



**RURAL DOCTORS
ASSOCIATION
OF AUSTRALIA**

**Annual Report
2021-22**

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President Report



It has been a great year to be RDAA President, as we emerge from COVID restrictions and are headed back into a more normal year, where we can actually start meeting people face to-face.

That said, the outcome of a couple of years of virtual meetings has made an enormous difference to our rural doctors being able to attend meetings remotely, and this makes it much more possible for our representatives on many committees and groups to contribute regularly, without expensive time away from their work.

Unfortunately, our Parliamentary function had to be cancelled due to COVID restrictions and instead I delivered my address virtually. While not completely hassle-free, it was very well received and is available to be viewed on RDAA's YouTube channel.

The election followed soon after and we gained some significant traction with the Coalition on our Rural Health Workforce solutions, with a number of these being promised by Ministers Hunt and Gillespie, which were then matched by Labor.

We really welcome the tiered WIP reform which will see increased payments for practices providing quality and comprehensive care in rural and remote areas. I was pleased to be present for this election promise announcement, which was coordinated to be in Shepparton to allow RDAA to be a part of it, as it was a key initiative that we had requested from the Government as part of our Rural Medical Workforce Plan. We were very excited when this initiative gained bi-partisan support ensuring that it would go ahead, regardless of the election outcome. This evolution is in-line with the plan for the Rural Generalist Training Program as per the first Rural Health Commissioner, Paul Worley's, report.

I think our Past President Dr Adam Coltzau was particularly pleased, as this idea had been in the pipeline since his presidency and we have been working on it ever since. It takes time to get things changed, but rest assured, RDAA is working on these initiatives ALL THE TIME.

Being present for this announcement was definitely one of the highlights of my Presidency so far, and I think we all cried a little bit when Labor announced they would go with the changes as well.

Unfortunately, Labor also ran with the ill-advised change to DPA, which we have spoken out against since it was first announced, and again many times since the election. Labor remained completely unmoved on this issue, which now includes all MMM2 and some MMM1 locations as DPA.

It has now been implemented, and the Department are providing weekly monitoring of provider number changes as people move from one DPA to another. We are working hard to use this information to push for a number of reforms in rural workforce policy to address the building shortfall of GPs working in rural and remote areas.

We have had really positive meetings with Minister for Health Mark Butler (this one was a bit frosty to start because of our DPA criticism, but we made it clear that we want to work constructively towards other solutions and so things thawed out quickly), Assistant Minister Rural and Regional Health Emma McBride and Shadow Minister for Health Anne Ruston.

It was also great to reconnect with the Regional and Rural Education Commissioner Fiona Nash (former Minister for Rural Health), to talk to her about how to further encourage and facilitate rural kids to study medicine, and how to ensure that they are able to access a similar education to children living in our cities, as access to quality education is often cited as a reason for families to leave the bush.

We were disappointed not to get a seat on the Medicare Taskforce, however rural is well represented by the ACRRM President and the National Rural Health Commissioner and while we are looking forward to General Practice reform as a whole, we know that rural needs its own solutions.

I was privileged to attend the Ngayubah Gadan 'coming together' meeting hosted by the National Rural Health Commissioner in Cairns on the 30 June and 1 July 2022. Work is continuing with all the stakeholder groups to develop a consensus statement on rural health teams that reflects the collaboration and multidisciplinary teamwork we see in some many rural health services.

It takes time to get things changed, but rest assured, RDAA is working on these initiatives ALL THE TIME.

I have been really lucky to have been able to attend both the RDAV, RDAQ, RDASA AGMs in person covering 2021/22 reporting periods, and I hope to get around to each state over the course of the next year.

It is especially exciting to be going ahead with our annual Rural Medicine Australia conference IN PERSON, and I know I am not alone in really looking forward to being able to network and catch up with so many people that I haven't been able to see for a couple of years.

COVID has continued to take a lot of time and our meetings with the Department have been either weekly or fortnightly (at best) over the past two years. We have had great success in pushing for some rural solutions (e.g. RATs for the bush back in February was a huge win, and we pushed the then Minister for Health very hard to achieve this).

College-led training is progressing and we are happy to see that ACRRM no longer has jurisdictional placements allocated. This is another change that we pushed for hard with Minister Hunt and we were very happy that he recognised the value in this development.

RDAAs know this will be a significant period of change for many of our members and we will work closely with both colleges to ensure that registrars, supervisors and practices are supported through out this process and beyond the immediate change in February 2023.

It has been a great pleasure to work with the RDAAs team and their professionalism, dedication and quality work makes being RDAAs President as straightforward as it could be.

Our CEO Peta Rutherford always goes the extra mile for rural, and the areas she can get traction on are just amazing. She is always an outstanding support for the President, able to step into meetings and media engagement as needed if and when I am not available. I thank her for the outstanding job she has done.

We have had great success in pushing for some rural solutions (e.g. RATs for the bush back in February was a huge win, and we pushed the then Minister for Health very hard to achieve this).

The rest of the team, Ineke, Anita, Patrick and Kylie continually just get stuff done and I have really appreciated their support over the past year. Ineke and Patrick have done a lot of hard work on getting out numerous media releases which have been well received and Anita is continually working hard on the many, MANY requests for policies and submission feedback.

I would like to acknowledge the RDAAs board members who will be stepping away from their role at the AGM, Dr John Hall, Dr Ewen McPhee and Dr Kari Sims. Thank you for your support and representation over the last two years and for John as Immediate Past President, a four year commitment at one of the most difficult times our health service has encountered. I would also like to thank the continuing board members for their commitment to RDAAs.

And finally, thanks to all our members, right across the country. Without you we wouldn't be able to achieve anything at all, and we appreciate your continued support.

Kind regards,



Dr Megan Belot
RDAAs President

CEO Report



We are excited that after a two year pandemic-induced break we will be hosting our Annual General Meeting in person at RMA22.

I am pleased to provide this CEO Report on RDAA's activities during the past year.

The Federal Election...and a new Government

An election year always means a busy year for RDAA and 2022 has been no exception. With a new Government, new Health Minister and new Assistant Minister for Rural and Regional Health, we have been busy building new relationships and also ensuring improved access to rural and remote medical services remains a key priority. RDAA also can claim credit for a significant portion of the \$146 million election commitment which includes:

- Continued expansion of the John Flynn Prevocational Doctor Program with the announcement of another 200 rotations (based on previous announcements that would be 50 FTE)
- Reform of the Workforce Incentive Program (WIP) Medical Stream to introduce tiers aligned with the recommendation of the National Rural Generalist Pathway Advice Paper – an initiative for which RDAA led the design
- Expansion of the Single Employer Model that has been piloted in the Murrumbidgee Local Health District.

In addition, RDAA welcomed the commitment of:

- 50 additional advance skill posts (which ACRRM led the way on)
- An expansion of the Innovative Models of Care funding which support multidisciplinary local solutions.

