queensland Training Committee 2007-2017. Convenor, Queensland Core Course for SET Program in General Surgery 2007-2017. RACS ASC General Surgery Convenor Brisbane 2016. Elected May 2016.

**GENERAL SURGEONS AUSTRALIA  
DIRECTORS' REPORT (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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

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:

**Premaratne, Mr Wijaya Gamini  
Retired 9 May 2017**

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.

**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 until 2015. Surgery Program Director for Monash Health since 2008. 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 2012-2015. Elected May 2009.

**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 2017 was a surplus of \$525,177 (2016: surplus \$462,366).

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 2017**

**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 2017**

**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 2017**

**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 2017, 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 2017 was increasing the membership of GSA Junior Doctors, with 183 of all new members being Junior Doctors. Two Selection Information Sessions were held in Melbourne and Sydney for aspiring General Surgery Trainees, helping to meet the strategic objective of fostering an interest in General Surgery as a prestigious and rewarding surgical career.

A further achievement was the successful delivery of the Irritable Bowel Disease (IBD) Symposium 2017 on behalf of St Vincents Hospital, returning a surplus of \$22,532 to the client. Event Management services were also provided for the 2017 Provincial Surgeons of Australia (PSA) Annual Scientific Conference in Armidale, with a surplus of \$27,749 returned to the client.

Some of the key indicators of success measured in 2017 include:

**GENERAL SURGEONS AUSTRALIA  
DIRECTORS' REPORT (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**5. PERFORMANCE MEASUREMENT (CONT'D)**

INDICATOR	TARGET	2017 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> <li>• New membership amongst junior doctors of &gt;5% p.a.</li> </ul>	<ul style="list-style-type: none"> <li>• 275 new members; 30.9% overall increase</li> <li>• 183 of all new members were Junior Doctors (67%)</li> <li>• 77 new General Surgery Fellows in 2017; 47 of these joined GSA</li> <li>• 11 new Ordinary members were Fellows &gt;5 years post FRACS (12%)</li> <li>• 14 new Ordinary members were Fellows &gt;10 years post FRACS (15%)</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>• 48.4% of active members listed on Find a Surgeon (392)</li> </ul>
Selected Trainees	<ul style="list-style-type: none"> <li>• Retention &gt;90%</li> </ul>	<ul style="list-style-type: none"> <li>• 97.8% retention in 2017 (1.9% Withdrawn; 0.2% 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>• 70.8% of General Surgery Supervisors (85) were active members of GSA</li> <li>• One year complimentary membership offered to 17 General Surgery Supervisors</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: 64% Of those that passed, 100% (76) passed within two attempts</li> <li>• Trainee pass rate: 68%</li> <li>• IMG pass rate: 22%</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>• 2017: 64.5% of delegates were surgeons</li> <li>• 2016: 61% of delegates were surgeons</li> <li>• 2015: 50% of delegates were surgeons</li> <li>• 2014 ASM: 52% 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>• Three Pacific Island &amp; South East Asian Travel Grants awarded (one awardee unable to attend)</li> <li>• Noel Newton, GSA Research, GSA Poster, CICD/ISDS Prize, and joint Hernia Prize awarded</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 revenue 18.2% over budget</li> <li>• Total expenditure 2.7% 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 18 April 2017</li> </ul>

**GENERAL SURGEONS AUSTRALIA  
DIRECTORS' REPORT (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**6. REVIEW OF OPERATIONS**

In 2017, the Directors continued with the long-term investment strategy of the business, investing a further \$300,000 of surplus funds from the 2016 financial year across the RACS Small Scale Offering and ANZ Bank OneAnswer portfolio. Global market performance was much stronger in 2017, which resulted in a 24.3% increase in the total portfolios, bringing the total funds invested as at 31 December 2017 to \$2,715,350.

Changes to the eligibility requirements for the SET Program in General Surgery in 2016 had seen a decline in the number of applications received during Selection (2015: 311 applications; 2016: 226 applications). However, in 2017 this trend was corrected with a 10% increase in the overall number of applications received (249 in total), with a total of 101 offers made (86 accepted, 3 deferred, 12 declined). Total Selection fees for 2017 were \$174,370.

