AUSTRALIAN MEDICAL COUNCIL
LIMITED

Australian Medical Council

Annual Report 2008

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Background

Purpose

The purpose of the Australian Medical Council is to ensure that standards of education, training and assessment of the medical profession promote and protect the health of the Australian community.

Role

The Australian Medical Council (AMC) is an independent national standards body for medical education and training and has four core functions. The AMC:

- assesses medical courses and training programs (both medical school courses and the programs for training medical specialists) and accredits programs which meet AMC accreditation standards
- assesses international medical graduates who wish to practise medicine in Australia
- advises medical boards on uniform approaches to the registration of medical practitioners and the maintenance of professional standards in the medical profession
- advises the Commonwealth on the recognition of medical specialties.

More information on each of these functions is detailed throughout this report.

Overview: Accreditation

The Australian Medical Council conducts two processes that assess standards of medical education and training. These apply to:

- basic medical education programs provided by university medical schools and
- specialist medical training and continuing professional development programs. The training organisations for these programs are national specialist medical colleges.

AMC processes involve both accreditation (validating that standards are met) and peer review to promote high standards of medical education, stimulate self-analysis and assist the training organisation under review to achieve its objectives.

Accreditation is conducted in a collegiate manner that respects the expertise of the participating training organisations and provides feedback to assist continuous improvement.

Using a peer review process, AMC expert teams assess medical programs against standards set by the Council. The standards define the knowledge, skills and professional attributes expected at the end of the phase of medical education and training, and good practice in the delivery of medical education and training. Training organisations that meet AMC standards are granted accreditation.

Ongoing Evaluation and Review

The AMC regularly reviews its own accreditation and recognition processes, standards and criteria through:

- feedback from AMC expert teams and institutions undergoing accreditation
- reports by AMC team chairs
- considering government policy and health services developments that affect clinical training and medical education
- periodically establishing working parties to review standards and procedures, informed by extensive stakeholder consultation
- networking with other regional, national, international medical education standard setting and accreditation agencies
- considering national and international standards for good practice in accreditation.

Overview: International Medical Graduates

The AMC assesses International Medical Graduates (IMGs) who wish to practise medicine in Australia. Since mid-2007, a national process initiated by the Council of Australian Governments (COAG) has been in place to ensure all IMGs are assessed through one of four different pathways before they are registered to practise medicine in Australia:

- Competent Authority Pathway
- Standard Pathway (AMC Examination)
- Standard Pathway (Workplace-based Assessment)
- Specialist Pathway (full comparability / Area of Need).

Following is a summary of each of the pathways. More detail about the four assessment pathways is published on the AMC website at www.amc.org.au.

The AMC also offers a service to the Australian state and territory medical boards to verify with the primary source, the primary medical degrees and postgraduate specialist qualifications of IMGs wishing to register with the boards.

Competent Authority Pathway

The Competent Authority pathway is for IMGs applying for non-specialist positions who have completed specified training or assessment through approved overseas Competent Authorities. These are authorities that conduct comprehensive international screening examinations that the AMC deems to be consistent with the examination of IMGs conducted by the AMC that leads to general registration, because they represent a 'competent' assessment of applied medical knowledge and clinical skills. As well, Competent Authorities have assessment pathways that lead to medical registration or licensure that may reasonably be recognised in Australia as appropriate assessments of basic (non-specialist) medical training and practice. This can cover a country's process for accreditation of its own medical graduates as well as its processes for assessing IMGs. To be determined 'competent' an authority must give clear evidence of consistency with Australian patterns of medical education and clinical practice, as well as professional standards, including but not limited to non-discriminatory treatment, especially for women and respect for the rights of all patients.

Graduates from Competent Authorities are eligible to apply for advanced standing towards the AMC Certificate. A person granted advanced standing is not required to sit the AMC Multiple Choice Question (MCQ) or Clinical Examinations, but must undertake a workplace-based assessment while working under supervision.

For information about the AMC's implementation of the Competent Authority pathway in 2008, go to page 17.

Standard Pathway (AMC Examination)

The AMC administers national examinations of non-specialist IMGs who want to practise medicine in Australia.

The AMC examinations are designed to assess the medical knowledge and clinical skills of IMGs whose basic medical qualifications are not recognised by state and territory medical boards. This applies to doctors trained in medical schools that have not been formally reviewed and accredited by the AMC.

The examinations are set at the level of medical knowledge, clinical skills and attitudes required of newly qualified graduates of Australian medical schools, who are about to begin intern training.

The AMC examinations consist of two sections: a Multiple Choice Question (MCQ) Examination and a Clinical Examination. The examinations are designed as a comprehensive test of medical knowledge, clinical competency and performance. Both are multidisciplinary and integrated.

- The MCQ Examination is a test of the principles and practice of medicine in the fields of general practice, internal medicine, paediatrics, psychiatry, surgery, and obstetrics and gynaecology. The MCQ Examination focuses on essential medical knowledge involving understanding of the disease process, clinical examination, diagnosis, investigation, therapy and management, as well as on the candidate's ability to exercise discrimination, judgement and reasoning in distinguishing between the correct diagnosis and plausible alternatives
- The Clinical Examination evaluates clinical competence in medical knowledge, clinical skills and professional attitudes for the safe and effective clinical practice of medicine in the Australian community. The Clinical Examination also assesses the candidate's capacity to communicate with patients, their families and other health workers.

The range of topics covered is based on the clinical curricula of Australian medical schools, with an emphasis on conditions that are common in the Australian community.

The AMC Board of Examiners ensures that the format and content of the examinations is consistent with undergraduate medical courses and the standard of examinations in Australian medical schools. Members of the Board have broad expertise over the full range of disciplines covered in the AMC and medical school examinations.

Standard Pathway (Workplace-based Assessment)

The Standard pathway (Workplace-based Assessment) is intended for IMGs who are not eligible for the Competent Authority pathway or Specialist pathway. This pathway represents a significant change for IMG assessment and will test the performance of IMGs in a real clinical environment. The AMC, as part of the COAG IMG assessment initiative, has been working with the states and territories during 2008 to roll out this assessment pathway. When it is fully implemented, this will be an alternate pathway to the Standard pathway (AMC Examination). It is intended for IMGs who have obtained qualifications from authorities that are currently not designated as a Competent Authority and are seeking general medical registration.

Specialist Pathway

National specialist medical colleges set the standards of training and coordinate the training, education and examination of medical specialists in Australia.

Applicants for specialist assessment are expected to have satisfied all the training and examination requirements to practise in their field of specialty in their country of training. The standard applied to the assessment of overseas trained specialists is the standard required of an Australian trained specialist in the same field of specialist practice. The colleges manage the assessment in a process developed jointly with the AMC.

Area of Need Specialist Pathway

Since June 2002, arrangements have been in place to fast-track the processing of applications from overseas-trained specialists whose primary medical qualifications are not recognised in Australia, for assessment for 'Area of Need' specialist positions.

The documentation requirements and arrangements for processing 'Area of Need' applications are broadly similar to those for applications through the standard Specialist pathway, however, there are some differences as 'Area of Need' specialists are assessed against a position description for the relevant declared 'Area of Need' position.

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2008 Directors' Report

2008 Highlights

- New governance structure to a company limited by guarantee (Australian Medical Council Limited)
- Ongoing work supporting the development of the National Registration and Accreditation Scheme (NRAS)
- Implementation of a national consultation process to develop a code of conduct for doctors in Australia
- Development and implementation of three pathways for uniform, national assessment of IMGs at the request of COAG
- Expanded the capacity of the AMC Clinical Examination to accommodate an increased demand
- Accreditation reviews of four specialist medical college training programs
- Extended the accreditation of two specialist medical college education and training programs
- Monitored progress (through annual reports) of nine accredited colleges
- Review of two applications for specialist recognition
- Accreditation reviews of five university medical schools
- Extended the accreditation of one medical school
- Monitored progress through periodic reports of 11 medical schools
- Ongoing collaboration with health consumer organisations
- Ongoing collaboration with the other health professions councils.

2008: President's Report

The Australian Medical Council's most significant milestone in 2008 was the change in governance structure from an association incorporated in the Australian Capital Territory to a company limited by guarantee under the *Corporations Act 2001 (Cth)*.

The catalyst for this change in legal and governance structure was the commitment made by the Council of Australian Governments (COAG) in 2006 to dismantle existing state and territory medical boards and establish a single national agency to deal with the registration and accreditation for 10 health professions, including medicine.

The governance restructure enabled the AMC to position itself for the future. It created a more flexible operating environment that allowed the AMC to be more responsive to rapid changes in the regulatory and educational environment. The new structure was approved by the Council at a Special General Meeting in June 2008 and in August 2008 the AMC was officially registered as company limited by guarantee with Directors and an advisory Council. Further changes to the membership of the Council will be necessary when the Medical Board of Australia is established in 2009.

The decision to restructure was anticipated by the Council in 2007, when it commissioned an independent strategic organisational review led by Mr Peter Forster. The decision also represents the culmination of the development and maturing of the AMC as a national organisation, a process that was shepherded by the former President of the AMC, Dr Joanna Flynn, during her leadership from 2004 - 2008. Dr Flynn, at successive Council meetings, was able to guide debate on critical issues associated with the reform agenda and the re-structuring proposals. The proposed changes to the legal status of the AMC had not won the necessary support on at least three occasions since they were first mooted in 2002. It is a credit to her foresight, consideration and patience that the required constitutional amendments were ultimately adopted without reservation. Dr Flynn's contribution will allow the AMC to move into the post-COAG era with a solid foundation on which to build its relationships with the new regulatory structures and agencies.

The 2009-year is shaping up as one of both promise and challenge. The impact of the regulatory reform process will continue to be felt and the AMC will need to continue to invest considerable intellectual energy and focus on the issues that arise. In addition to providing wise counsel on the draft underpinning legislation for the proposed regulatory framework, the AMC will need to remain vigilant as the COAG IMG assessment initiatives are implemented. We have committed to adapting and streamlining our processes as far as possible, while ensuring appropriate standards are met.

The AMC is also investigating options for new office space, to meet the accommodation requirements of the organisation as it develops to meet continuing challenges.

On behalf of the Council I would like to thank the many individuals – clinicians, academic staff, health consumers and trainees - who have given their time, energy and expertise during the year to support the activities of the AMC. Without this contribution, the Council could not complete the many tasks that fall within its charter to promote and protect the health of the Australian community.

I would also like to acknowledge the leadership and extraordinary commitment of the AMC CEO, Mr Ian Frank, the unstinting effort and contribution of his Deputy, Ms Theanne Walters, and the work of all the staff of the AMC whose commitment and professionalism continue to ensure the high standards and efficiency of AMC processes and outcomes.

Professor Richard Alan Smallwood AO, President

Our Approach

The core strength of the AMC is the depth, breadth and independence of the collective knowledge and expertise available to it.

The AMC draws on the goodwill and expertise of members of the medical profession and the community to ensure its processes across its operations are effective and fair.

We work collaboratively with our stakeholders and in a collegiate manner that includes consultation, advice and feedback.

National Registration and Accreditation Scheme

During 2008, the AMC actively contributed to consultations supporting the development of the National Registration and Accreditation Scheme (NRAS) for the health professions. The AMC attended all relevant public consultations and made detailed submissions on a range of issues including the role of the AMC as an accrediting body, partially regulated professions and more general registration arrangements. The focus on the NRAS spanned all the AMC's operations and formed a substantial workload for the Council during the year.

Strategic Directions

In 2007, the AMC commissioned Mr Peter Forster to review the AMC's structure and governance, in anticipation of national health profession regulation and the implementation of the COAG IMG assessment initiatives. During 2008, the AMC began to implement many of the changes recommended as a result of this review. Key changes include the introduction of a new governance structure to support future roles for the organisation and recruitment of additional senior AMC staff.

Another significant achievement of 2008 was the formal establishment of the AMC Strategic Policy Advisory Committee. This provides high-level advice on medical education and health system policy matters that do not fit clearly within the brief of any one AMC standing committee, but which relate to the purpose of the AMC.

The Committee's work results in discussion documents, policy statements, advice to government, and informs the overall operations of the AMC.

Issues addressed by the Committee during 2008 include:

- Australia's health policy reform agenda
- the emerging issue of competency-based training in medical education
- evolving roles of health practitioners
- the NRAS, and
- early streaming in medical education.

Forum of Australian Health Professions Councils

During 2008, the AMC continued to support the operation of the Forum of Australian Health Professions Councils. This coalition of the councils of the regulated health professions comprises the Australian Dental Council, Australian Medical Council, Australian Nursing and Midwifery Council, Australian Pharmacy Council, Australian Physiotherapy Council, Australian Psychology Accreditation Council, Council on Chiropractic

Education Australasia, Optometry Council of Australia and New Zealand, Australian Osteopathic Council and the Australian Podiatry Council.

The ten health professions represented are those that are listed in the Council of Australian Governments (COAG) Intergovernmental Agreement for the National Registration and Accreditation Scheme, signed on 26 March 2008.

Forum members contribute individually and collectively on issues of national importance to the regulated health professions.

During the year, the Forum considered the COAG plans for health workforce reform. The Forum supported the aim of national registration for the regulated health professions, and that of national accreditation schemes to ensure practitioners are educated to appropriate standards. Forum members worked to share expertise and collaborate across several areas of common interest, particularly on good practice in accreditation of education and training and the assessment of overseas-trained health practitioners, and the way in which accreditation and practitioner registration are best linked.

Developing a Code of Conduct for Doctors in Australia

During 2008, the AMC progressed the development of *Good Medical Practice: A Code of Conduct for Doctors in Australia.* The Code aimed to develop clear, nationally consistent standards of practice and a consistent code of professional conduct that was understood by the profession and the community.

At the request of the Joint Medical Boards Advisory Committee (on behalf of all the state and territory medical boards), in 2007 the AMC established a working group to lead the development of the Code.

The Working Group included strong clinical representation and the expertise of junior doctors and medical students, medical regulators and educators, medical and health administrators, the Australian Medical Association (AMA), and the perspectives of rural and indigenous practitioners as well as consumers and the community. Former AMC President, Dr Joanna Flynn, chaired the Working Group.

The development of the code assumed increased significance after the Intergovernmental Agreement was signed in March 2008, supporting the implementation of the National Registration and Accreditation Scheme from July 2010.

The AMC conducted a national consultation process during 2008, which was designed to ensure that the final Code reflected the ethical and professional standards expected by health system stakeholders and the broader community. Commonwealth Government funding (through the Department of Health and Ageing) provided financial support for the broad, inclusive, multi-dimensional, national consultation process that included:

- requests for written submissions
- a web-based survey that enabled on-line responses
- public meetings in all state and territory capital cities and some regional centres
- individual stakeholder meetings, and
- a dedicated website to support the consultation process www.goodmedicalpractice.org.au.

In August 2008, Senator Jan McLucas, Parliamentary Secretary to the Minister for Health and Ageing, launched the consultation to support the development of the Code at Parliament House, Canberra. Through a portion of the funding provided by the Commonwealth, the AMC also established a partnership with the Consumers Health Forum of Australia to facilitate consumer participation in the consultation process and the development of the Code.

In 2009, the Working Group will analyse the feedback gathered during the consultation and develop a final draft of the Code to recommend to AMC Directors, state and territory medical boards and the Medical Board of Australia when this is established.