Minister Butler advised this investment would be in the October 2022 Budget, which will handed down on 25 October.

An election year always means a busy year for RDAA and 2022 has been no exception.

Governance

In October 2021, we welcomed Dr Megan Belot as the new RDAA President. I must say she is my first non-Queensland President and non-GP obstetrician since starting in the CEO role (2016) and it is great to have a new perspective. Huge thanks to our immediate past President, Dr John Hall, who worked tirelessly during the main part of the COVID pandemic and continues to be a great support to Megan and the team in the office.

Over 2021/22, RDAA undertook a significant amount of internal governance work. A full review of internal policies was undertaken, over half of our current Directors completed the Australian Institute of Company Directors course (with support provided by RDAA), we updated our Strategic Goals for 2022-25, and started work on a new membership management system and new website design with increased capability.

From April 2022, RDAA also downsized our office space in Canberra and introduced a more permanent work from home arrangement for the team. As you will see through the work we have delivered throughout the year, working from home has not reduced the outputs of the team and as long as we continue to deliver for our members, it makes sense to support the team and facilitate the work environment they prefer. In saying that, the RDAA Work from Home policy makes it very clear that this remains at the CEO's discretion.

MDA National support

In March 2022, we also renegotiated with MDA National for their continued support of RDAA for another two years. This is a really positive collaboration that has continued over many years now, and we continue to look for new ways to engage with them and promote their services. Our MDA National and RDAA **#DestinationRural** bursaries, supporting junior doctors to attend a rural health conference, undertake a rural clinical placement or a skills workshop in a rural community have been very popular and fully subscribed since their introduction in 2021. There are seven bursaries of \$1500 each available each financial year.

#DestinationRural

Our **#DestinationRural** campaign continued on, challenged for the second year by COVID. However, timing is everything and we managed to squeeze in attendance at the RACS, RACP and RANZCP conferences before the end of the financial year. We also expanded our online presence into

the podcast world, which I had the pleasure of hosting and really enjoyed hearing the stories of a number of rural doctors across multiple streams of Medicine. In addition, the state RDAs delivered a range of activities promoting Rural Medicine to final year medical students and junior doctors.

Media

It has been another busy year media-wise which was not unexpected as, since the start of the pandemic, news requests have continued to be at a consistent high – and then we added into that the federal election. Patrick and Ineke wrote and delivered 93 media releases in 2021/22 which includes joint releases with ACRRM as well as some of the state RDAs on key topics like industrial negotiations and conferences. This does not include the countless interview requests they manage and coordinate each week covering print, radio and television.

Representation

I would also like to acknowledge our Board Directors and other members who represent RDAA in numerous forums and committees. RDAA is a respected voice in these forums and we are often told our ideas/solutions are practical and sensible, which helps to get stuff done.

Registrar payments

I have mentioned our wins on the election commitment front, but another one has been on the concept of direct and upfront payments for Australian General Practice Training (AGPT) Registrars. This will enable registrars to relocate without having to pay the expense upfront and then apply for reimbursement – resulting in more transparency and consistency on the payment side, particularly for registrars. We will continue to push for single employer models for Rural Generalists as well as support the AMA in their work on portability of entitlements for GP registrars more broadly.

It has been another busy year media-wise which was not unexpected as, since the start of the pandemic, news requests have continued to be at a consistent high – and then we added into that the federal election.

Staff

As always, huge thanks to the RDAA team – Anita, Kylie, Patrick and Ineke – as well as the state RDA staff and last but not least the RDAA Board. It is a real team effort and it's great to work with a team who enjoy what they do.

There is still lots to do and I am still loving the job, so I'm looking forward to 2022/23 and seeing what awaits us around the corner.

I commend my report to the members for endorsement.



Peta Rutherford
Chief Executive Officer
22 August 2022

Directors' Report

Your directors present this report on the Company for the financial year ended 30 June 2022.

Directors

The names of each person who has been a director during the year and to the date of this report are:

Name	Period as director	Special duties
Megan Belot	22 October 2020 – Present	President
Dr John Hall	26 October 2018 – Present	Immediate Past President
Emily Harrison	25 October 2019 – Present	RDAV Nominee
Kari Sims	25 October 2019 – Present	RDASA Nominee
Charles Evill	23 April 2020 – Present	RDANSW Nominee
Ben Dodds	28 June 2019 – Present	RDAT Nominee
Sue Masel	26 October 2018 – Present	RDAQ Nominee
Tom O'Donnell	25 October 2018 – Present	Board Director
Marian Dover	28 June 2018 – Present	Board Director
Simon Quilty	27 August 2020 – Present	Board Director
Ewen McPhee	22 October 2020 – Present	ACRRM nominee
Brit Wicksteed	22 October 2020 – Present	RDAWA Nominee

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Directors meetings

During the financial year, six meetings of directors were held. The number of meetings attended and number of meetings eligible to attend were:

	Number eligible to attend	Number attended
John Hall	7	5
Emily Harrison	7	6
Kari Sims	7	4
Charles Evill	7	6
Ben Dodds	7	7
Sue Masel	7	4
Tom O'Donnell	7	7
Marian Dover	7	6
Simon Quilty	7	4
Megan Belot	7	7
Ewen McPhee	7	7
Brit Wicksteed	7	6

Information on Directors



Dr John Hall

QUALIFICATIONS

BSc(Hons) MBBS FRACGP FACRRM
DRANZCOG (Adv) Grad Dip Rural, and
DipACSCM, MAICD

EXPERIENCE

John was the President Elect 2018/19, and Vice President from 2014 – 2017 on RDAA Board. Dr Hall Graduated from the University of QLD in 2000. He worked as a Rural Generalist Obstetrician in Stanthorpe for 4 years before moving to Oakey as the Medical Superintendent, where he worked in that role until 2016. In 2014 Dr Hall became the sole director of the private practice in Oakey, Downs Rural Medical. DRM, employs 20 doctors across three sites including Oakey, Kingsthorpe and Toowoomba. He continues to practice as a GP Obstetrician as a VMO in St George QLD and Cooma, NSW. Dr Hall was one of the founding members of the QLD rural Generalist Pathway team. He served as RDAQ president in 2008. He is currently a director on the board of AMAQ. He has a passion for teaching the next generation of rural doctors, currently as a senior lecturer in rural medicine for Griffith and UQ. His practice currently educates doctors at all levels including medical students, hospital-based residents, and GP registrars.

