AUSTRALIAN MEDICAL COUNCIL
LIMITED

Australian Medical Council

Annual Report

2010

Australian Medical Council

Annual Report

2010

Australian
Medical Council Limited

Published March 2012

Published and distributed by:

Australian Medical Council

PO Box 4810
Kingston ACT 2604
Email: amc@amc.org.au
ABN: 97 131 796 980
ISSN: 0818-8378

Telephone: 02 6270 9777
Facsimile: 02 6270 9799
Website: www.amc.org.au

Contents

Appendixes

Tables

Figures

Year in review

Highlights

In calendar year 2010, the AMC:

- celebrated its 25-year involvement in assuring the standards of medical practice in Australia
- effectively transitioned its internationally recognised accreditation and assessment programs into the National Registration and Accreditation Scheme introduced on 1 July 2010
- conducted an offshore accreditation of an Australian medical course
- worked with the Medical Board of Australia to review the implementation of the assessment pathways for international medical graduates
- published *Assuring Medical Standards: the Australian Medical Council 1985–2010*, a history of the AMC, its structure, functions and prospects
- processed 6,081 primary source verification requests
- processed 1,355 applications for assessment through the Competent Authority Pathway
- conducted the AMC MCQ Examination for 3,807 candidates
- conducted the AMC Clinical Examination for 1,596 candidates
- planned for the expansion and improvement of its multiple-choice question and clinical examinations for international medical graduates
- completed eight assessments of medical school programs
- completed three assessments of specialist medical training providers
- processed 1,564 applications from overseas-trained specialists for specialist assessment.

President's report

I am pleased to present the annual report of the Australian Medical Council for 2010, a year in which we celebrated our first 25 years. That milestone was the perfect opportunity for us to reflect on our history and our future. To that end, we published *Assuring Medical Standards: the Australian Medical Council 1985–2010,* a book that describes our history, structure, functions and prospects. It details how, for 25 years, we have played an important role in assuring the standards of medical practice in Australia through independent scrutiny and accreditation of basic, vocational and continuing medical education and through assessment of individual qualifications.

During the year, we worked hard to ensure that our core strengths in assessing international medical graduates and in accrediting basic and specialist medical education and training programs were retained in the new National Registration and Accreditation Scheme. Our internationally recognised AMC accreditation and assessment systems are now embedded in the new regulatory framework and we are confident that our standards and the integrity of our programs will be maintained.

In recognition of the new requirements of the *Health Practitioner Regulation National Law Act 2009*, we revised the way we present information in the executive summaries of our accreditation reports, which we publish on our website. We now provide a clear assessment of the training provider and the program of study against the accreditation standards overall and against individual standards, using the categories provided by the National Law: met, substantially met and not met. This enables us to set conditions, and also to recommend quality improvements to address areas of relative weakness, even in strong training programs.

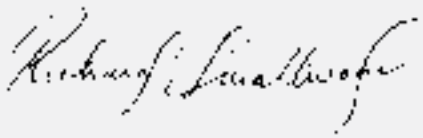
We have consulted extensively on proposed minor changes to medical school accreditation standards and the standards for accreditation of specialist medical education and training programs with the aim of improving the clarity of some standards, ensuring alignment with the registration requirements of the Medical Board of Australia, and ensuring that the standards in place before 30 June 2010 have transitioned effectively into the national scheme.

We carried a full load in our medical school accreditation program in 2010 and adapted well to the slight changes in the approval and accreditation process resulting from the introduction of the National Registration and Accreditation Scheme.

We planned for the expansion and improvement of our multiple-choice question and clinical examinations for assessing international medical graduates for eligibility to practise in Australia. We continued with our development and trial of a computer-adaptive MCQ examination aimed at streamlining the examination's administration and increasing our capacity to deliver a reliable and secure examination. We also significantly increased our capacity to deliver the clinical examination, while recognising that there continues to be unmet demand for places to sit the examination. We are investigating opportunities to increase available places and develop an innovative examination methodology while maintaining the integrity of the assessment.

We continue to value the contribution of the many members of the medical profession and the community who participate in our accreditation and examination process. Their skill, experience and insight enable us to provide a responsible, fair and effective service to the Australian community through the assessment and accreditation of medical education.

As always, the council appreciates the hard work and professionalism of the AMC secretariat, led by its chief executive officer, Ian Frank, and his deputy, Theanne Walters.



Richard Smallwood AO
President

Chief Executive Officer's report

The implementation of the National Registration and Accreditation Scheme (NRAS) from July 2010 represented some five years of intensive activity for the AMC in responding to policy developments and initiatives relating to accreditation and examination activities in medicine. This was also a period of considerable uncertainty about the future of the AMC, its roles and responsibilities.

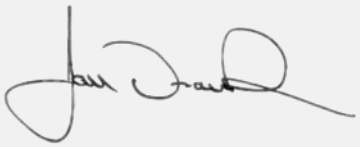
The decision by the Council of Health Ministers in December 2009 to appoint the AMC as the accreditation authority for medicine for the first three years of the NRAS provided a measure of continuity for the AMC. However, the necessity of implementing the registration aspects of the scheme by 1 July 2010 meant that at the end of 2010 a number of details regarding accreditation and examination processes, including the formal agreements with the Australian Health Practitioner Regulation Agency on accreditation functions, had not been finalised.

In preparing for the new national scheme, the AMC implemented a number of measures. These measures included the establishment of a finance, audit and risk management committee, a review of the composition and membership of the council, a review of current AMC accreditation processes in line with the provisions of the new national law, and an external review of AMC risk management policies and risk mitigation strategies.

While laying the groundwork for operating under the NRAS arrangements, the AMC continued to maintain and extend its accreditation and examination activities. Major initiatives in the accreditation area included the accreditation of medical training undertaken in the United States for a medical qualification awarded in Australia and the review of a proposal by an established university to implement, as a primary medical degree, a Doctor of Medicine program in Australia. At the same time, examinations staff, while maintaining a continuing heavy examination load, were finalising the implementation of a radical new computer-adaptive examination, to be administered in Australia and internationally from the beginning of 2011.

The significant turnover of staff in 2010, especially at the junior levels, was due in part to high workloads and some uncertainties about ongoing functions. Despite the ongoing need to provide orientation and training to new staff, staff continued to deliver high-quality output and to maintain a demanding program of work, as recorded elsewhere in this report.

On behalf of the AMC secretariat, I would like to acknowledge the continuing contribution of members of the medical profession who have given generously of their time and expertise during 2010 to assist the secretariat and to support the activities of the council.



Ian Frank
Chief Executive Officer

Celebrating 25 years of assuring medical standards

In 2010, the AMC celebrated its first 25 years with the launch of a definitive history, *Assuring Medical Standards: the Australian Medical Council 1985–2010*. The publication, edited by Emeritus Professor Laurence Geffen AM, documents the evolution of accreditation and examination standards in medical education in Australia over 25 years.

The publication discusses the history of the AMC, its structure, functions and prospects, and includes information on the testing of AMC examination processes in Australian courts and tribunals; the history of supply and demand in the Australian medical workforce; government and health policy responses to issues in the medical workforce; and the adaptation of AMC processes to respond to changes in the practice of medicine, changes in medical education and changes in community expectations.

In the 25 years since its inaugural meeting in February 1985, the AMC has successfully transformed initial opposition to its existence to support for it. It has done so by engaging its stakeholders at all levels of activity, building strong relationships with them, and by consulting widely. It has also managed change successfully and responded well to new responsibilities.

As the AMC President, Professor Richard Smallwood, observes, there is no more fitting time to recognise the lessons of the past than with the implementation of the most significant reform of health profession regulation and accreditation in decades:

July 2010 marks the start of a new chapter for the AMC as we establish our position in the National Regulation and Accreditation Scheme. We have restructured our organisation in preparation for this, to ensure that the AMC can continue to make a substantial contribution to medical education and accreditation in this country.

About the Australian Medical Council

The Australian Medical Council Limited (AMC) is an independent national standards and assessment body for medical education and training.

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

Until the *Health Practitioner Regulation National Law Act 2009* (National Law) took effect on 1 July 2010, the AMC's core functions, as set out in its constitution, were as follows:

- the accreditation of medical schools based predominantly in Australia and New Zealand and of courses leading to admission to medical practice in Australia of the graduates of those schools
- the accreditation of Australian and Australasian providers of specialist medical training and of their specialist medical training and professional development programs
- the assessment for admission to medical practice in Australia of international medical graduates (IMGs)
- the provision of advice and recommendations to federal, state and territory governments and state and territory medical boards in relation to the registration of medical practitioners; the recognition of the overseas qualifications of medical practitioners; and the recognition of medical specialties.