Administrative management of the supervision or oversight requirements of 28 IMGs in General Surgery was provided in 2017, post their initial clinical assessment by the RACS. Regional Course registration fees, Selection fees, Trainees' Day fees, and Membership subscriptions returned more than \$54,000 over budgeted projections for 2017. These figures, combined with a surplus of \$108,250 for the 2017 GSA Annual Scientific Meeting, and \$232,238 in investment income, resulted in a surplus that was 13.6% higher than seen in the previous financial year. Revenue again remained steady for the period, however total expenditure was up 3.5% on the previous financial year.

Members of the GSA Medicare Benefits Schedule (MBS) Working Party continued their work with the Department of Health on the application process for a new item number for Sentinel Lymph Node Biopsy for Intermediate Thickness Melanoma. The organisation contributed to the development of Position Statements on the management of Acute Scrotal Pain and Suspected Testicular Torsion, and Day Surgery Standards. The organisation assisted the Department of Health in seeking clarification on appropriate minimum qualifications for the provision of ultrasound services by surgeons, and provided expert advice on areas such as early access to superannuation for the purpose of paying for medical services.

Several meetings were held with key stakeholders interested in the formation of a bi-national emergency laparotomy audit (ANZELA-QI), a prospective database whose principal aims will be to quantify the burden of emergency laparotomies and to engender quality improvement at an institutional level in Australia and New Zealand. Work on this important project will continue in 2018.

Piloting of recommendations from the RACS Board in General Surgery Strategic Plan Working Parties continued, including the testing of Entrustable Professional Activities (EPAs) and Procedural Based Assessments (PBAs) as part of the In-Training Assessment processes for the SET Program in General Surgery. Other projects included the development of a revised online logbook of operative experience incorporating SNOMED terms, the introduction of a primary-partial operator category, and revisions to the Research Requirements of the SET Program in General Surgery.

The organisation continued to achieve its strategic goals, particularly in the development of educational, skills, and career resources for Junior Doctors interested in a career in General Surgery. In 2017, 183 Junior Doctor members joined the organisation, with two Selection Information Sessions aimed at applicants to the SET Program in General Surgery held in Melbourne and Sydney in October 2018, attended by almost 70 Junior Doctors.

The organisation continued to expand its Event Management services for core General Surgery meetings, with GSA engaged to manage the 2017 IBD Surgical Symposium held in Melbourne in March 2017. The one-day Symposium attracted strong support from industry and delegates, with a surplus of over \$22,000 (inc. GST) returned to St Vincents Hospital Melbourne.

Other Event Management services delivered in 2017 included the Provincial Surgeons of Australia (PSA) 2017 Annual Scientific Conference held in Armidale in October, which returned a surplus of \$27,749 (inc. GST) to the client. Event Management fees totaled \$20,900 for the period, providing a non-membership based revenue stream for the organisation.

In 2017, the GSA Transplant Training Committee assessed six applications for the PFET Program in Transplantation Surgery, with four candidates appointed to the training program for the 2018/2019 training years, and one candidate commencing training in 2019. A total of eight hospitals have received accreditation of Renal Transplant training posts for the PFET Program in Transplantation Surgery, with two hospital receiving accreditation for Renal/Pancreas Transplant training posts, and five hospitals receiving accreditation for Liver Transplant training posts.

**GENERAL SURGEONS AUSTRALIA  
DIRECTORS' REPORT (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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

Fellowship Examination Preparation Courses were held in New South Wales, South Australia, and Victoria, the SA Registrar's Paper Day was held in Adelaide in August, and the GSA Trainees' Weekend was held at RACV Torquay in November. Quinquennial Hospital Accreditations were conducted in South Australia/Northern Territory in 2017, with 13 Hospitals inspected and 29 posts accredited for the SET Program in General Surgery.

Regional educational sessions held in Queensland, South Australia, New South Wales, and Western Australia were again recorded in 2017, as well as two national Trainees' Day programs held in Adelaide and Canberra, and the 2017 GSA ASM. A total of 196 educational webcasts were added to the GSA Educational Resources, bringing the total number of webcasts uploaded from 2013-2017 to 878. There were 420 registrations from Trainees, IMGs, and Junior Doctors to attend one or both of the national 2017 GSA Trainees' Days, which focused on Sepsis, Burns and Emergency General Surgery (May, Adelaide) and Hernia Surgery (September, Canberra), or one of the three MOSES programs held in Adelaide, Melbourne, and Canberra.