SPECIAL RESPONSIBILITIES

President & Immediate Past President (October 2021 transition of position)



Dr Emily Harrison

QUALIFICATIONS

BSc, MBBS, FACRRM (Emergency)

EXPERIENCE

Dr Emily Harrison grew up in rural Victoria, and after exposure to a number of scientific disciplines during a Science degree, decided that Medicine might be a career for her. She completed her MBBS as part of the first rural cohort at Deakin University, and this experience, along with having observed doctors working as rural generalists in her home town (including her mum), confirmed her long term plans to be a rural doctor. FACRRM training, with an AST in Emergency Medicine equipped her with the skills to provide rural generalist medicine to rural and remote communities. Once Emily received her fellowship in 2017 she enjoyed providing locum services to smaller remote communities in NSW, Queensland and WA, until 2020 when COVID-19 made interstate travel difficult. She is currently working as the Emergency Department Clinical Lead in Swan Hill District Health, in north western Victoria. Emily

has a particular interest in the supervision and education of doctors in training, and being an advocate for doctor wellbeing in rural and remote areas.

She is a current member of the RDAV Board, and is the RDAA nominee to the ACRRM Council. Emily is also a member of the ACRRM Emergency Medicine Working Group and the Respectful Workplaces Working Group.

SPECIAL RESPONSIBILITIES

RDAV Nominee Director Position



Dr Kari Sims

QUALIFICATIONS

BA(Hons); BLLB/LP(Hons); BMBS;
FRACGP; FACRRM; GP Anaes (JCCA);
DCH

EXPERIENCE

Kari is a Rural Generalist Anaesthetists working at Goyder's Line Medical. She was a member of the ACRRM Registrar Committee and Assessment Committee (2017-2019) as well as an active member of the RDAA Residents and Registrars Special Interest Group. She also was a member of the NRGF Taskforce in 2018. In 2017 Kari was also GPEx Registrar Liaison Officer.

SPECIAL RESPONSIBILITIES

RDASA Nominee Director Position



Dr Charles Evill

QUALIFICATIONS

BSc, MSc, MBBS, FACRRM, FRACGP

EXPERIENCE

Dr Charles Evill is currently President of the Rural Doctors' Association NSW (RDA NSW). He was elected President in 2019 after having served on the committee for several years, initially as the ACRRM appointee and as an elected committee member since 2016. Dr Evill currently provides relieving services in rural general practice and small hospitals across northern and western NSW and up into south east Queensland. He has practiced in urban, rural and remote settings across several states. Prior to graduating in Medicine from UQ, he worked in medical research and service provision in Sydney University and at the Flinders Medical Centre. Dr Evill has previously been a Director on the ACRRM Board and is now a Medical Educator for ACRRM helping registrars on the Independent Pathway.

SPECIAL RESPONSIBILITIES

RDANSW Nominee Director Position



Dr Ben Dodds

QUALIFICATIONS

MBBS

EXPERIENCE

Dr Benjamin Dodds (MBBS), is an ACRRM registrar working in private general practice in Tasmania, and is the Doctors in Training Representative for Rural Doctors Association of Tasmania.

SPECIAL RESPONSIBILITIES

RDAT Nominee Director Position



Dr Sue Masel

QUALIFICATIONS

MBBS, DRANZCOG, FRACGP FARGP (Anaes)

EXPERIENCE

Senior Medical Officer – Goondiwindi Hospital – Darling Downs Hospital and health Service
Former President of Rural Doctors Association of Queensland
Board Member - RDAQ Foundation - a registered Health Promotion Charity

SPECIAL RESPONSIBILITIES

RDAQ Nominee Director Position



Tom O'Donnell

QUALIFICATIONS

BA, BCom, J.D. (Juris Doctor)

EXPERIENCE

Tom is a self-employed solicitor in private practice in Brisbane, Qld. Tom was a Board Member of the Rural Doctors Association of Qld Foundation up to June 2020 and has been involved with boards on many not for profit organisations and education institutions since he has been practice.

SPECIAL RESPONSIBILITIES

Community Representative Director Position



Dr Marian Dover

QUALIFICATIONS

MBBS, B.ClinSc

EXPERIENCE

Chair of the RDAA Residents and Registrars Special Interest Group

Graduate of University of Notre Dame Sydney MBBS 2016
RDA NSW Junior Doctor and Registrar Representative
Recipient of NSW Rural Doctors Network Cadetship
Undertook obstetric training at Manning Base Hospital and currently working in private General Practice in Scone
NSW Rural Generalist Trainee and RACGP Registrar with GP Synergy

SPECIAL RESPONSIBILITIES

Doctors in Training Representative Director Position



Simon Quilty

QUALIFICATIONS

B. Eng, MB BS, MPhilPH, FRACP

EXPERIENCE

Dr Quilty is a senior staff specialist and Director of Physician Training at Alice Springs Hospital. He is also known for trail-blazing the establishment of specialist services in the Northern Territory.

Over seven years in Katherine, he developed a comprehensive acute care and outreach service and developed the local hospital as a remote training hub for Rural Generalist doctors and consultant specialists - demonstrating the opportunities for small hospitals to provide better healthcare, closer to home, in cost effective ways.

SPECIAL RESPONSIBILITIES

Chairs RDAA's Rural Specialists Group



Megan Belot

QUALIFICATIONS

MBBS JCCA FACRRM FRACGP

EXPERIENCE

Dr Megan Belot, a Rural Generalist doctor working in rural Victoria, is the new President Elect of RDAA.

Dr Belot currently works as a GP Anaesthetist and Visiting Medical Officer at Echuca Hospital, a GP Anaesthetist at Cohuna Hospital, and a GP at the Northern District Community Health Medical clinic at Kerang.

SPECIAL RESPONSIBILITIES

President Elect and President (October 2021 transition of position)



Ewen McPhee

QUALIFICATIONS

MB.BS (Hons) UQ, FRACGP, FACRRM, AFRACMA, DRANZCOG (Adv), Dip P Derm (Cardiff), G Cert Aviation Medicine (ECU) MAICD

EXPERIENCE

Practice Principal, Medical Educator, and Rural Generalist Obstetrician.

Dr. McPhee is immediate Past President of the Australian College of Rural and Remote Medicine (ACRRM) and Past President of the Rural Doctors Association of Australia (RDAA).

Dr. McPhee is an Academic Title Holder as Associate Professor at the University of Queensland and until recently Senior Academic Clinician for the Central Queensland Rural Training Hub (an arm of the Central Queensland Rural Clinical School)

Dr. McPhee was Chair of the Telehealth Governance Committee for Queensland Health for 8 years and eHealth Champion for the Rural Doctors Association of Australia.

Dr. McPhee is a Medical Advisor to the Queensland Health Office of Rural and Remote Health for the "Future Proofing our Rural and Remote Medical Workforce Project"

Dr. McPhee has a strong interest in improving the health of rural and remote communities. Dr. McPhee is a member of the International advisory committee to the World Organization of Family Doctors Rural Working Party.

Dr. McPhee is clinical lead for the first Rural GP Led Respiratory Clinic in Australia (established in response to COVID 19 Pandemic), as well as a clinic reference lead for the Australian Digital Health Agency Communities of Excellence program in Emerald.

