

**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 2020**

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 2020**

<b>Table of contents</b>	<b>Page</b>
<b>Directors' report</b>	3-12
Statement of Profit or Loss and Other Comprehensive Income	13
Statement of Financial Position	14
Statement of Changes in Equity	15
Statement of Cash Flows	16
<b>Notes to the financial statements</b>	
Note 1            Summary of significant accounting policies	17-21
Note 2            Revenue	22
Note 3            Other revenue	22
Note 4            Government grants	22
Note 5            Surplus from operations	22
Note 6            Cash and cash equivalents	23
Note 7            Trade and other receivables	23
Note 8            Inventories	23
Note 9            Prepayments	23
Note 10           Right of use asset	24
Note 11           Plant and equipment	24
Note 12           Intangible assets	25
Note 13           Financial assets at fair value through profit or loss	25
Note 14           Trade and other payables	25
Note 15           Deposits for future services	25
Note 16           Provision for employee entitlements	26
Note 17           Auditor's remuneration	26
Note 18           Related parties	26
Note 19           Contingent liabilities and commitments	27
Note 20           Subsequent events	27
Note 21           Members' guarantee	27
<b>Directors' declaration</b>	28
<b>Auditor's independence declaration</b>	29
<b>Independent auditor's report to the members</b>	30

**GENERAL SURGEONS AUSTRALIA  
DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**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:

**Collinson, Mr Trevor Graham  
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 RACS ASC Adelaide 2011. Member, Organising Committee for the inaugural joint GSA/PISA Annual Scientific Meeting, Fiji 2018. Scientific convenor combined GSA/CSSANZ Annual Scientific Meeting, Hobart 2019. Co-opted member of GSA Board of Management 2010-2011. Member Binational Colorectal Cancer Audit Steering Committee 2015-2017. Member RACS Property Committee since 2017. Member ASERNIP-S Rapid Review Working Party for COVID-19 response since 2020. GSA Vice President 2014-2017. GSA President since May 2017. Elected May 2012.

**Saunders, Mr Alan Charles  
Vice President from 8 May 2019.  
Retired 12 May 2020.**

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. GSA Vice President 2019-2020. Elected May 2009.

**Butchers, Dr Sally Louise  
McGregor  
Treasurer to 12 May 2020.  
Vice President from 13 May 2020.**

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 from 2014-2019. Deputy Chair of RACS Rural Section 2010-2014. Member of RACS NSW State Committee 2011-2020 (Executive 2014-2020). Chair, Lismore Community Theatre Management Group 2009-2012. Scientific Convenor, Provincial Surgeons of Australia 2015 Annual Scientific Conference. GSA Treasurer 2019-2020. GSA Vice President since 2020. Elected May 2017.

**GENERAL SURGEONS AUSTRALIA  
DIRECTORS' REPORT (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**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:

**Hughes, Mr Andrew S  
Treasurer from 13 May 2020.**

MBBS, FRACS. General Surgeon with sub-specialist interests in Laparoscopic Gastrointestinal, Hernia, Endocrine, Melanoma Surgery, Robotic 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. Senior lecturer in Surgery, University of Queensland. VMO Northwest Private/St Vincent's Private Hospital Northside 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. GSA Treasurer since 2020. Elected May 2016.

**Clarke, Mr Graeme Wayne**

MBBS, FRACS, FRCS (Ed). General Surgeon with sub-specialist interest in Colorectal Surgery and 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.

**Fry, Damian Arthur  
Appointed 12 May 2020**

BN, MBBS, FRACS. General Surgeon with sub-specialist interests in complex hernia, Trauma Surgery, Colorectal Surgery, and Rural Surgery. Research interests in acute surgery, including SUNRrISE Trials and laparoscopic vs open appendicectomy. Colorectal Fellow at Queen Elizabeth II and Princess Alexandra Hospitals in 2019. General Surgeon at Toowoomba Hospital since 2020. Queensland Representative and Member of RACS Trainees Association 2016-2018. Co-opted Member, RACS Queensland State Committee 2016-2018. Member of RACS Rural Surgical Section Committee since 2019; RACS Rural Coach since 2019. Supervisor of Training at Toowoomba Hospital since 2020. Deputy Chair GSA PFET Rural Program Training Committee since 2019. Elected May 2020.

**Gurusinghe, Ms Nishanthi**

FRACS, MBChB, BSc (Psychology), PGDip Clinical Education. General surgeon with sub specialist interests in Colorectal Surgery, Advanced Laparoscopic Surgery, Colonoscopy & Endoscopy. Research interests include surgical education and training. Scientific convener combined 2019 GSA/CSSANZ Annual Scientific Meeting and 2019 Colorectal Trainees' Day. Surgical Supervisor of Training at Launceston General Hospital since 2015. Member of RACS Tasmanian State committee 2015-2017, 2020 to present. RACS Tasmania Annual Scientific Meeting Convenor 2019, 2020. SEAM Committee Member since 2016. Tasmanian Rep RACS Council 2021. Elected May 2019.

