



**Australian Government**  
**Registered Organisations Commission**

31 October 2017

Professor Geoffrey Dobb  
Branch President  
Australian Salaried Medical Officers Federation, Western Australia Branch

By e-mail: [simon.bibby@amawa.com.au](mailto:simon.bibby@amawa.com.au)

Dear Professor Dobb

**Australian Salaried Medical Officers Federation, Western Australia Branch**  
**Financial Report for the year ended 31 December 2016 - FR2016/403**

I acknowledge receipt of the amended financial report for the year ended 31 December 2016 for the Australian Salaried Medical Officers Federation, Western Australia Branch. The financial report was lodged with the Registered Organisations Commission on 26 October 2017.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 9603 0707 or by email at [ken.morgan@roc.gov.au](mailto:ken.morgan@roc.gov.au)

Yours faithfully

A handwritten signature in black ink, appearing to read 'K. Morgan'.

**KEN MORGAN**  
**Financial Reporting Advisor**  
**Registered Organisations Commission**

**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION – WESTERN  
AUSTRALIA BRANCH**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**

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## **Independent Auditor's Report To the Members of Australian Salaries Medical Officers' Federation Western Australian Branch**

### **Auditor's Opinion**

We have audited the financial report of Australian Salaries Medical Officers' Federation Western Australian Branch (the "Federation"), which comprises the statement of financial position as at 31 December 2016, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes comprising to the financial statements, including a summary of significant accounting policies and the statement by the Committee of Management and Operating Report of Australian Medical Officer's Federation Western Australian Branch.

In our opinion, the accompanying financial report of Australian Salaries Medical Officers' Federation Western Australian Branch:

- a presents fairly, in all material respects, the Federation's financial position as at 31 December 2016 and of its performance and cash flows for the year then ended; and
- b complies with Australian Accounting Standards
- c any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

We declare the management's use of the going concern basis in the preparation of the financial statements of the Australian Medical Officer's Federation Western Australian Branch is appropriate, refer to note 1.13.

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**Basis for Auditor's 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 Federation in accordance with 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 audit opinion.

**Responsibility of the Committee of Management for the Financial Report**

The Committee of Management of the Federation is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and Fair Work (Registered Organisations) Act. This responsibility includes such internal controls as the Committee of Management determine are necessary to enable the preparation of the financial report to be free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee of Management are responsible for assessing the Federation'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 management either intends to liquidate the Federation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Federation'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.

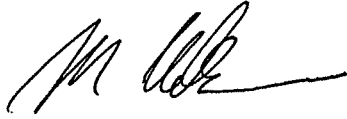
A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

[http://www.auasb.gov.au/auditors\\_files/ar3.pdf](http://www.auasb.gov.au/auditors_files/ar3.pdf). This description forms part of our auditor's report.

I declare that I am an approved auditor, a member of The Institute of Chartered Accountants and hold a current Public Practice Certificate.

*Grant Thornton Audit Pty Ltd*

GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants



M J Hillgrove  
Partner - Audit & Assurance

Perth, 18 September 2017

**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION – WESTERN AUSTRALIA  
BRANCH**

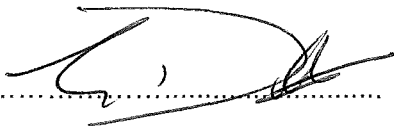
**s.268 Fair Work (Registered Organisations) Act 2009**

**Designated Officers Certificate**

**Certificate for the period ended 31 December 2016**

I, *Professor G Dobb* being the *president* of the *Australian Salaried Medical Office Federation – Western Australia Branch (ASMOWFA)* certify:

- that the documents lodged herewith are copies of the full report for ASMOWFA for the period ended 31 December 2016 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of ASMOWFA on the 20<sup>th</sup> of March 2017; this was then amended and provided to members on the 26<sup>th</sup> September 2017 and
- that the full report will be presented to the *general meeting of members* of ASMOWFA on 23rd October 2017 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.



A handwritten signature in black ink, appearing to be 'G Dobb', is written over a horizontal dotted line.

Professor G Dobb

President

Dated: 23rd October 2017

## AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION – WESTERN AUSTRALIA BRANCH

### **Operating Report for the period ended 31 December 2016**

The committee presents its report of the Australian Salaried Medical Officers Federation – WESTERN AUSTRALIA BRANCH (ASMOWFA) for the financial year ended 31 December 2016.