Working with Health Consumers

The AMC has an established track record of working effectively with health consumer organisations and ensuring community input into its processes and committee structures. During 2008, there were community and/ or consumer members on the Council and on most AMC committees.

In addition, in March 2008, the AMC held a writing workshop with representatives from the Consumers Health Forum and consumers on AMC accreditation committees, aimed at:

- providing participants with an overview of the AMC assessment team report-writing task
- identifying the boundaries within which consumer issues can be addressed through the AMC assessment and report writing process, and
- considering effective report-writing.

Feedback from the workshop indicated that participants found the presentations, experience sharing and writing sessions valuable.

Through a partnership with the Consumers Health Forum of Australia, the AMC also ensured effective and comprehensive consumer and community input into the development of a national code of conduct for doctors in Australia.

Report on Financial Year 2007/2008

The audited financial statements for the year ended 30 June 2008, which are set out at pages 33 to 59, have been prepared in accordance with the *Australian Accounting Interpretation* and the *Associations Incorporations Act 1991 (ACT)*.

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2008 Operations

Specialist Education Accreditation

The Specialist Education Accreditation Committee manages the assessment and accreditation of specialist medical education, training and professional development programs for the AMC.

Reviews

The AMC completed four accreditation assessments during 2008 - three involved comprehensive assessments by AMC teams and one a short follow up visit:

- An assessment of the education and training programs in medical administration provided by the Royal Australasian College of Medical Administrators in June 2008

  The AMC granted accreditation of the education and training programs of the Royal Australasian College of Medical Administrators for four years (until December 2012) subject to satisfactory annual reports.

- A review of the education and training programs of the Royal Australasian College of Physicians in August 2008

  The team's accreditation report and recommendations will be considered by the Specialist Education Accreditation Committee in 2009.

- An assessment of the education and training programs in sport and exercise medicine provided by the Australasian College of Sports Physicians in November 2008

  The team's accreditation report and recommendations will be considered by the Specialist Education Accreditation Committee in 2009.

- A follow up review of the new surgical education and training program of the Royal Australasian College of Surgeons in October 2008

  The November 2007 meeting of the Council had granted accreditation of the surgical education and training and the continuing professional development programs of the Royal Australasian College of Surgeons until December 2011, subject to conditions including a satisfactory report within one year on progress in key areas to the Specialist Education Accreditation Committee.

  The 2008 follow up report concluded that the College had met the five reporting conditions.

Accreditation Extensions

The AMC extended the accreditation of two education and training programs during the year:

- It extended the accreditation of the education and training programs of the Royal Australian and New Zealand College of Obstetricians and Gynaecologists until 2013, subject to satisfactory annual reports

based on a comprehensive report by the College demonstrating that it has continued to maintain the standard of education and training since it was last assessed by the AMC.

- It extended the accreditation of the Royal Australian and New Zealand College of Radiologists until 31 December 2009, to allow the AMC and the College to negotiate an appropriate time for an assessment of the College's plans to implement a new radiation oncology curriculum at the beginning of 2009 and a new radiation oncology program in 2010.

During 2008, the AMC also approved assessment team members for the 2009 assessment of the Royal Australian and New Zealand College of Psychiatrists and the Royal Australian and New Zealand College of Radiologists.

The AMC agreed to a schedule of assessments for 2009/2010, including the review of the oral and maxillofacial surgery training program of the Royal Australasian College of Dental Surgeons, a follow up assessment of the Australasian College of Dermatologists and the assessment of education and training leading to fellowship of the Australian College of Rural and Remote Medicine.

The Council was also advised by the Joint Faculty of Intensive Care Medicine of its proposal to separate from its parent Colleges, the Australian and New Zealand College of Anaesthetists (ANZCA) and the Royal Australasian College of Physicians (RACP) and stand-alone as a separate College and provider of training in intensive care medicine. The AMC will schedule an assessment of the new stand-alone college 12-18 months after separation.

Review of Annual Reports

Between formal accreditation visits, the AMC monitors progress in the accredited colleges through annual reports. These are considered in detail by a Working Party to Review Annual Reports, which reports to the Specialist Education Accreditation Committee. This ensures that each training program is being implemented and delivered successfully, and that the college is responding to any conditions on its accreditation.

Reports are normally required annually. The AMC does not request a report in the year in which a training organisation is preparing for assessment by an AMC team.

The AMC follows a standard process in seeking annual reports from colleges. When received by the AMC, annual reports are sent to an AMC reviewer who prepares a commentary on the report. This reviewer is a member of the AMC team that last assessed the college's training program. The report and the commentary are then considered by the AMC and feedback provided to the college. If the AMC has concerns about the report, it may request clarification or amplification of the information in a report or may decide that a meeting with office bearers of the training organisation is warranted.

The AMC considered annual reports from the following colleges:

- Australian College of Rural and Remote Medicine
- Australian and New Zealand College of Anaesthetists
- Australasian College for Emergency Medicine
- Royal Australasian College of Dental Surgeons (Oral and Maxillofacial Surgery)
- Royal Australian College of General Practitioners
- Royal Australian and New Zealand College of Ophthalmologists
- Royal Australian and New Zealand College of Psychiatrists
- Royal College of Pathologists of Australasia
- Royal Australian and New Zealand College of Radiologists.

The AMC accepted all the reports, and has advised colleges of specific issues which they will need to address in their 2009 reports.

Recognition of Medical Specialties

The AMC advises the Commonwealth Minister for Health and Ageing on the recognition of fields of medical practice as medical specialties. In its accreditation of specialist medical training programs, the AMC includes specialist training programs that lead to qualifications for practice in recognised medical specialties.

During 2008, the Recognition of Medical Specialties Advisory Committee considered two preliminary applications for a *prima facie* case for the recognition of two medical specialties:

- legal medicine incorporating forensic medicine, and
- cosmetic medical practice.

Legal Medicine, Incorporating Forensic Medicine

During 2008, the Recogniton of Medical Specialities Advisory Committee considered a preliminary application for a *prima facie* case for the recognition of legal medicine, incorporating forensic medicine, as a medical specialty. The Committee assessed the preliminary application for recognition against the entry criteria listed in its guidelines *The Recognition of Medical Specialties: Policy and Process*.

The Committee found that the preliminary application for legal medicine, including forensic medicine, did not meet the assessment criteria and recommended to the Council that the application be rejected.

Cosmetic Medical Practice

After preliminary approaches and applications, in 2006 the AMC invited the Australasian College of Cosmetic Surgery (College) to lodge a full application for the recognition of cosmetic surgery as a medical speciality. The College subsequently deferred its application and since 2006, the AMC has revised its guidelines on the recognition of medical specialties.

In October 2008, the College lodged its full application for recognition of cosmetic medical practice as a medical speciality. After carefully assessing the application against the criteria for recognition, the AMC accepted the College's application for assessment and agreed to establish a recognition review group.

The College is not seeking recognition for purposes of Schedule 4, Health Insurance Regulations, 1975, but is seeking to be listed on the *AMC List of Australian Medical Specialties.* According to the 2007 Guidelines for Recognition, the purpose of this listing is as follows:

> *The AMC recognition process also allows for organisations to seek recognition of a medical specialty for purposes other than the Health Insurance Act. In such cases, applicants may wish to have specialist medical skills and knowledge acknowledged, and have the education and training programs that lead to these attributes accepted as a standard for a particular area of practice. A successful application in such a case would lead to a listing on the AMC's List of Australian Recognised Medical Specialties. This enables medical specialist training providers to participate in the AMC's accreditation of specialist medical education, training and professional development programs. The specialty of Medical Administration is an example of a medical specialty recognised by the AMC for such purposes.*[1]

1 Australian Medical Council, *The Recognition of Medical Specialties: Policy and Process, 2007*, p.2

Medical School Accreditation

The Medical School Accreditation Committee manages the program of assessment of medical schools.

Assessments

In 2008, the AMC completed five medical school assessments, including four follow-up visits and one reaccreditation visit:

- A follow-up assessment of the University of Western Sydney School of Medicine in May 2008

  The AMC confirmed the accreditation of the school until 31 December 2013, with annual reporting requirements.

- A follow-up assessment of the University of Wollongong Graduate School of Medicine in June 2008

  The AMC confirmed the accreditation of the school until 31 December 2012, with annual reporting requirements.

- A follow-up assessment of the Monash University (Malaysia campus) Tan Sri Jeffrey Cheah School of Medicine in July 2008

  The AMC confirmed the accreditation of the Faculty of Medicine, Nursing and Health Sciences until 31 December 2013, with ongoing annual reporting requirements relating to the course in general and new reporting requirements relating specifically to the Tan Sri Jeffrey Cheah School.

- A follow-up assessment of the Bond University Medical Program in late September 2008

  The AMC affirmed the accreditation of the medical program until the end of 2009. An AMC assessment team will complete a further review of the program by the end of March 2009. While the accreditation report after the September 2008 visit identified a number of significant challenges for the University's medical program, it noted a clear commitment by the University to addressing these as a priority. The 2009 review is to assess the School's progress against these challenges.

- A reaccreditation assessment of the University of Otago Faculty of Medicine in August 2008

  The AMC granted the Faculty of Medicine accreditation until 31 December 2014, with periodic reporting requirements.

Extensions

During 2008 the AMC extended the accreditation of the Australian National University (ANU) Medical School course until 31 December 2013, subject to satisfactory annual reports. This extension was based on a comprehensive report from the School, outlining developments since the last AMC assessment and plans for the next four years.

Medical School Annual and Periodic Reports

Medical schools must provide periodic reports to ensure that the AMC is aware of curriculum changes, emerging issues that may affect the medical school's ability to deliver the medical curriculum and the school's response to issues raised in the AMC accreditation report.

Medical schools granted the full period of accreditation submit written reports two, five and seven years after the school's assessment by the AMC. Medical schools granted accreditation of a major structural change and new medical schools submit annual reports.

In 2008, the Committee considered and later endorsed the reports from 11 schools:

- The University of Adelaide School of Medicine

- Deakin University School of Medicine
- Griffith University School of Medicine
- James Cook University School of Medicine and Dentistry
- The University of Melbourne School of Medicine
- Monash University Faculty of Medicine, Nursing and Health Sciences
- The University of New South Wales Faculty of Medicine
- The University of Newcastle and University of New England Joint Medical Program
- The University of Notre Dame Australia School of Medicine Sydney
- The University of Tasmania School of Medicine
- The University of Western Australia School of Medicine.

University of Notre Dame Australia Fremantle School of Medicine

The Medical School Accreditation Committee invested considerable time and effort during 2008 working closely with this university as it addressed issues raised during the 2007 accreditation process. The AMC also established an expert advisory group to work specifically with the University to ensure that AMC accreditation standards and requirements are clear, pending the scheduled follow-up AMC visit in 2009.

Preliminary Assessment of a Major Change to an Existing School

The AMC considered a Stage 1 submission for a major change to The University of Queensland's established medical program. At this first stage of the assessment process, the university must demonstrate that it has the capacity to implement the medical course and that the course is likely to satisfy AMC accreditation standards. The AMC decided that the Stage 1 submission from the University of Queensland for a major change to its accredited course did not meet AMC requirements.

Indigenous Involvement

An Indigenous Health Assessor Training Workshop was held in September 2008, targeted to Indigenous doctors and medical educators interested in participating in the AMC accreditation process. The workshop:

- trained assessors in the theory, standards and processes for the accreditation of medical schools
- reviewed the AMC medical school accreditation standards that particularly relate to Indigenous health
- considered the experiences of assessing the Indigenous health standards to date and
- identified requirements to enable the assessment process for Indigenous health to continue effectively.

International Activities

Medical Council of New Zealand

As part of the AMC's accreditation of Australian and New Zealand medical schools, the AMC sends medical school accreditation reports to the Medical Council of New Zealand (MCNZ) for consideration by the MCNZ Education Committee. During 2008, the AMC began working towards a Memorandum of Understanding (MoU) with the MCNZ, to formalise the existing positive working relationship and embed input from MCNZ members into the AMC accreditation process.

Korean Institute of Medical Education and Evaluation

During July and August of 2008, the AMC hosted an extended visit from the Director of the Korean Institute of Medical Education and Evaluation. The study visit was supported by a grant from the Australian Government under the Australian Executive Endeavour Awards and aimed to enable the Korean Institute to learn about

profession-led regulation in Australian and New Zealand medical schools, and subsequently to streamline and improve the Korean medical school accreditation process. The Director visited several medical schools and attended a full accreditation visit as an observer to the University of Otago. The visit was a success, and contact between the AMC and the Korean Institute has been strengthened since then, including through a visit by the Deputy President of the AMC to Korea to discuss postgraduate education.

Singapore Medical Council

Following the July 2008 accreditation visit to the Monash Malaysia medical school, the AMC made a reciprocal visit to the Singapore Medical Council and continues to collaborate over matters of medical education and accreditation.

People's Republic of China

The AMC – China program continues to grow at a steady pace. AMC documents, staff and expert advisers have continued to contribute strongly to the development of accreditation standards for Chinese medical schools. The Chinese Ministry of Education published Chinese National Standards for Basic Medical Education in September 2008. These standards are based on the World Federation of Medical Education Global Standards for Quality Improvement of Basic Medical Education and were completed with assistance from the AMC.

The Chinese Ministry of Education has embarked on a pilot accreditation program for its medical schools and AMC nominated experts are contributing to these assessments.

A delegation from the Association of Medical Universities and Colleges of China (AMUCC) attended the Ottawa International Conference on Clinical Competence in Melbourne in March 2008 and both AMC and Chinese delegates contributed to a Symposium on International Recognition and Accreditation of Medical Schools' Programs. The AMUCC delegation also observed some of the ongoing AMC accreditation activities and met the AMC President and the Chair of the Medical School Accreditation Committee to discuss the AMC/AMUCC relationship.

The AMC's work in China helps to expand the involvement of Australian medical school staff in the development of medical school accreditation and medical education activities in China and assists with networking between Australian and Chinese institutions. In doing so it will help enhance the profile and level of recognition accorded internationally to Australian medical education qualifications and quality assurance processes.

World Federation for Medical Education

The World Federation for Medical Education (WFME) is the global organisation concerned with medical education and training. Its primary objective is to enhance the quality of medical education world-wide and its activities cover all stages of medical education.

The World Health Organization (WHO) has decided that new electronic global directories of education institutions for the academic health professions should be developed. In 2007, the WHO and the University of Copenhagen signed an agreement, giving the University, with the assistance of the World Federation for Medical Education, responsibility for development and administration of the directories as an electronic resource.

It is planned that the directories will, in sequence, include all medical schools, schools of pharmacy, schools of public health, and education institutions of other academic health professions. The WHO has published a World Directory of Medical Schools since 1953. The last printed edition was published in 2000, followed by electronic updates up to December 2007. The data from this directory will be expanded and brought up-to-date. The directories will include statistical and other data about institutions and their programs, and about quality assurance tools in use, nationally and internationally.

In 2008, Theanne Walters, the AMC Deputy Chief Executive Officer, was seconded to the WFME for several months to be involved in this project.

AMC Assessment

The introduction of uniform national assessment for IMGs and the implementation of four assessment pathways was a significant development during 2008. These pathways are detailed on the AMC website at www.amc.org.au and at pages 2 to 4 of this report.

The major initial focus of the IMG assessment initiative was the development of the Competent Authority model of assessment and the assessment of non-specialist IMGs who were previously not captured by the existing AMC examination pathway. Previously, these medical practitioners typically sought medical registration in non-specialist 'Area of Need' positions.