**GENERAL SURGEONS AUSTRALIA  
DIRECTORS' REPORT (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**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** MBChB, BA, FRCS(Ed), 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 Regional Training Committee of the Board in General Surgery. Convenor, Victorian Trainees' Weekend 2004-2008. Co-opted GSA ASC Hong Kong Convener 2006-2008. Scientific Convener, 2014 Singapore ASC. Chair of Department of General Surgery, Eastern Health. Executive Clinical Director of Surgery, Eastern Health. Chairman, SEAM Working Party. Deputy Chair, RACS Board in General Surgery 2016-2019. Chair, RACS Board in General Surgery since 2019. GSA Treasurer 2012-2019. Elected May 2012.

**Slater, A/Prof Kellee** MBBS (Hons), FRACS, FACS. General Surgeon with sub-specialist interests in complex abdominal wall repair, Hepatobiliary Surgery, and Liver Transplant. Research interests include complex abdominal wall repair and Hepatobiliary Surgery. Surgical Fellow at University Colorado, USA from 2002-2004. SMO Greenslopes Private Hospital, Queensland Children's Hospital, and Princess Alexandra Hospital since 2003. General Surgery Representative for RACS Queensland State Committee in 2010. Surgical Supervisor at Princess Alexandra Hospital from 2006-2010. Member of RACS Board in General Surgery - Queensland Training Committee from 2006-2015 (Chair; 2014-2015). Member of RACS Board in General Surgery 2014-2019. Deputy Chair and IMG Representative, RACS Board in General Surgery from 2015-2017. Chair, RACS Board in General Surgery from 2017-2019. Elected May 2019.

**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 2020 was a surplus of \$1,033,402 (2019: surplus \$624,059).

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 2020**

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

In August 2018, the Directors developed a Strategic Plan for 2019-2021, 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
- Review Find a Surgeon functionality and develop individual web profiles for Members
- Introduce Member profile section in the GSA newsletter
- Maintain a post-Fellowship database of specialty and sub-specialty opportunities, and foster placement in co-operation with sub-specialty groups

*Longer Term Priorities*

- Develop a career transition induction and support program ("The Journey") for graduating General Surgery Trainees and Younger Fellows, including career information
- Develop career resources for medical students and junior doctors interested in a career in General Surgery
- Continue advocacy for appropriate remuneration for General Surgeons

**2. Education and Training**

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

*Short Term Priorities*

- Promote support services for General Surgery Supervisors and trainers, including professional development and mentoring opportunities
- Advocate for General Surgery Supervisors to be given adequate time, remuneration, and resources for supervision
- Ensure support services exist for General Surgery IMGs, including Fellowship Examination preparation, career development, and professional networks
- Continue to develop educational, skills, and career resources for junior doctors, to foster interest in General Surgery as a prestigious and rewarding surgical career
- Offer eLearning component of SEAM I to General Surgery IMGs, Supervisors, and junior doctors who are Members of GSA

*Longer Term Priorities*

- Implement SEAM II in alignment with the Curriculum, and provide access to General Surgery Trainees, IMGs, and Members
- Engage sub-specialty societies and groups in the content development of SEAM II (Refer: Professional and Community Liaison)
- Incorporate and evolve resources covering non-technical competencies
- Create a bi-monthly virtual journal club

**3. Continuing Medical Education**

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

*Short Term Priorities*

- 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*

- 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 or links for Members, such as "How I Do It" video series

**GENERAL SURGEONS AUSTRALIA  
DIRECTORS' REPORT (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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

**4. Surgical Research**

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
- Create a database of potential statisticians and research mentors
- Publish abstracts from GSA ASM free paper sessions on the GSA website

*Longer Term Priorities*

- Provide increased opportunities for Trainee and junior doctor research presentations and provide formal feedback to improve educational outcomes
- Develop a database of longitudinal, multi-centre research projects available for Trainees and Members, and facilitate placement of interested individuals

**5. Professional and Community Liaison**

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

*Short Term Priorities*

- Engage sub-specialty societies and groups in the content development of SEAM II (Refer: Education & Training)
- Develop a series of position papers on general surgical practice
- Update patient information brochures on core General Surgery procedures

*Longer Term Priorities*

- Develop a database of media contacts and prepare media releases/commentary on issues related 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
- Optimise membership management strategies
- Expand Event Management services for core General Surgery meetings

*Longer Term Priorities*

- Review access data for GSA services by Members, Trainees, and IMGs by programming Google Analytics and tailoring user experience
- Maintain information regarding General Surgery workforce data

**7. Future Outlook**

The organisation will continue to represent General Surgery in Australia, through developing and managing education and training programs that produce General Surgeons of the highest professional standard, ensuring that General Surgeons maintain the highest standards of professional competence, providing Members with valuable benefits and services that support their professional lives, promoting the organisation as the authority for General Surgery in Australia, and through continuous engagement with the RACS, NZAGS, and the various subspecialty societies and groups within General Surgery and internationally.

**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 2019-2021 Strategic Plan.

In 2020, 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.