SPECIAL RESPONSIBILITIES

ACRRM Nominee



Brit Wicksteed

QUALIFICATIONS

BSc, MD, AAICD

EXPERIENCE

Graduate of UWA MD 2018
RDAA board director 2020-current
President RDAWA
Resident Medical Officer, Broome Health Service WA
President, WA Rural Doctors in Training
President, Junior Medical Officers of the Kimberley Society
Founder and ex-president, Junior Medical Officers of the Great Southern
Associate of The Australian Institute of Company Directors

SPECIAL RESPONSIBILITIES

RDAWA nominee to RDAA Director position

Company Secretary

Mrs Peta Rutherford is the Company Secretary and Chief Executive Officer of the Company. Peta has over 20 working in Australian health sector. Prior to her commencement in her current role she worked for seven years in rural hospital' management in Queensland. She also has extensive experience in medical workforce planning, and ten years working for Medicare. Peta is a member of the Australia Institute of Company Directors.

Principal Activities

The principal activity of the Company during the financial year was the provision of a representation forum to promote the interests of rural medical practitioners.

Significant Changes

The COVID-19 outbreak has impacted the way of life in Australia. This has affected the ability of the Company to continue operations as usual and has impacted on its operating results. In accordance with national guidelines, the Company has implemented remote working arrangements in response to government requirements and to ensure the wellbeing and safety of all employees and visitors.

Objectives and Future Strategies

The Company works at a national level to support rural communities and provide a wide variety of services to rural medical practitioners. The Company advocates for highly skilled and motivated medical practitioners who are adequately trained, remunerated, and supported both professionally and socially.

By working so closely with our members and key stakeholders, the Company provides support, policy development, research, submissions, and strategic advice on relevant issues to government and other relevant organisations.

The Company's activities included:

- lobbying and industrial support - as a national body, the Company has direct contact with decision-makers and policymakers in federal politics, including federal ministers and shadow ministers, their advisors and relevant government departments. RDAA lobbies actively on a wide range of issues important to rural medical practitioners and their communities.
- promotion of rural medicine and rural community public health issues – the company strives to showcase rural medicine in an effort to promote the opportunities for employment and training in rural Australia. In addition, it has a strong role in putting a spotlight on public health issues relevant to rural and remote Australia.
- timely and relevant information - the company provides regular information on Current rural and medical issues through a variety of media, including e-magazine, information bulletin, website, email networks and meetings and teleconferences of it's Special Interest Groups.
- policy development – the Company works with total medical practitioners and other stakeholders to develop robust and practical policies on a wide range of rural medical issues, and then promotes these policies to politicians and policymakers.
- research projects – the Company undertakes and supports important research regarding access to rural healthcare services. This research often forms the basis for Commonwealth health funding decisions.
- Strategic advice and liaison with other organisations – the Company regularly engages with other stakeholders who are involved in rural and medical issues.

Review of Operations

The Company operated in the 2021-22 financial year with additional spend from the budget allocation.

Operating Result

The loss from ordinary activities amounted to \$33,315 (2021: \$136,012 surplus).

Dividends

The Company is limited by guarantee and is prohibited by its objects from distributing any surplus to the members. Accordingly, no dividend has been paid or declared by the Company since the end of the previous financial year and up to the date of this report.

After Balance Date Events

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years.

Director Benefits

No director has received or become entitled to receive a benefit by reason of a contract made by the Company or related corporation with the director or with a firm of which he is a member, or with a Company in which he has a substantial financial interest.

Environmental Regulations

The activities of the Company are not subject to environmental regulations.

Indemnification of officers or auditors

Every member of the Board, Auditor, Secretary and other office for the time being of the Company shall be indemnified out of the assets of the Company against any liability arising out of the execution of the duties of his/her office which is incurred by him/her in defending any proceedings, whether civil or criminal, in which judgement is given in his/her favour or in which he/she is acquitted or in connection with any application under the Law in which relief is granted to him/her by the court or auditor of the Company for costs and expense of defending legal proceedings.

Signed in accordance with a resolution of the Board of Directors.



Dr Megan Belot, Director
Dated this 23 September 2022



23 September 2022

The Board of Directors
Rural Doctors Association of Australia Limited
PO Box 3636
Manuka ACT 2603

Dear Rural Doctors Association of Australia Limited,

Management Letter for the financial year ended 30 June 2022

BellchambersBarrett has recently completed the financial statement audit of Rural Doctors Association of Australia Limited (RDAA) for the year ended 30 June 2022. As a part of the audit process, we are required to report to you on the matters set out below.

We are responsible for forming and expressing an opinion on the financial report that has been prepared by management with the oversight of those charged with governance. Our audit of the financial report does not relieve management or those charged with governance of their responsibilities.

In planning our audit, we consider internal control over financial reporting to determine the nature, extent and timing of audit procedures. However, a financial report audit does not provide assurance on the effective operation of internal control at Rural Doctors Association of Australia Limited. If, during our audit, deficiencies in internal control come to our attention, these will be reported to you.

As a result of the deliberate nature of fraud, there are always risks that material misstatements, fraud and other illegal acts may exist and not be detected by our audit of the financial report.

1 Audit Approach and Scope

We have conducted an independent audit of Rural Doctors Association of Australia Limited for the year ended 30 June 2022 in accordance with the engagement letter issued on 3 March 2022.

No changes were required to the approach or scope, as set out in the engagement letter or audit requirements letter, during the audit.

2 Audit Outcome

Having completed the audit of the financial statements for the year ended 30 June 2022, we were able to issue an unmodified audit report.

3 Audit Findings

During the course of our audit we did not identify any new issues that we considered to be of governance interest. Other minor matters may have been raised with appropriate levels of management which we did not feel were of appropriate significance to require documentation in this letter.

Refer to Appendix A for prior year matters of governance interest and their status in the current year.

4 Other Matters

At Appendix B we have provided a summary of new accounting standards and other relevant matters that will need to be addressed in future years. If your team has any questions or would like to discuss these matters, please do not hesitate to contact our team members.

Our communications on audit findings are only those that came to our attention during the performance of the audit. No procedures were carried out with respect to the matters above other than those that were necessary to form an opinion on the financial report. Our audit was not designed to identify all matters that may be relevant to those charged with governance.

5 Corrected Misstatements

During the audit, the following audit adjustments were identified and corrected by Rural Doctors Association of Australia Limited:

#	Account Number	Account Name	Dr \$	Cr \$
1	62200	Travel & accommodation: airfares	8,569	
	12300	Prepayments		8,569
	To correct prepayments to include flight credits used by 30 June 2022			
2	22500	Accrued Expenses	1,100	
	60010	Office/General Administrative Expenses: Accounting		1,100
	Adjust audit fee accrual from FY21 fee to FY22 fee			
3	22532	Income in advance	21,000	
	12000	Accounts Receivable (A/R)		21,000
	To reverse income in advance for amounts not yet received before year end.			
4	26010	RDA National	5,591	
	26020	RDA SA	34,299	
	26030	RDA WA	12,820	
	26040	RDA VIC	42,357	
	26050	RDA TAS	9,900	
		Accounts Payable		41,374
	22532	Income in Advance		63,594
	To reclassify state subscription liabilities to income in advance and payables			

6 Uncorrected Misstatements

There were no uncorrected misstatements identified.