The Australian Health Practitioner Regulation Agency (AHPRA) appointed the AMC to conduct accreditation functions under the National Law from 1 July 2010 to 30 June 2013. The arrangement between AHPRA, the Medical Board of Australia and the AMC provides, among other things, that the AMC will continue to perform the accreditation functions in relation to the medical profession that it performed immediately before the National Law commenced:

(a) accreditation of programs of study and the education providers supplying them based mainly in Australia and New Zealand which result in a medical degree that will qualify an individual (after a satisfactory intern year) for general registration

(b) accreditation of programs of study and of the education providers supplying them based mainly in Australia and New Zealand leading to medical qualifications qualifying an individual for specialist registration or continued specialist registration

(c) facilitation of assessment of international medical graduates (IMGs) by the specialist colleges for specialist registration

(d) conducting the assessment of the knowledge and clinical skills of IMGs seeking general medical registration under the National Law

(e) verification of medical qualifications for registration through the Educational Commission for Foreign Medical Graduates

(f) continuing to develop accreditation standards for medicine for approval by the Medical Board of Australia

(g) providing advice to the Medical Board of Australia on the recognition of overseas qualifications of medical practitioners.

The AMC has revised its constitution to reflect changes resulting from the National Law, but the new constitution will not come into force until March 2011 to allow for changes in council membership to be finalised.

Stakeholders

The AMC recognises the value of working with stakeholders to ensure that Australia is serviced by a safe and competent medical workforce. The AMC's committees and decision-making processes have been structured to ensure that diverse perspectives are reflected. A range of stakeholders across the medical profession, the community, governments and others in the health sector contribute to:

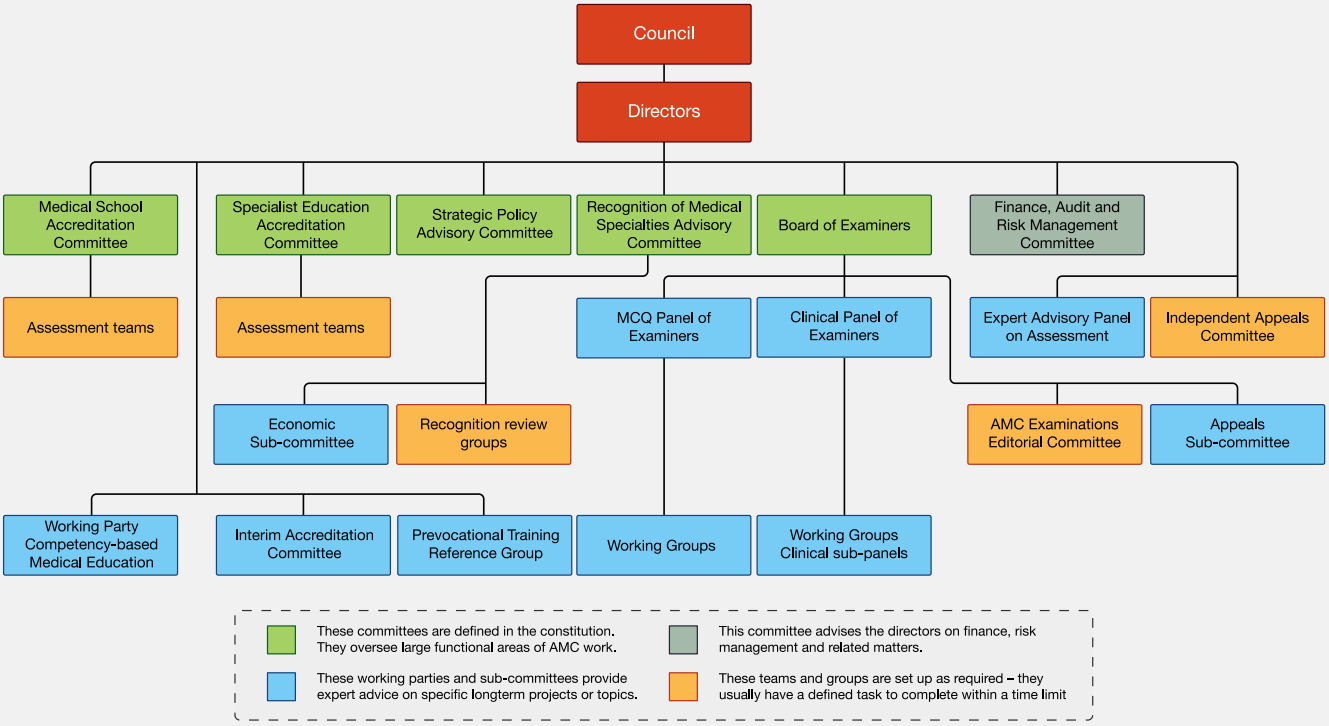
- decisions about the knowledge, skills and attitudes recognised for safe and competent medical practice
- decisions about assessing the knowledge, skills and professional attributes of individual doctors
- assessing medical programs against standards and identifying challenges to high-quality training.

Specific information on the AMC's support for stakeholders during the reporting year is in the section 'Support for stakeholders'.

Governance structure

The AMC is a company limited by guarantee. It is an independent body and is not part of the Australian Government. The AMC's governance structure is set out in Figure 1.

Figure 1. Governance structure, 31 December 2010



Council and directors

Members of the AMC represent a broad cross-section of the groups associated with the standards of medical practice in Australia. At 31 December 2010, the council included:

- current members nominated by former state or territory medical boards
- nominees of University Australia and the Medical Deans of Australia and New Zealand
- nominees of the Committee of Presidents of Medical Colleges
- a nominee of the Australian Medical Association Federal Council
- persons with a background in and knowledge of consumer health issues
- senior executives from both the public and private hospital systems
- a medical student and a specialist trainee
- the chair of the Confederation of Postgraduate Medical Education Councils
- the chairs of the following AMC committees
  - Board of Examiners
  - Medical School Accreditation Committee
  - Recognition of the Medical Specialties Advisory Committee
  - Specialist Education Accreditation Committee
  - Strategic Policy Advisory Committee

The full council is responsible for determining the AMC's future and for appointing and removing the directors, who are responsible for the day-to-day management of the AMC.

The directors are listed both in the directors' report in the financial statements and in Appendix A; their attendance at meetings is detailed in the directors' report.

Committees

AMC committees and working parties provide expert advice to the directors and the council. Each committee is responsible for advising on matters under its specific area of operations. The AMC works closely with health consumers and values community input into its processes. In 2010, community members and health consumers continued to be represented on the council and on most AMC committees.

In 2010, the AMC disbanded one committee and established another:

- The Joint Medical Boards Advisory Committee was disbanded after its final meeting on 15 June 2010 as a result of state and territory medical boards ceasing to exist with the establishment of the Medical Board of Australia.
- The Finance, Audit and Risk Management Committee was established to advise the directors in relation to financial and other reporting, internal controls, external and internal audits, risk management, governance, fraud and legislative compliance.

Table 1 lists the committees and their functions. A list of the members of each committee is at Appendix B.