**GENERAL SURGEONS AUSTRALIA  
DIRECTORS' REPORT (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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

Some of the key indicators of success measured in 2020 include:

<b>INDICATOR</b>	<b>TARGET</b>	<b>2020 RESULTS</b>
Membership	<ul style="list-style-type: none"> <li>• Membership increase &gt;5% p.a.</li> <li>• New membership amongst junior doctors of &gt;5% p.a.</li> <li>• 80% of new General Surgery Fellows joining GSA each year</li> </ul>	<ul style="list-style-type: none"> <li>• 153 new members; 1.2% overall increase</li> <li>• 74 of all new members were Junior Doctors (48%)</li> <li>• 81 new General Surgery Fellows in 2020; 56 of these joined GSA (69%)</li> <li>• 3 new Ordinary members were Fellows &gt;10 years post FRACS (3.8%)</li> </ul>
Selected Trainees	<ul style="list-style-type: none"> <li>• Retention &gt;90%</li> </ul>	<ul style="list-style-type: none"> <li>• 97.78% retention in 2020 (2.22% <i>Withdrawn</i>; 0.0% <i>Dismissed</i>)</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>• 63% of General Surgery Supervisors (76) were 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: 67%. Of those that passed, 94% (55 candidates) passed within two attempts</li> <li>• Trainee pass rate: 70%</li> </ul>
Collaboration	<ul style="list-style-type: none"> <li>• Co-authoring submissions to government and other bodies</li> </ul>	<ul style="list-style-type: none"> <li>• 2020: Published <i>COVID-19 Guidelines for General Surgery</i> developed in collaboration with the RACS Australian Board in General Surgery, the New Zealand Association of General Surgeons, and the RACS New Zealand Board in General Surgery</li> <li>• 2020: Developed <i>General Surgery Decision Tree</i> for considering General Surgery during COVID-19, following the Restoration of Elective Surgery guidelines announced on 23 April 2020</li> <li>• 2020: Published Position Statement <i>Defining Urgent Endocrine Surgical Conditions - Endocrine Surgery during the COVID-19 Pandemic</i>, developed in collaboration with ANZES</li> <li>• 2018: Published joint Guidelines with the RACS, Urological Society of Australia and New Zealand, and New Zealand Association of General Surgeons on <i>Acute Scrotal Pain and Suspected Testicular Torsion</i></li> <li>• 2018: published joint Guidelines with the Australian Society of Plastic Surgeons, Australasian College Of Dermatologists, and the Australian Medical Association on <i>Criteria for Type C Banding Certification</i></li> <li>• 2017: Published joint Position Paper with the RACS, Urological Society of Australia and New Zealand, and the Australian and New Zealand Association of Paediatric Surgeons on <i>Surgery in Children</i></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 10.53% over re-forecast COVID-19 budget; Total expenditure 10.41% under re-forecast COVID-19 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 21 April 2020</li> </ul>

**GENERAL SURGEONS AUSTRALIA  
DIRECTORS' REPORT (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**6. REVIEW OF OPERATIONS**

After a positive start to the year with the successful delivery of event management services for the 17th Biennial Congress of the Asian Association of Endocrine Surgeons, the looming spectre of COVID-19 in early March resulted in the cancellation of all remaining face-to-face events for 2020, including national and regional educational sessions, the 2020 GSA Annual Scientific Meeting, and the initial Selection process for the 2021 intake for the SET Program in General Surgery.

As a result of this significant downturn in activities, the organisation qualified for the JobKeeper subsidy program (\$302,475) and other COVID-19 government grants (\$59,776). The Board of Directors worked with senior management to ensure the ongoing viability of the organisation, and the continued engagement of all staff, particularly during the uncertainty that was experienced during the March to June period.

Although global market performance in 2020 was heavily impacted by COVID-19, the organisation's investment portfolio increased by \$129,133. The overall increase in the total portfolios was 3.89% for the year (compared to the 17.77% increase in 2019) bringing the total funds invested as at 31 December 2020 to \$3,448,968.

In the first half of the year, the Board of Directors worked closely with the RACS, as well as with Departments of Health and peak medical bodies, to monitor the COVID-19 situation and make appropriate recommendations with regards to the practice of General Surgery. The priority of the organisation remained the health and safety of its Members, Trainees, Specialist International Medical Graduates (SIMGs), and staff, as well as working to maintain a medical workforce that could continue to service patients and the wider community.

In response to various Position Papers and Guidelines released by international surgical bodies, the organisation moved quickly to develop *COVID-19 Guidelines for General Surgery* that were specific to the Australian & New Zealand context, with input from the RACS Australian Board in General Surgery, the New Zealand Association of General Surgeons, and the RACS New Zealand Board in General Surgery.

Other publications included the *Decision Tree for considering General Surgery during COVID-19*, which was developed following the Restoration of Elective Surgery Guidelines announced by the Federal Government in late April 2020. The organisation also worked with the Australian and New Zealand Endocrine Surgeons to develop the Position Statement *Endocrine Surgery during the COVID-19 Pandemic*, and published COVID-19 Guidelines for Breast Surgery, Colorectal Surgery, Endoscopy Training, HPB Surgery, and Upper GI & Bariatric Surgery that were developed by specialty society colleagues.