Primary Source Verification

In January 2006, the AMC introduced Primary Source Verification of IMGs seeking recognition in Australia. This process ensures the integrity and legitimacy of candidates' primary and secondary qualifications. In 2008, the AMC sought Primary Source Verification from the International Credentials Service (EICS) of the Educational Commission for Foreign Medical Graduates (ECFMG) for a total of 12,709 candidates. Of the total requests made in 2008, approximately 55% of all candidates have been verified through this process, with the remaining requests still pending verification from sources overseas. The ECFMG has advised the AMC that overseas institutions can take from 20 to 550 days to process EICS requests, depending upon the individual institution.

Competent Authority Pathway

In 2006 the AMC and the Queensland Department of Health developed an assessment model for non-specialist IMGs, based on a survey of international licensing examinations conducted by the International Association of Medical Regulatory Authorities (IAMRA). The model was based on the premise that there were a number of comprehensive international screening examinations that were consistent with the examination of IMGs conducted by the AMC that leads to general medical registration. The model proposed that these international examinations represent a 'competent' assessment of applied medical knowledge and clinical skills and, therefore, IMGs who had passed these designated examinations should not require a further basic assessment at the level of the AMC MCQ and clinical examinations. As well, Competent Authorities have assessment pathways that lead to medical registration or licensure that may reasonably be recognised in Australia as appropriate assessments of basic (non-specialist) medical training and practice (see also page 3). In the interests of patient safety it was proposed that any IMG who sought general registration through the Competent Authority pathway should be required to complete an accredited performance assessment in an Australian clinical setting before general registration could be granted.

The IMG assessment initiative announced by the Council of Australian Governments (COAG) in December 2006 asked the AMC to develop criteria to consider and approve individual Competent Authorities and to accredit the workplace-based performance assessment processes. Table 1 lists the Competent Authorities that have been formally approved by the AMC in accordance with the prescribed criteria.

Table 1 – Approved Competent Authorities and Formal Qualifications

Country	Authority	Qualification/Award/Assessment	Effective Date
United Kingdom	General Medical Council of the United Kingdom (GMC)	1. Professional and Linguistic Assessments Board (PLAB) Test PLUS 12 months supervised training in a CA country approved by the GMC OR Foundations Year 1	Post-1975
		2. Graduates of Medical Schools in the United Kingdom accredited by the General Medical Council PLUS 12 months supervised training in a CA country approved by the GMC OR Foundations Year 1	No date limit
Canada	Medical Council of Canada (MCC)	Licentiate of the Medical Council of Canada (LMCC) (includes the period of residency completed between the Part 1 LMCC and the Part 2 LMCC)	No date limit
United States of America	Education Commission for Foreign Medical Graduates (ECFMG)	United States Medical Licensing Examination Step 1, Step 2 and Step 3 (USMLE 1, 2 & 3) PLUS Minimum two years of Graduate Medical Education (GME) within a residency program accredited by the Accreditation Council of Graduate Medical Education (ACGME)	Post-1992
New Zealand	Medical Council of New Zealand (MCNZ)	New Zealand Registration Examination (NZREX) PLUS Evidence of satisfactory completion of rotating internship (four runs accredited by the MCNZ)*	No date limit
Ireland	Medical Council of Ireland (MCI)	Graduates of Medical Schools in Ireland accredited by the Medical Council of Ireland PLUS Evidence of completion of an internship in Ireland (certificate of experience) or in a CA country approved by the Medical Council of Ireland	2003

*NB: The Competent Authority pathway is not applicable to graduates of AMC-accredited New Zealand Medical Schools who have completed an approved period of intern training.

In 2008, 1,971 IMGs lodged applications for assessment through the Competent Authority pathway. Of this number, 805 or 40.84%, were assessed as eligible and were granted Advanced Standing towards the AMC Certificate. This enabled them to apply for limited registration to complete the required performance assessment component of the Competent Authority pathway. During the year a total of 618, or 31.35%, of those who had applied, qualified for the award of the AMC Certificate and were eligible to proceed to general registration. A breakdown of applications for Competent Authority assessment is set out in Table 2.

Table 2 – Competent Authority Pathway

Country of Training	Applications	Advanced Standing Issued	AMC Certificates Issued
AFGHANISTAN	1	0	0
ALBANIA	2	0	0
ARMENIA	3	1	1
BAHRAIN	1	0	0
BANGLADESH	23	8	10
BELARUS	1	0	0

Country of Training	Applications	Advanced Standing Issued	AMC Certificates Issued
CANADA	26	9	4
CHILE	1	1	1
CHINA	3	2	0
CROATIA	1	1	0
CZECH REPUBLIC	3	1	0
DOMINICAN REPUBLIC	1	1	0
EGYPT	16	10	0
FIJI	2	1	0
FRANCE	1	0	0
GERMANY	2	1	0
GHANA	2	1	1
GRENADA	1	1	0
HONG KONG	1	0	0
HUNGARY	2	0	0
INDIA	365	155	162
INDONESIA	1	1	0
IRAN	13	5	6
IRAQ	26	11	6
IRELAND	171	66	24
ITALY	1	0	1
JORDAN	7	4	0
LATVIA	3	2	1
LEBANON	2	2	0
LIBYA	4	2	2
LITHUANIA	1	0	0
MACEDONIA	1	0	1
MALAYSIA	1	0	1
MYANMAR	41	10	30
NEPAL	7	4	0
NIGERIA	13	5	2
PAKISTAN	71	30	31
PERU	2	0	2
PHILIPPINES	9	3	3
POLAND	3	2	1
ROMANIA	6	3	1
RUSSIA	17	7	3
SAUDI ARABIA	1	1	0
SERBIA	4	3	0
SINGAPORE	1	1	0
SLOVAK REPUBLIC	2	1	0
SOUTH AFRICA	19	5	5
SOUTH KOREA	2	0	1
SRI LANKA	40	16	23
SUDAN	5	3	2
SWEDEN	1	1	0

Country of Training	Applications	Advanced Standing Issued	AMC Certificates Issued
SYRIA	3	3	1
TANZANIA	1	0	0
TRINIDAD AND TOBAGO	3	1	0
TURKEY	3	1	0
UGANDA	1	1	0
UKRAINE	8	7	1
UNITED KINGDOM	978	393	284
USA	28	11	1
VENEZUELA	1	1	0
ZAMBIA	3	2	1
ZIMBABWE	9	4	5
Total	1971	805	618

Workplace-based Assessment

The AMC continued to work with a range of stakeholders during 2008 to develop guidelines for accreditation to provide workplace-based assessment for IMGs in the standard pathway. This project will continue in the years ahead (see also page 4).

Changes in AMC Examination Processing Arrangements

The implementation of the COAG IMG assessment initiatives, notably the Competent Authority pathway and the mandatory requirement for the AMC MCQ screening examination, led to a significant increase in the volume of applications for assessment and primary source verification through the AMC. To manage this additional demand and reduce processing delays and handling times for applications, the AMC audited its existing processes and then re-engineered these along with staffing and IT systems. Improvements introduced as a result include:

- notification to candidates within three business days of receipt of applications for the AMC MCQ Examination
- applicants for the AMC MCQ Examination being permitted to schedule for the examination as soon as the Primary Source Verification request has been initiated (The AMC Certificate continues to be subject to satisfactory completion of primary source verification), and
- establishment of a Call Centre to better manage telephone enquires.

AMC Examinations

Pass Rates

There has been a steady increase in the demand for AMC examination places over the last five years, with a sharp rise after the announcement of the COAG IMG assessment initiative at the end of 2006 as shown in Tables 3 and 4. The pass rates for the MCQ Examination over the five year period have fluctuated between a high of 63.4% (2005/06) and a low of 53.95% (2007/08). Although the increase in Clinical Examinations over this period has been less dramatic than the demand for MCQ Examination places (due to limited availability of appropriate Clinical Examination facilities), there was a sharp spike in Clinical Examinations conducted in 2007/08. The pass rates for Clinical Examinations have ranged from a low of 61.6% (2003/04) to a high of 66.29% (2007/08).

Table 3 – MCQ Examinations

	2003/04	2004/05	2005/06	2006/07	2007/08
Total passed	487	623	908	1335	1454
New candidates	544	672	1075	1891	1888
Total examined	859	982	1509	2494	2695

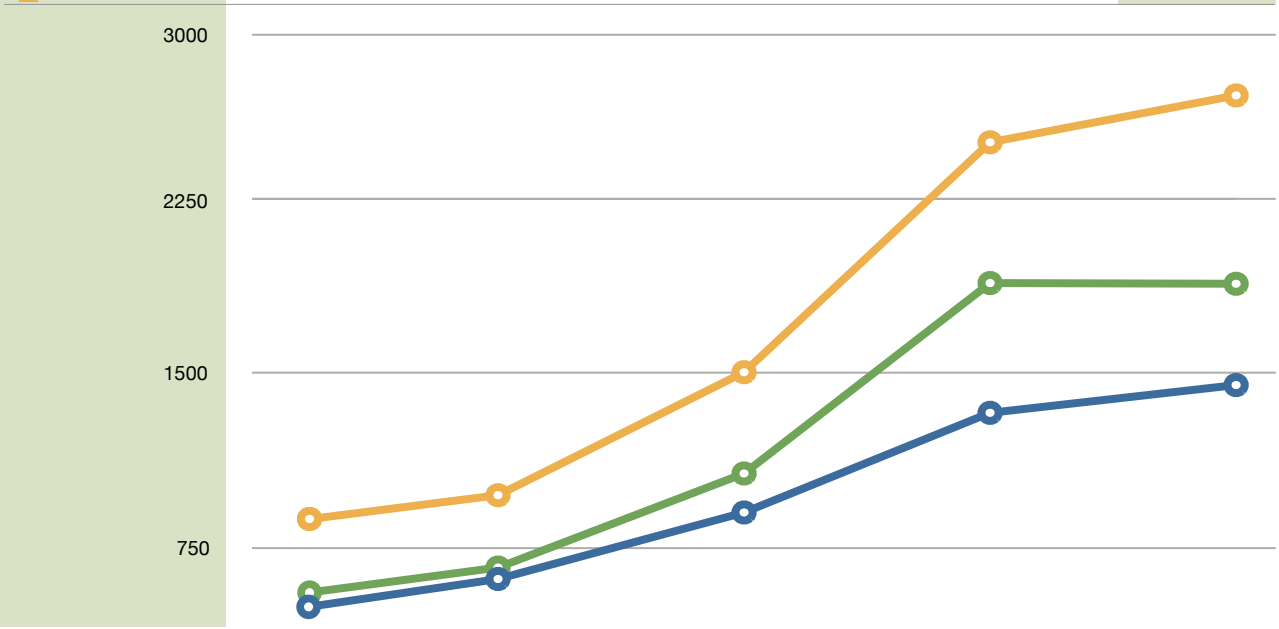
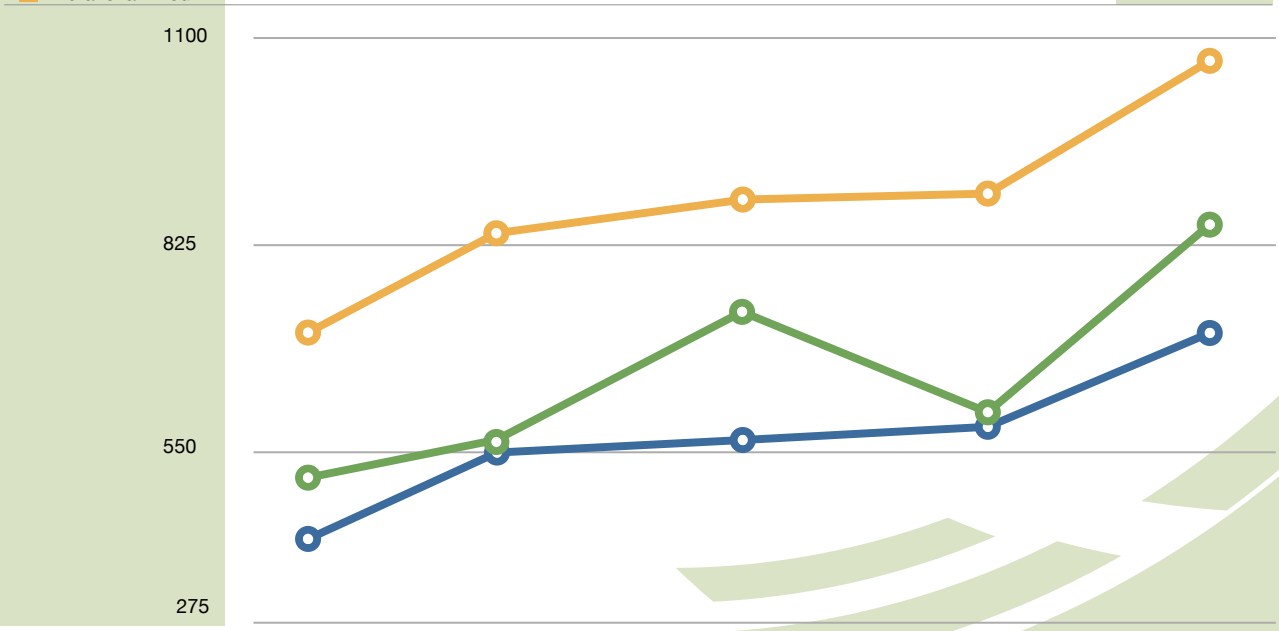


Table 4 – Clinical Examinations

	2003/04	2004/05	2005/06	2006/07	2007/08
Total passed	438	552	569	586	710
New candidates	519	567	738	605	854
Total examined	711	842	887	895	1071



AMC Multiple Choice Question Examination

In the calendar year 2008, the AMC conducted 3,737 Multiple Choice Question (MCQ) Examinations both on-shore and in secure off-shore locations. More than 2,500 (or some 68%) of these candidates were presenting for the first time in 2008. A total of 1,876 candidates (or 50.20% of the total who sat) passed the MCQ Examination. 72% of those who passed were first attempt candidates. This confirms the performance pattern that has been seen in previous AMC MCQ Examinations.

A breakdown of candidates by numbers of attempts and country of training in set out in Table 5.