The 2017 GSA Annual Scientific Meeting (ASM), "Abdominal Wall: Access & Repair", was held at the QT Canberra from 29 September to 1 October, and achieved a surplus of \$108,250 (ex GST). Just under 350 members, trainees, IMGs, and other medical professionals registered to attend the three-day meeting, with 173 delegates participating in the Trainees' Day held on 28 September at the Hyatt Canberra. The program format for the 2017 GSA ASM included a Plenary Session entitled "Canberra... Love it? or Hate it?", presented by award-winning photographer Mike Bowers.

Forty-two national and international speakers contributed across the four days, including Keynote Speakers Dr Michael Hiles of Cook Biotech, USA, Dr Bruce Ramshaw of Tennessee, USA, and Mr Dominic Slade of Manchester, UK. Three other USA speakers also contributed to the program: Dr Vimal K Narula from Ohio, Dr Dean Mikami from Hawaii, and Dr Todd Heniford from North Carolina. International invited Presidents included Mr Rowan Parks of ASGBI and Mr Andrew Moot of NZAGS.

The 2017 ASM program included educational workshops presented by a range of industry partners, including the Cook Medical Dinner Symposium - Progress in Abdominal Wall Repair Procedures using Biodesign: A Look at the Tools and Techniques, the Medtronic Breakfast Session - The Future: How Technology is Changing Surgery, the WL Gore & Associates Dinner Symposium - An Evening of Clinical Discussion, and the Bongiorno's Breakfast Session - No Stomach for Finances? Take Absolute Control of Your Financial Future.

The Principal Sponsor of the 2017 ASM was Cook Medical, with Major Sponsorship provided by Medtronic and Getinge Group. Supporting Sponsorship was provided by WL Gore & Associates, with International Speaker Sponsorship provided by the Royal Australasian College of Surgeons (Dr Bruce Ramshaw), Cook Medical (Dr Michael Hiles and Mr Dominic Slade), and WL Gore & Associates (Dr Todd Heniford). A total of 20 industry partners participated as Exhibitors or advertised at various levels.

Excellence in Surgical Teaching Awards were presented at the ASM Gala Dinner to Mr Marcus Ong (WA), Mr Andrew Gilmore (NSW/ACT), and Associate Professor Brian Miller (QLD). Other recipients of the Excellence in Surgical Teaching Awards for 2017 were Mr David Wardill (VIC/TAS), and Mr James Kollias (SA/NT). Two recipients of the 2017 GSA Pacific Island and South East Asian Travel Grants attended the meeting, including Dr Richard Kulau of Papua New Guinea and Dr May Thwe Win of Myanmar.

The GSA Research & Scholarships Committee reviewed and ranked 76 abstracts submitted for consideration by SET Trainees in General Surgery (18), Interns/PGY2 (11), Medical Students (6), Non-accredited Registrars (37), and Fellows/IMGs (4). The top 12 abstracts were selected for verbal presentations, and 18 abstracts were selected for poster presentations. Winners of the 2017 ASM prizes and awards included Dr Eric Daniel - Noel Newton Award; Dr Georgina Carroll - GSA Research Award; Dr Oleksandr Khoma - GSA Poster Award; Dr Bi Wen Lau - CICD/ISDS Prize; and Dr Amy Cao and Dr Jasmina Kevric - Hernia Award (joint).

A full educational review of the Surgical Education & Assessment Modules (SEAM) program commenced in 2017, with Content Review Workshops held in June (Acute Abdomen & Haematology) and October (Anatomy and The Operating Theatre). At the conclusion of the 2017 training year, a total of 202 Australian General Surgery Trainees had completed all eight modules of the SEAM Program successfully, representing cohorts from the 2014, 2015, and 2016 intakes to the SET Program in General Surgery.