The cancellation of all face-to-face meetings, along with national and regional COVID-19 restrictions on travel, resulted in all Regional Training Committee, Binational Advisory Curriculum Committee, and Board meetings moving to virtual and online platforms throughout 2020, with the unexpected benefit of far greater attendance and engagement made possible for members from non-metropolitan areas. The GSA Annual General Meeting was delivered as a virtual Live Stream event in May, with members logging in to a password protected portal, using interactive voting tools to approve resolutions, and submitting questions direct to the Chair.

Working within the overarching principles guiding decisions in respect of RACS Education and Training Programs, the organisation relaunched the Selection process in late May, and contingencies were put in place for virtual interviews to be held where ongoing COVID-19 restrictions meant travel was not possible. A total of 271 applications were received during the 2020 Selection process for the SET Program in General Surgery, with a total of 88 offers made. Total Selection fees for 2020 were \$230,350. The organisation provided administrative management of the supervision or oversight requirements of 23 SIMGs in General Surgery, post their initial clinical assessment by the RACS.

Senior management developed innovative solutions to manage the disruptions caused by COVID-19, and worked closely with online education providers to deliver the regular annual program of regional education and training events through virtual platforms and interactive webinars. This included the sessions for the Queensland Core Course, SA Long Course, WARTS, and NSW Educational Program being delivered online, with overall attendance for the Queensland Core Course increasing to 84.2% (80.3% in 2019). In total, 126 educational webcasts were added to the GSA Educational Resources for the year, bringing the total number of webcasts uploaded from 2013-2020 to 1,412.

**GENERAL SURGEONS AUSTRALIA  
DIRECTORS' REPORT (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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

The 2020 SEAM Standard Setting workshop was held as an online event in July, with Subject Matter Experts from across Australia and New Zealand contributing to the review of 310 Summative Assessment questions for the eight modules comprising the SEAM Program.

Other events delivered online included the SA/NT Training Committee Registrar's Paper Day, a two-week national pre-recorded GSA Trainee's Day program on Breast & Endocrine Surgery, a Fellowship Exam webinar, and a six week online Exam Preparation Course. This course, convened by A/ Prof Navin Niles and Mr Adrian Fox, involved the participation of 47 Chairs, speakers and expert panel members from across Australia, with 85 candidates for the September/October sitting of the Fellowship exam taking part in interactive lectures and case based discussions. The organisation is particularly grateful to the session Chairs who helped to bring this unique program together at very short notice: Dr Anna Isaacs, Mr Andrew Gilmore, Mr Michael Hii, Dr Nicole Winter, A/Prof Sanjay Warrier, Dr Susannah Graham, Mr Graham Starkey, Miss Kate Martin, and Dr Ben Loveday.

In 2020, 74 new Junior Doctor members joined the organisation, with 57 abstracts submitted by Junior Doctor members for the online SA/NT Training Committee Registrar's Paper Day in November. The organisation also worked with the Monash Children's Hospital & Monash University Department of Paediatrics to promote a six week Fundamentals of Surgery Simulation-based Laparoscopy Online Course for Junior Doctor members.

The GSA Post-Fellowship Education & Training (PFET) Programs in Transplantation and Trauma continued to expand, with seven new posts across five hospitals accredited for Trauma training from 2020 onwards. The GSA Transplant Training Committee assessed nine applications for the PFET Program in Transplantation Surgery, with the top four candidates appointed to the training program for the 2021/2022 training years. Two applications were received during the Selection process for the PFET Program in Trauma Surgery, with one applicant appointed to commence training in 2021. The launch of the PFET Program in Rural Surgery was delayed due to COVID-19, however the GSA Rural Training Committee continued their work on the development of Regulations, Policies, and procedures.

Work commenced on the IT development of the new trainee and member database and online assessment tools for the new General Surgery training program, following the appointment of White Cloud Global in January 2020 to develop the platform. A comprehensive review of the Curriculum for the SET Program in General Surgery was conducted throughout 2020, and the first organ specific module for the SEAM II program was finalised for release in early 2021.

The total number of full-time, part-time, and casual staff employed by GSA during the 2020 financial year was eleven. Overall expenditure for the year was significantly lower, particularly in the areas of travel and accommodation, facilities and venue hire, and rent and outgoings. Expenses related to online education and employment increased. Revenue from membership subscriptions, training services, Selection, and government grants 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 2021, GSA will continue to deliver its activities under the Partnering Agreement with the RACS. The provision of Event Management services for external meetings will recommence, and in 2021 will include the PSA Annual Scientific Conference in Bega in August.

The rescheduled 2021 ASM will be held at the Hyatt Regency Sydney from 7-10 October, with options for a hybrid face-to-face and virtual event to be explored. The theme for the meeting will be Surgical Oncology, with a review of international speakers to be conducted pending ongoing COVID-19 travel restrictions.

The Exam Preparation Course will again be delivered online for up to 140 candidates sitting the Fellowship Exam in 2021, with a six-week program to cover the topics of Breast, Endocrine, Colorectal, HPB, Upper GI, Trauma & Emergency Surgery, Transplantation, Vascular Surgery, Melanoma, Surgical Oncology, and Skin.