Table 5 – Country of Training Statistics

MCQ Examinations for Period : 1/1/2008 to 31/12/2008 (All Candidates)

Country of Training	Sat 1	Sat 2	Sat 3	Sat 4 +	Total	Pass 1	Pass 2	Pass 3	Pass 4 +	Total
AFGHANISTAN	10	5	2	3	20	3	3	0	0	6
ALBANIA	1	1	0	0	2	0	1	0	0	1
ARGENTINA	4	3	2	1	10	2	3	1	1	7
ARMENIA	2	1	0	0	3	1	0	0	0	1
AUSTRALIA	1	0	0	0	1	1	0	0	0	1
AUSTRIA	7	0	0	0	7	6	0	0	0	6
AZERBAIJAN	2	1	1	0	4	0	0	0	0	0
BAHRAIN	1	0	0	0	1	1	0	0	0	1
BANGLADESH	109	41	18	13	181	50	15	6	3	74
BELARUS	4	1	1	0	6	1	0	1	0	2
BELGIUM	3	0	0	1	4	2	0	0	0	2
BOSNIA-HERZEGOVINA	0	1	1	0	2	0	0	1	0	1
BRAZIL	16	4	0	1	21	8	2	0	0	10
BULGARIA	5	4	3	4	16	1	1	1	0	3
CANADA	1	0	0	0	1	0	0	0	0	0
CAYMAN ISLANDS	1	0	0	0	1	0	0	0	0	0
CHINA	142	43	15	11	211	72	30	5	7	114
COLOMBIA	20	9	2	0	31	7	1	1	0	9
CUBA	1	0	0	0	1	1	0	0	0	1
CZECH REPUBLIC	4	1	0	0	5	0	0	0	0	0
DEMOCRATIC REPUBLIC OF THE CONGO	1	1	0	0	2	0	0	0	0	0
DENMARK	1	0	0	0	1	1	0	0	0	1
DOMINICAN REPUBLIC	1	2	1	0	4	0	1	0	0	1
ECUADOR	3	1	0	0	4	1	0	0	0	1
EGYPT	79	20	7	9	115	41	8	2	1	52
EL SALVADOR	1	1	0	0	2	0	1	0	0	1
ETHIOPIA	2	0	0	0	2	1	0	0	0	1
FIJI	22	8	3	5	38	12	3	1	2	18

Country of Training	Sat 1	Sat 2	Sat 3	Sat 4 +	Total	Pass 1	Pass 2	Pass 3	Pass 4 +	Total
GEORGIA	2	0	0	0	2	1	0	0	0	1
GERMANY	34	6	1	4	45	27	3	0	2	32
GREECE	1	1	0	0	2	1	1	0	0	2
HONG KONG	2	0	0	0	2	2	0	0	0	2
HUNGARY	2	4	1	2	9	0	2	1	0	3
INDIA	530	175	72	43	820	282	84	33	14	413
INDONESIA	13	12	2	1	28	5	3	1	0	9
IRAN	143	47	11	1	202	72	26	6	1	105
IRAQ	67	13	1	1	82	48	8	0	0	56
IRELAND	14	5	0	0	19	8	4	0	0	12
ITALY	2	1	0	0	3	0	0	0	0	0
JAPAN	3	1	0	0	4	2	1	0	0	3
JORDAN	23	4	0	0	27	11	1	0	0	12
KAZAKHSTAN	3	1	0	2	6	1	1	0	0	2
KENYA	0	1	0	0	1	0	1	0	0	1
KYRGYZSTAN	3	2	0	0	5	1	2	0	0	3
LATVIA	10	5	1	0	16	3	3	1	0	7
LEBANON	3	0	0	0	3	3	0	0	0	3
LIBYA	4	0	0	0	4	0	0	0	0	0
LITHUANIA	1	1	1	0	3	0	0	0	0	0
MACEDONIA	1	1	1	2	5	0	1	1	2	4
MALAYSIA	37	2	2	0	41	17	0	1	0	18
MALTA	1	1	0	0	2	1	1	0	0	2
MAURITIUS	2	0	0	0	2	0	0	0	0	0
MONGOLIA	0	1	1	1	3	0	0	0	1	1
MONTENEGRO	1	0	0	0	1	0	0	0	0	0
MYANMAR	136	17	7	10	170	103	10	2	4	119
NEPAL	36	16	2	0	54	11	8	1	0	20
NETHERLANDS	14	2	0	0	16	8	1	0	0	9
NETHERLANDS ANTILLES	3	0	0	0	3	1	0	0	0	1
NIGERIA	54	12	5	7	78	22	5	3	0	30
NORWAY	1	0	0	0	1	1	0	0	0	1
PAKISTAN	209	68	20	24	321	94	30	11	10	145
PAPUA NEW GUINEA	12	8	1	0	21	2	4	1	0	7
PARAGUAY	2	1	0	0	3	1	1	0	0	2
PERU	10	4	1	1	16	5	3	0	1	9
PHILIPPINES	145	55	19	20	239	47	16	8	4	75

Country of Training	Sat 1	Sat 2	Sat 3	Sat 4 +	Total	Pass 1	Pass 2	Pass 3	Pass 4 +	Total
POLAND	7	2	1	2	12	5	1	1	1	8
ROMANIA	16	6	1	1	24	4	0	1	0	5
RUSSIA	61	25	10	8	104	16	7	6	1	30
SAINT KITTS AND NEVIS	3	3	0	0	6	0	2	0	0	2
SAINT LUCIA	1	1	0	0	2	1	0	0	0	1
SAMOA	0	1	0	0	1	0	0	0	0	0
SAUDI ARABIA	10	1	0	0	11	4	1	0	0	5
SERBIA	3	5	3	6	17	1	1	1	2	5
SEYCHELLES	1	0	0	0	1	0	0	0	0	0
SINGAPORE	2	0	0	0	2	2	0	0	0	2
SLOVAK REPUBLIC	1	1	0	1	3	0	1	0	0	1
SOUTH AFRICA	77	3	0	0	80	64	1	0	0	65
SOUTH KOREA	15	2	0	0	17	10	2	0	0	12
SPAIN	0	1	0	0	1	0	0	0	0	0
SRI LANKA	255	41	4	1	301	196	28	1	1	226
SUDAN	15	5	2	2	24	5	1	1	0	7
SWEDEN	1	0	0	0	1	1	0	0	0	1
SYRIA	10	3	0	0	13	3	2	0	0	5
TAIWAN	1	2	1	2	6	0	0	0	0	0
TANZANIA	2	0	0	0	2	0	0	0	0	0
THAILAND	7	1	1	0	9	4	0	1	0	5
TRINIDAD AND TOBAGO	9	3	0	0	12	8	1	0	0	9
TURKEY	4	0	0	2	6	3	0	0	2	5
UGANDA	1	0	0	0	1	0	0	0	0	0
UKRAINE	32	20	9	9	70	14	6	4	0	24
UNITED ARAB EMIRATES	2	0	0	0	2	2	0	0	0	2
UNITED KINGDOM	2	0	0	0	2	0	0	0	0	0
USA	4	1	0	0	5	4	0	0	0	4
USSR	0	1	0	5	6	0	1	0	1	2
UZBEKISTAN	0	0	2	0	2	0	0	2	0	2
VENEZUELA	1	0	0	0	1	0	0	0	0	0
VIETNAM	7	4	1	1	13	5	2	0	0	7
ZIMBABWE	23	1	1	0	25	16	1	1	0	18
Totals	**2541**	**748**	**241**	**207**	**3737**	**1360**	**347**	**108**	**61**	**1876**

AMC Clinical Examination

The AMC introduced the current 16-component multi-station clinical assessment examination at the beginning of 2004. During the 2008 year, the AMC conducted 21 Clinical Examination sessions. This involved the examination of 1039 individual candidates, including four Re-Test examinations to confirm Pass/Fail results. Examinations were conducted in clinical centres in Queensland, New South Wales, Victoria, South Australia and Western Australia. Of the total number of candidates who presented for Clinical Examination in 2008, 645 (62.07%) passed and qualified for the AMC Certificate, which entitles them to general medical registration in Australia.

To accommodate additional examination places in 2009, the AMC plans to hold Clinical Examinations simultaneously in two city centres for the first time. The AMC expects to conduct 22 examinations for 1426 candidates in 2009.

A breakdown of candidates by numbers of attempts and country of training is set out at Table 6.

Table 6 – Country of Training Statistics

Clinical Examinations for Period : 1/1/2008 to 31/12/2008 (All Candidates)

Country of Training	Sat 1	Sat 2	Sat 3	Sat 4 +	Total	Pass 1	Pass 2	Pass 3	Pass 4 +	Total
AFGHANISTAN	8	3	2	1	14	4	1	1	1	7
ARGENTINA	2	2	0	0	4	2	1	0	0	3
BANGLADESH	46	24	4	2	76	25	11	1	0	37
BELARUS	2	2	0	0	4	1	0	0	0	1
BELGIUM	1	0	0	0	1	1	0	0	0	1
BOSNIA-HERZEGOVINA	2	0	0	1	3	1	0	0	1	2
BULGARIA	4	2	1	0	7	1	2	0	0	3
CAMBODIA	1	0	0	0	1	1	0	0	0	1
CANADA	1	0	0	0	1	1	0	0	0	1
CHILE	1	0	0	0	1	1	0	0	0	1
CHINA	55	10	3	2	70	41	6	2	2	51
COLOMBIA	6	2	0	0	8	5	2	0	0	7
CROATIA	1	1	0	0	2	1	0	0	0	1
CZECHOSLOVAKIA	0	1	0	0	1	0	0	0	0	0
ECUADOR	2	0	0	0	2	1	0	0	0	1
EGYPT	23	5	0	0	28	10	2	0	0	12
ETHIOPIA	1	1	0	0	2	0	1	0	0	1
FIJI	5	2	0	0	7	5	2	0	0	7
FINLAND	1	0	0	0	1	1	0	0	0	1
FRANCE	3	0	0	0	3	1	0	0	0	1
GERMANY	14	2	0	0	16	10	1	0	0	11
GRENADA	1	0	0	0	1	1	0	0	0	1
INDIA	199	36	6	4	245	125	24	4	1	154
INDONESIA	1	0	0	0	1	0	0	0	0	0
IRAN	86	7	0	0	93	64	6	0	0	70

Country of Training	Sat 1	Sat 2	Sat 3	Sat 4 +	Total	Pass 1	Pass 2	Pass 3	Pass 4 +	Total
IRAQ	20	5	0	1	26	12	4	0	1	17
IRELAND	4	1	0	0	5	3	0	0	0	3
ITALY	0	1	0	0	1	0	0	0	0	0
KAZAKHSTAN	0	0	1	0	1	0	0	0	0	0
LATVIA	1	0	0	0	1	1	0	0	0	1
LEBANON	0	1	0	0	1	0	0	0	0	0
LITHUANIA	0	1	0	0	1	0	0	0	0	0
MACEDONIA	2	1	1	0	4	1	0	1	0	2
MALAYSIA	7	0	0	0	7	6	0	0	0	6
MALTA	1	0	0	0	1	1	0	0	0	1
MYANMAR	30	8	1	2	41	20	1	0	0	21
NEPAL	19	0	0	0	19	14	0	0	0	14
NETHERLANDS	1	0	0	0	1	1	0	0	0	1
NIGERIA	10	1	0	0	11	4	0	0	0	4
PAKISTAN	59	11	1	0	71	29	7	1	0	37
PAPUA NEW GUINEA	0	2	0	0	2	0	0	0	0	0
PERU	1	0	0	1	2	0	0	0	0	0
PHILIPPINES	29	10	2	0	41	16	2	0	0	18
ROMANIA	6	0	1	0	7	4	0	0	0	4
RUSSIA	25	6	0	0	31	17	4	0	0	21
SAINT KITTS AND NEVIS	1	0	0	0	1	0	0	0	0	0
SAINT LUCIA	1	0	0	0	1	1	0	0	0	1
SAMOA	1	0	0	0	1	1	0	0	0	1
SERBIA	2	0	0	0	2	2	0	0	0	2
SINGAPORE	2	0	0	0	2	1	0	0	0	1
SLOVAK REPUBLIC	1	0	0	0	1	1	0	0	0	1
SOUTH AFRICA	17	1	0	0	18	13	1	0	0	14
SOUTH KOREA	1	1	0	0	2	0	0	0	0	0
SRI LANKA	76	9	1	0	86	54	7	1	0	62
SUDAN	7	1	0	0	8	4	0	0	0	4
SWITZERLAND	0	1	0	0	1	0	1	0	0	1
SYRIA	3	0	1	0	4	1	0	0	0	1
TRINIDAD AND TOBAGO	2	0	0	0	2	2	0	0	0	2
TURKEY	2	0	0	0	2	0	0	0	0	0
UGANDA	2	0	0	0	2	2	0	0	0	2
UKRAINE	10	2	0	0	12	4	2	0	0	6
UNITED KINGDOM	6	0	0	0	6	4	0	0	0	4

Country of Training	Sat 1	Sat 2	Sat 3	Sat 4 +	Total	Pass 1	Pass 2	Pass 3	Pass 4 +	Total
USA	1	0	0	0	1	1	0	0	0	1
USSR	0	1	0	0	1	0	1	0	0	1
VENEZUELA	1	0	0	0	1	1	0	0	0	1
VIET NAM	5	2	0	0	7	3	1	0	0	4
YEMEN	1	0	0	0	1	1	0	0	0	1
ZAMBIA	1	0	0	0	1	1	0	0	0	1
ZIMBABWE	8	2	0	0	10	7	2	0	0	9
Totals	832	168	25	14	1039	536	92	11	6	645

Computer-Administered Off-shore Examination

The AMC has administered a computer-based MCQ Examination in venues outside Australia since November 2006 as part of a joint project with the Medical Council of Canada (MCC). As part of this arrangement, a US firm was contracted to deliver the joint examinations through its overseas testing centres during 2008. In this arrangement, a total of six MCQ Examination series, involving some 1,000 AMC candidates, were conducted through a total of 16 computer-testing locations outside Australia.

During 2008, the AMC reviewed the technical arrangements for the delivery of its MCQ Examinations off-shore, in light of expected demand. As a result of this review, the AMC negotiated an agreement with an alternative examination provider. The new arrangement gave the AMC access to five secure new examination venues in India, which enhances candidate access to the AMC MCQ Examination. It has also ensured AMC access to an IT platform that supports the current AMC fixed-length examination as well as the computer-adaptive examination that is proposed for introduction after trial testing in 2009. The AMC undertook exhaustive trials and structured candidate testing during 2008 to ensure the new examination format was robust and effective. These changes required a substantial re-engineering of the AMC's online examination scheduling system, which took place during 2008.

AMC Publications

The *AMC Handbook of Clinical Assessment*, launched on 7 December 2007, proved a popular publication during 2008. It contains a representative selection of clinical assessment tasks (scenarios) drawn from the AMC Clinical Examination, accompanied by performance guidelines and commentaries to help candidates prepare for the AMC Examination and facilitate their entry into the medical workforce. Work continued during 2008 in preparation for publication of a new book, *AMC Handbook of Multiple Choice Questions*, which is scheduled for publication in late 2009.

Assessment of Overseas Trained Specialists

There are two pathways through which an overseas trained specialist is assessed:

Category	Assessment Process/Criteria
Full Comparability (Independent practice in a field of speciality)	Assessed by the relevant specialist college against the criteria for an Australian-trained specialist in the same field of specialty.
Area of Need Specialist (Registration restricted by scope of practice, location and/or time)	Assessed by the relevant specialist college against the position description for the specific Area of Need position.

The need to classify IMGs for the purposes of assessment into one of the two Specialist pathways, or into a non-specialist pathway (Competent Authority/AMC Standard Examination/Workplace-based Assessment pathway), focused attention on IMGs categorised as specialists-in-training (formerly occupational trainees).

During the year, the AMC worked with a range of stakeholders, including the COAG IMG Technical Committee, the Commonwealth and individual specialist medical colleges, to develop an issues paper to progress this matter. The AMC was supported in this work during the year by the Joint Standing Committee on Overseas Trained Specialists (JSCOTS), a joint committee of the AMC and the Committee of Presidents of Medical Colleges (CPMC).

The Committee provided important feedback to the AMC, which informed the AMC submission on proposed registration arrangements under the National Registration and Accreditation Scheme (NRAS).