Table 1. Committees and their functions

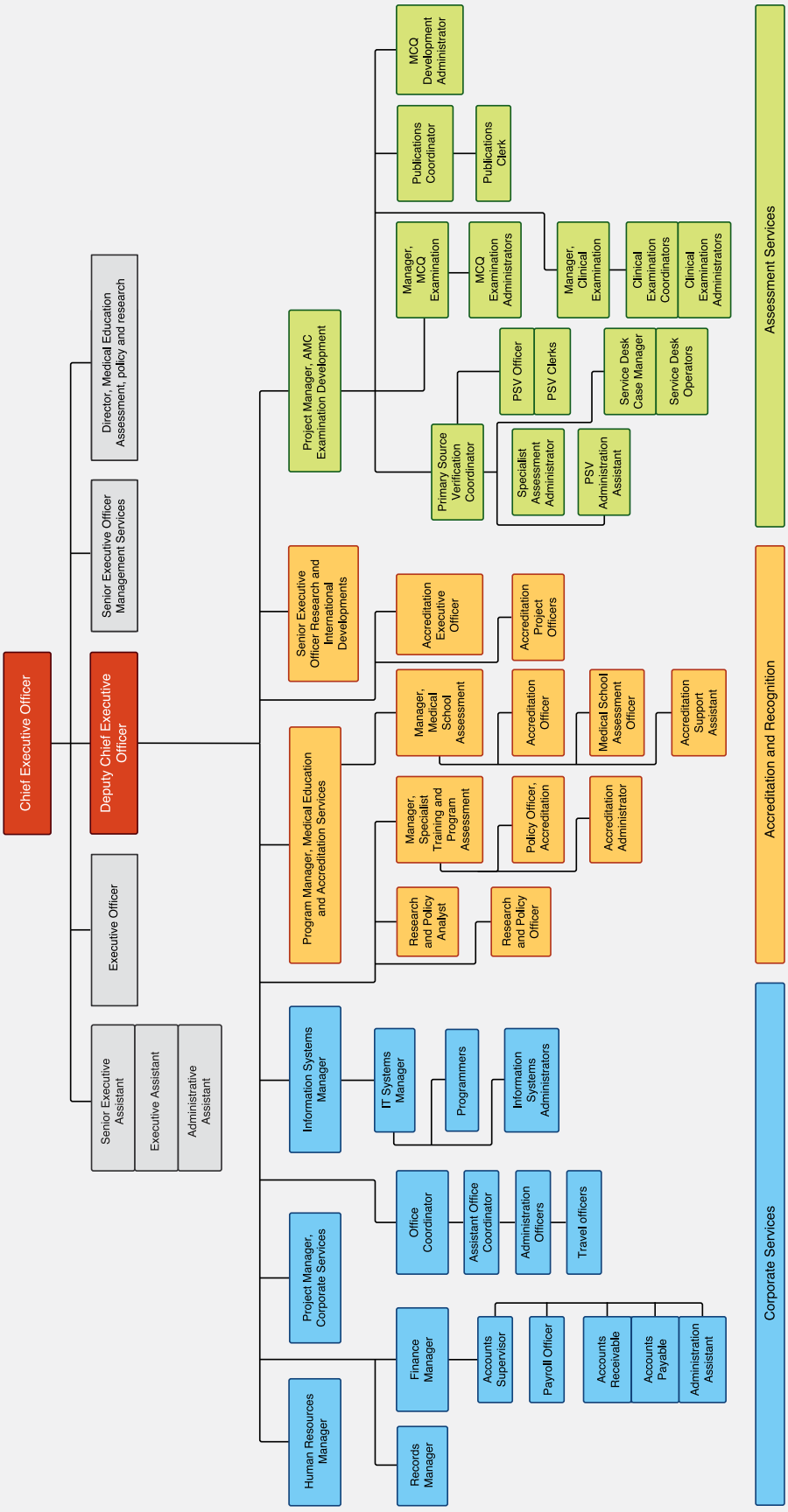
Committee	Function
Board of Examiners	Oversees the AMC examination process and advises the directors on international medical graduate assessment issues
Finance, Audit and Risk Management Committee[a]	Provides advice and assistance to the AMC directors in regard to fulfilling their responsibilities in managing the business of the AMC
Joint Medical Boards Advisory Committee[b]	Addresses issues of national relevance and develops uniform national standards for medical regulation
Medical School Accreditation Committee	Manages the AMC process for assessment and accreditation of the medical programs of Australian and New Zealand university medical schools
Recognition of Medical Specialties Advisory Committee	Advises the directors on recognition of fields of medical practice as medical specialties, enabling the AMC to provide this advice to the Australian Government Minister for Health and Ageing
Specialist Education Accreditation Committee	Manages the AMC process for assessment and accreditation of specialist medical education, training and professional development programs in Australia
Strategic Policy Advisory Committee	Provides high-level advice to the AMC on medical education and health system policy matters

a. This new committee met for the first time on 24 May 2010.
b. This committee was disbanded on 24 June 2010.

Organisation structure

The council and its directors are supported by a secretariat of 82 staff, based in Canberra, responsible for the administration of AMC operations. The AMC organisation structure is set out in Figure 2.

Figure 2. Organisation structure, 31 December 2010



Support for stakeholders

In 2010, the AMC continued to collaborate with and support its stakeholders, including government bodies, health profession and health consumer organisations, and medical education providers. In 2010, its work with the Medical Board of Australia, the Australian Health Practitioner Regulation Agency and Health Workforce Australia was particularly important in the light of the transition to the National Registration and Accreditation Scheme and its introduction on 1 July 2010.

Some of its many stakeholder support activities in 2010 are outlined below.

Medical Board of Australia

The Medical Board of Australia was established under the National Law as in force in each state and territory. One of the objectives of the National Law is to facilitate the provision of high-quality education and training of health practitioners. The accreditation function is the primary way of achieving this. The National Law defines the respective roles of the Medical Board and its appointed accreditation authority, the AMC, in the accreditation of medical schools and medical specialist colleges and in the development and approval of registration standards.

Accreditation standards

The AMC is responsible for developing accreditation standards for the approval of the Medical Board of Australia. Accreditation standards are used to assess whether a program of study, and the education provider that provides the program of study, provides graduates with the knowledge, skills and professional attributes to practise the profession. In developing the accreditation standards, the AMC must undertake wide-ranging consultation about the content of the standard.

In 2010, the AMC reviewed its accreditation standards on assessment and accreditation of medical schools and on specialist medical education and training programs and continuing professional development programs. In reviewing the standards, the AMC considered feedback from accreditation assessments and noted that the standards were generally well supported. The AMC review focused on clarifying meaning and ensuring alignment with Medical Board's registration requirements. Twenty-one organisations commented on the medical school accreditation standards and 13 organisations commented on the standards for specialist education and training programs.

On the basis of the feedback, the AMC made minor changes to the standards. It also reviewed the changes to the standards against the Australian Health Practitioner Regulation Agency document *Procedures for the Development of Accreditation Standards* (available at www.ahpra.gov.au). The Medical Board of Australia approved the accreditation standards that the AMC developed and published them on its website (www.medicalboard.gov.au) on 23 December 2010.

Medical school and specialist college accreditation

After the AMC accredits a program of study, it must give a report to the Medical Board of Australia. The Medical Board may approve, or refuse to approve, the accredited program of study as providing a qualification for the purposes of registration.

In 2010, the Medical Board considered AMC accreditation reports on the medical schools at the University of Western Australia; Flinders University; the University of Notre Dame Australia, Sydney; James Cook University; the University of Melbourne; and the University of Queensland.

In 2010, the Medical Board considered the AMC's accreditation reports on the education and training programs and continuing professional development programs of the Royal College of Pathologists of Australasia and the Royal Australasian College of Physicians.

Intern year accreditation

The Medical Board of Australia asked the AMC to provide it with advice on the standards for intern training; what should be expected of interns after completing their internship, before general registration is granted and how the AMC could apply a national framework for intern training accreditation to the existing state-based accreditation processes to ensure that appropriate and consistent standards are in place in all jurisdictions. The AMC has formed a working party and undertaken consultation on the intern year. It will work with the Medical Board to develop and implement national standards for intern training.

Code of conduct

The Medical Board of Australia reissued *Good Medical Practice: A Code of Conduct for Doctors in Australia* with minor modifications to reflect the National Law. The AMC had developed the code on behalf of all state and territory medical boards after an extensive consultation process and there was widespread support for the final version.

International medical graduates

Since July 2010, the AMC, as the designated accreditation authority for medicine, has administered the assessment of IMGs for non-specialist medical registration on behalf of the Medical Board of Australia under the provisions of section 43 of the *Health Practitioner Regulation National Law Act 2009* (National Law). Similarly, the specialist medical colleges have been individually appointed by the Medical Board as the appropriate authorities for the assessment of overseas-trained specialists under the provisions of sections 57 and 59 of the National Law. As the designated authorities, the AMC and the specialist colleges are accountable to the Medical Board for the conduct of these assessments.

In October 2010, the Medical Board of Australia announced that it would be working with the AMC on a major review of the assessment pathways for international medical graduates seeking to become qualified for general or specialist registration. The AMC will work with the Medical Board to scope out the terms of the review, which will assess what is working effectively and what can be improved. The review aims to ensure that the pathways have been implemented as consistently as possible and are as effective as they can be in ensuring that IMGs have the skills, qualification and experience to provide safe care to the Australian community.

Australian Health Practitioner Regulation Agency

The Australian Health Practitioner Regulation Agency (AHPRA) supports the work of the Medical Board of Australia. It is responsible for providing the staff, infrastructure and services to enable the Medical Board to meet its statutory responsibilities. Under the National Law, AHPRA may enter into a contract with the AMC for the performance of the accreditation function of medicine. The terms of the contract must be in line with the health profession agreement—which determines funding and service arrangements—between AHPRA and the Medical Board. For the initial period of the National Registration and Accreditation Scheme, the Medical Board, AHPRA and the AMC agreed to an exchange of letters while the contract was worked on. Under the agreement, the AMC's role remains largely unchanged.