**GENERAL SURGEONS AUSTRALIA  
DIRECTORS' REPORT (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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

The total number of full-time, part-time, and casual staff employed by GSA during the 2017 financial year was thirteen. Overall expenditure for the year was slightly higher, however expenses related to employment costs decreased slightly. The GSA ASM recorded a surplus, and revenue from membership subscriptions, training services, and PFET, 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 2018, GSA will continue to deliver activities under the Partnering Agreement with the RACS, including ongoing content reviews for the Critical Care & Trauma, Nutrition, Peri-Operative Care, and Post-Operative Care modules developed for the SEAM Program, with workshops to be held with subject matter experts in March and August 2018.

Work will continue on the development resources for Junior Doctors interested in a career in General Surgery, including Core Surgical Skills courses. The provision of Event Management services for external meetings will continue, including the PSA 2018 Annual Scientific Conference in Bundaberg in October.

The 2018 ASM will be a combined meeting with the Pacific Islands Surgeons Association, to be held at the Sheraton Fiji Resort, Denarau Island, 1-4 October. The theme for the meeting will be "Emergency Responses & Humanitarian Aid", with keynote international speakers Dr Walter Johnson - World Health Organisation, Dr Kelly McQueen - Vanderbilt University Medical Center, and Dr Stephen Bickler - University of California, San Diego invited to participate. An expanded Travel Grant program will be offered in 2018 specifically to Surgeons and Trainees from Pacific Island nations, to support attendance at the 2018 ASM. The organisation will also provide a one-off seeding grant for the meeting, to offset any decline in sponsorship for the off-shore meeting.

The two national GSA Trainees' Days in 2018 will be held in Sydney (May: HPB Surgery) and Fiji (October: Trauma & Critical Care). GSA will deliver two commercial MOSES programs in Sydney and the Gold Coast, and regional education activities and the webcasting program will also continue.

As in previous years, improvements to the functionality of the TMS and ICAMS databases will continue. In order to commence implementation of the recommendations from the RACS Board in General Surgery Strategic Plan Working Parties, a full IT architecture review will be conducted early in 2018, to identify whether GSA systems are functionally fit for purpose, and what improvements are required to existing application frameworks.

Projected revenue in 2018 from the RACS Partnering Agreement is approximately \$1,425,000, with the bulk of revenue to be invoiced in February 2018, and the final instalment due in July 2018. SEAM Administration fees will provide revenue of approximately \$68,000, which will continue to offset ongoing Standard Setting and content review costs. Projected revenue from membership subscriptions, regional and national courses, MOSES, IMG administration, PFET, Event Management services, and Selection fees is approximately \$600,000.

**9. DIVIDENDS**

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

**GENERAL SURGEONS AUSTRALIA  
DIRECTORS' REPORT (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**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 1 March 2018, the Company received the amount of \$1,431,488 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. INDEMNIFICATION OF AUDITORS**

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an auditor of the Company.

**14. MEETINGS OF DIRECTORS**

Name of Director	Number of meetings entitled to attend	Number of meetings attended
Collinson, T (President from 10 May 2017)	6	6
Turner, R (Vice President from 10 May 2017)	6	6
Sayed-Hassen, A (Treasurer)	6	3
Butchers, S (appointed 9 May 2017)	5	4
Clarke, G	6	2
Donovan, M (President to 9 May 2017)	6	5
Hughes, A	6	5
Premaratne, W G (retired 9 May 2017)	1	1
Saunders, A	6	5

**15. 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.

**16. AUDITOR'S INDEPENDENCE DECLARATION**

The Auditor's Independence Declaration is set out on page 27 and forms part of the Director's Report for the year ended 31 December 2017.

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

Chairman (President)  
27 March 2018

**GENERAL SURGEONS AUSTRALIA  
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Notes	2017 \$	2016 \$
<b>Revenue</b>			
Members' income		196,479	176,624
Training Services income	2	1,659,034	1,604,946
Post Fellowship Education & Training income		9,445	5,800
Courses income	2	191,619	228,236
Event income	2	402,222	451,108
Other income	2	1,592	3,725
		-----	-----
		2,460,391	2,470,439
Other revenue - interest		20,987	17,877
Income on investments	3	232,238	87,224
		-----	-----
		2,713,616	2,575,540
<b>Expenses</b>			
Employee benefits expense	4	(847,239)	(851,833)
Administrative & Training Services expense		(658,937)	(557,377)
Courses expense		(293,094)	(277,063)
Event expense		(329,986)	(372,888)
Grants & Awards expense		(27,952)	(23,173)
Finance costs		(13,570)	(13,827)
External professional services expense		(12,602)	(10,500)
Depreciation expense		(5,059)	(6,513)
		-----	-----
Surplus for the year		525,177	462,366
		=====	=====
Other comprehensive income		-	-
		-----	-----
Total comprehensive income for the year		525,177	462,366
		=====	=====

The accompanying notes form part of these financial statements.