The Committee also provided valuable feedback to the COAG IMG Technical Committee on issues related to a new 'specialists-in-training' assessment category. The Committee's feedback on a new application form to assist with uniformity of applications under the specialist-in-training category was accepted and adopted by the COAG IMG Technical Committee. The Committee also formally endorsed a process for the combined 'Area of Need'/specialist assessment of IMGs who apply for assessment for an 'Area of Need' position.

During 2008 the AMC received a total of 923 new applications for assessment through the AMC/Specialist College pathway. During the year a total of 212 overseas trained specialists were assessed as 'substantially comparable' to an Australian trained specialist (full recognition for independent specialist practice). A total of 440 overseas trained specialists were assessed by the relevant Specialist Medical Colleges as 'partially comparable' and requiring further training and assessment to achieve 'substantial comparability'. A breakdown of applications processed by assessment outcome and specialty is set out in Table 7.

Table 7 – Specialist Assessment

College Name	The Royal Australasian College of Physicians, Adult Medicine Division	Australasian Chapter of Palliative Medicine	Australasian College for Emergency Medicine	Australasian College of Dermatologists	Australasian Faculty of Occupational and Environmental Medicine	Australasian Faculty of Public Health Medicine	Australasian Faculty of Rehabilitation Medicine	Australian and New Zealand College of Anaesthetists	Australian and New Zealand College of Anaesthetists, Faculty of Pain Medicine	Joint Faculty of Intensive Care Medicine	The Royal Australasian College of Physicians, Paediatrics and Child Health Division	Royal Australasian College of Medical Administrators	Royal Australasian College of Surgeons	Royal Australian and New Zealand College of Obstetricians and Gynaecologists	Royal Australian and New Zealand College of Ophthalmologists	Royal Australian and New Zealand College of Psychiatrists	Royal Australian and New Zealand College of Radiologists	Royal College of General Practitioners	Royal College of Pathologists of Australasia	***Total***
Initial Processing	153	1	11	11	1	7	11	118	1	13	87	1	195	97	30	74	43	17	52	**923**
Application deferred										1										**1**
Further Training and/or Examinations	83		1	8		1	4	70		7	30		60	11	8	76	37		44	**440**
Application Lapsed	3							1			6		5						1	**16**
Rejected By College	17		2	2				19			8		38	21	4				11	**122**
Approved	38		10	9			2	36		6	18		9	18	10	30	9	11	6	**212**
Withdrawn	7		2	2				5		1	5		13	5	2	1		2	1	**46**
Total	**301**	**1**	**26**	**32**	**1**	**8**	**17**	**249**	**1**	**28**	**154**	**1**	**320**	**152**	**54**	**181**	**89**	**30**	**115**	**1760**

Joint Medical Boards Advisory Committee

The primary focus of 2008 was on supporting the development of the National Registration and Accreditation Scheme (NRAS). The Joint Medical Boards Advisory Committee (JMBAC) kept abreast of the release of consultation papers and made appropriate contributions, including to the Practitioner Regulation Sub-committee of the Health Workforce Principal Committee. More specifically, the JMBAC made detailed submissions in relation to:

- Complaints and enforcement functions, and
- IT systems: including advice on the need for a unique identifier in the new practitioner database to track health practitioners after 1 July 2010, governance arrangements for the provision of medical practitioner registration data to agencies separate from the national board, a Case Review Management system as a core requirement for the management of the regulatory requirements for medical practitioners and data cleansing of medical board registration data.

Other areas of focus for the JMBAC during the year include:

- National Compendium of Medical Registers: The AMC has a contractual obligation under its funding agreement with the Commonwealth to maintain the National Compendium of Medical Registers (NCMR). Although the NCMR has not been relied upon by state and territory medical boards, the AMC has undertaken a major upgrade of the system in anticipation that it may be used to assist the migration of registration data to the new national register when it is established. The NCMR will be in a position to facilitate the cleaning and transfer of data to the new national system if required
- Applicants for Specialist Specified Training Positions: Through the COAG IMG Technical Committee, which is responsible for the implementation of a nationally consistent assessment process for international medical graduates, the AMC supported medical boards in implementing a nationally uniform application process for specialists applying for specified training positions in Australia, and
- Nationally Consistent Approaches: Through the JMBAC, medical boards have continued to support nationally consistent approaches to the verification of documentation of primary medical qualification, proof of identification and English language proficiency, in accordance with national policies, as pre-requisites for medical registration in Australia.

4

Financial Report *30 June 2008*

Summary

The Australian Medical Council operated as an Incorporated entity during the financial year ended 30 June 2008. The financial statements for 2007/08 have been prepared according to the Australian Accounting Standards and the Associations Incorporations Act 1991 (ACT) and have been audited by WalterTurnbull.

The total revenue for the year was $15,256,482 and the total expenditure $13,295,944 producing a surplus of $1,960,538 for the financial year. A comparison of income and expenditure over the last five years is set out in Table 8.

The revenue increased by 40.4% over the previous year. The major contribution to the revenue came from examination fees; primary source verification fees and the sale of publications. A new revenue stream was created during the year by way of the Competent Authority pathway assessment fees.

The total grant from the Commonwealth for the financial year 2007/08 was $2,333,747, which provided for Specialist Education Accreditation ($502,390); Recognition of Medical Specialties ($336,852); and an additional grant of $618,744 to support the implementation of the COAG International Medical Graduate assessment initiative. The core area of activity of the AMC received $443,034 and $432,727 was a special grant for the medical boards for the development of the Competent Authority pathway model.

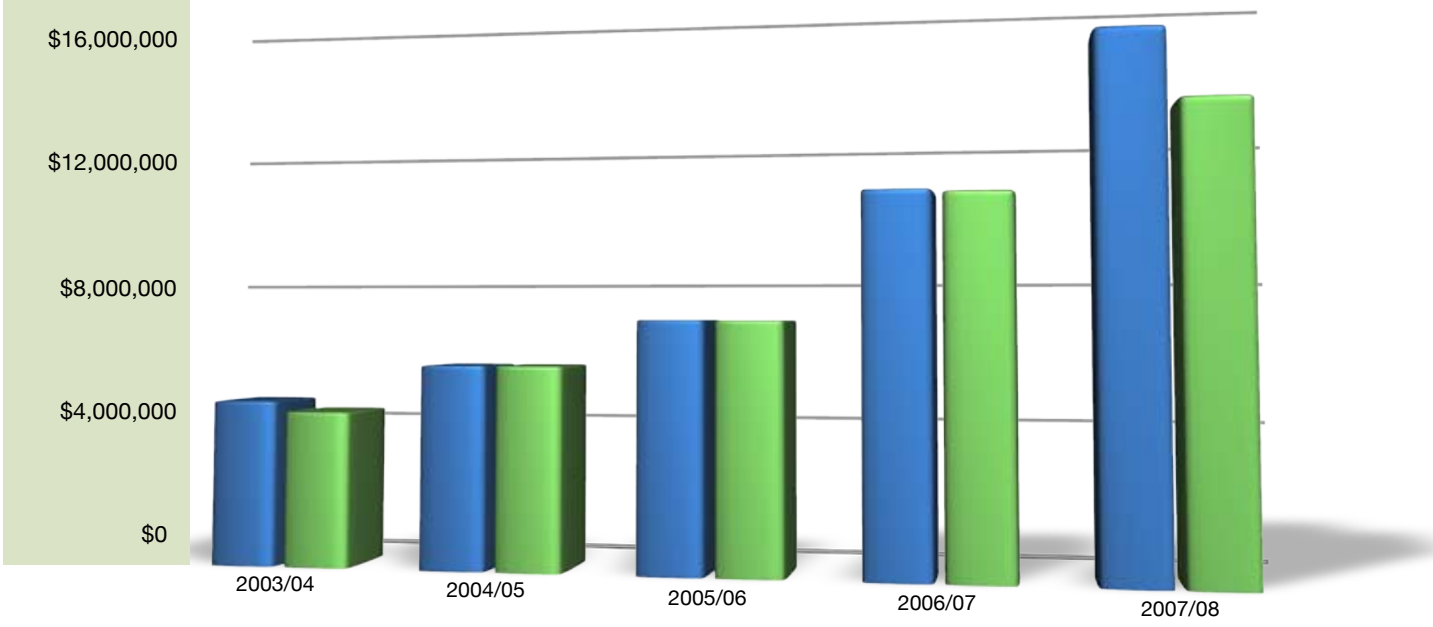
The medical boards contributed $544,270 as a grant for the financial year.

The total expenditure for the year was $13,295,944 which was 23.1% higher than the previous year. The major contributing factors were the direct examination expenditure, costs associated with the COAG IMG assessment initiative; payments made to the ECFMG for primary source verification; and costs associated with the Council, Standing Committees and the Executive. Management and administration expenditure was in the order of $6,085,435 for the financial year.

The audited financial statements are set out at pages 31 to 59.

Table 8 – Income vs Expenditure

	2003/04	2004/05	2005/06	2006/07	2007/08
Income	$4,821,044.00	$5,897,362.00	$7,226,473.00	$10,868,269.00	$15,256,482.00
Expenditure	$4,520,969.00	$5,888,326.00	$7,213,977.00	$10,804,057.00	$13,295,944.00



AUSTRALIAN MEDICAL COUNCIL
LIMITED
ABN 97 131 796 980
PLEASE ADDRESS ALL CORRESPONDENCE TO
CHIEF EXECUTIVE OFFICER AUSTRALIAN MEDICAL COUNCIL PO BOX 4810 KINGSTON ACT 2604 AUSTRALIA

QUOTE REFERENCE NUMBER 3/3/22

STATEMENT BY EXECUTIVE OFFICER AND PUBLIC OFFICER

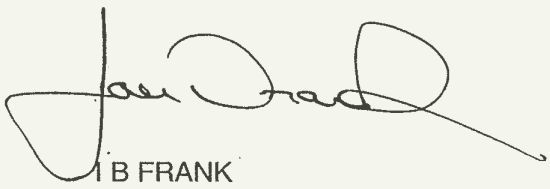
In the opinion of the Executive Officer and Public Officer of the Council:

(i) the accompanying Statement of Financial Performance and Financial Position are drawn up so as to give a true and fair view of the results of the Council for the year ended 30 June 2008 and of the state of its affairs as at the date;

(ii) at the dates of this statement there are reasonable grounds to believe that the Council will be able to pay its debts as and when they fall due; and

(iii) the accompanying accounts have only been made out in accordance with a decision of the Committee.

(iv) the attached financial statements and notes comply with Accounting Standards and are in accordance with the Associations Incorporations Act 1991.



B FRANK
CHIEF EXECUTIVE OFFICER AND PUBLIC OFFICER

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QUOTE REFERENCE NUMBER

3/3/22

STATEMENTS BY MEMBERS OF THE EXECUTIVE COMMITTEE

In the opinion of Members of the Executive Committee of the Council:

(i) the accompanying Statement of Financial Performance and Financial Position are drawn up so as to give a true and fair view of the results of the Council for the year ended 30 June 2008 and of the state of its affairs as at the date;

(ii) at the dates of this statement there are reasonable grounds to believe that the Council will be able to pay its debts as and when they fall due; and

(iii) the accompanying accounts have only been made out in accordance with a decision of the Committee.

(iv) the attached financial statements and notes comply with Accounting Standards and are in accordance with the Associations Incorporations Act 1991.

..... Member
Dated: 13/10/08

..... Member
Dated 13/10/2008

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e-mail: amc@amc.org.au http://www.amc.org.au

AUSTRALIAN MEDICAL COUNCIL INCORPORATED

STATEMENT BY THE MEMBERS OF THE BOARD

Your board members submit the financial report of the Australian Medical Council Incorporated (the Council) for the financial year ended 30 June 2008.

Board Members

The names of the board members throughout the year and at the date of this report are:

Name	Nominate Position
Professor Richard Smallwood AO	**Acting President** and Chair, Specialist Education Accreditation Committee
Dr Robert Adler	Nominee, Medical Practitioners Board of Victoria
Dr Stephen Bradshaw	Nominee, Medical Board of the Australian Capital Territory
Dr Mary Cohn	Nominee, Medical Board of Queensland
Professor Michael Cousins AM	Nominee, Committee of Presidents of Medical Colleges
Professor Richard Doherty	Chair, Board of Examiners
Professor Michael Field	Chair, Medical School Accreditation Committee
Dr Michael Hodgson AM	Chair, Joint Medical Boards Advisory Committee and Nominee, Medical Council of Tasmania
Dr Charles Kilburn	Nominee, Northern Territory Medical Board
Professor Louis Landau AO	Nominee, Confederation of Postgraduate Medical Education Councils
Professor Con Michael AO	Nominee, Medical Board of Western Australia
Dr Robin Mortimer AO	Chair, Recognition of Medical Specialties Advisory Committee
Dr Trevor Mudge	Nominee, Medical Board of South Australia
Assoc Professor Peter Procopis AM	Nominee, New South Wales Medical Board
Mr David Roberts	Nominee, Australian Health Minister's Advisory Council (State Rep)
Professor Judith Searle	Nominee, Universities Australia
Dr Andrew Singer	Nominee, Australian Health Ministers Advisory Council (C'th Rep)
Dr Russell Stitz RFD, AM	Nominee, Committee of Presidents of Medical Colleges
Dr Kendra Sundquist	Nominee, Community Member, State or Territory Medical Boards
Dr Dana Wainwright	Nominee, Federal Australian Medical Association
Ms Diane Walsh	Nominee, Community Member, State or Territory Medical Boards
Professor Neville Yeomans	Nominee, Universities Australia

Principal Activities

The principal activities of the Council during the financial year were to be a national standards advisory body for medical education and training. In addition, the Council also accredits Australian and New Zealand medical schools and medical courses, accredits specialised programs of medical training, and advises and assesses overseas trained doctors.

Significant Changes

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

Operating Results

The profit from ordinary activities for the year ended 30 June 2008 amounted to $1,960,538 (2007: Profit $64,212).

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

Professor Richard Smallwood
President

Canberra, November 2008

Board Member

Canberra, November 2008

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF AUSTRALIAN MEDICAL COUNCIL INCORPORATED

WALTERTURNBULL
your extra asset

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A division of
WalterTurnbull Pty Ltd
ABN 97 099 740 879

Report on the Financial Report

We have audited the accompanying financial report of Australian Medical Council Incorporated (the association) which comprises the balance sheet as at 30 June 2008 and the income statement, statement of recognised income and expenditure and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the statement by members of the committee.

Committee's Responsibility for the Financial Report

The committee of the association is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Associations Incorporation Act 1991* (ACT). This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

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

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF AUSTRALIAN MEDICAL COUNCIL INCORPORATED (Continued)

WALTERTURNBULL
your extra asset

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ABN 97 099 740 879

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Auditor's Opinion

In our opinion:

a. the financial report of the Australian Medical Council Incorporated is properly drawn up:

(i) so as to give a true and fair view of its state of affairs as at 30 June 2008 and the result of its operations for the financial year then ended and other matters required by Section 72 (2) of the Associations Incorporation Act 1991 to be disclosed in the financial report;
(ii) In accordance with the provisions of the Associations Incorporation Act 1991; and
(iii) In accordance with applicable Accounting Standards and other mandatory professional reporting requirements.

b. we have obtained all the information and explanations required; and

c. proper accounting records and other records have been kept by the Australian Medical Council Incorporated as required by the Incorporated Associations Act 1991.