7 Auditor Independence

We confirm that, as at the date of this letter, the engagement team and others in the audit firm have complied with the relevant ethical requirements regarding independence. All relationships and other matters that in the auditor's professional judgement may reasonably be thought to bear on independence and associated safeguards have been communicated as necessary.

We are not aware of any relationships that may reasonably have had a bearing on auditor independence.

8 Acknowledgement

We are required to ensure that audit findings have been appropriately communicated to those charged with governance. It would therefore be appreciated if you could sign and return the attached copy of this letter to indicate that those charged with governance have had the opportunity to review the letter. Please feel free to provide comments in relation to any of the detailed findings contained throughout the letter.

We would like to take this opportunity to thank the staff of Rural Doctors Association of Australia Limited for their assistance during the audit. If you have any queries about the matters raised in this letter, please do not hesitate to contact me on 6239 5011.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Sart Spinks', written in a cursive style.

Sart Spinks
Partner

Communication of audit findings acknowledged on behalf of Rural Doctors Association of Australia Limited by:



Signed

Dr Megan Belot
President Rural Doctors Association of Australia

23 September 2022.

Appendix A: Prior Year Findings

#	Finding	Implication	Recommendation	Current Year Update
1	One signatory for the Westpac Bank accounts is no longer employed by RDAA.	There is increased risk of fraud where ex-employees remain bank signatories.	It is recommended that ex-employees are removed from the bank signatories listing. Signatories should be monitored when employees cease employment with RDAA.	Open – ex-employee is still listed as a signatory for the Westpac bank accounts.
2	There were approximately 10 manual journal entries without a description noted.	Posting journals without a description could make it difficult to identify what the journal relates to.	All manual journal entries should be posted with descriptions.	Closed – no manual journals without descriptions identified.
3	Both Anita Adlam and Andrew Lewis are included in RDAA's employee provision liability calculations despite being employed by Rural Doctors Association of South Australia (RDASA). The value of the liabilities is immaterial to the financial statements (\$2,171) and has not been adjusted.	This has the potential to materially overstate employee liabilities as RDAA would not be the entity paying their leave entitlements.	It is recommended that a corresponding receivable be recognised to offset the leave liability amount which will be recovered from RDASA.	Open – Anita and Andrew are still included in RDAA's calculation of leave liabilities. The value of their AL and LSL liabilities totals \$3,584.
4	Peta Rutherford had accumulated over 8 weeks of annual leave.	This significantly increases the leave liability of RDAA.	RDAA should encourage staff to take annual leave to minimise their liability.	Open – Peta has accumulated over 8 weeks of annual leave as at 30 June 2022.
5	The reducing balance (diminishing value) method of depreciation has been applied to all fixed assets (rather than a depreciating on a straight-line basis).	This may not be an appropriate representation of the assets decline in value over time.	Although this has an immaterial affect in the current year, RDAA should consider which depreciation methods are appropriate for their assets going forward.	Open – diminishing value method of depreciation still used.

#	Finding	Implication	Recommendation	Current Year Update
6	<p>Per review of the Delegations and Authorisation Policy it is noted there are some inconsistencies in relation to the signatory requirements for large transactions.</p>	<p>Unclear or inconsistent policies can lead to internal control deficiencies and confusion.</p>	<p>A clause to clarify that transactions over \$7,500 must be authorised by the Treasurer should be included in the 'Authority to Sign' section of the document.</p>	<p>Closed – the Delegations and Authorisation Policy has been updated with no inconsistencies noted.</p>

Appendix B: New accounting standards and other relevant matters

New Accounting Standards and Amendments

There are accounting standards and associated standard amendments on the horizon that are likely to impact you and your financial reporting over the coming years – these are summarised below.

Introduction of Director Identification Numbers (director ID)

A new system which assigns unique identification numbers to Directors has been established by the Australian Business Registry Services (ABRS). The director ID regime is administered by the ABRS and is legislated under the *Corporations Act 2001*. There are significant fines and penalties for committing any one of the four offences listed below:

- Failure to have a director ID when required to do so
- Failure to apply for a director ID when directed by the Registrar
- Applying for multiple director IDs
- Misrepresenting director ID.

The director ID regime has been implemented according to the below timelines:

- New directors from 4 April 2022 must apply before being appointed
- Directors appointed before 31 October 2021 must apply before 30 November 2022
- Directors appointed between 1 November 2021 and 4 April 2022 had 28 days from their appointment to apply.

AASB2021-6 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards

For annual reporting periods beginning on or after 1 January 2023, entities will be required to disclose any **material** accounting policy information rather than merely **significant** information. This is an amendment to *AASB1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*, and *AASB1049 Whole of Government and General Government Sector Financial Reporting*. The amendment also seeks to clarify that information about measurement bases for financial instruments is expected to be material to an entity's financial statements.

Next Steps?

It is important that you understand how these changes will affect financial reporting. If you have any questions or would like to discuss further, please do not hesitate to contact a member of our team.



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AUDITOR'S INDEPENDENCE DECLARATION UNDER S307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF RURAL DOCTORS ASSOCIATION OF AUSTRALIA LIMITED

As lead auditor of Rural Doctors Association of Australia Limited, I declare that, to the best of my knowledge and belief, during the year ended 30 June 2022 there have been no contraventions of:

- i. the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'Sart Spinks'.

Sart Spinks, CA
Registered Company Auditor
BellchambersBarrett

Canberra, ACT
Dated this 23rd day of September 2022

Liability limited by a scheme approved under Professional Standards Legislation

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022**

	Note	2022 \$	2021 \$
Revenue	2	1,114,504	1,318,469
Reimbursement of wages from state organisations		70,750	37,764
Employee expense		(567,836)	(521,121)
Payment of wages on behalf of state organisations		(70,750)	(37,764)
Administration expense		(390,656)	(353,062)
Promotional material		(25,028)	(127,812)
Travel and accommodation expense		(99,895)	(106,656)
Depreciation and amortisation expense		(33,996)	(42,008)
Audit, legal and consultancy expense		(20,660)	(19,771)
Insurance expense		(8,679)	(8,711)
Interest expense on lease liabilities		(1,069)	(3,316)
Current year profit/(loss) before income tax		(33,315)	136,012
Income tax expense	1(j)	-	-
Net current year profit/(loss)		(33,315)	136,012
Other comprehensive income		-	-
Net current year profit/loss attributable to members of the Company		(33,315)	136,012

The accompanying notes form part of these financial statements.