**GENERAL SURGEONS AUSTRALIA  
STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2017**

	Notes	2017 \$	2016 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	743,544	839,236
Trade and other receivables	6	57,586	59,377
Financial assets at fair value through profit or loss	7	2,717,350	2,185,112
Inventories	8	4,300	4,793
Prepayments	9	68,082	-
		-----	-----
TOTAL CURRENT ASSETS		3,590,862	3,088,518
		-----	-----
<b>NON CURRENT ASSETS</b>			
Plant and equipment	10	2,753	7,812
		-----	-----
TOTAL NON CURRENT ASSETS		2,753	7,812
		-----	-----
TOTAL ASSETS		3,593,615	3,096,330
		-----	-----
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	25,258	65,931
Provision for employee entitlements	12	190,419	174,962
		-----	-----
TOTAL CURRENT LIABILITIES		215,677	240,893
		-----	-----
<b>NON CURRENT LIABILITIES</b>			
Provision for employee entitlements	12	25,232	27,908
		-----	-----
TOTAL NON CURRENT LIABILITIES		25,232	27,908
		-----	-----
TOTAL LIABILITIES		240,909	268,801
		-----	-----
NET ASSETS		3,352,706	2,827,529
		=====	=====
<b>MEMBERS' FUNDS</b>			
Accumulated surplus		3,352,706	2,827,529
		-----	-----
TOTAL MEMBERS' FUNDS		3,352,706	2,827,529
		=====	=====

The accompanying notes form part of these financial statements.

**GENERAL SURGEONS AUSTRALIA  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	<b>Accumulated Surplus</b>	<b>Total Members' Funds</b>
	<b>2017</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
Balance at 1 January 2017	2,827,529	2,827,529
Surplus for the year	525,177	525,177
Other comprehensive income	-	-
	-----	-----
Total comprehensive income for the year	3,352,706	3,352,706
	-----	-----
Balance at 31 December 2017	3,352,706	3,352,706
	=====	=====

	<b>Accumulated Surplus</b>	<b>Total Members' Funds</b>
	<b>2016</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
Balance at 1 January 2016	2,365,163	2,365,163
Surplus for the year	462,366	462,366
Other comprehensive income	-	-
	-----	-----
Total comprehensive income for the year	2,827,529	2,827,529
	-----	-----
Balance at 31 December 2016	2,827,529	2,827,529
	=====	=====

The accompanying notes form part of these financial statements.

**GENERAL SURGEONS AUSTRALIA  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>		
- Receipts from members and customers	2,723,534	2,724,455
- Payments to suppliers and employees	(2,526,643)	(2,328,925)
- Interest received	20,987	17,877
- Interest expense	(13,570)	(13,827)
	-----	-----
Net cash provided by operating activities	204,308	399,580
	-----	-----
<b>Cash flows from investing activities</b>		
- Payment for investments	(300,000)	(200,000)
- Receipts for closure of investment fund	-	30,011
- Payment for plant and equipment	-	(8,242)
- Receipts for sale of plant and equipment	-	-
	-----	-----
Net cash used in investing activities	(300,000)	(178,231)
	-----	-----
Net (decrease) / increase in cash held	(95,692)	221,349
Cash and cash equivalents at the beginning of the year	839,236	617,887
	-----	-----
Cash and cash equivalents at the end of the year	743,544	839,236
	=====	=====

The accompanying notes form part of these financial statements.

**GENERAL SURGEONS AUSTRALIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**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 Australian Accounting Standards - Reduced Disclosure Requirements 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 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 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**(c) Plant and equipment (cont'd)**

<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.

Event Management income

Event management income for external events is brought to account when invoiced, according to the invoicing schedule outlined in each individual Event Management Services Agreement.