Shane Bellchambers
WalterTurnbull
Registered Company Auditor

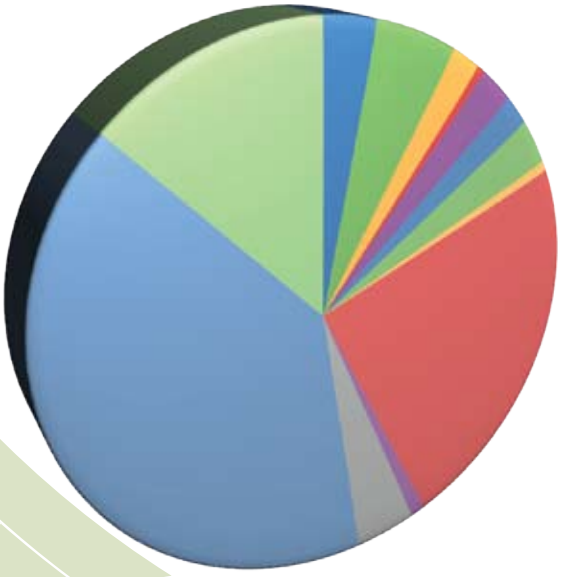
14 October 2008
Canberra ACT

Income Statement

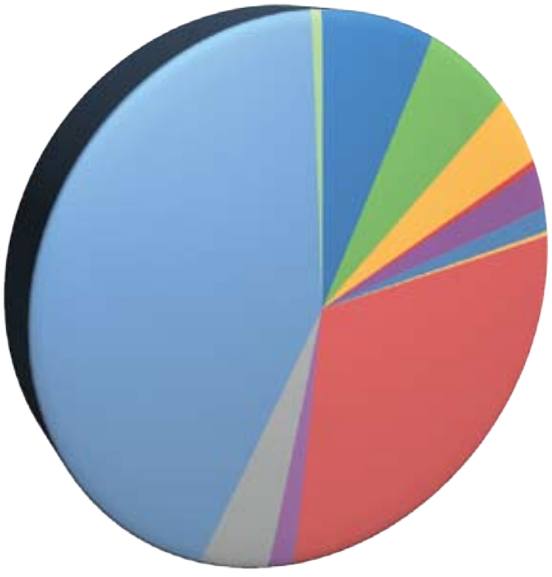
		Note	2008 $	2007 $
KEY	**REVENUE**	**2**	**15,256,482**	**10,868,269**
	Accreditation Expense		469,761	760,664
	Specialist Education Accreditation Expenses		769,709	673,985
	Recognition of Medical Specialties Expenses		286,888	484,208
	National Consistent Approach to Medical Registration Expenses		74,551	52,443
	Credentialing Expenses		358,112	292,324
	Overseas Trained Doctors Initiative Expenses		-	3,679
	COAG IMG Assessment Project		287,050	165,563
	Competent Authority Model to Medical Boards		432,727	-
	Publishing Expenses		94,866	31,500
	Examination Running Expenses		3,704,340	3,143,696
	Uniformity Expenses		140,388	185,253
	Council Committees & Executive Expenses		592,117	491,052
	Management & Administration Expenses		6,085,435	4,519,690
	PROFIT FROM OPERATIONS	**3**	**1,960,538**	**64,212**

The accompanying notes which form part of these financial statements are set out at pages 41 to 53.

2008 Revenue Breakdown



2007 Revenue Breakdown



Balance Sheet

	Note	2008 $	2007 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	683,139	412,872
Investments	7	4,501,720	2,673,144
Trade and other receivables	8	1,063,149	490,636
Inventories		16,184	-
Other current assets	9	24,827	27,460
TOTAL CURRENT ASSETS		**6,289,019**	**3,604,112**
NON-CURRENT ASSETS			
Plant and equipment	10	557,692	595,015
TOTAL NON-CURRENT ASSETS		**557,692**	**595,015**
TOTAL ASSETS		**6,846,711**	**4,199,127**
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	954,949	986,111
Short-term financial liabilities	14	52,258	46,892
Short-term provisions	13	196,403	173,265
Other liabilities	12	2,317,566	1,628,712
TOTAL CURRENT LIABILITIES		**3,521,176**	**2,834,980**
NON-CURRENT LIABILITIES			
Long-term financial liabilities	14	75,565	79,648
Long-term provisions	13	48,323	43,390
TOTAL NON-CURRENT LIABILITIES		**123,888**	**123,038**
TOTAL LIABILITIES		**3,645,064**	**2,958,018**
NET ASSETS		**3,201,647**	**1,241,109**
EQUITY			
Reserves		160,287	160,287
Retained profits		3,041,360	1,080,822
TOTAL EQUITY		**3,201,647**	**1,241,109**

The accompanying notes which form part of these financial statements are set out at pages 41 to 53

Statement of Recognised Income and Expenditure

	Retained Earnings $	Development Fund Reserve $	Examination Development Reserve $	Total $
Balance at 1 July 2006	1,016,610	10,286	150,001	1,176,897
Profit attributable to members	64,212	-	-	64,212
Balance at 30 June 2007	1,080,822	10,286	150,001	1,241,109
Profit attributable to members	1,960,538	-	-	1,960,538
Balance at 30 June 2008	3,041,360	10,286	150,001	3,201,647

Cash Flow Statement

	Note	2008 $	2007 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from candidates and grants		15,054,522	11,236,113
Payments to suppliers and employees		(12,987,731)	(10,897,534)
Interest received		287,537	179,188
Net cash provided by operating activities	**21**	2,354,328	517,767
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of plant and equipment		(223,964)	(115,895)
Proceeds from disposal of plant and equipment		10,196	-
Net cash (used in) Investing Activities		(213,768)	(115,895)
CASH FLOW FROM FINANCING ACTIVITIES			
Payment of borrowings		(41,717)	(50,845)
Net cash (used in) Financing Activities		(41,717)	(50,845)
Net increase in cash held		2,098,843	351,027
Cash at the beginning of year		3,086,016	2,734,989
Cash at the end of year	**6**	**5,184,859**	**3,086,016**

The accompanying notes which form part of these financial statements are set out at pages 41 to 53.

Note 1: Statement of Significant Accounting Policies

The financial report covers the Australian Medical Council Incorporated as an individual entity. The Australian Medical Council Incorporated is an association incorporated in the Australian Capital Territory under the *Associations Incorporation Act 1991*.

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Associations Incorporations Act 1991* (ACT).

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(a) Income Tax

The Council has not provided for income tax as the Council is exempt from income tax under the provisions of Section 50-5 of the *Income Tax Assessment Act 1997* - as amended.

(b) Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment loss.

Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount for these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed with the Council includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Council and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, is depreciated on a straight line basis over their useful lives commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable asset are:

Class of Fixed Asset	Depreciation Rate
Furniture and Fittings	20%
Office Equipment	20%
Computer Equipment	40%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(c) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of manufactured products includes direct materials, direct labour and an appropriate portion of variable and fixed overheads. Overheads are applied on the basis of normal operating capacity. Costs are assigned on the basis of weighted average costs.

(d) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the Council are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual value. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the Council will obtain ownership of the asset or ownership over the term of the lease.

Lease incentives paid under operating leases are recognised as a liability and amortised on a straight line basis over the life of the lease term.

(e) Financial Instruments

Recognition and Initial Measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the Council becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

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 is 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 expire. 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 of loss.

Classification and Subsequent Measurement

i. Financial assets at fair value through profit and loss

Financial assets are classified at fair value through profit or loss when they are held for trading for the purpose of short term profit taking, where they are derivatives not held for hedging purposes, or designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Realised and unrealised gains and losses arising from changes in fair value are included in profit or loss in the period in which they arise.

ii. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

iii. Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated as such or that are not classified in any of the other categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

iv. Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are recognised at amortised costs using the effective interest rate method.

Impairment

At each reporting date, the Council assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

(f) Impairment of Assets

At each reporting date, the Council reviews the carrying values of its tangible and intangible 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 to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the Council estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(g) Employee Benefits

Provision is made for the Council's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. These cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of the cashflow.

(h) Investments

Non-current investments are measured on the cost basis.

The carrying amount of investments is reviewed annually by directors to ensure it is not in excess of the recoverable amount of these investments. The recoverable amount is assessed from the relevant market values. The expected net cash flows from investments have not been discounted to their present value in determining the recoverable amounts.

(i) 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, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

(j) Revenue

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from examination fees is recognised when the examination takes place.

Revenues resulting from grants and other items of revenue such as candidate charges are recognised when the transaction or event, giving rise to the revenue occurs.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets is the rate inherent in the instrument.

(k) Goods and Services Tax

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. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the 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.

(l) Comparative Amounts

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

Critical accounting estimates and judgements

The directors evaluate estimates and judgements incorporated into the financial report 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 Council.

Key estimates – impairment

The Council assesses impairment at each reporting date by evaluating conditions specific to the Council that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

Key estimates – provision for doubtful debts

The board believes that the full amount of trade and other receivables are recoverable and no doubtful debt provision has been made at 30 June 2008.

The financial report was authorised for issue on 26 September 2008.

Note 2: Revenue

	2008 $	2007 $
Operating activities		
• grant from Commonwealth	443,034	465,480
• grants from State Medical Boards	544,270	544,270
• special grant from the Commonwealth	618,744	-
• special grant from the Commonwealth to Medical Boards	432,727	-
• recognition of medical specialties grant from Commonwealth	336,852	361,304
• specialist education accreditation grant from Commonwealth	502,390	483,452
• specialist education accreditation fees	216,356	221,540
• recognition of medical specialities fees	1,000	91,897
• IMG fees	891,384	-
• credentialing fees	1,507,385	746,606
• accreditation fees	362,241	415,336
• examination fees	7,774,744	6,655,629
• sale of publications	841,253	399,821
• other income	467,120	295,645
	14,939,500	**10,680,980**

Non-operating activities	2008 $	2007 $
gain on disposal of plant and equipment	54	-
interest received	316,928	187,289
Total revenue	**15,256,482**	**10,868,269**

Note 3: Profit

Profit has been determined after:

1. Expenses

Rental expense on operating leases

• minimum lease payments	361,311	345,569
	361,311	**345,569**

Note 4: Key Management Personnel

	Short Term Benefits			Post Employment Benefit	
	Salary & Fees	Superannuation Contribution	Non-cash Benefits	Long Service Leave	Total
	$	$	$	$	$
2008					
Total compensation	250,370	67,680	-	-	**318,050**
2007					
Total compensation	239,388	65,015	-	-	**304,403**

Note 5: Auditors Remuneration

Remuneration of the auditor for:

- auditing or reviewing the financial report	11,225	9,200
- other services	670	1,300
	11,895	**10,500**

Note 6: Cash and Cash Equivalents

Cash in hand	1,500	1,500
Cash at bank	681,639	411,372
	683,139	**412,872**

Reconciliation of Cash

Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows:

Cash and Cash equivalents	683,139	412,872
Investments	4,501,720	2,673,144
	5,184,859	**3,086,016**

Note 7: Investments

	2008 $	**2007 $**
Investments	**4,501,720**	**2,673,144**

The effective interest rate on short-term investments was 7.28% (2007: 6.4%), these investments have an average maturity of 90 days.

Note 8: Trade and Other Receivables

CURRENT		
Trade receivables	750,982	99,689
GST receivable	-	73,603
Accrued interest	42,949	13,558
Accrued income	269,218	303,786
	1,063,149	**490,636**

Current trade and other receivables are non-interest bearing loans and generally are receivable within 30 days. A provision for impairment is recognised against revenue where there is subjective evidence that an individual trade receivable is impaired. No impairment was required at 30 June 2008 (2007: Nil).

Trade and other receivables include $525,276 that are past due but not impaired.

Note 9: Other Current Assets

CURRENT		
Prepayments	**24,827**	**27,460**

Note 10: Plant and Equipment

Computer equipment – at cost	651,281	519,228
Less accumulated depreciation	(346,008)	(260,286)
	305,273	**259,142**
Office equipment – at cost	361,233	348,693
Less accumulated depreciation	(228,423)	(218,048)
	132,810	**130,645**
Furniture and fittings – at cost	332,248	321,182
Less accumulated depreciation	(277,318)	(182,982)
	54,930	**138,200**
Software – at cost	123,752	96,673
Less accumulated depreciation	(59,073)	(29,645)
	64,679	**67,028**
	557,692	**595,015**

(a) 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

	Computer Equipment	Office Equipment	Furniture & Fittings	Software	Total
	$	$	$	$	$
Balance at 1 July 2006	229,327	157,989	153,367	52,527	593,210
Additions	110,509	15,921	27,879	33,077	187,386
Disposal	-	-	-	-	-
Depreciation expense	(80,694)	(43,265)	(43,046)	(18,576)	(185,581)
Depreciation written back	-	-	-	-	-
Balance at the beginning of the year	**259,142**	**130,645**	**138,200**	**67,028**	**595,015**
Additions	172,059	56,761	11,065	27,079	266,964
Disposal	(40,006)	(44,221)	-	-	(84,227)
Depreciation expense	(115,786)	(54,596)	(94,335)	(29,428)	(294,145)
Depreciation written back	29,864	44,221	-	-	74,085
Balance at the beginning of the year	**305,273**	**132,810**	**54,930**	**64,679**	**557,692**

Note 11: Trade and Other Payables

	2008 $	2007 $
CURRENT		
Trade payables	108,593	216,635
GST Payable	22,371	39,731
PAYG Payable	54,896	51,204
Withholding Tax Payable	19,533	12,964
Short-term employee benefits	377,877	337,841
Accrued expenses	371,679	327,736
	954,949	**986,111**

Note 12: Other Liabilities

CURRENT	2008 $	2007 $
Income received in advance	2,173,747	1,482,893
Department of Health & Ageing - grants in advance	143,819	145,819
	2,317,566	**1,628,712**

Note 13: Provisions

	Employee Benefit	Total
Opening Balance at 1 July 2007	216,655	216,655
Additional Provisions	28,071	28,071
Balance at 30 June 2008	**244,726**	**244,726**

Analysis of Total Provisions

	2008 $	2007 $
Current	196,403	173,265
Non-current	48,323	43,390
	244,726	**216,655**

Provision for Long-Term Employee Benefits

A provision has been recognised for non-current employee benefits relating to long service leave for employees.

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 included in Note 1.

Note 14: Financial Liabilities

CURRENT		
Lease liability	52,258	46,892
	52,258	**46,892**
NON CURRENT		
Lease liability	75,565	79,648
	75,565	**79,648**

Note 15: Reserves

Development Fund Reserve

The development fund consists of a reserve for future new development activity

Examination Development Reserve

The examination development reserve consists of funds allocated for the development of new examinations

Note 16: Leasing Commitments

(a) Finance Lease Commitments Payable		
- not later than 1 year	67,019	55,536
- later than 1 year but not later than 5 years	74,047	93,219
Minimum lease payments	141,066	148,755
Less: future finance charges	(13,243)	(22,215)
Total lease liability	**127,823**	**126,540**

- Finance lease commitments contain multiple equipment leases with between three and five year terms. No debt covenants or other such arrangements are in place.