Forum of Australian Health Professions Councils

The Forum of Australian Health Professions Councils is a coalition of the councils of the regulated health professions. The 10 health professions represented in the forum are those in the National Registration and Accreditation Scheme under the National Law at the scheme's commencement on 1 July 2010. The forum comprises the following councils:

- Australian Dental Council
- Australian Medical Council
- Australian Nursing and Midwifery Accreditation Council
- Australian Pharmacy Council
- Australian Physiotherapy Council
- Australian Psychology Accreditation Council
- Council on Chiropractic Education Australasia Inc.
- Optometry Council of Australia and New Zealand
- Australian and New Zealand Osteopathic Council
- Australian and New Zealand Podiatry Accreditation Council.

In 2010, the AMC continued to provide secretariat support to the forum.

Health Workforce Australia

Health Workforce Australia (HWA) is the national health workforce agency established by the Council of Australian Governments through its 2008 National Partnership Agreement on Hospital and Health Workplace Reform. The HWA will develop policy and deliver programs across four main areas—workforce planning, policy and research; clinical education; innovation and reform of the health workforce; and the recruitment and retention of international health professionals. It will also consider the adequacy and availability of workforce data. It will not have responsibility for the accreditation of clinical education and training.

In December 2010, the HWA invited nominations for membership of its governance committee for developing a national clinical training plan for medical officers, nurses and midwives. The AMC nominated Professor Robin Mortimer.

The AMC has indicated its willingness to work with HWA on projects of common interest.

The AMC's Strategic Policy Advisory Committee has been monitoring the progress of Queensland Health's pilot physician assistant program. The AMC has indicated that it is willing to provide advice on issues relating to standards setting and accreditation if requested. Further discussion would include the HWA and AHPRA.

The outcome of an HWA project to map existing Australian health competency-based and capability standards will inform HWA stakeholder consultations to explore an integrated approach to a national health workforce competency framework. In 2010, the AMC convened a reference group and workshop to develop a discussion paper on competency-based medical education and subsequently released a discussion paper to stakeholders. The reference group is finalising the paper having considered responses to the draft.

Medical Deans Australia and New Zealand

Medical Deans Australia and New Zealand is the peak body representing professional entry-level medical education, training and research in Australia and New Zealand. The organisation comprises the deans of 19 Australian medical schools and two New Zealand medical schools.

The AMC is a stakeholder in the competencies project being undertaken by the organisation. The project, which began in February 2010, aims to delineate the AMC attributes of a medical graduate into competencies that rely on clinical placements, to develop a competency framework, and to improve vertical integration of clinical training across the medical schools and internship programs.

Medical Council of New Zealand

The AMC and the Medical Council of New Zealand have a long history of cooperation designed to assist both organisations to set standards for medical education and assessment that promote high standards of medical practice and that respond to evolving health needs and practices, as well as educational and scientific developments.

In August 2010, the CEO of the Medical Council of New Zealand and the Deputy CEO of the AMC met to draft a memorandum of understanding on accreditation activities.

Under the MOU, the councils agree:

- to work together
  - to assess programs of study based mainly in Australia and New Zealand leading to general or specialist registration of the graduates of those programs to practise medicine in Australia and New Zealand to determine whether the programs meet approved accreditation standards, and to make recommendations for improvement of those programs
  - to assess education providers based mainly in Australia and New Zealand that provide programs of study leading to general or specialist registration of the graduates of those programs to practise medicine in Australia and New Zealand, to determine whether the providers meet approved accreditation standards
- to collaborate in other areas of mutual interest relating to assessment and standards of medical education and training
- to issue a standing invitation for representatives of the other council to attend meetings of relevant committees.

The AMC directors approved the MOU between the two councils, and it was formally signed in November 2010.

Accreditation of medical school programs and training programs

Accreditation is a strong quality assurance and quality improvement process when it begins with honest self-assessment of strengths and weaknesses by the training provider and is followed by rigorous external review. An AMC accreditation report, even of a strong training program, may recommend a number of quality improvements to address areas of relative weakness, ideally building on the training provider's own assessment and existing plans to address its weaknesses.

Professor Richard Smallwood, AMC President

The AMC is responsible for accrediting education providers and programs of study for the medical profession. Accreditation standards are used to assess whether a program of study, and the education provider that provides the program of study, provide persons who complete the program with the knowledge, skills and professional attributes to practise the profession. In developing accreditation standards, the AMC must undertake wide-ranging consultation about the content of the standard.

Under the *Health Practitioner Regulation National Law Act 2009* (the National Law), the AMC may grant accreditation if it is reasonably satisfied that a program of study and the education provider that provides it meet an approved accreditation standard. It may also grant accreditation if it is reasonably satisfied that the provider and the program of study substantially meet an approved accreditation standard, and the imposition of conditions on the approval will ensure that the program meets the standard within a reasonable time. The AMC reports its decision to the Medical Board of Australia to enable the Medical Board to make a decision on the approval of the program of study for registration purposes. The Medical Board details its decisions about accredited programs of study in communiqués published on its website, www.medicalboard.gov.au, after each meeting.

The AMC publishes the executive summaries of its accreditation reports on its website, www.amc.org.au. In 2010, in recognition of the new requirements of the National Law, the AMC revised the way it presents information in these summaries, to provide a clear assessment of the training provider and the program of study against the accreditation standards.

Assessments

AMC assessments are of three types:

- assessment of new developments, such as new schools or major changes to established medical programs
- reaccreditation of established medical schools
- follow-up visits required as a condition of the school's accreditation.

In 2010, the AMC completed six medical school assessments in accordance with its guidelines on the assessment and accreditation of medical schools (Table 2).

Table 2. Medical school program assessments, 2010

Program and type of assessment	Purpose	Result	AMC finding against accreditation standards
Flinders University BMBS *Major change*	To assess proposed changes to the four-year graduate entry medical program: • introduction Years 1 and 2 of the program in the Northern Territory • introduction of a double degree entry pathway into the medical program	Major changes approved. Accreditation for the graduate entry medical program extended to 31 December 2014.	Meets the standards
James Cook University MBBS *Reaccreditation*	To assess the six-year undergraduate medical program for reaccreditation	Reaccreditation granted to 31 December 2016	Meets the standards
University of Melbourne MBBS/MD *Major change*	To assess plans to replace the current six-year medical program and four-and-a-half year graduate program with the new four-year master degree course leading to the award of a Doctor of Medicine (MD)	Major changes approved. Accreditation of the four-year MD program granted to 31 December 2016 Accreditation of six-year MBBS undergraduate entry and four-and-a-half year graduate entry MBBS program extended to 31 December 2013	Meets the standards
University of Notre Dame Australia, Sydney MBBS *Follow-up*	To review detailed plans for year four of the four-year graduate medical program	Accreditation period reduced from December 2013 to 31 December 2011	Substantially meets the standards
University of Queensland MBBS *Major change*	To assess major changes to the medical program, including: • substantial expansion of student numbers • medical program offered at Ipswich campus • a US citizen entry cohort who will complete 2 years of study in Australia and most clinical training in the university's New Orleans clinical school	Major changes approved. Accreditation granted to 31 December 2016	Meets the standards
University of Western Australia MBBS *Reaccreditation*	To assess the six-year undergraduate and four-and-a-half-year graduate medical program	Accreditation granted to 31 December 2016	Meets the standards

BMBS/MBBS = Bachelor of Medicine and Bachelor of Surgery; MD = Doctor of Medicine

Progress reports

Between formal accreditations, the AMC monitors progress in accredited medical schools through the progress reports that medical schools are required to provide, informing the AMC of curriculum changes and emerging issues that may affect their ability to deliver their medical curriculum and responding to issues raised in AMC accreditation reports. Reports are reviewed by an external reviewer.

Medical schools granted the full period of accreditation must submit written reports to the AMC every two years. Medical schools granted accreditation of major structural changes and new medical schools submit annual reports.

In the year before accreditation expires, medical schools are asked to submit a comprehensive report to enable the AMC to decide whether it will extend the accreditation before the next reaccreditation assessment by an AMC team.

In 2010, the AMC considered progress reports from the medical schools of the following universities:

- Australian National University
- Bond University
- Deakin University
- Monash University, Melbourne
- University of Newcastle and University of New England joint medical program
- University of Notre Dame Australia, Fremantle
- University of Otago
- University of Tasmania School of Medicine
- University of Western Sydney School of Medicine
- University of Wollongong Graduate School of Medicine.