**(h) Conferences/Seminars**

All income and expenses relating to conferences and seminars have 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 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**(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) Annual leave

Liabilities for annual 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.

(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 corporate 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. 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 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**(l) Investments and Other Financial Assets (cont'd)**

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 2017 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>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>2. REVENUE</b>		
Training Services income		
Partnering Agreement income	1,270,171	1,239,596
SEAM Administration income	68,000	56,800
IMG Services income	21,093	34,450
Hospital Inspection income	125,400	127,200
Selection income	174,370	146,900
	-----	-----
	1,659,034	1,604,946
	=====	=====
Course income		
GSA Trainees Days	18,189	20,520
Regional Training Courses income	141,212	163,716
MOSES income	32,218	44,000
	-----	-----
	191,619	228,236
	=====	=====
Event income		
Event Management income	19,000	31,468
GSA ASM income	383,222	419,640
	-----	-----
	402,222	451,108
	=====	=====

**GENERAL SURGEONS AUSTRALIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>2. REVENUE (CONT'D)</b>		
Other income		
Advertising income	1,730	3,650
Merchandise	355	155
Cost of Sales	(493)	(80)
	-----	-----
	1,592	3,725
	=====	=====
<b>3. OTHER REVENUE</b>		
Income on investments (managed funds)		
ANZ Pool Investment	86,624	24,193
ANZ OnePath Account	-	30,010
RACS Small Scale Offering	145,614	33,021
	-----	-----
	232,238	87,224
	=====	=====
<b>4. SURPLUS FROM OPERATIONS</b>		
Surplus from operating activities includes the following specific expenses:		
Rental expense	95,856	103,340
	-----	-----
	95,856	103,340
	=====	=====
Employee benefits expense:		
Salaries and wages	778,681	782,428
Defined contribution plan expenses	68,558	69,405
	-----	-----
	847,239	851,833
	=====	=====
<b>5. CASH AND CASH EQUIVALENTS</b>		
Cash at bank	742,018	837,752
Cash on hand	1,526	1,484
	-----	-----
	743,544	839,236
	=====	=====
<b>6. TRADE AND OTHER RECEIVABLES</b>		
Trade receivables	13,420	10,893
Other receivables	44,166	48,484
	-----	-----
	57,586	59,377
	=====	=====

Trade receivables consist of invoices to Members prior to 31 December 2017 for Membership Subscriptions relating to the 2017 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.

**GENERAL SURGEONS AUSTRALIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	2017 \$	2016 \$
<b>7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		
RACS Small Scale Offering	1,585,957	1,290,343
ANZ Pool Investment	1,131,393	894,769
	-----	-----
	2,717,350	2,185,112
	=====	=====
<b>Reconciliation</b>		
Opening fair value	2,185,112	1,927,898
Additions	300,000	200,000
Revaluation increments	232,238	57,214
	-----	-----
Closing fair value	2,717,350	2,185,112
	=====	=====
<b>8. INVENTORIES</b>		
Ties & Scarves – at cost	4,300	4,793
	-----	-----
	4,300	4,793
	=====	=====
<b>9. PREPAYMENTS</b>		
2018 GSA ASM		
Sheraton Fiji Resort	44,455	-
Captain Cook Cruises Management Ltd	974	-
South Sea Cruises	904	-
2018 Event Deposits - other		
Bundaberg Regional Council	400	-
Adelaide Pavilion Veale Gardens	773	-
Hilton Sydney	15,743	-
Sheraton Grand Mirage Resort Gold Coast	2,085	-
Radisson Blu Hotel Sydney	2,748	-
	-----	-----
Total deposits paid	68,082	-
	=====	=====
<b>10. PLANT AND EQUIPMENT</b>		
Plant and equipment - at cost	86,396	86,396
Accumulated depreciation	(83,643)	(78,584)
	-----	-----
	2,753	7,812
	-----	-----
Total plant and equipment	2,753	7,812
	=====	=====
<b>Reconciliation of movements</b>		
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	7,812	
Additions	-	
Depreciation	(5,059)	
	-----	
Carrying amount at 31 December	2,753	
	=====	