#### **Review of Principal Activities**

1. Promote and protect the broad interests of salaried medical practitioners.
2. Advocate the provision and development of Quality Health Services.
3. Providing a national association representative of and capable of effectively safeguarding and advancing the interests and welfare of the members.
4. Promote peaceful settlement of industrial disputes to which members of the Federation may be party.
5. To maintain registration as an organization under the Fair Work (RO) Act 2009.
6. To preserve to members the right of submission to arbitration of claims or disputes in relation to wages and conditions of employment.

No significant change in the nature of these activities occurred during the year.

The deficit of the federation for the financial year amounts to \$52.00. There were no significant changes to the financial affairs during the year.

#### **Details of rights of members to resign:**

A member of the Federation may resign from membership by written notice addressed and delivered to the Branch Secretary giving notice in accordance with ASMOWFA (Federal) Rule 11.

**Details of superannuation trustee as at 31 December 2016: None**

**Number of members as at 31 December 2016: 970 members**

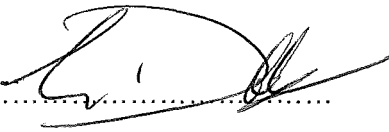
The Federation has no employees. All work performed on behalf of the Federation is undertaken by persons who are employees of the Australian Medical Association (WA) Inc. who operate the secretariat or elected officers of the Federation.

**Committee of Management members and period positions held during the financial year:**

<b>Name of Office</b>	<b>Name of Office Holder</b>	<b>Postal Address of Office Holder</b>	<b>Period Held</b>
<i>President</i>	<i>Prof Geoffrey John Dobb</i>	<i>14 Stirling Hwy NEDLANDS WA 6009.</i>	<i>01.01.2016 to 31.12.2016</i>
<i>Vice President</i>	<i>Dr Christopher Wilson</i>	<i>As above</i>	<i>01.01.2016 to 31.12.2016</i>
<i>Branch Secretary</i>	<i>Ass Prof David Mountain</i>	<i>As above</i>	<i>01.01.2016 to 31.12.2016</i>
<i>Branch Assistant Secretary/Treasurer</i>	<i>Dr Ian Jenkins</i>	<i>As above</i>	<i>01.01.2016 to 31.12.2016</i>
<i>Committee of Management Member</i>	<i>Dr Nigel Armstrong</i>	<i>As above</i>	<i>01.01.2016 to 31.12.2016</i>
<i>Committee of Management Member</i>	<i>Dr Janet Hornbuckle</i>	<i>As above</i>	<i>01.01.2016 to 31.12.2016</i>
<i>Committee of Management Member</i>	<i>Dr Alexius Julian</i>	<i>As above</i>	<i>01.01.2016 to 21.11.2016</i>
<i>Committee of Management Member</i>	<i>Dr Katherine Langdon</i>	<i>As above</i>	<i>01.01.2016 to 31.12.2016</i>
<i>Committee of Management Member</i>	<i>Dr David McCoubrie</i>	<i>As above</i>	<i>01.01.2016 to 31.12.2016</i>
<i>Committee of Management Member</i>	<i>Dr Johan Rosman</i>	<i>As above</i>	<i>01.01.2016 to 31.12.2016</i>
<i>Committee of Management Member</i>	<i>Dr Tony Ryan</i>	<i>As above</i>	<i>01.01.2016 to 31.12.2016</i>
<i>Committee of Management Member</i>	<i>Dr Paul Woods</i>	<i>As above</i>	<i>01.01.2016 to 31.12.2016</i>
<i>Committee of Management Member</i>	<i>Dr John Stephen Zorbas</i>	<i>As above</i>	<i>01.01.2016 to 31.12.2016</i>
<i>Committee of Management Member</i>	<i>Dr Natalia Magana</i>	<i>As above</i>	<i>21.11.2016 to 31.12.2016</i>
<i>Committee of Management Member</i>	<i>Dr Malcolm Thompson</i>	<i>As above</i>	<i>21.11.2016 to 31.12.2016</i>



Signed in accordance with a resolution of the Committee of Management



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Professor G Dobb

President

Dated: 18<sup>th</sup> September 2017

**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION – WESTERN AUSTRALIA  
BRANCH**

**COMMITTEE OF MANAGEMENT STATEMENT**

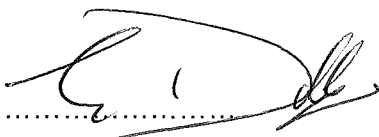
*for the period ended 31 December 2016*

On the 18<sup>th</sup> September 2017 the Committee of Management of the Australian Salaried Medical Officers Federation – Western Australia Branch (ASMOWFA) passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 31 December 2016:

The Committee of Management declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the General Manager;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of ASMOWFA for the financial year to which they relate;
- (d) there are reasonable grounds to believe that ASMOWFA will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
  - (i) meetings of the committee of management were held in accordance with the rules of the Australian Salaried Medical Officers Federation including the rules concerning branches of that Federation; and
  - (ii) the financial affairs of ASMOWFA have been managed in accordance with the rules of the Australian Salaried Medical Officers Federation including the rules concerning the branches of that Federation; and
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
  - (iv) as the organisation consists of 2 or more reporting units, the financial records of the ASMOWFA have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the Australian Salaried Medical Officers Federation; and
  - (v) where information has been sought in any request by a member of ASMOWFA or General Manager duly made under section 272 of the RO Act has been provided to the member or General Manager; and
  - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
- (f) In relation to recovery of wages activity
  - i) there has been no recovery of wages activity for the financial year

This declaration is made in accordance with a resolution of the Committee of Management.



Professor G Dobb  
President

Dated: 18<sup>th</sup> September 2017

**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION – WESTERN AUSTRALIA  
BRANCH**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
*for the period ended 31 December 2016*

	Notes	2016 \$	2015 \$
<b>Revenue</b>			
Membership subscription*		-	-
Capitation fees		-	-
Levies		-	-
<b>Total revenue</b>		-	-
<b>Other Income</b>			
Grants and/or donations	3A	11,737	16,508
<b>Total other income</b>		11,737	16,508
<b>Total income</b>		11,737	16,508
<b>Expenses</b>			
Employee expenses		-	-
Capitation fees		-	-
Affiliation fees		-	-
Administration expenses	4A	10,289	14,532
Grants or donations		-	-
Legal costs		-	-
Audit fees	9	1,500	2,000
<b>Total expenses</b>		11,789	16,532
<b>Loss for the year</b>		(52)	(24)
<b>Total comprehensive income for the year</b>		(52)	(24)

**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION – WESTERN AUSTRALIA  
BRANCH**  
**STATEMENT OF FINANCIAL POSITION**  
*as at 31 December 2016*

	Notes	2016 \$	2015 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5	2,025	2,077
Receivable from another reporting unit		-	-
<b>Total current assets</b>		<u>2,025</u>	<u>2,077</u>
<b>Total assets</b>		<u>2,025</u>	<u>2,077</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade payables	6A	-	-
Other payables	6B	-	-
Employee provisions		-	-
<b>Total current liabilities</b>		<u>-</u>	<u>-</u>
<b>Non-Current Liabilities</b>			
Employee provisions		-	-
<b>Total non-current liabilities</b>		<u>-</u>	<u>-</u>
<b>Total liabilities</b>		<u>-</u>	<u>-</u>
<b>Net assets</b>		<u>2,025</u>	<u>2,077</u>
<b>EQUITY</b>			
Retained earnings		2,025	2,077
<b>Total equity</b>		<u>2,025</u>	<u>2,077</u>

The above statement should be read in conjunction with the notes.

**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION – WESTERN AUSTRALIA  
BRANCH**  
**STATEMENT OF CHANGES IN EQUITY**  
*for the period ended 31 December 2016*

	Notes	General funds \$	Retained earnings \$	Total equity \$
<b>Balance as at 1 January 2015</b>		-	2,101	2,101
Loss for the year		-	(24)	(24)
<b>Closing balance as at 31 December 2015</b>		-	2,077	2,077
Loss for the year		-	(52)	(52)
<b>Closing balance as at 31 December 2016</b>		-	2,025	2,025

The above statement should be read in conjunction with the notes.

**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION – WESTERN AUSTRALIA  
 BRANCH  
 STATEMENT OF CASH FLOWS**  
*for the period ended 31 December 2016*

	Notes	2016	2015
			\$
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Receipts from other reporting units/controlled entity(s)	7B	-	-
<b>Cash used</b>			
Suppliers		(52)	(24)
Payment to other reporting units/controlled entity(s)	7B	-	-
<b>Net cash from (used by) operating activities</b>	7A	<b>(52)</b>	<b>(24)</b>
		<b>(52)</b>	<b>(24)</b>
<b>Net increase (decrease) in cash held</b>			
Cash & cash equivalents at the beginning of the reporting period		2,077	2,101
<b>Cash &amp; cash equivalents at the end of the reporting period</b>	5A	<b>2,025</b>	<b>2,077</b>

The above statement should be read in conjunction with the notes.