The AMC considered the reports to be satisfactory and referred a number of issues back to schools.

In 2010, the AMC also considered comprehensive reports from the medical schools of the following three universities and resolved the following:

- *University of Auckland*. Accreditation extended to 31 December 2015, subject to the submission of satisfactory progress reports.
- *University of New South Wales*. Accreditation extended to 31 December 2013, subject to the submission of satisfactory progress reports.
- *University of Sydney*. The AMC sought clarification on a number of issues which would be considered in 2011.

Accreditation of specialist education providers and programs

The Specialist Education Accreditation Committee manages the AMC process for assessing and accrediting the medical education and training programs and professional development programs of the specialist training providers—the specialist medical colleges.

Reviews and assessments

In 2010, the AMC extended the accreditation of the Australasian College of Dermatologists by 12 months, to December 2011. The planned review of the college's progress in introducing major changes, including the development of a national curriculum, was deferred to allow the college more time to review and the AMC then to assess the implementation of its curriculum.

In 2010, the AMC also conducted the following accreditation assessments:

- *Australian College of Rural and Remote Medicine*. An AMC team undertook a full assessment of the college's training pathways in the specialty of general practice. The college's initial accreditation will continue until the full accreditation assessment is complete.
- *Royal College of Pathologists of Australasia*. The review of the college's education and training and professional development programs resulted in an extension of accreditation from December 2010 to December 2012, subject to the provision of satisfactory progress reports, the fulfilment of a number of conditions to meet accreditation standards, and the provision of a comprehensive report by September 2012.

Review of progress reports

The AMC monitors developments in education and training and professional development programs through periodic reports from the accredited training organisations. Reports are normally required annually.

In 2010, the AMC considered a comprehensive report by the Royal Australasian College of Physicians. The AMC agreed to extend the accreditation of the education and training programs and the continuing professional development programs of the Royal Australasian College of Physicians and the Divisions (Adult Medicine Division and Paediatrics & Child Health Division), Faculties (Australasian Faculties of Public Health Medicine, Rehabilitation Medicine, and Occupational and Environmental Medicine), and Chapters (Australasian Chapters of Addiction Medicine, Palliative Medicine, and Sexual Health Medicine) until 31 December 2014, subject to satisfactory annual reports.

In 2010, the AMC considered and accepted as satisfactory annual reports from the following accredited specialist medical colleges:

- Australasian College for Emergency Medicine
- Australian and New Zealand College of Anaesthetists
- Royal Australasian College of Dental Surgeons (oral and maxillofacial surgery)
- Royal Australasian College of Medical Administrators
- Royal Australian College of General Practitioners
- 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 Radiologists
- Royal Australasian College of Surgeons.

The AMC also considered annual reports from the following:

- *Australasian College of Sports Physicians*. Representatives of the college and the Specialist Education Accreditation Committee met to discuss AMC feedback on the college's report. The college will provide further information to the AMC early in 2011.
- *Royal Australian and New Zealand College of Psychiatrists*. The report was accepted after the AMC clarified some of the college's information.

International accreditation activities

The AMC shares its accreditation expertise with a number of countries in the region, both formally through visits by observers and informally through the participation of AMC assessors in international activities. In 2010, the AMC collaborated with bodies from Korea, Brunei and China.

Association for Medical Education in the Western Pacific Region

The Association for Medical Education in the Western Pacific Region is one of the six regional associations that comprise the World Federation of Medical Education. In July 2010, Professor Michael Field, Chair of the Medical School Accreditation Committee, was elected vice-president of the Association for Medical Education in the Western Pacific Region.

Brunei Medical Board

On request from the Brunei Medical Board, the AMC hosted a visit from two Bruneian academics. They attended the James Cook University reaccreditation visit and a meeting of the Medical School Accreditation Committee and spent several days in the AMC offices.

Korean Institute of Medical Education and Evaluation

In May 2010, following a request from the Korean Institute of Medical Education and Evaluation, two Korean observers attended the reaccreditation visit to the University of Western Australia.

People's Republic of China

In November 2010, the Chinese authorities made an accreditation visit to the Xiangya medical school of the Central South University of Chang Sha, in Hunan Province. Professor Laurie Geffen (former Chair of the Medical School Accreditation Committee) and Associate Professor David Strong (an AMC assessor) were members of the team.

Recognition of medical specialties

The recognition process managed by the AMC before the National Law commenced in July 2010 was designed to allow the AMC to prepare advice to assist the Australian Government Minister for Health to determine which areas of medical practice should be recognised as specialties for the purposes of the *Health Insurance Act 1973* and subsequent listing on Schedule 4 of the Health Insurance Regulations. The AMC process provided a mechanism for an applicant to seek recognition for other purposes, such as recognition of its standards-setting role and its training programs, though participation in the AMC accreditation process. The recognised specialties were listed on the List of Australian Recognised Medical Specialties held by the AMC.

Under the *Health Practitioner Regulation National Law Act 2009*, the Australian Health Workforce Ministerial Council, on the recommendation of the Medical Board of Australia, is empowered to approve a list of specialties for the medical profession for the purposes of registration and to approve one or more specialist titles for each specialty on the list. The ministerial council, on the advice of the Medical Board of Australia, has approved a list that builds on the existing list held by the AMC. In 2010, the AMC's Recognition of Medical Specialties Advisory Committee considered the implications of the new role of the Medical Board of Australia in the recognition process and the board's approach to classifying specialties for the recognition process managed by the AMC. The Medical Board of Australia is likely to seek ongoing advice from the AMC on fields of specialty practice.

In 2010, the AMC commenced a review of its recognition guidelines, for completion in 2011.

The Recognition of Medical Specialties Advisory Committee monitored the progress of three applications for recognition:

- an assessment for the recognition of cosmetic medical practice
- applications for the recognition of clinical pathology and genetic pathology.

Cosmetic medical practice

An AMC recognition review group began its detailed assessment of the application by the Australasian College of Cosmetic Surgery for recognition of cosmetic medical practice as a medical specialty in mid-2008. It requested the college to provide supplementary information by 14 August 2009. This assessment is continuing.

Clinical pathology and genetic pathology

In 2010, the Medical Board of Australia sought the AMC's advice on whether clinical pathology and genetic pathology should be included on the board's list of fields of specialty practice under the specialty of pathology, as requested by the Royal College of Pathologists of Australasia (RCPA). The AMC agreed to complete a recognition assessment of clinical pathology and genetic pathology and expects to complete its assessment in early 2011.

Assessment of international medical graduates

The AMC facilitates the assessment of IMGs seeking registration in Australia through one of three assessment pathways: the Competent Authority Pathway; the Standard Pathway; and the Specialist Pathway. For the Specialist Pathway, the AMC works in conjunction with the specialist medical colleges. All three pathways involve primary source verification of the medical qualifications of IMGs.

Primary source verification

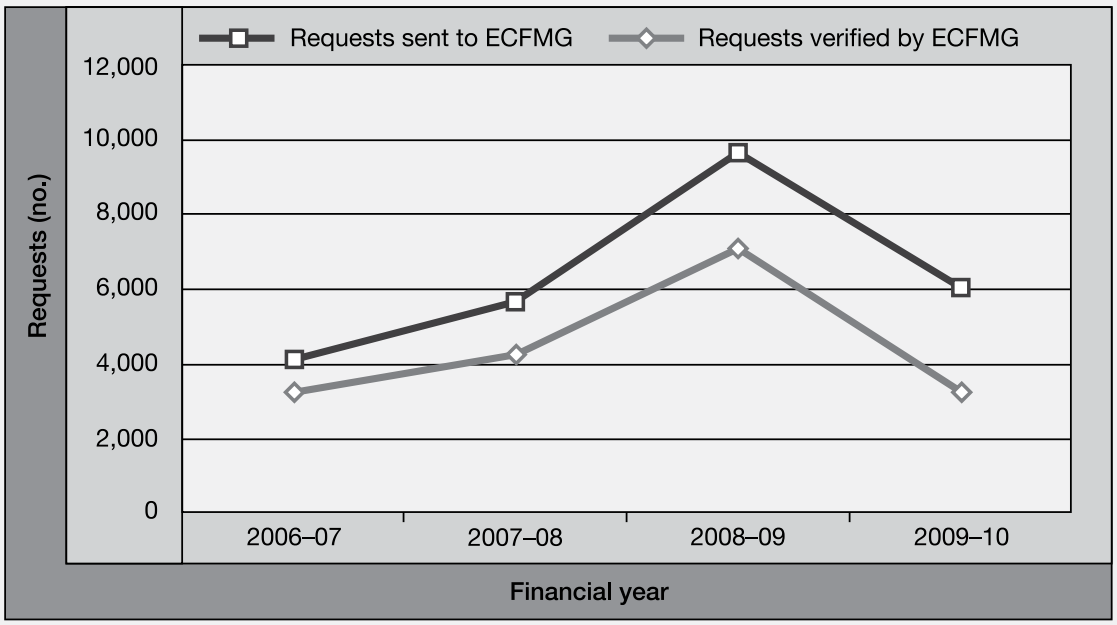
The AMC verifies the primary qualifications of IMGs by submitting their primary medical qualifications to the ECFMG International Credentials Services (EICS) for verification. In 2009–10, the AMC sent a total of 6,090 requests to the EICS. In the same year, the EICS verified 4,737 requests (Table 3). Note that the total number of verified requests has no direct relationship to the total number sent to the EICS in 2009–10, as some requests verified in that year would have been sent in previous years.