**GENERAL SURGEONS AUSTRALIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>11. TRADE AND OTHER PAYABLES</b>		
Trade payables	26,195	54,420
Other	(937)	11,511
	-----	-----
	25,258	65,931
	=====	=====
<b>12. PROVISION FOR EMPLOYEE ENTITLEMENTS</b>		
<b>CURRENT</b>		
Provision for annual leave	60,096	60,688
Provision for long service leave	130,323	114,274
	-----	-----
	190,419	174,962
	-----	-----
<b>NON CURRENT</b>		
Provision for long service leave	25,232	27,908
	-----	-----
	25,232	27,908
	-----	-----
<b>TOTAL</b>	215,651	202,870
	=====	=====
<b>Analysis of total provisions</b>		
Opening balance at 1 January 2017	202,870	
Additional provisions raised during year	75,272	
Amounts used	(62,491)	
	-----	
Balance at 31 December 2017	215,651	
	=====	
<b>13. AUDITOR'S REMUNERATION</b>		
Amounts received or due and receivable by the auditors for:		
Auditing services	11,500	11,000
	-----	-----
	11,500	11,000
	=====	=====

**14. 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 2017 were:

- Butchers, Dr Sally Louise McGregor
- Clarke, Mr Graeme Wayne
- Collinson, Mr Trevor Graham
- Donovan, Mr Michael Peter
- Hughes, Mr Andrew S
- 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.

**GENERAL SURGEONS AUSTRALIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**2017**                      **2016**  
\$                                      \$

**14. RELATED PARTIES (CONT'D)**

**(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	349,503	353,513
Post employment benefit	31,892	32,290
	-----	-----
	381,395	385,803
	=====	=====

**15. CONTINGENT LIABILITIES AND COMMITMENTS**

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

**16. SUBSEQUENT EVENTS**

On 1 March 2018, the Company received the amount of \$1,431,488 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.

**17. 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 2017 the number of financial members was 992 (2016: 758).

**18. OPERATING LEASE COMMITMENTS**

Non-cancellable operating leases contracted for but not recognised in the financial statements:

	<b>2017</b>	<b>2016</b>
	\$	\$
Payable - minimum lease payments		
- Not later than 12 months	100,377	79,745
- Later than 12 months but not later than five years	11,620	51,195
- Later than five years	-	-
	-----	-----
	111,997	130,940
	=====	=====

The property lease commitments are non-cancellable operating leases contracted for but not capitalised in the financial statements, with terms ranging from 12 months to 24 months. Increases in lease commitments may occur in line with Consumer Price Index (CPI).

The office equipment lease commitments are non-cancellable finance leases with an expiry date of 21 July 2018. No capital commitments exist with regards to the lease commitments at year end.

**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 2017 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.

A handwritten signature in black ink, appearing to read 'John Cole', with a long horizontal flourish extending to the right.

Chairman (President)  
27 March 2018

**DECLARATION OF INDEPENDENCE BY WAI AW TO THE DIRECTORS OF THE AUSTRALIAN SOCIETY OF SPECIALIST GENERAL SURGEONS**

As lead auditor of The Australian Society of Specialist General Surgeons trading as General Surgeons Australia for the year ended 31 December 2017, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.



Wai Aw  
Partner

**BDO East Coast Partnership**

Melbourne, 27 March 2018

## INDEPENDENT AUDITOR'S REPORT

To the members of The Australian Society of Specialist General Surgeons

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of The Australian Society of Specialist General Surgeons (the registered entity) trading as General Surgeons Australia, which comprises the statement of financial position as at 31 December 2017, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the responsible entities' declaration.

In our opinion the accompanying financial report of The Australian Society of Specialist General Surgeons, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) Giving a true and fair view of the registered entity's financial position as at 31 December 2017 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

#### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the registered entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

#### Other information

Those charged with governance are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the registered entity's annual report, but does not include the financial report and our auditor's report thereon.



Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Responsibilities of responsible entities for the Financial Report**

The responsible entities of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the ACNC Act, and for such internal control as the responsible entities determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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

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

#### **Auditor's responsibilities for the audit of the Financial Report**

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

[http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf)

This description forms part of our auditor's report.

**BDO East Coast Partnership**

BDO  
A handwritten signature in black ink, appearing to read 'Wai Aw', written over the printed name 'Wai Aw'.

Wai Aw  
Partner

Melbourne, 27 March 2018