## Index to the Notes of the Financial Statements

Note 1	Summary of significant accounting policies
Note 2	Events after the reporting period
Note 3	Income
Note 4	Expenses
Note 5	Current assets
Note 6	Current liabilities
Note 7	Cash flow
Note 8	Related party disclosures
Note 9	Remuneration of auditors
Note 10	Financial instruments
Note 11	Fair value measurements
Note 12	Administration of financial affairs by a third party
Note 13	Section 272 <i>Fair Work (Registered Organisations) Act 2009</i>

## **Note 1 Summary of significant accounting policies**

### **1.1 Basis of preparation of the financial statements**

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the *Fair Work (Registered Organisation) Act 2009*. For the purpose of preparing the general purpose financial statements, the Australian Salaried Medical Officers Federation – Western Australia Branch (ASMOFWA) is a not-for-profit entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

### **1.2 Comparative amounts**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

### **1.3 Significant accounting judgements and estimates**

The following accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

#### **a. Income tax**

ASMOFWA is exempt from income tax under Division 50, section 50.1 & 50.5 of the Income Tax Assessment Act 1997.

#### **b. Cash and cash equivalents**

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

#### **c. Revenue and other income**

Revenue is received from the parent entity as an allocation of membership fees. Membership fees are recognised on a straight line basis over the financial year.

All revenue is stated net of the amount of goods and services tax (GST).



#### **d. Goods and services tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

#### **e. Comparative figures**

Comparative figures have been adjusted to conform to changes in presentation for the current financial year where required by accounting standards or as a result of changes in accounting policy.

### **1.4 New Australian Accounting Standards**

#### **Adoption of New Australian Accounting Standard requirements**

No accounting standard has been adopted earlier than the application date stated in the standard.

#### **Future Australian Accounting Standards Requirements**

New standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to the future reporting period that are expected to have a future financial impact on the Australian Salaried Medical Officers Federation – Western Australia Branch include:

AASB 2014-1 Amendments to Australian Accounting Standards (Part A: Annual Improvements 2010–2012 and 2011–2013 Cycles)

Part A of AASB 2014-1 makes amendments to various Australian Accounting Standards arising from the issuance by the IASB of International Financial Reporting Standards Annual Improvements to IFRSs 2010–2012 Cycle and Annual Improvements to IFRSs 2011–2013 Cycle.

Among other improvements, the amendments arising from Annual Improvements to IFRSs 2010–2012 Cycle:

- clarify that the definition of a 'related party' includes a management entity that provides key management personnel services to the reporting entity (either directly or through a group entity)
- amend AASB 8 Operating Segments to explicitly require the disclosure of judgements made by management in applying the aggregation criteria

Among other improvements, the amendments arising from Annual Improvements to IFRSs 2011–2013 Cycle clarify that an entity should assess whether an acquired property is an investment property under AASB 140 Investment Property and perform a separate assessment under AASB 3 Business Combinations to determine whether the acquisition of the investment property constitutes a business combination.

Part A of AASB 2014-1 is applicable to annual reporting periods beginning on or after 1 July 2014.

## 1.5 Revenue

Revenue is measured at the fair value of the consideration received or receivable.

Revenue from subscriptions is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

Donation income is recognised when it is received.

## 1.6 Capitation fees and levies

Capitation fees and levies are recognised on an accrual basis and recorded as a revenue and/or expense in the year to which it relates.

## 1.7 Cash

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the consolidated statement of financial position.

## 1.8 Financial instruments

Financial assets and financial liabilities are recognised when a *reporting unit* entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

## 1.9 Financial assets

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss, held-to-maturity investments, available-for-sale financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised upon trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

### ***Fair value through profit or loss***

Financial assets are classified as at fair value through profit or loss when the financial asset is either held for trading or it is designated as at fair value through profit or loss.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or

- on initial recognition it is part of a portfolio of identified financial instruments that the reporting unit manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the reporting units documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item in the statement of comprehensive income.

#### ***Held-to-maturity investments***

Financial assets with fixed or determinable payments and fixed maturity dates that the reporting unit has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment.

#### ***Available-for-sale***

Listed shares and listed redeemable notes held by the reporting unit that are traded in an active market are classified as available-for-sale and are stated at fair value. The reporting unit also has investments in unlisted shares that are not traded in an active market but that are also classified as available-for-sale financial assets and stated at fair value. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the investments revaluation reserve, with the exception of impairment losses, interest calculated using the effective interest method, and foreign exchange gains and losses on monetary assets, which are recognised in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss.