**GENERAL SURGEONS AUSTRALIA  
DIRECTORS' REPORT (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**8. LIKELY FUTURE DEVELOPMENTS AND EXPECTED RESULTS (CONT'D)**

Two national GSA Trainees' Days will be delivered in May (Transplantation & Vascular Surgery) and October (Surgical Oncology), with plans to deliver three commercial MOSES programs. The annual regional education activities and webcasting programs will also continue as a mix of face-to-face and online events, working within COVID-19 restrictions in each region.

Work will continue on the IT development of the new trainee and member database, as well as a new website that will interact seamlessly with the new database. Curriculum reviews for the SET Program in General Surgery will continue, as well as the further organ specific modules for the SEAM II program.

Projected revenue in 2021 from the RACS Partnering Agreement is approximately \$1,633,000, with the bulk of revenue to be invoiced in February 2021, and the final instalment due in July 2021. SEAM Administration fees will provide revenue of approximately \$69,600, which will continue to offset ongoing Standard Setting costs and the cost of developing new modules for SEAM II. Projected revenue from membership subscriptions, regional and national courses, MOSES, IMG administration, PFET, Event Management services, and Selection fees is approximately \$828,000.

**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**

On 18 February 2021, the Company received the amount of \$660,000 (inc. GST) from the Royal Australasian College of Surgeons representing part-payment of the first instalment of the Partnering Agreement funding for the administration of the General Surgery Training program.

On 9 March 2021, the Company received the amount of \$1,053,173 (inc. GST) from the Royal Australasian College of Surgeons representing part-payment of the first instalment of the Partnering Agreement funding for the administration of the General Surgery Training program.

Other than the above events, 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.

**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.

**GENERAL SURGEONS AUSTRALIA  
DIRECTORS' REPORT (CONT'D)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**14. MEETINGS OF DIRECTORS**

<b>Name of Director</b>	<b>Number of meetings entitled to attend</b>	<b>Number of meetings attended</b>
Butchers, S (Treasurer to 12 May 2020; Vice President from 13 May 2020)	6	5
Clarke, G	6	4
Collinson, T (President)	6	6
Fry, D (Appointed 12 May 2020)	5	5
Gurusinghe, N	6	6
Hughes, A (Treasurer from 13 May 2020)	6	6
Saunders, A (Vice President to 12 May 2020; Retired)	1	0
Sayed-Hassen, A	6	3
Slater, K	6	4

**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 29 and forms part of the Director's Report for the year ended 31 December 2020.

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

Chairman (President)  
30 March 2021

**GENERAL SURGEONS AUSTRALIA  
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2020 \$	2019 \$
<b>Revenue</b>			
Members' income		251,977	236,649
Training Services income	2	1,913,936	1,824,322
Post Fellowship Education & Training income		18,095	21,712
Courses income	2	122,318	242,418
Event income	2	6,350	438,259
Other income	2	5,120	3,020
		<u>2,317,796</u>	<u>2,766,380</u>
Other revenue - interest		6,975	8,760
Income on investments	3	129,133	538,831
Government grant income	4	362,251	-
		<u>2,816,156</u>	<u>3,313,971</u>
<b>Expenses</b>			
Employee benefits expense	5	(1,089,865)	(1,062,036)
Administrative & Training Services expense		(414,326)	(866,060)
Courses expense		(112,291)	(290,789)
Event expense		(5,344)	(292,027)
Grants & Awards expense		(932)	(31,698)
Finance costs		(12,817)	(15,207)
External professional services expense		(26,974)	(29,406)
Depreciation expense		(120,205)	(102,689)
		<u>1,033,402</u>	<u>624,059</u>
Surplus for the year		<u>1,033,402</u>	<u>624,059</u>
Other comprehensive income		-	-
Total comprehensive income for the year		<u>1,033,402</u>	<u>624,059</u>

The accompanying notes form part of these financial statements.

**GENERAL SURGEONS AUSTRALIA  
STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2020**

	Notes	2020 \$	2019 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	6	1,466,224	569,287
Trade and other receivables	7	41,738	61,569
Inventories	8	3,857	3,897
Prepayments	9	163,237	184,900
TOTAL CURRENT ASSETS		<u>1,675,056</u>	<u>819,653</u>
<b>NON CURRENT ASSETS</b>			
Right-of-use asset	10	51,507	84,565
Plant and equipment	11	3,458	6,422
Intangible assets	12	66,300	-
Financial assets at fair value through profit or loss	13	3,448,968	3,319,835
TOTAL NON CURRENT ASSETS		<u>3,570,233</u>	<u>3,410,822</u>
TOTAL ASSETS		<u>5,245,289</u>	<u>4,230,475</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	14	35,372	9,799
Deposits for future services	15	28,412	76,478
Provision for employee entitlements	16	297,700	256,381
Lease liability		51,582	85,692
TOTAL CURRENT LIABILITIES		<u>413,066</u>	<u>428,350</u>
<b>NON CURRENT LIABILITIES</b>			
Provision for employee entitlements	16	18,048	21,352
TOTAL NON CURRENT LIABILITIES		<u>18,048</u>	<u>21,352</u>
TOTAL LIABILITIES		<u>431,114</u>	<u>449,702</u>
NET ASSETS		<u>4,814,175</u>	<u>3,780,773</u>
<b>MEMBERS' FUNDS</b>			
Accumulated surplus		<u>4,814,175</u>	<u>3,780,773</u>
TOTAL MEMBERS' FUNDS		<u>4,814,175</u>	<u>3,780,773</u>

The accompanying notes form part of these financial statements.