Table 3. EICS requests and verifications (total number), 2009–10

Type	Requests	Verifications
Medical Board registration only	735	577
Area of need specialist	151	108
Competent authority	1,225	1,122
Non-specialist	3,208	2,409
Specialist	562	400
Dual (non-specialist and specialist	209	121
Total	6,090	4,737

Figure 3 shows the number of requests by candidate number rather than by total number of requests. Because the data is generated by candidate number, if, for example, two requests were made for one candidate (for example, one for verification of primary qualifications and another for verification of secondary qualifications), it would show as one request rather than two. This accounts for the apparent discrepancy between Table 3 and Figure 3 in respect of the number of verifications in 2009–10 (4,737 in Table 3 and 3,258 in Figure 3).

Figure 3. EICS requests and verifications (by candidate number), 2006–07 to 2009–10



Competent Authority Pathway

The Competent Authority Pathway is based on the recognition of prior examination for the purposes of medical registration by a designated assessing authority that has medical licensing examinations and assessment pathways comparable to those that the AMC conducts for nonspecialist candidates. IMGs in the Competent Authority Pathway are not required to complete the AMC MCQ or clinical examinations; however, they must complete an accredited performance assessment in an Australian clinical setting before they can qualify for the AMC Certificate and apply for general registration. Eligible IMGs from competent authority countries are granted advanced standing for the AMC Certificate, enabling them to apply for limited registration to complete the required performance assessment.

In 2010, the AMC processed 1,355 Competent Authority Pathway applications; granted advanced standing towards the AMC Certificate to 1,200 applicants; and issued certificates to 513 applicants.

Appendix C gives competent authority statistics by country of training.

Standard Pathway

The AMC assesses the medical knowledge and clinical skills of IMGs under the Standard Pathway by conducting examinations—the AMC MCQ Examination and the AMC Clinical Examination. In 2010, workplace-based assessment was introduced on a pilot basis for a limited number of candidates as an alternative to the clinical examination.

AMC MCQ Examination

The MCQ examination tests candidates' basic or essential core medical knowledge and its clinical applications. It is a computer-administered test in the form of multiple-choice questions.

In calendar year 2010, the AMC conducted MCQ examinations at onshore and offshore secure locations for 3,807 candidates, 59.8 per cent of whom were presenting for the first time. Of the 3,807 candidates examined in 2010, 1,999 (52.5 per cent) passed the examination. Table 4 shows the candidate statistics for the past five calendar years.

Table 4. MCQ examination statistics, calendar years 2006 to 2010

Candidates	2006	2007	2008	2009	2010
Total examined	1,917	2,756	3,661	4,799	3,807
First attempters	1,361	1,948	2,513	3,048	2,276
Total passed	1,084	1,522	1,876	2,460	1,999

Appendix C gives a breakdown of the number of MCQ examination candidates by country of training, number of attempts and number passed in 2010.

AMC Clinical Examination

The AMC Clinical Examination is a 16-station objective structured clinical examination format assessment conducted in teaching hospitals in the major capital cities in Australia. The clinical examination evaluates candidates' clinical competence and performance in terms of medical knowledge and clinical skills in medicine, surgery, paediatrics, obstetrics and gynaecology, and psychiatry.

In calendar year 2010, the AMC conducted 24 main clinical examination sessions, five more than in 2009, and four retest examination sessions. A total of 1,596 candidates were tested, of whom 1,171 were first-attempt candidates.

A total of 981 of the 1,596 candidates (61.5 per cent) passed the 2010 clinical examination in 2010. Table 5 shows candidate statistics for the past four calendar years.

Table 5. Clinical examination statistics, calendar years 2007 to 2010

	2007	2008	2009	2010
Total examined	1,012	1,039	1,261	1,596
First attempters	753	832	919	1,171
Total passed in exam year	631	594	650	981

Appendix C sets out clinical examination passes by candidates' country of training and number of attempts for 2010.

Workplace-based assessment

Although workplace-based assessment was developed as an alternative to the AMC Clinical Examination as part of the 2007 COAG IMG assessment initiative, its rollout was delayed because the jurisdictions did not endorse or sign off on it.

In 2010, four authorities/consortia sought accreditation by the AMC to conduct workplace-based assessment for IMGs seeking non-specialist registration on a pilot basis. These included:

- Hunter New England Area Health Service/University of Newcastle (New South Wales)
- Rural and Outer Metropolitan United Alliance (Victoria)
- Launceston General Hospital (Tasmania)
- Western Australia Health (Bunbury Hospital).

In June 2010, 27 candidates commenced the accredited Standard Pathway (workplace-based assessment) at Hunter New England Area Health Service (HNEAHS), the first of the assessment programs to be approved. In December 2010, the results of the first cohort of candidates were reviewed by the AMC and the full cohort was confirmed to have passed and qualified for the award of the AMC Certificate.

Table 6 shows the breakdown of workplace-based assessment candidates by country of training.

Table 6. Hunter New England Area Health Service: candidates by country of training

Country of training	Candidates
Bangladesh	4
China	2
Egypt	1
India	11
Myanmar	1
Pakistan	3
Philippines	2
South Africa	2
Sudan	1
Total	27

A second cohort of 24 candidates is due to commence the workplace-based assessment program at John Hunter Hospital (HNEAHS) in February 2011 and another cohort of 30 candidates is due to commence in June 2011.

Specialist Pathway

Under the Specialist Pathway, overseas-trained specialists who are seeking registration for independent practice as a specialist can apply to the AMC for assessment against the criteria for a fully qualified Australian-trained specialist in the relevant specialty field.

In 2010, the AMC processed 1,564 applications from overseas-trained specialists. In the same period, 288 overseas-trained specialists were assessed as partially comparable to an Australian-trained specialist in the same field of specialty; 469 applicants were assessed as substantially comparable; and 74 were assessed as not comparable (see Appendix D for a breakdown of applications by medical specialty).

Finance, audit and risk management

The Finance, Audit and Risk Management Committee is to serve as a focal point for communication between the Directors, the external auditors, the internal auditors and the AMC's management as their duties relate to financial and other reporting, internal controls, the external and internal audits, risk management, governance, fraud and legislative compliance (and other matters the Directors may deem necessary).

AMC Finance, Audit and Risk Management Committee Charter

The AMC directors, shortly after the establishment of the council as a company limited by guarantee, agreed to set up the Finance, Audit and Risk Management Committee to provide advice and assistance to the directors in their role of managing the business of the AMC. The committee is made up of three directors other than the CEO and up to two external members with appropriate professional expertise. The chair of the committee is an external member appointed by the directors.

The committee provides an independent review of the accounting, financial and investment policies and controls of the AMC. This includes communication with management, external auditors, internal auditors and independent advisers. The committee is authorised to obtain external legal or other independent professional advice as necessary.

Financial summary

The financial statements for 2009–10 have been prepared according to the Australian Accounting Standards and the *Corporations Act 2001*, and have been audited by WalterTurnbull. The audited financial statements for 2009–10 follow this summary.

In 2009–10, total revenue was $18.1 million and total expenditure was $17.9 million. The surplus was $0.2 million for the financial year.

A review of operations of the Australian Medical Council Limited during the financial year indicated that revenue increased by 20.8 per cent compared to the previous year, mainly due to the increase in the number of examination candidates. The overall expenditure for different activities also increased during the year.