Dividends on available-for-sale equity instruments are recognised in profit or loss when the reporting unit right to receive the dividends is established. The fair value of available-for-sale monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. The foreign exchange gains and losses that are recognised in profit or loss are determined based on the amortised cost of the monetary asset. Other foreign exchange gains and losses are recognised in other comprehensive income.

## ***Loan and receivables***

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

### ***Effective interest method***

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, when appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest rate basis except for debt instruments other than those financial assets that are recognised at fair value through profit or loss.

### ***Impairment of financial assets***

Financial assets, other than those at fair value through profit or loss, are assessed for impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the reporting units past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available-for-sale equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of available-for-sale debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

### ***Derecognition of financial assets***

The reporting unit derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

## **1.10 Financial Liabilities**

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

### ***Fair value through profit or loss***

Financial liabilities are classified as at fair value through profit or loss when the financial liability is either held for trading or it is designated as at fair value through profit or loss.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the reporting unit manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the reporting units documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial liabilities at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the statement of comprehensive income.

### ***Other financial liabilities***

Other financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

### ***Derecognition of financial liabilities***

The reporting unit derecognises financial liabilities when, and only when, the reporting units obligations are discharged, cancelled or they expire. The difference between the carrying amounts of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

## **1.11 Taxation**

Australian Salaried Medical Officers Federation – Western Australia Branch is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however still has obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

## **1.12 Fair value measurement**

The Australian Salaried Medical Officers Federation – Western Australia Branch measures financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial assets, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 13.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Australian Salaried Medical Officers Federation– Western Australia Branch. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability; assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Australian Salaried Medical Officers Federation– Western Australia Branch uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3—Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Australian Salaried Medical Officers Federation– Western Australia Branch determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as land and buildings and investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, the Australian Salaried Medical Officers Federation– Western Australia Branch has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

### **1.13 Going concern**

The Australian Salaried Medical Officers Federation– Western Australia Branch is financially dependent upon the continued financial support of the Australian Medical Association (WA) Inc. The Committee of Management of the Federation considers the preparation of the financial report on a going concern basis remains appropriate due to the availability of on-going support from the Australian Medical Association (WA) Inc.

ASMOF WA's ability to continue as a going concern is not reliant on the agreed financial support of another reporting unit.

ASMOF WA has not agreed to provide financial support to ensure another reporting unit has the ability to continue as a going concern.

## Note 2 Events after the reporting period

There were no events that occurred after 31 December 2016, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of Australian Salaried Medical Officers Federation– Western Australia Branch

	2016	2015
	\$	\$
<b>Note 3 Income</b>		
<hr/>		
<b>Note 3A: Grants or donations</b>		
Grants	-	-
Donations	11,737	16,508
<b>Total grants or donations</b>	<u>11,737</u>	<u>16,508</u>

## Note 4 Expenses

### Note 4A: Administration expenses

Consideration to employers for payroll deductions*	-	-
Compulsory levies*		
Fees/allowances - meeting and conferences*	-	-
Conference and meeting expenses*	-	-
Penalties – Via RO ACT or RO REGULATIONS	-	-
Other	10,289	14,532
<b>Subtotal administration expense</b>	<u>10,289</u>	<u>14,532</u>
Operating lease rentals:		
Minimum lease payments	-	-
<b>Total administration expenses</b>	<u>10,289</u>	<u>14,532</u>

## Note 5 Current Assets

### Note 5A: Cash and Cash Equivalents

Cash at bank	2,025	2,077
<b>Total cash and cash equivalents</b>	<u>2,025</u>	<u>2,077</u>

## Note 6 Current Liabilities

### Note 6A: Trade payables

Payables to other reporting unit[s]*	-	-
<b>Total trade payables</b>	<u>-</u>	<u>-</u>

Settlement is usually made within 30 days.



	2016	2015
	\$	\$
<b>Note 6B: Other payables</b>		
Consideration to employers for payroll deductions*	-	-
Legal costs*	-	-
<b>Total other payables</b>	<u>-</u>	<u>-</u>
Total other payables are expected to be settled in:		
No more than 12 months	-	-
More than 12 months	-	-
<b>Total other payables</b>	<u>-</u>	<u>-</u>

**Note 7 Cash Flow**

**Note 7A: Cash Flow Reconciliation**

**Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement:**

**Cash and cash equivalents as per:**

Cash flow statement	2,025	2,077
Balance sheet	2,025	2,077
<b>Difference</b>	<u>-</u>	<u>-</u>