(b) Operating Lease Commitments Being for rent of office Payable	**2008 $**	**2007 $**
- not later than 1 year	266,123	340,319
- later than 1 year but not later than 5 years	266,132	494,641
	532,255	**834,960**

- The Australian Medical Council Incorporated currently leases two areas on the 2nd floor, 40 Macquarie Street, Barton.
  - Area A has a lease term of 5 years with a 5 year option commencing February 2004 until January 2009. Rental is payable on a monthly basis at the beginning of each month at $10,279.08. Annual rental increases are based as follows:
    - 01 Feb 2005 – CPI plus $824.00 per annum;
    - 01 Feb 2006 – CPI plus $848.72 per annum;
    - 01 Feb 2007 – CPI plus $874.18 per annum; and
    - 01 Feb 2008 – CPI plus $900.41 per annum.
  - Area B has lease terms of 2 years with a 1 year option commencing February 2004 until January 2009. Rental is payable on a monthly basis at the beginning of each month at $2,583.33. Annual rental increases are based as follows:
    - 01 Feb 2005 – 3%;
    - 01 Feb 2006 – Market (but not greater than 4% increase);
    - 01 Feb 2007 – 3%; and
    - 01 Feb 2008 – Market (but not greater than 4% increase).
- Australian Medical Council Incorporated leased 446.2 sq meters from the AMA house for a period of 5 years commencing 20 November 2005 for an annual rental of $160,560 exclusive of GST payable monthly in advance plus $16,296 for parking, the monthly rental being $13,380 for the premises and $1,358 for the parking facility. Annual rental increases are based as follows:
  - 20 Oct 2006 - 4%
  - 20 Oct 2007 - 4%
  - 20 Oct 2008 - 4%
  - 20 Oct 2009 – 4%

Note 17: Economic Dependency

A significant portion of the Council's income consists of grants from the State Medical Boards and the Commonwealth Government and Fees from Examinations.

Note 18: Events After Balance Sheet Date

No matters or circumstances have arisen since the end of the financial year, which significantly affected or may significantly affect the operations of Australian Medical Council, the results of those operations, or the state of affairs in subsequent financial years.

Note 19: Related Party Transactions

The Board members receive an allowance for attendance at board meetings to the value of $260 per session. No other remuneration was received in connection with services provided.

Note 20: Segment Reporting

The Council operates predominately in one business and geographical segment, being a national standards advisory body for medical education and training in Australia.

Note 21: Cash Flow Information

Reconciliation Cash Flow from Operations with Profit from Ordinary Activities	2008 $	2007 $
Profit attributable to operating activities	1,960,538	64,212
Cashflows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
• Depreciation and amortisation	294,145	185,580
• Net (gain) on disposal of plant and equipment	(54)	-
Changes in assets and liabilities:		
• (Increase) in trade & other receivables	(572,512)	(70,478)
• Decrease in prepayments	2,633	34,278
• (Increase) in inventories	(16,184)	-
• Increase in trade and other payables	114,656	160,021
• Increase in provisions	28,071	70,457
• Increase in other liabilities	543,035	73,697
Net cash provided by operating activities	**2,354,328**	**517,767**

(c) Credit Stand-by Arrangement and Loan Facilities

The Council has no credit stand-by or financing facilities in place.

(d) Non-cash Financing and Investing Activities

During the financial year, the Council acquired plant and equipment with an aggregate fair value of $43,000 (2007: $Nil) by means of hire purchase agreements. These acquisitions are not reflected in the cash flow statement.

Note 22: Financial Instruments

(a) Financial Risk Management

The Council's financial instruments consist mainly of deposits with bank, short term investments, accounts receivable and accounts payable.

The Council does not have any derivative financial instruments at 30 June 2008.

i. Treasury Risk Management

The board meet on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

The board's overall risk management strategy seeks to assist the association in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

The board does not have formal risk management policies as the Council's exposure to risk is limited.

ii. Financial Risk Management and Exposure

The main risks the Council is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

Interest rate risk

Interest rate risk is managed by maintaining short-term investments at fixed interest rates and with a mixture of fixed and floating rate debt. At 30 June 2008 all debt is fixed. For further details on interest rate risk refer to Note 22(b).

Liquidity risk

The Council manages liquidity risk by monitoring forecast cash flows. The Council does not have a formal liquidity risk management policy.

Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

There are no material amount of collateral held as security at 30 June 2008.

Credit risk arises from exposure to customers and deposits with financial institutions. The Council does not have a formal credit risk management policy.

The Council does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Council.

(b) Financial Instrument Compliance and Maturity Analysis

The table below reflects the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts may not reconcile to the balance sheet.

	Weighted Average Effective Interest Rate		Floating Interest Rate		Non-Interest Bearing Rate	
	2008	**2007**	**2008**	**2007**	**2008**	**2007**
FINANCIAL ASSETS			**$**	**$**	**$**	**$**
Cash	4.5%	4.4%	683,139	412,872	-	-
Other financial assets	7.28%	6.4%	4,501,720	2,673,144	-	-
Trade and other receivables	n/a	n/a	-	-	1,603,149	490,636
TOTAL FINANCIAL ASSETS			**5,184,859**	**3,086,016**	**1,603,149**	**490,636**
FINANCIAL LIABILITIES						
Trade and other payables	n/a	n/a	-	-	954,949	986,111
Other financial liabilities	13.39%	13.39%	127,823	126,540	-	-
TOTAL FINANCIAL LIABILITIES			**127,823**	**126,540**	**954,949**	**986,111**

Trade and other payables, and financial liabilities are expected to be paid as follows:

		2008	**2007**
		$	**$**
(a)	Trade and Other Payables		
	Less than 6 months	954,949	986,111
		954,949	**986,111**
(b)	Financial Liabilities		
	Less than 6 months	26,129	23,446
	6 months to 1 year	26,129	23,446
	Greater than 1 year	75,565	79,648
		127,823	**126,540**
Total Trade and Other Payables and Financial Liabilities		**1,082,772**	**1,112,651**

(c) Net Fair Values

The net fair values of listed investments have been valued at the quoted market bid price at balance date adjusted for transaction costs expected to be incurred. For other assets and other liabilities the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments.

Financial assets where the carrying amount exceeds net fair values have not been written down as the Council intends to hold these assets to maturity.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to the financial statements.

Sensitivity Analysis

Interest rate risk

The association has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on current year results and equity which could result from a change in this risk.

As at 30 June 2008, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

	2008 $	2007 $
Change in profit		
— Increase in interest rate by 1%	45,865	30,553
— Decrease in interest rate by 1%	(45,865)	(30,553)
Change in equity		
— Increase in interest rate by 1%	45,865	30,553
— Decrease in interest rate by 1%	(45,865)	(30,553)

This sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

No sensitivity analysis has been performed on foreign currency risk as the association is not exposed to foreign currency fluctuations.

Note 23: Capital Management

Management control the capital of the Council to ensure that adequate cash flows are generated to fund its programs and that returns from investments are maximised. The board ensures that the overall risk management strategy is in line with this objective.

The Council does not have formal risk management policies , however the board closely manages and review the Council at its regular board meetings.

The Council's capital consists of financial liabilities, supported by financial assets.

Management effectively manage the Council's capital by assessing the Council's financial risks and responding to changes in these risks and in the market. These responses may include the consideration of debt levels.

The Company does not have a formal policy on capital management and gearing ratios.

Note 24: Change in Accounting Policy

The following Australian Accounting Standards issued or amended which are applicable to the Council but are not yet effective and have not been adopted in preparation of the financial statements at reporting date.

- AASB 3 Business Combinations
- AASB 101 Presentation of Financial Statements (issued September 2007)
- AASB 123 Borrowing Costs
- AASB 127 Consolidated and Separate Financial Statements

- AASB 1004 Contributions
- AASB 2007-2 Amendments to Australian Accounting Standards arising from AASB Interpretation 12 [AASB 1, AASB 117, AASB 118, AASB 120, AASB 121, AASB 127, AASB 131 & AASB 139]
- AASB 2007-3 Amendments to Australian Accounting Standards arising from AASB 8
- AASB 2007-6 Amendments to Australian Accounting Standards arising from AASB 123
- AASB 2007-8 Amendments to Australian Accounting Standards arising from AASB 101
- AASB 2007-9 Amendments to Australian Accounting Standards arising from the Review of AASs 27, 29 and 31 [AASB 3, AASB 5, AASB 8, AASB 101, AASB 114, AASB 116, AASB 127 & AASB 137]
- AASB 2008-1 Amendments to Australian Accounting Standard - Share-based Payments: Vesting Conditions and Cancellations [AASB 2]
- AASB 2008-2 Amendments to Australian Accounting Standards - Puttable Financial Instruments and Obligations arising on Liquidation [AASB 7, AASB 101, AASB 132, AASB 139 & Interpretation 2]
- AASB 2008-3 Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127 [AASBs 1, 2, 4, 5, 7, 101, 107, 112, 114, 116, 121, 128, 131, 132, 133, 134, 136, 137, 138 & 139 and Interpretations 9 & 107]
- Interp 4 Determining Whether an Arrangement Contains a Lease
- Interp 12 Service Concession Arrangements
- Interp 13 Customer Loyalty Programmes
- Interp 14 AASB 119 -The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
- Interp 129 Service Concession Arrangements Disclosures
- AASB Interpretation 12 Service Concession Arrangements and 2007-2 Amendments to Australian Accounting Standards arising from AASB Interpretation 12
- AASB 8 Operating Segments and 2007-3 Amendments to Australian Accounting Standards arising from AASB 8
- 2007-6 Amendments to Australian Accounting Standards arising from AASB 123
- AASB Interpretation 13 Customer Loyalty Programmes
- AASB Interpretation 14 AASB 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

Note 25: Association Details

The principal place of business of the Council is:

Australian Medical Council Incorporated
Unit 3/Level 2
40 Macquarie Street
BARTON ACT 2600

AUSTRALIAN MEDICAL COUNCIL INCORPORATED

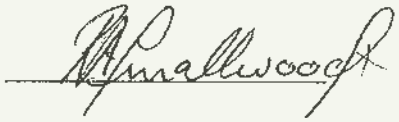
STATEMENT BY MEMBERS OF THE BOARD

In the opinion of the board the financial report as set out on pages 4 to 22:

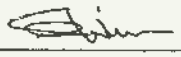
1. Presents a true and fair view of the financial position of the Australian Medical Council Incorporated as at 30 June 2008 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.

2. At the date of this statement, there are reasonable grounds to believe that the Australian Medical Council Incorporated will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Board and is signed for and on behalf of the Board by:

Name 

Position PRESIDENT

Name 

Position BOARD MEMBER

Dated on this 13th day of October 2008

WALTERTURNBULL
your extra asset

DISCLAIMER OF OPINION

To the members of Australian Medical Council Incorporated

The additional financial data presented on pages 25 to 28 is in accordance with the books and records of the Australian Medical Council Incorporated which have been subjected to the auditing procedures applied in our audit of the Council for the year ended 30 June 2008.

It will be appreciated that our audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and no warranty of accuracy or reliability is given.

Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than Australian Medical Council Incorporated) in respect of such data, including any errors or omissions therein however caused.

Shane Bellchambers
Registered Company Auditor
WalterTurnbull
Canberra ACT
Dated: 14 October 2008

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BUSINESS ADVISORY SERVICES

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FINANCIAL PLANNING

FRAUD & FORENSIC SERVICES

ACCOUNTING SOLUTIONS

CANBERRA SYDNEY

Income and Expenditure Statement for Core Activities

	2008 $	2007 $
INCOME		
Commonwealth Grant	1,061,778	465,480
Medical Board Grants	544,270	544,270
Commonwealth Grant to Medical Board	432,727	-
Accreditation of Medical Schools Fees	362,241	415,335
Examination Fees & Charges	9,528,827	7,668,106
IMG Assessment	891,384	-
Interest Income	316,928	187,289
Book Sales	641,505	160,808
Miscellaneous Income	77,143	533
Management/Administration Fees	343,081	268,255
TOTAL OPERATIONAL INCOME	**14,199,884**	**9,710,076**
LESS: EXPENDITURE		
ACCREDITATION OF MEDICAL SCHOOLS		
Accommodation & Fares	281,094	413,548
Fees to Members	133,618	284,255
Taxis/Incidentals/Other	52,453	59,586
Teleconferences	2,596	3,275
	469,761	**760,664**
CLINICAL EXAMINATIONS		
Accommodation & Fares	609,969	479,856
Examination Running Expenses	272,762	197,075
Fees Paid to Members	528,662	464,923
Taxis & Incidentals	102,553	81,668
TOTAL CLINICAL COSTS	**1,513,946**	**1,223,522**
MCQ EXAMINATIONS		
Accommodation & Fares	632,227	870,675
Examination Running Expenses	884,922	349,413
Fees Paid to Members	603,462	623,793
Taxis & Incidentals	63,771	67,596
Teleconferences	6,012	8,699
TOTAL MCQ EXAMINATIONS	**2,190,394**	**1,920,176**
TOTAL EXAMINATIONS COSTS	**3,704,340**	**3,143,698**
CREDENTIALING		
Accommodation & Fares	-	1,186
Fees to ECFMG	358,112	291,138
	358,112	**292,324**
UNIFORMITY		
Accommodation & Fares	115,274	165,280
Fees Paid to Members	9,510	12,408
Meeting Expenses	8,314	-
Taxis & Incidentals	7,290	7,565
	140,388	**185,253**

	2008 $	2007 $
COMPETENT AUTHORITY MODEL MEDICAL BOARD		
Grant Disbursement	432,727	-
	432,727	**-**
SPECIALIST ASSESSMENT		
Accommodation & Fares	54,695	41,763
Fees Paid to Members	10,214	7,612
Meeting Expenses	5,373	-
Taxis & Incidentals	4,269	3,067
	74,551	**52,442**
OVERSEAS TRAINED DOCTORS INITIATIVES		
Accommodation & Fares	-	3,112
Taxis & Incidentals	-	565
	-	**3677**
PUBLISHING		
Accommodation & Fares	17,721	174
Fees Paid to Members	12,494	-
Printing & Distribution Costs	41,867	15,666
Royalties	16,979	15,492
Taxis & Incidentals	5,805	168
	94,866	**31,500**
COAG IMG ASSESSMENT PROJECT		
Accommodation & Fares	174,562	104,501
Fees Paid to Members	78,642	54,973
Meeting Expenses	15,566	-
Taxis & Incidentals	14,484	4,718
Teleconferences	3,796	1,372
	287,050	**165,564**
COUNCIL COMMITTEES & EXECUTIVE		
Accommodation & Fares	366,195	388,015
Fees Paid to Members	125,030	49,118
Consultancy Fees	1,920	4,900
Conference Fees	6,973	6,746
Meeting Expenses	62,776	-
Taxis & Incidentals	27,381	39,702
Teleconferences	1,842	2,571
	592,117	**491,052**
MANAGEMENT		
Audit Fee	11,895	10,500
Bank Fees	172,831	105,015
Finance Charges	809	2,619
Consultant -Other	59,516	-
	245,051	**118,134**
COMPUTER EXPENDITURE		
Computer Consultant	433,864	136,165
Computer Software & Consumables	80,503	65,744
Computer Maintenance & Repairs	10,294	35,492
	524,661	**237,401**