**GENERAL SURGEONS AUSTRALIA  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	<b>Accumulated Surplus</b>	<b>Total Members' Funds</b>
	<b>2020</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Balance at 1 January 2020	3,780,773	3,780,773
Surplus for the year	1,033,402	1,033,402
Other comprehensive income	-	-
	<u>4,814,175</u>	<u>4,814,175</u>
Total comprehensive income for the year	4,814,175	4,814,175
	<u>4,814,175</u>	<u>4,814,175</u>
Balance at 31 December 2020	<u><u>4,814,175</u></u>	<u><u>4,814,175</u></u>

	<b>Accumulated Surplus</b>	<b>Total Members' Funds</b>
	<b>2019</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Balance at 1 January 2019	3,156,714	3,156,714
Surplus for the year	624,059	624,059
Other comprehensive income	-	-
	<u>3,780,773</u>	<u>3,780,773</u>
Total comprehensive income for the year	3,780,773	3,780,773
	<u>3,780,773</u>	<u>3,780,773</u>
Balance at 31 December 2019	<u><u>3,780,773</u></u>	<u><u>3,780,773</u></u>

The accompanying notes form part of these financial statements.

**GENERAL SURGEONS AUSTRALIA  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>		
- Receipts from members and customers	2,622,105	3,062,990
- Payments to suppliers and employees	(1,908,010)	(2,999,175)
- Interest received	6,975	8,760
- Interest expense	(12,817)	(15,207)
- Government grants received	362,251	-
	<u>1,070,504</u>	<u>57,368</u>
<b>Cash flows from investing activities</b>		
- Payment for plant and equipment	(363)	(9,628)
- Payment for intangible assets	(99,400)	-
- Receipts for investments	-	252,000
	<u>(99,763)</u>	<u>242,372</u>
<b>Cash flows from financing activities</b>		
- Operating lease payments	(73,805)	(100,959)
	<u>(73,805)</u>	<u>(100,959)</u>
Net increase in cash held	896,937	198,781
Cash and cash equivalents at the beginning of the year	569,287	370,506
	<u>1,466,224</u>	<u>569,287</u>
Cash and cash equivalents at the end of the year	<u><u>1,466,224</u></u>	<u><u>569,287</u></u>

The accompanying notes form part of these financial statements.

**GENERAL SURGEONS AUSTRALIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**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 Accounting Standards Board including 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 and 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**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. No judgements, estimates and assumptions have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

*Employee benefits provision*

As discussed in note 1(k), the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

**GENERAL SURGEONS AUSTRALIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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

**(b) Significant Judgements and Key Assumptions (cont'd)**

*Lease term*

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the Company's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The Company reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

*Incremental borrowing rate*

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Company estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

**(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.

**Class of Asset**

**Rate of Depreciation**

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) Right-of-use assets**

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

**GENERAL SURGEONS AUSTRALIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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

**(d) Right-of-use assets (cont'd)**

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

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

**(e) Intangible assets**

Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

**(f) 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.

**(g) Trade and other receivables**

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses, which uses a lifetime expected loss allowance. Trade receivables are generally due for settlement within 30 days.

The Company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

**(h) Trade and other payables**

Trade and other payables represent the principal amounts outstanding at balance date plus, where applicable, any accrued interest.

**(i) Lease liabilities**

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

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

**GENERAL SURGEONS AUSTRALIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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

**(j) Revenue Recognition**

*Revenue from contracts with customers*

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

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..

**(k) Conferences/Seminars**

All income and expenses relating to conferences and seminars have been recognised in the current financial year.

**(l) 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.

**(m) 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.

**(n) 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.

**GENERAL SURGEONS AUSTRALIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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

**(n) Provisions (cont'd)**

(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.

**(o) Investments and Other Financial Assets**

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

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

*Financial assets at fair value through profit or loss*

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

**(p) 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.

**(q) New or amended Accounting Standards and Interpretations adopted**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Company for the annual reporting period ended 31 December 2020. The Company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

**(r) Comparatives**

Where necessary comparatives have been reclassified for consistency with the current period disclosures.