Audited financial statements

Directors' report

AUSTRALIAN MEDICAL COUNCIL LIMITED
ABN 97 131 796 980
DIRECTORS' REPORT

Your Directors submit the financial report of the Australian Medical Council Limited for the financial year ended 30 June 2010.

DIRECTORS

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

Professor Richard Smallwood AO	President and Chair, Strategic Policy Advisory Committee
Dr Robert Adler (from 20 November 2009)	Member elected by Council
Dr E Mary Cohn (to 20 November 2009)	Member elected by Council
Professor Richard Doherty	Chair, Board of Examiners
Professor Michael Field	Chair, Medical Schools Accreditation Committee
Mr Ian Frank	Chief Executive Officer, Australian Medical Council Limited
Professor Con Michael AO	Member elected by Council
Professor Robin Mortimer AO	Deputy President and Chair, Recognition of Medical Specialties Advisory Committee
Dr Trevor Mudge (to 20 November 2009)	Member elected by Council
Associate Professor Peter Procopis AM	Chair, Joint Medical Boards Advisory Committee
Associate Professor Jillian Sewell AM	Chair, Specialist Education Accreditation Committee
Dr Russell Stitz AM RFD (from 20 November 2009)	Member elected by Council

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

Dr Robert Adler, Dr E Mary Cohn, Dr Trevor Mudge and Professor Con Michael AO acted in good faith as directors during the financial year and subsequently until October 2010. Prior to that date they and the other Directors believed they had been validly appointed to membership of the Council by their respective Medical Boards and thus were eligible for election as Directors. During October 2010 advice was received that they were not correctly appointed as members and hence were not eligible for election as Directors. Professor Con Michael AO was appointed as a Member of the Council by the Medical Board of Western Australia effective from 8 October 2010 and was appointed as a Director on 25 October 2010 under article 7.7.

COMPANY SECRETARY

Ms Peggy Sanders held the position of Company Secretary at the end of the financial year.

PRINCIPAL ACTIVITIES

The principal activity of the Council during the financial year was to be an independent national standards and assessment body for medical education and training. The Council assesses medical courses and training programs (both Australian and New Zealand medical school courses and the programs for training medical specialists) and accredits programs which meet AMC accreditation standards; and the Council assesses overseas trained doctors who wish to practise medicine in Australia.

REVIEW OF OPERATIONS

The surplus of the entity amounted to $194,451 (2009: $814,407).

DIVIDENDS

Australian Medical Council Limited is a company limited by guarantee and is prohibited by its constitution from payments of dividends.

REVIEW OF OPERATIONS

A review of operations of the Australian Medical Council Limited during the financial year indicated that revenue increased by 20.8% compared to the previous year mainly due to the increase in numbers of candidates sitting

1

Directors' report (continued)

AUSTRALIAN MEDICAL COUNCIL LIMITED
ABN 97 131 796 980
DIRECTORS' REPORT (Cont'd)

examinations. The overall expenditure for different activities increased during the year and as a result the financial year ended with a surplus of $194,451.

SIGNIFICANT CHANGES

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

AFTER BALANCE DATE EVENTS

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Australian Medical Council Limited in future years.

FUTURE DEVELOPMENTS

The Australian Medical Council Limited expects to maintain the present status and the level of operations and hence there are no likely new developments in Australian Medical Council Limited's operation. There are a number of major national reform initiatives in medical education, regulation and health services delivery that may impact on the future work of the AMC. At present it is too early to identify the precise impact that these initiatives might have on the level of operations.

ENVIRONMENTAL ISSUES

The Australian Medical Council Limited operations are not regulated by any significant environmental regulation under the law of the Commonwealth or of a state or territory.

OPTIONS

No options were issued or granted during or since the end of the financial year and there were no options outstanding at the date of this report.

MEETINGS OF DIRECTORS

During the financial year 9 meeting of Directors and 2 General Meetings were held. The Attendance by each Director was as follows:

	Meeting of Directors		General Meetings	
	Eligible to Attend	Attended	Eligible to Attend	Attended
Professor Richard Smallwood AO	9	8	2	2
Dr Robert Adler (from 20 November 2009)	5	5	2	2
Dr E. Mary Cohn (to 20 November 2009)	4	4	1	1
Professor Richard Doherty	9	9	2	2
Professor Michael Field	9	8	2	2
Mr Ian Frank	9	9	2	2
Professor Con Michael AO	9	8	2	2
Professor Robin Mortimer AO	9	7	2	2
Dr Trevor Mudge (to 20 November 2009)	4	1	1	1
Assoc Professor Peter Procopis AM	9	8	2	2
Assoc Professor Jill Sewell AM	9	8	2	2
Dr Russell Stitz AM RFD (from 20 November 2009)	5	4	2	1

2

Directors' report (continued)

AUSTRALIAN MEDICAL COUNCIL LIMITED
ABN 97 131 796 980
DIRECTORS' REPORT (Cont'd)

INDEMNIFYING OFFICERS OR AUDITOR

During or since the financial year, the Council has paid premiums in respect of a contract insuring all directors of Australian Medical Council Limited against legal costs incurred in defending proceedings for conduct other than:

i. A wilful breach of duty; and
ii. A contravention of sections 182 or 183 of the *Corporations Act 2001*, as permitted by Section 199B of the *Corporations Act 2001*.

The amount of insurance contract premiums paid was $3,644.94.

PROCEEDINGS ON BEHALF OF THE AUSTRALIAN MEDICAL COUNCIL LIMITED

No person has applied for leave of court to bring proceedings on behalf of the Australian Medical Council Limited or intervene in any proceedings to which Australian Medical Council Limited is a party for the purpose of taking responsibility on behalf of the Australian Medical Council Limited for all or any part of those proceedings. The Australian Medical Council Limited was not a party to any such proceedings during the year.

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year 30 June 2010 has been received and can be found on page 4 of the Directors' report.

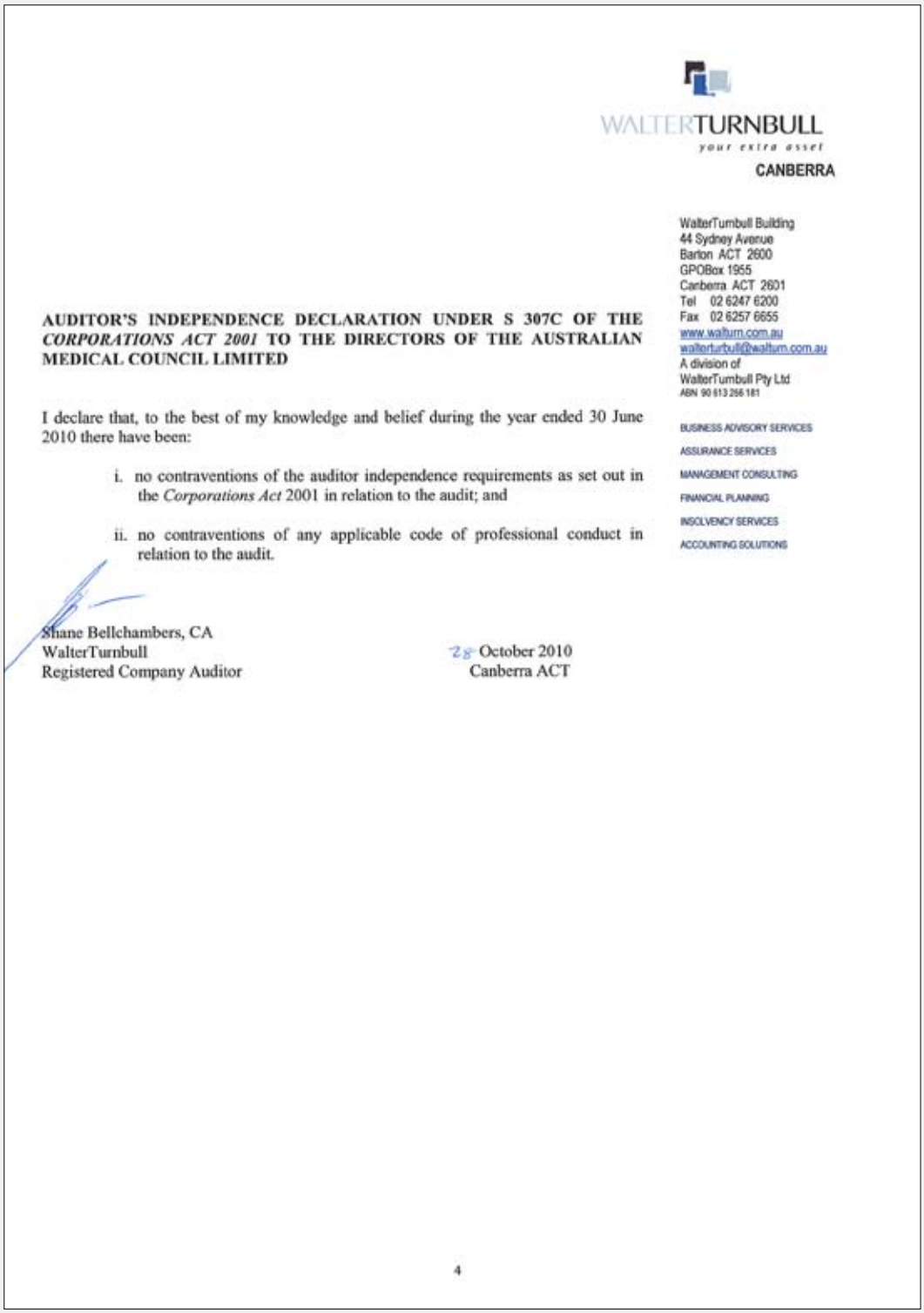
Signed in accordance with a resolution of the Directors