	2008 $	2007 $
OTHER MANAGEMENT EXPENDITURE		
Depreciation	294,145	185,580
Electricity	21,957	16,428
Advertising	31,514	-
Equipment Maintenance	31,500	37,892
Freight Costs	72,825	70,847
Insurances	82,134	46,451
Legal Fees General	94,641	49,449
Interest & Finance Charges	45,234	17,829
Maintenance General	8,870	8,612
Miscellaneous Expenses	12,495	8,843
Postage & Stationery	190,274	149,949
Printing Costs	105,052	110,441
Records Management	39,615	10,767
Rent	361,311	345,569
Relocation Costs	-	-
Salary Costs	3,357,243	2,761,020
Other Staff Costs	402,182	212,450
Security	682	538
Subscriptions	12,426	3,825
Superannuation Other	66,167	63,822
Development Fund Expenditure	27,773	42,958
Telephone	57,972	33,048
Other Adjustments	-290	-12,163
TOTAL MANAGEMENT EXPENDITURE	**5,315,722**	**4,164,155**
TOTAL EXPENDITURE	**12,239,346**	**9,645,864**
NET OPERATING SURPLUS	**1,960,538**	**64,212**

Income and Expenditure Statement for Accreditation of Medical Specialties

	2008 $	2007 $
INCOME		
Specialist Education Accreditation Grant	502,390	483,452
Recognition of Medical Specialties Grant	336,852	361,304
Specialist Education Accreditation Fees	216,355	221,540
Recognition of Medical Specialties Fees	1,000	91,897
TOTAL INCOME	**1,056,597**	**1,158,193**
LESS: EXPENDITURE		
RECOGNITION OF MEDICAL SPECIALTIES		
Accommodation & Fares	11,244	173,294
Fees to Members	4,824	48,184
Taxis & Incidentals	1,650	19,001
Printing & Survey Costs	-	5,035
Meeting Expenses	2,565	-
Teleconferences	274	3,618
Management/Administration Costs	136,108	131,505
Wages & Oncosts	130,223	103,571
	286,888	**484,208**
SPECIALIST EDUCATION ACCREDITATION		
Accommodation & Fares	226,316	224,752
Fees to Members	90,205	100,379
Meeting Expenses	16,439	-
Taxis & Incidentals	24,517	17,326
Teleconference	2,409	4,676
Development Processes –Consultancy	-	54,435
Management/Administration Costs	206,973	136,750
Wages & Oncosts	202,850	135,667
	769,709	**673,985**
TOTAL EXPENDITURE	**1,056,597**	**1,158,193**
NET OPERATING SURPLUS (DEFICIT)	**-**	**-**

5

Structure and Governance

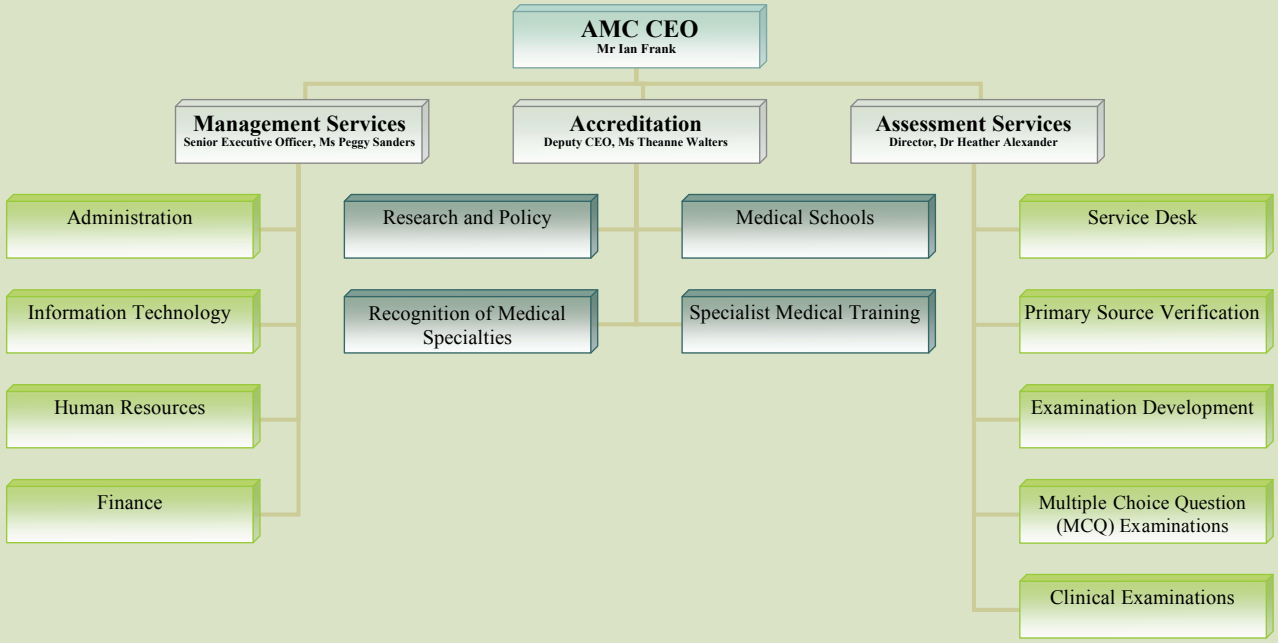
In an historic shift, in June 2008 the Australian Medical Council adopted a new constitution when members of the Council voted unanimously to change the AMC structure from an incorporated association to a company limited by guarantee. The decision was made after a strategic review conducted in 2007 found constitutional change was necessary to provide the AMC with the foundation for all its current and possible future operations.

The changes in legal structure support the national and international operations of the AMC and provide a more flexible operating platform for the Council, while retaining the independence of the AMC.

"The Council's strength is the depth, breadth and independence of the collective knowledge and expertise available to it. This change will ensure that the AMC can continue to draw on this strength as the framework for Australia's new health regulation and accreditation system is built…"

Dr Joanna Flynn, Immediate Past President, AMC Media Release, June 2008.

AMC Organisation Structure

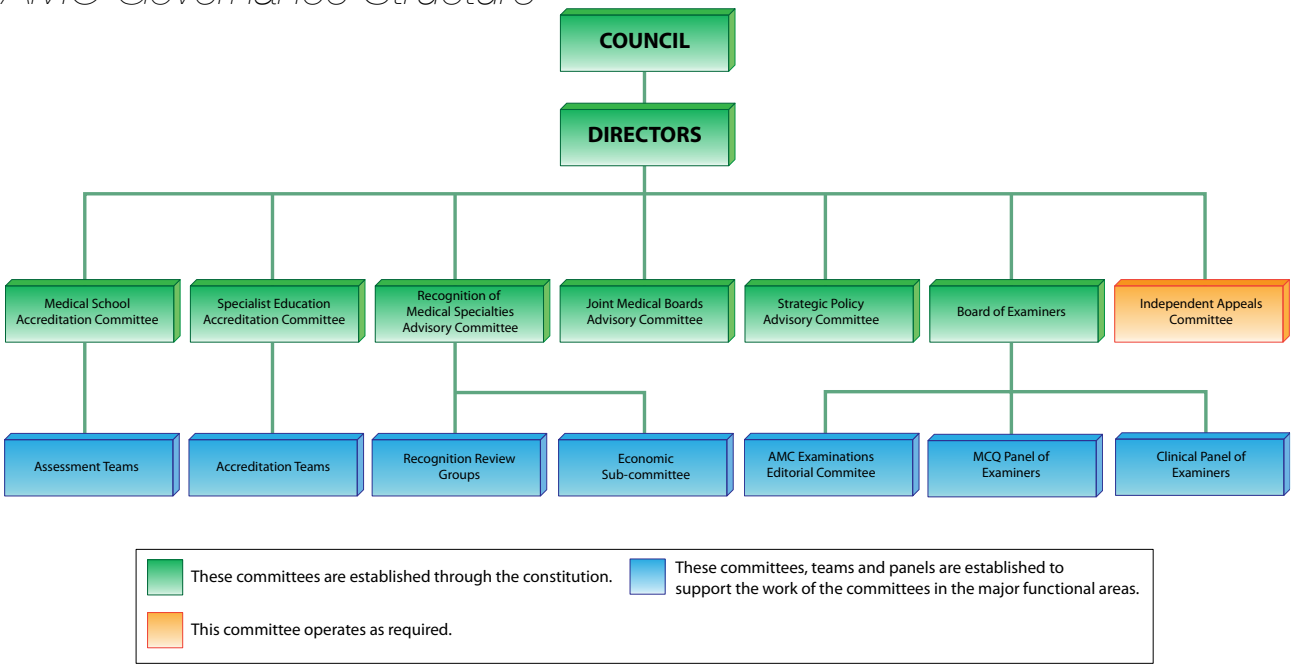


AMC Staff

The following staff were employed by the AMC as at 31 December 2008.

Keeley	Anderson	Jessica	Hofsteede	Tim	Riley
Heather	Alexander	Ariful	Hoque	Amanda	Room
Sarah	Anderson	Simone	Horvat	Viviana	Rozas
Samantha	Barnard	Alison	Howard	Peggy	Sanders
Simone	Bartrop	John	Hunter	Wendy	Schubert
Paul	Bayly-Jones	Martin	Jagodzki	Peter	Searles
Anna	Boots	Jennifer	Jay	Emma Lea	Sheather
Joshua	Bouwann	Sarah	Kelly	Tais	Silva
Tojia	Brady	Trevor	Lockyer	Michelle	Sykes
Susan	Buick	Megan	Lovett	Adeline	Smith
Kapila	Chaplot	Michael	MacDonald	Denise	Sturgess
Cassie	Chick	Leesa	Marshall	Christine	Thompson
Andrew	Cole	Jane	McGovern	Nancy	Van Bael
Felicity	Corbin	Robert	McNeill	Zuzette	Van Vuuren
Brendan	Cumpston	Drew	Menzies-McVey	Theanne	Walters
Josie	Cunningham	Amanda	Murphy	Caroline	Watkin
Carol	Cuzner	Steven	Murphy	Merryn	Watts
Robin	Dearlove	Lisa	Murray	Christian	White
Hugh	Evans	Kevin	Ng	Ravindra	Wickramaratna
Ian	Frank	Sean	O'Dowd	Nejla	Williamson
Deborah	Govier	Karin	Oldfield	Nicole	Wilson
Alexander	Gundry	Phillip	O'Sullivan	Elizabeth	Wrench
Matthew	Haggan	James	Overall	Brioni	Young
Karan	Hazell	Liesl	Perryman	Bernard	Zachulski
Rick	Hill	Slavica	Petreska		
Andrew	Hing	Helen	Rakowski		

AMC Governance Structure



AMC Committees

The Directors and Council are supported in their work by a range of committees, established to advise on specific areas of its operation. The AMC committees and their functions are:

- Medical School Accreditation Committee – *oversees the AMC process for assessment and accreditation of the medical programs of Australian and New Zealand university medical schools (for 2008 operations go to page 14 of this report).*
- Specialist Education Accreditation Committee – *oversees the AMC process for assessment and accreditation of specialist medical education, training and professional development programs (for 2008 operations go to page 11 of this report).*
- Recognition of Medical Specialties Advisory Committee – *advises the Directors on recognition of fields of medical practice as medical specialties, to enable the AMC to provide this advice to the Commonwealth Minister for Health and Ageing (for 2008 operations go to page 13 of this report).*
- Board of Examiners – *oversees the AMC examination process and advises the Directors on IMG assessment issues (for 2008 activities in assessment and examination go to page 17 of this report).*
- Strategic Policy Advisory Committee – *provides high-level advice on medical education and health system policy matters.*
- Joint Medical Boards Advisory Committee – *made up of representatives of state and territory medical registration boards, to address issues of national relevance and develop uniform national standards in medical regulation (for 2008 operations go to page 30 of this report).*

AMC – Council, Directors and Committee Membership as at 31 December 2008

Council

Professor Richard Smallwood AO (President)
Professor Robin Mortimer AO (Deputy President)
Dr Robert Adler
Dr Stephen Bradshaw
Dr E Mary Cohn
Professor Michael Cousins AM
Professor Richard Doherty
Professor Michael Field
Mr Ian Frank (Chief Executive Officer)
Dr Michael Hodgson AM
Dr Charles Kilburn
Professor Louis Landau AO
Professor Constantine Michael AO
Dr Trevor Mudge
Associate Professor Peter Procopis AM
Mr David Roberts
Professor Judith Searle
Dr Andrew Singer
Dr Russell Stitz AM RFD
Dr Kendra Sundquist
Dr Dana Wainwright
Ms Diane Walsh
Professor Neville Yeomans

AMC Directors

Professor Richard Smallwood AO (President)
Professor Robin Mortimer AO (Deputy President)
Dr E Mary Cohn
Professor Richard Doherty
Professor Michael Field
Mr Ian Frank
Professor Constantine Michael AO
Dr Trevor Mudge
Associate Professor Peter Procopis AM

Medical School Accreditation Committee

Professor Michael Field (Chair)
Professor James Angus
Mrs Barbara Daniels
Professor Peter Ellis
Mr Robert Mitchell
Professor Brian Jolly
Dr Fiona Joske
Professor Louis Landau AO
Professor Iain Martin
Professor Ian Puddey
Professor Judith Searle
Professor Napier Thomson AM
Professor Neville Yeomans

Specialist Education Accreditation Committee

Professor Richard Smallwood AO (Chair)
Dr Robert Broadbent
Professor Michael Field
Professor Gavin Frost
Professor Janet Greeley
Professor Russell Jones
Dr Linda MacPherson
Dr Alex Markwell
Associate Professor Jenepher Martin
Ms Isabelita McRae
Professor Robin Mortimer AO
Associate Professor Peter Procopis AM
Ms Sheila Rimmer AM
Professor Don Roberton
Dr Andrew Singer
Dr Ian St George
Dr Dana Wainwright

Recognition of Medical Specialties Advisory Committee

Professor Robin Mortimer AO (Chair)
Dr Richard Ashby
Professor Mark Bassett
Professor A John Campbell
Ms Janne Graham AM
Ms Tricia Greenway
Dr David Jeacocke
Dr Omar Khorshid
Professor Michael Kidd
Dr Linda MacPherson
Mr Ian McRae
Dr Trevor Mudge
Professor Richard Smallwood AO
Dr Russell Stitz AM RFD
Professor Steven Wesselingh
Mr Craig Winfield

Board of Examiners

Professor Richard Doherty (Chair)
Associate Professor Peter Devitt
Professor Phillipa Hay
Professor Michael Kidd
Professor Vernon Marshall
Professor Barry McGrath
Professor Kichu Nair
Professor Roger Pepperell
Professor Dimity Pond
Associate Professor Neil Spike
Dr Kendra Sundquist
Dr Ross Sweet AM

Strategic Policy Advisory Committee

Professor Richard Smallwood AO (Chair)
Professor Andrew Coats
Dr Joanna Flynn
Mr Peter Forster
Mr Ian Frank
Professor Robin Mortimer AO
Dr Mellissa Naidoo
Mr John Ramsay
Emeritus Professor Lloyd Sansom AO
Professor Leonie Segal

Joint Medical Boards Advisory Committee

Associate Professor Peter Procopis AM (Chair)
Dr Robert Adler
Dr Stephen Bradshaw
Dr E Mary Cohn
Dr Michael Hodgson AM
Dr Charles Kilburn
Professor Constantine Michael AO
Dr Trevor Mudge

Registrars Sub-group

Mr Robert Bradford (Chair)
Mr Andrew Dix
Mr Joseph Hooper
Ms Jill Huck
Ms Pamela Malcolm
Mrs Annette McLean-Aherne
Mr Richard Mullaly
Ms Kaye Pulsford