**GENERAL SURGEONS AUSTRALIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>2. REVENUE</b>		
Training Services income		
Partnering Agreement income	1,456,490	1,376,097
SEAM Administration income	80,000	95,000
SIMG Services income	24,996	17,625
Hospital Inspection income	122,100	123,600
Selection income	230,350	212,000
	<u>1,913,936</u>	<u>1,824,322</u>
	=====	=====
Course income		
GSA Trainees Days	30,033	11,088
Regional Training Courses income	56,235	199,722
MOSES income	7,000	31,608
Online Education income	29,050	-
	<u>122,318</u>	<u>242,418</u>
	=====	=====
Event income		
Event Management income	6,350	42,600
Other event income	-	59,229
GSA ASM income	-	336,430
	<u>6,350</u>	<u>438,259</u>
	=====	=====
Other income		
Advertising income	5,040	2,700
Administration income	-	200
Merchandise	80	120
	<u>5,120</u>	<u>3,020</u>
	=====	=====
<b>3. OTHER REVENUE</b>		
Income on investments (managed funds)		
ANZ Pool Investment	33,502	168,363
RACS Small Scale Offering	95,631	370,468
	<u>129,133</u>	<u>538,831</u>
	=====	=====
<b>4. GOVERNMENT GRANTS</b>		
JobKeeper Subsidy	302,475	-
COVID-19 Cash Boost	59,776	-
	<u>362,251</u>	<u>-</u>
	=====	=====
<b>5. SURPLUS FROM OPERATIONS</b>		
Surplus from operating activities includes the following specific expenses:		
Employee benefits expense:		
Salaries and wages	1,001,508	976,058
Defined contribution plan expenses	88,358	85,978
	<u>1,089,865</u>	<u>1,062,036</u>
	=====	=====

**GENERAL SURGEONS AUSTRALIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>6. CASH AND CASH EQUIVALENTS</b>		
Cash at bank	1,465,415	568,160
Cash on hand	809	1,127
	<u>1,466,224</u>	<u>569,287</u>
	=====	=====
<b>7. TRADE AND OTHER RECEIVABLES</b>		
Trade receivables	22,110	16,897
Allowance for expected credit losses	(11,283)	(8,384)
Other receivables	30,911	53,056
	<u>41,738</u>	<u>61,569</u>
	=====	=====
Trade receivables consist of invoices to Members prior to 31 December 2020 for Membership Subscriptions relating to the 2020 financial year, less any allowance for expected credit losses.		
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>8. INVENTORIES</b>		
Ties & Scarves – at cost	3,857	3,897
	<u>3,857</u>	<u>3,897</u>
	=====	=====
<b>9. PREPAYMENTS</b>		
GSA ASM		
2021 - Hyatt Regency Sydney	91,660	91,660
2021 - Trippas White Group	7,500	7,500
Deposits - other		
2021 WorkCover Insurance	340	-
Event Deposits - other		
2021 WA Selection - Pan Pacific Perth	853	-
2021 VIC Quinquennial Inspections - Sheraton Melbourne	19,250	-
2021 MOSES - Crown Conference Centre / The Calile Hotel	7,483	-
2021 QLD Orientation - Shayher Leisure / Alchemy Restaurant	3,409	-
2021 Virtual Trainees Weekend - Kojo Productions	5,040	-
2021 Exam Prep Course - Kojo Productions	15,390	-
2021 Travel & Accommodation Deposits (cancelled 2020)	12,312	-
2020 AsAES - Victorian Arts Centre Trust	-	13,764
2020 AsAES - Fatto Bar & Cantina	-	1,500
2020 AsAES - Airfares	-	12,201
2020 AsAES - Ticketek	-	736
2020 AsAES - Crown Events & Conferences Melbourne	-	37,205
2020 RACS Annual Scientific Congress Exhibition	-	8,000
2020 Curriculum Workshop - QT Wellington	-	2,887
2020 Curriculum Workshop - Airfares	-	7,693
2020 Board in General Surgery Meeting - Airfares	-	454
2020 GSET Meeting - Parking	-	300
2020 VIC Fellowship Exam - Red Spice Road	-	1,000
	<u>163,237</u>	<u>184,900</u>
	=====	=====
Total prepayments	163,237	184,900

**GENERAL SURGEONS AUSTRALIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>10. RIGHT-OF-USE ASSET</b>		
Right-of-use asset	152,686	184,048
Accumulated depreciation	(101,179)	(99,483)
	<u>51,507</u>	<u>84,565</u>
	=====	=====

**Reconciliation of movements**

Reconciliations of the carrying amount of right-of-use asset at the beginning and end of the current financial year is set out below:

Right-of-use asset at cost	
Carrying amount at 1 January	84,565
Additions	50,720
Depreciation	(83,778)
	<u>51,507</u>
Carrying amount at 31 December	=====

The Company leases the right-of-use for its offices under agreements of between six months to one year, and in some cases, options to extend. Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities. Depreciation of \$83,778 was charged during the year. Interest expense charged to the profit and loss on lease liabilities amounted to \$522.