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022**

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		223,648	544,694
Trade and other receivables	3	91,428	82,709
Financial assets	4	750,000	524,195
Prepayments		170,533	94,561
		<u>1,235,609</u>	<u>1,246,159</u>
TOTAL CURRENT ASSETS			
NON-CURRENT ASSETS			
Plant and equipment	5	14,640	16,610
Right of use assets	6	-	35,347
		<u>14,640</u>	<u>51,957</u>
TOTAL NON-CURRENT ASSETS			
		<u>1,250,249</u>	<u>1,298,116</u>
TOTAL ASSETS			
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	7	87,153	76,709
Lease liabilities		-	38,849
Provisions	8	108,998	83,557
Other liabilities	9	122,462	124,499
		<u>318,613</u>	<u>323,614</u>
TOTAL CURRENT LIABILITIES			
NON-CURRENT LIABILITIES			
Provisions	8	1,148	10,699
		<u>1,148</u>	<u>10,699</u>
TOTAL NON-CURRENT LIABILITIES			
		<u>319,761</u>	<u>334,313</u>
TOTAL LIABILITIES			
		<u>930,488</u>	<u>963,803</u>
NET ASSETS			
EQUITY			
Retained surplus		930,488	963,803
		<u>930,488</u>	<u>963,803</u>
TOTAL EQUITY			
		<u>930,488</u>	<u>963,803</u>

The accompanying notes form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022**

	Retained Surplus
	\$
Balance at 1 July 2020	827,791
Surplus for the year attributable to members of the Company	<u>136,012</u>
Balance at 30 June 2021	<u>963,803</u>
Surplus for the year attributable to members of the Company	<u>(33,315)</u>
Balance at 30 June 2022	<u><u>930,488</u></u>

The accompanying notes form part of these financial statements.

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022**

	2022	2021
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from members and others	327,283	503,740
Receipts from grants	882,006	889,010
Interest received	2,923	4,885
GST remitted to the ATO	(47,057)	(50,959)
Payments to suppliers and employees	(1,224,547)	(1,229,915)
	<u>(59,392)</u>	<u>116,761</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for purchase of plant and equipment	(2,571)	(1,973)
Investment in term deposit	(225,805)	-
	<u>(228,376)</u>	<u>(1,973)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of lease liabilities	(33,278)	(38,583)
	<u>(33,278)</u>	<u>(38,583)</u>
Net (decrease)/increase in cash held	(321,046)	76,205
Cash and cash equivalents at beginning of financial year	544,694	468,489
	<u>223,648</u>	<u>544,694</u>

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

Rural Doctors Association of Australia Limited (the Company) applies Australian Accounting Standards – Simplified Disclosures as set out in AASB 1053: *Application of Tiers of Australian Accounting Standards*.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The Company is a not-for-profit Company for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on 20 September 2022 by the directors of the Company.

Accounting Policies

a. Revenue

Subscription revenue

When the Company receives subscription income it records the revenue in the subscription year the income relates to in accordance with AASB 15. The subscription year is 1 July to 30 June. If income is received before 30 June relating to the next subscription year the deferred income is recognised as a liability in the financial statements.

Operating Grants, Donations and Bequests

When the Company receives operating grant revenue, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

When both these conditions are satisfied, the Company:

- identifies each performance obligation relating to the grant;
- recognises a contract liability for its obligations under the agreement; and
- recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the Company:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (for example AASB 9, AASB 16, AASB 116 and AASB 138);
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue, or contract liability arising from a contract with a customer); and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Revenue (continued)

If a contract liability is recognised as a related amount above, the Company recognises income in profit or loss when or as it satisfies its obligations under the contract.

Interest income

Interest income is recognised using the effective interest method.

Conference revenue and expenses

Conference revenues and expenses are recorded when the relevant event has been held. If received in advance, the revenue is recorded as deferred revenue and the expenses as prepayments.

Sponsorship income

All sponsorship income, excluding sponsorships relating to conferences, are brought to account as income in the period the funds are received or receivable.

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

b. Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(e) for details of impairment).

Depreciation

The depreciable amount of all plant and equipment is depreciated on a diminishing value basis over the asset's useful life to the Company commencing from the time the asset is held ready for use.

Class of Fixed Asset	Depreciation Rate
Office equipment	25% – 50%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. Gains are not classified as revenue.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

c. Leases

The Company as lessee

At inception of a contract, the Company assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Company where the Company is a lessee. However, all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Company uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- lease payments under extension options if lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest.

Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

d. Financial Instruments

Initial recognition and measurement

Financial instruments are initially measured at fair value, when contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Fair value represents the price that would be received to sell an asset in an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Classification and subsequent measurement

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Council's business model for managing them. All of the Council's other financial instruments are classified and subsequently measured at amortised cost. The Council applies a simplified approach to calculating expected credit losses (ECL's) for financial assets held at amortised cost by recognising a loss allowance based on lifetime ECL's at each reporting date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

d. **Financial Instruments (continued)**

Amortised cost is calculated as:

- i the amount at which the financial asset or financial liability is measured at initial recognition;
 - ii less principal repayments;
 - iii plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and
 - iv less any reduction for impairment.
- fair value through profit or loss.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the Council no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed is recognised in profit or loss.

e. **Impairment of Assets**

At the end of each reporting period, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

f. **Employee Benefits**

Short-term employee benefits

Provision is made for the Company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

f. **Employee Benefits (continued)**

Other long-term employee benefits

The Company classifies employees' long service leave and annual leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the Company's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefits expense.

The Company's obligations for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the Company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current liabilities.

Retirement benefit obligations

All employees of the Company receive defined contribution superannuation entitlements, for which the Company pays the fixed superannuation guarantee contribution to the employee's superannuation fund of choice. All contributions in respect of employees' defined contribution entitlements are recognised as an expense when they become payable. The Company's obligation with respect to employees' defined contribution entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the Company's statement of financial position.

g. **Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

h. **Trade and Other Debtors**

Trade and other debtors include amounts due from members as well as amounts receivable from customers for goods sold. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(e) for further discussion on the determination of impairment losses.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

i. **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 Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

j. **Income Tax**

The income tax expense / (income) for the year comprises current income tax expense / (income) and deferred tax expense / (income). Current income tax expense charged to profit or loss is the tax payable on taxable income for the current period. Current tax liabilities / (assets) are measured at the amounts expected to be paid to (recovered from) the Australian Tax Office (ATO) using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses. Current and deferred income tax expense / (income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss or arising from a business combination. Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability. Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised, unless the deferred tax asset relating to temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination; and at the time of the transaction, affects neither accounting profit nor taxable profit / (tax loss).