**Reconciliation of profit/loss to net cash from operating activities:**

Loss for the year	(52)	(24)
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**Adjustments for non-cash items**

Donations by AMA(WA) Inc.	(11,737)	(16,508)
Administrative expenses by AMA (WA) Inc.	11,737	16,508

**Changes in assets/liabilities**

<b>Net cash from (used by) operating activities</b>	<u>(52)</u>	<u>(24)</u>
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**Note 7B: Cash flow information\***

Cash inflows	-	-
<b>Total cash inflows</b>	<u>-</u>	<u>-</u>

Cash outflows	-	-
<b>Total cash outflows</b>	<u>-</u>	<u>-</u>

## Note 8 Related Party Disclosures

Persons holding positions as executive (Committee of Management) members during the year were:

Professor Geoff Dobb	President
Dr Christopher Wilson	Vice-President
Ass Prof David Mountain	Branch Secretary
Dr Ian Jenkins	Assistant Branch Secretary/Treasurer

No remuneration was received by Officers or Executive members during the year.

## Note 9 Remuneration of Auditors

Value of the services provided	2016	2015
Financial statement audit services	1,500	2,000
Other services	-	-
<b>Total remuneration of auditors</b>	<b>1,500</b>	<b>2,000</b>

No other services were provided by the auditors of the financial statements.

## Note 10 Financial Instruments

The entity's treasurer is responsible for, among other issues, monitoring and managing financial risk exposures of the entity. The treasurer monitors the entity's transactions and reviews the effectiveness of controls relating to credit risk, financial risk and interest rate risk. Due to the limited activity of the entity and of the financial instruments held, the treasurer is solely responsible for monitoring and managing financial risk exposure.

The treasurers overall risk management strategy seeks to ensure that the entity meets its financial targets, while minimising potential adverse effects of cash flow shortfalls.

### Note 10A: Categories of Financial Instruments

	2016	2015
	\$	\$
<b>Financial Assets</b>		
Fair value through profit or loss:		
Cash and cash equivalents	2,025	2,077
<b>Total</b>	<b>2,025</b>	<b>2,077</b>
<b>Carrying amount of financial assets</b>	<b>2,025</b>	<b>2,077</b>

### Note 10B: Credit Risk

No credit risk in the entity exists as total financial assets held are limited to cash at bank.

## Note 10C: Market Risk

### (i) Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows. At 31 December 2016, no financial assets or liabilities are exposed to interest rate risk.

### (ii) Price risk

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because changes in market prices of securities held.

## Sensitivity analysis

No sensitivity analysis has been performed on interest rates and foreign exchange risk, as the entity is not exposed to interest rates and foreign currency fluctuations.

## Note 11 Fair Value Measurement

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the Statement of Financial Position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgement and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted markets bid prices.

	2016		2015	
	Net carrying value	Net fair value	Net carrying value	Net fair value
<b>Financial assets</b>	\$	\$	\$	\$
Cash and cash equivalents	2,025	2,025	2,077	2,077
<b>Total financial assets</b>	<b>2,025</b>	<b>2,025</b>	<b>2,077</b>	<b>2,077</b>

The fair values disclosed in the above table have been determined based on the following methodologies:

(i) Cash and cash equivalents, trade and other receivables and trade and other payables are short term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables exclude amounts relating to annual leave, which is not considered a financial instrument.

Financial Instruments measured at fair value

No financial instruments recognised at fair value exist in the entity. No analysis has been performed.

2016	2015
\$	\$

**Note 12: Administration of financial affairs by a third party<sup>1</sup>**

**Name of entity providing service:**  
 Australian Medical Association (WA) Inc  
**Terms and conditions:** None  
**Nature of expenses/consultancy service:**  
 Administrative Expenses

**Detailed breakdown of revenues collected and/or expenses incurred**

<b>Revenue</b>		
Grants and/or donations	11,737	16,508
<b>Total revenue</b>	<b>11,737</b>	<b>16,508</b>
<b>Expenses</b>		
Administration expenses	10,289	14,532
Audit fees	1,500	2,000
<b>Total expenses</b>	<b>11,789</b>	<b>16,532</b>

**Note 13: Section 272 Fair Work (Registered Organisations) Act 2009**

In accordance with the requirements of the *Fair Work (Registered Organisations) Act 2009*, the attention of members is drawn to the provisions of subsections (1) to (3) of section 272, which reads as follows:

Information to be provided to members or General Manager:

- (1) A member of a reporting unit, or the General Manager, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1).

<sup>1</sup> Refer to item 31 in the Reporting Guidelines.