<b>11. PLANT AND EQUIPMENT</b>		
Plant and equipment - at cost	96,387	96,024
Accumulated depreciation	(92,929)	(89,602)
	<u>3,458</u>	<u>6,422</u>
	=====	=====

**Reconciliation of movements**

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

Plant and equipment at cost	
Carrying amount at 1 January	6,422
Additions	363
Depreciation	(3,327)
	<u>3,458</u>
Carrying amount at 31 December	=====

**GENERAL SURGEONS AUSTRALIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>12. INTANGIBLE ASSETS</b>		
Training management database - at cost	99,400	-
Accumulated amortisation	(33,100)	-
	<u>66,300</u>	<u>-</u>
	=====	=====
<b>Reconciliation of movements</b>		
Reconciliations of the carrying amount of intangible assets at the beginning and end of the current financial year is set out below:		
Intangible assets at cost		
Carrying amount at 1 January	-	
Additions	99,400	
Amortisation	(33,100)	
	<u>66,300</u>	
	=====	
Carrying amount at 31 December	66,300	
	=====	
<b>13. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		
RACS Small Scale Offering	2,225,752	2,130,121
ANZ Pool Investment	1,223,216	1,189,714
	<u>3,448,968</u>	<u>3,319,835</u>
	=====	=====
<b>Reconciliation</b>		
Opening fair value	3,319,835	3,033,004
Additions / (Withdrawals)	-	(252,000)
Revaluation increments	129,133	538,831
	<u>3,448,968</u>	<u>3,319,835</u>
	=====	=====
Closing fair value	3,448,968	3,319,835
	=====	=====
<b>14. TRADE AND OTHER PAYABLES</b>		
Trade payables	35,372	33,004
Other	-	(23,205)
	<u>35,372</u>	<u>9,799</u>
	=====	=====
<b>15. DEPOSITS FOR FUTURE SERVICES</b>		
2020 AsAES Sponsorship		
FUJIFILM Sonosite	-	6,000
Bard Australia	-	6,000
Matrix Surgical	-	6,000
Mi-Tec Medical Publishing	-	900
MIGA (VIC)	-	10,909
2020 AsAES Delegate Registrations	-	39,769
2020 VIC Fellowship Exam Registrations	-	1,300
2021 / 2020 MOSES Registrations	9,100	5,600
2021 Virtual Trainees Weekend Registrations	15,562	-
2021 PSA ASC Sponsorship		
Rymed	3,000	-
Mi-Tec Medical Publishing	750	-
	<u>28,412</u>	<u>76,478</u>
	=====	=====
Total deposits for future services	28,412	76,478
	=====	=====

**GENERAL SURGEONS AUSTRALIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>16. PROVISION FOR EMPLOYEE ENTITLEMENTS</b>		
CURRENT		
Provision for annual leave	95,795	88,594
Provision for long service leave	201,905	167,787
	<u>297,700</u>	<u>256,381</u>
NON CURRENT		
Provision for long service leave	18,048	21,352
	<u>18,048</u>	<u>21,352</u>
TOTAL	<u>315,748</u>	<u>277,733</u>
Opening balance at 1 January 2020	277,733	
Additional provisions raised during year	109,674	
Amounts used	(71,659)	
Balance at 31 December 2020	<u>315,748</u>	

**17. AUDITOR'S REMUNERATION**

Amounts received or due and receivable by the auditors for:

Auditing services	16,000	14,109
Overruns for the prior period	2,000	-
Other services	1,000	1,000
	<u>19,000</u>	<u>15,109</u>

**18. 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 2020 were:

- Butchers, Dr Sally Louise McGregor
- Clarke, Mr Graeme Wayne
- Collinson, Mr Trevor Graham
- Fry, Dr Damian Arthur
- Gurusinghe, Ms Nishanthi
- Hughes, Mr Andrew S
- Saunder, Mr Alan Charles
- Sayed-Hassen, Mr Akhtar Hussein
- Slater, A/Prof Kellee

**(b) Director's Remuneration**

Total income received or due and receivable by Directors	-	-
	<u>                    </u>	<u>                    </u>

The 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	514,154	536,803
Post employment benefit	48,284	47,563
	<u>562,438</u>	<u>584,366</u>

**GENERAL SURGEONS AUSTRALIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**19. CONTINGENT LIABILITIES AND COMMITMENTS**

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

**20. SUBSEQUENT EVENTS**

On 18 February 2021, the Company received the amount of \$660,000 (inc. GST) from the Royal Australasian College of Surgeons representing part-payment of the first instalment of the Partnering Agreement funding for the administration of the General Surgery Training program.

On 9 March 2021, the Company received the amount of \$1,053,173 (inc. GST) from the Royal Australasian College of Surgeons representing part-payment of the first instalment of the Partnering Agreement funding for the administration of the General Surgery Training program.

Other than the above events, 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.

**21. MEMBERS' GUARANTEE**

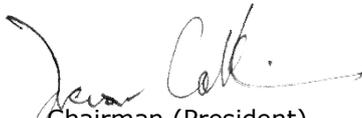
General Surgeons Australia is a Company limited by guarantee. The amount of capital which is capable of being called up in the event of and for the purpose of the winding up of the Company is limited to \$1.00 per member. At 31 December 2020 the number of financial members was 1,079 (2019: 1,066).

**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 2020 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)  
30 March 2021

## 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 2020, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of section 60-40 of the *Australian Charities and Not-for-profit 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  
Director

**BDO Audit Pty Ltd**

Melbourne, 30 March 2021

## 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 2020, 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 Directors' 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 2020 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 (including Independence Standards)* (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 Directors' 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 Directors for the Financial Report**

The Directors 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 Directors 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, Directors 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 Directors 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 Audit Pty Ltd**

BDO  


Wai Aw  
Director

Melbourne, 30 March 2021