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (i) a legally enforceable right of set-off exists; and (ii) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities, where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

k. **Provisions**

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

I. **Comparative Figures**

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

m. **Critical Accounting Estimates and Judgements**

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

Key estimates

i *Useful lives of, plant and equipment*

As described in Note 1(b), the Company reviews the estimated useful lives of plant and equipment at the end of each annual reporting period.

ii *Impairment*

The Company assesses impairment at each reporting date by evaluating conditions specific to the Company that may lead to impairment of assets. Should an impairment indicator exist, the determination of the recoverable amount of the asset may require a number of key estimates. No impairment indicators were present at 30 June 2022 or 2021.

Key judgements

i *Identification of performance obligations*

To identify a performance obligation under AASB 15: *Revenue from Contracts with Customers*, the agreement must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the agreement is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/ type, cost/ value, quantity and the period of transfer related to the goods or services agreed.

ii *Employee benefits*

For the purpose of measurement, AASB 119: *Employee Benefits* defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. As the Company expects that most employees will not use all of their annual leave entitlements in the same year in which they are earned or during the 12-month period that follows, the directors believe that obligations for annual leave entitlements satisfy the definition of other long-term employee benefits and, therefore, are required to be measured at the present value of the expected future payments to be made to employees.

n. **Economic Dependence**

The Company is dependent on the Federal Government for the majority of its revenue used to operate the business. At the date of this report, the Board of Directors has no reason to believe the Federal Government will not continue to support the Company.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

o. New and Amended Accounting Policies Adopted by the Company

Initial adoption of AASB 1060: General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities

The Company has adopted *AASB 1060: General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* for the first time this reporting period. The Standard, which sets out a new separate disclosure Standard to be applied by all entities that are reporting under Tier 2 of the Differential Reporting Framework in *AASB 1053: Application of Tiers of Australian Accounting*, replaces the previous Reduced Disclosure Requirements (RDR) framework. The application of this standard has resulted in reductions in disclosures compared to RDR in Revenue, Leases and Financial Instruments; however has resulted in new and/or increased disclosures in areas such as Audit Fees and Related Parties.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 2: REVENUE AND OTHER INCOME

	2022	2021
	\$	\$
Revenue		
<i>Operating activities:</i>		
– state/federal government grants	856,416	932,530
– annual subscriptions – state associations	195,305	185,603
– sponsorships	30,000	40,000
– other revenue	29,860	105,451
– cash flow boost (government subsidy)	-	50,000
	1,111,581	1,313,584
<i>Non-operating activities</i>		
– interest received	2,923	4,885
	1,114,504	1,318,469

NOTE 3: TRADE AND OTHER RECEIVABLES

	Note	2022	2021
		\$	\$
CURRENT			
Trade receivables		51,107	20,560
Receivables – state associations		36,873	59,313
Other receivables		3,448	2,836
		91,428	82,709
Total current trade and other receivables	13	91,428	82,709

The Company's normal credit term is 30 days.

NOTE 4: FINANCIAL ASSETS

Financial assets relate to a term deposit held with Westpac Banking Corporation. The term deposit has a term of 12 months and matures on 28 October 2022. It is measured at amortised cost.

NOTE 5: PLANT AND EQUIPMENT

	2022	2021
	\$	\$
Plant and Equipment		
At cost	41,532	38,962
Less accumulated depreciation	(26,892)	(22,352)
	14,640	16,610

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 5: PLANT AND EQUIPMENT

Movements in Carrying Amounts

Movement in the carrying amounts for each class of plant and equipment between the beginning and the end of the current financial year:

	2022	2021
	\$	\$
Balance at the beginning of the year	16,610	21,297
Additions at cost	2,571	1,973
Depreciation expense	(4,541)	(6,660)
	14,640	16,610

NOTE 6: RIGHT OF USE ASSETS

The Company's leases the office premises where it is based. The lease agreement was entered into on 1 July 2019 and was terminated early in April 2022. The lease end date per the agreement was 30 June 2022.

The Company have entered into a month-to-month lease agreement which is recorded through the statement of profit or loss.

i) AASB 16 related amounts recognised in the balance sheet

	2022	2021
	\$	\$
Leased office	-	106,042
Accumulated depreciation	-	(70,695)
	-	35,347

ii) AASB 16 related amounts recognised in the statement of profit or loss

	2022	2021
	\$	\$
Depreciation charge related to right of use assets	(29,455)	(35,347)
Interest expense on lease liabilities	(1,068)	(3,316)
Other lease expenses	(69)	(344)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 7: TRADE AND OTHER PAYABLES

	Note	2022 \$	2021 \$
CURRENT			
Trade payables		6,110	99
Payable to state associations (i)		41,374	43,645
GST payable		30,085	23,001
Other current payables		9,584	9,964
Total payables	13	87,153	76,709

- (i) The company administers the collection and distribution of membership fees on behalf of the Victorian, Western Australian, South Australian and Tasmanian associations. The funds are collected on behalf of other state associations and deposited into a bank account in the name of the Company. The amount payable to the states at year end is reflected above.

NOTE 8: PROVISIONS

		2022 \$	2021 \$
CURRENT			
Provision for employee benefits: annual leave		55,386	50,901
Provision for employee benefits: long service leave		53,612	32,656
		108,998	83,557
NON-CURRENT			
Provision for employee benefits: long service leave		1,148	10,699
		1,148	10,699

Provision for employee benefits

Provision for employee benefits represents amounts accrued for annual leave and long service leave. The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the Company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the Company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits have been discussed in Note 1(f).

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 9: OTHER LIABILITIES

	2022	2021
	\$	\$
State association subscriptions (i)	63,593	87,738
Unearned income	27,590	7,000
Unearned conference income	5,000	8,693
Accrued expenses	26,279	21,068
	122,462	124,499
Total Other Liabilities	122,462	124,499

- (i) The company administers the collection and distribution of membership fees on behalf of the Victorian, Western Australian, Southern Australian, and Tasmanian associations. The funds are collected on behalf of other state associations and deposited into a bank account in the name of the Company. Rural Doctors Association of Australia Limited retains a portion of the fees collected as their percentage of subscription revenue as the national body, in addition to a portion to cover administrative costs. The amounts retained by the Company as income received relating to the next financial year is reflected above.

NOTE 10: EVENTS AFTER THE REPORTING PERIOD

The directors are not aware of any significant events since the end of the reporting period that has affected the state of affairs of the company.

NOTE 11: KEY MANAGEMENT PERSONNEL COMPENSATION

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of that Company, is considered key management personnel (KMP).

The totals of remuneration paid to KMP of the Company during the year are as follows:

	2022	2021
	\$	\$
KMP compensation		
– short-term employee benefits	171,524	160,603
– other long-term benefits	17,152	15,257
	188,676	175,860
Total KMP compensation	188,676	175,860

NOTE 12: OTHER RELATED PARTY TRANSACTIONS

Honorariums and Directors fees were paid to the Directors of the Company during the year ended 30 June 2022 totalling \$18,200. Each state rural doctors association has representation on the Board of Directors of the Company however are not considered to be related parties.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 13: FINANCIAL RISK MANAGEMENT

The Company's financial instruments consist mainly of deposits with banks, short-term and long-term investments, accounts receivable and payable, and lease liabilities.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 9: *Financial Instruments* as detailed in the accounting policies to these financial statements, are as follows:

	Note	2022 \$	2021 \$
Financial assets			
Financial assets at amortised cost:			
– cash and cash equivalents		223,648	544,694
– term deposit		750,000	524,195
– trade and other receivables	3	91,428	82,709
Total financial assets		<u>1,065,076</u>	<u>1,151,598</u>
Financial liabilities			
Financial liabilities at amortised cost:			
– trade and other payables	7	87,153	76,709
– lease liabilities		-	38,849
Total financial liabilities		<u>87,153</u>	<u>115,558</u>

NOTE 14: AUDITOR'S REMUNERATION

	2022 \$	2021 \$
Remuneration of the auditor:		
– auditing the financial statements	11,500	10,400
– other	2,000	2,000
	<u>13,500</u>	<u>12,400</u>

NOTE 14: COMPANY DETAILS

The registered office and principal place of business of the Company is:

Rural Doctors Association of Australia Limited

1st Floor, Endeavour House

Manuka, ACT, 2603

DIRECTORS DECLARATION

In accordance with a resolution of the directors of Rural Doctors Association of Australia Limited, the directors of the Company declare that:

1. The financial statements and notes, as set out on pages 9 to 27, satisfy the requirements of the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards – Simplified Disclosures applicable to the Company; and
 - b. give a true and fair view of the financial position of the Company as at 30 June 2022 and of its performance for the year ended on that date.
 2. In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
-



Dr Megan Belot
President Rural Doctors Association of Australia

Dated this 23 September 2022

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF RURAL DOCTORS ASSOCIATION OF AUSTRALIA LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report of Rural Doctors Association of Australia Limited (the Company), which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the financial report of Rural Doctors Association of Australia Limited is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2022 and of its performance for the year then ended; and
- (ii) complying with Australian Accounting Standards – Simplified Disclosures and the *Corporations Regulations 2001*.

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 Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2022 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, 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 the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and the *Corporations Act 2001* 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, the directors are responsible for assessing the Company'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 intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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

Liability limited by a scheme approved under Professional Standards Legislation

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF RURAL DOCTORS ASSOCIATION OF AUSTRALIA LIMITED

Auditor's Responsibility 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

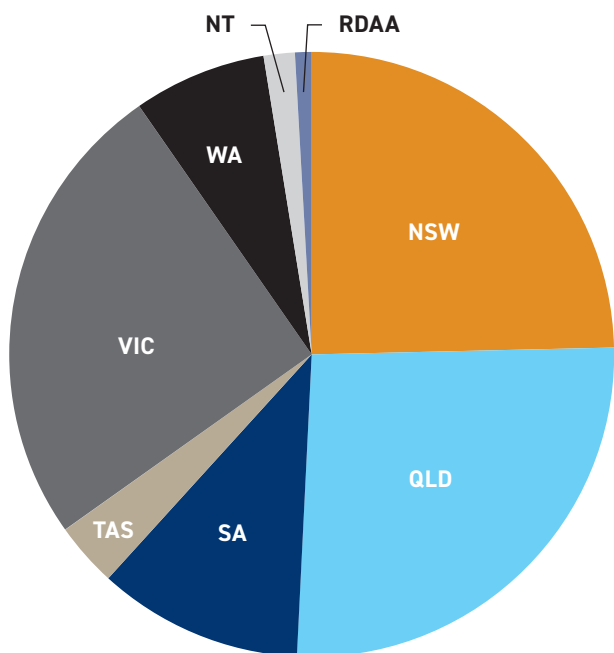


Sart Spinks, CA
Registered Company Auditor
BellchambersBarrett

Canberra, ACT
Dated this 23rd day of September 2022

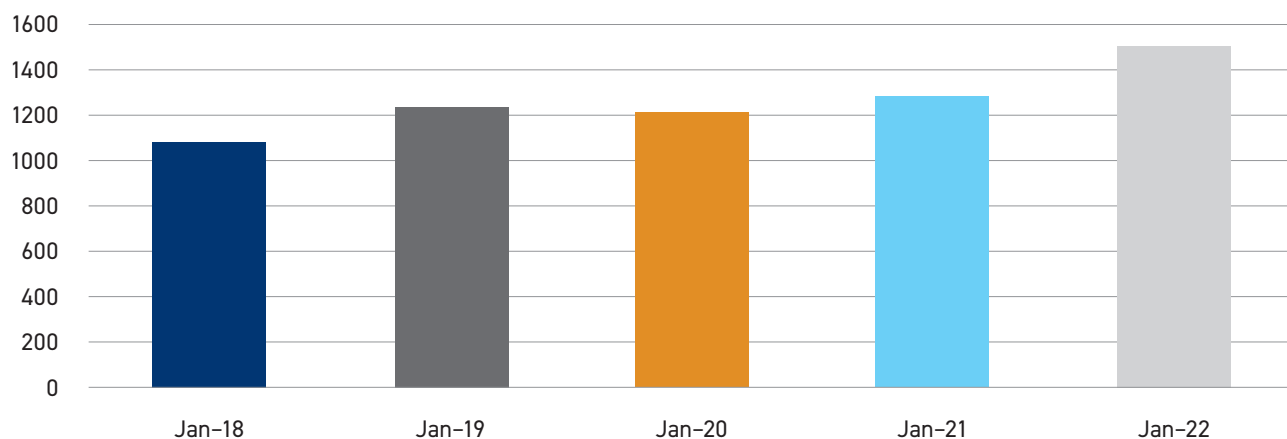
Membership Report as at June 2022

State RDA member numbers June 2022



RDAQ, for the first time, is the state with the largest total membership. A key contribution to this was the establishment of their Intern Support Program. This includes free membership for interns, who participate in a #DestinationRural activity, have the option to enrol in the Intern Support Program. RDANSW continues to be the state Association with the largest full-time cohort of members with 205.

Rural Doctors Association – National Member Numbers June Figures



Membership overall recovered well in 2021/22, after the first 12-18 month impact of COVID with event cancellation. As previously mentioned, RDAQ had growth as a result of its #DestinationRural Intern program, but also recovered well with increased full memberships following conference cancellation in June 2020. RDASA had real growth in memberships across general practice-based doctors due to the interest in the SA Contract negotiations. Group Practice continues to be strong in Victoria and seeing some uptake now in other states.

In preparation for our new membership system which will be launched in 2022/23, reporting will be expanded to include medical student numbers and a separation of intern and resident medical officer members.



**RURAL DOCTORS
ASSOCIATION
OF AUSTRALIA**

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