Director

25 October 2010

3

Auditor's independence declaration



WALTERTURNBULL
your extra asset

CANBERRA

WalterTurnbull Building
44 Sydney Avenue
Barton ACT 2600
GPOBox 1955
Canberra ACT 2601
Tel 02 6247 6200
Fax 02 6257 6655
www.waltum.com.au
walterturbull@waltum.com.au
A division of
WalterTurnbull Pty Ltd
ABN 90 613 266 181

BUSINESS ADVISORY SERVICES
ASSURANCE SERVICES
MANAGEMENT CONSULTING
FINANCIAL PLANNING
INSOLVENCY SERVICES
ACCOUNTING SOLUTIONS

AUDITOR'S INDEPENDENCE DECLARATION UNDER S 307C OF THE *CORPORATIONS ACT 2001* TO THE DIRECTORS OF THE AUSTRALIAN MEDICAL COUNCIL LIMITED

I declare that, to the best of my knowledge and belief during the year ended 30 June 2010 there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act* 2001 in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

Shane Bellchambers, CA
WalterTurnbull
Registered Company Auditor

28 October 2010
Canberra ACT

4

Independent auditor's report

WALTERTURNBULL
your extra asset
CANBERRA

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF THE AUSTRALIAN MEDICAL COUNCIL LIMITED

WalterTurnbull Building
44 Sydney Avenue
Barton ACT 2600
GPOBox 1955
Canberra ACT 2601
Tel 02 6247 6200
Fax 02 6257 6655
www.walturn.com.au
walterturbull@walturn.com.au
A division of
WalterTurnbull Pty Ltd
ABN 90 613 256 181

BUSINESS ADVISORY SERVICES
ASSURANCE SERVICES
MANAGEMENT CONSULTING
FINANCIAL PLANNING
INSOLVENCY SERVICES
ACCOUNTING SOLUTIONS

REPORT ON THE FINANCIAL REPORT

We have audited the accompanying financial report of the Australian Medical Council Limited (the Council) which comprises the statement of financial position, as at 30 June 2010 and the statement of comprehensive income, 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 directors' declaration.

THE RESPONSIBILITY OF THE DIRECTORS FOR THE FINANCIAL REPORT

The Directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes designing, implementing 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 Australian Medical Council Limited'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 Australian Medical Council Limited's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, 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.

5

Independent auditor's report (continued)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE AUSTRALIAN MEDICAL COUNCIL LIMITED (Continued)

INDEPENDENCE

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

AUDITOR'S OPINION

In our opinion, the financial report of the Australian Medical Council Limited is in accordance with the *Corporations Act 2001*, including:

a. giving a true and fair view of the company's financial position as at 30 June 2010 and of their performance for the year ended on that date; and

b. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

Shane Bellchambers, CA
WalterTurnbull
Registered Company Auditor

26 October 2010
Canberra ACT

6

Statement of comprehensive income for the year ended 30 June 2010

	Note	2010 $	2009 $
Revenue	2	18,072,966	18,388,867
Accreditation expenses		585,049	520,557
International relations		20,013	-
Specialist education accreditation expenses		848,962	762,266
Recognition of medical specialties expenses		393,074	355,346
Specialist assessment		56,698	88,600
Credentialing expenses		329,147	629,158
Code of professional conduct		-	295,221
COAG IMG assessment project		251,685	417,089
Workplace based assessment		127,280	-
Silver Jubilee Publication		104,361	-
Publishing expenses		83,711	79,349
Examination running expenses		4,951,483	4,894,385
Uniformity expenses		180,062	139,906
Council committees & executive expenses		435,159	556,592
Management & administration expenses	3,4,5	9,511,831	8,835,991
Surplus		194,451	814,407
Other Comprehensive Income		-	-
Total Comprehensive Income		194,451	814,407

Statement of financial position as at 30 June 2010

	Note	2010 $	2009 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	762,579	1,066,448
Financial assets	7	5,430,488	3,627,156
Trade and other receivables	8	525,790	509,682
Inventories		123,089	57,842
Other current assets	9	30,156	31,291
TOTAL CURRENT ASSETS		6,872,102	5,292,419
NON-CURRENT ASSETS			
Plant and equipment	10	2,877,407	3,153,757
TOTAL NON-CURRENT ASSETS		2,877,407	3,153,757
TOTAL ASSETS		9,749,509	8,446,176
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	1,455,072	1,156,933
Borrowing	14	23,498	44,852
Short-term provisions	13	315,923	226,387
Other liabilities	12	3,482,632	2,815,026
TOTAL CURRENT LIABILITIES		5,277,125	4,243,198
NON-CURRENT LIABILITIES			
Borrowings	14	45,241	68,984
Long-term provisions	13	216,638	117,940
TOTAL NON-CURRENT LIABILITIES		261,879	186,924
TOTAL LIABILITIES		5,539,004	4,430,122
NET ASSETS		4,210,505	4,016,054
EQUITY			
Reserves	15	160,287	160,287
Retained earnings		4,050,218	3,855,767
TOTAL EQUITY		4,210,505	4,016,054

Statement of recognised income and expenditure for the year ended 30 June 2010

	Retained Earnings	Development Fund Reserve	Examination Development Reserve	Total
	$	$	$	$
Balance at 1 July 2008	3,041,360	10,286	150,001	3,201,647
Profit attributable to the Council	814,407	-	-	814,407
Balance at 30 June 2009	3,855,767	10,286	150,001	4,016,054
Profit attributable to the Council	194,451	-	-	194,451
Balance at 30 June 2010	4,050,218	10,286	150,001	4,210,505

For a description of each reserve, refer to Note 15.

Statement of cash flows for the year ended 30 June 2010

	Note	2010 $	2009 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from candidates and grants		19,332,363	20,248,355
Payments to suppliers and employees		(17,486,434)	(18,000,683)
Interest received		245,375	353,885
Net cash generated from operating activities	21 b)	2,091,304	2,601,557
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of plant and equipment		(546,744)	(3,028,508)
Proceeds from disposal of plant and equipment		-	5,000
Net cash (used in) investing activities		(546,744)	(3,023,508)
CASH FLOW FROM FINANCING ACTIVITIES			
Payment of borrowings		(45,097)	(69,304)
Net cash (used in) financing activities		(45,097)	(69,304)
Net increase in cash held		1,499,463	(491,255)
Cash at the beginning of financial year		4,693,604	5,184,859
Cash at the end of financial year	21 a)	6,193,067	4,693,604

Notes to the financial statements for the year ended 30 June 2010

The financial report is for the Australian Medical Council Limited as an individual entity, incorporated and domiciled in Australia. The Australian Medical Council Limited is a company limited by guarantee.

The financial report of Australian Medical Council Limited for the year ended 30 June 2010 was authorised for issue in accordance with a resolution of the directors on 25 October 2010.

Note 1: Statement of Significant Accounting Policies

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Act 2001.*

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board (AASB) has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of this financial report are presented below and 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.

Accounting Policies

(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.*

(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 losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from 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.

Plant and equipment that have been contributed at no cost, or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over the asset's useful life to the Australian Medical Council Limited 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 accompanying notes form part of these financial statements

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 reporting period.

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 statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(c) Intangibles

Software

Software is recorded at cost. Software has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of between one and three years. It is assessed annually for impairment.

(d) Inventories

Inventories are measured at the lower of cost and current replacement cost.

Inventories acquired at no cost, or for nominal consideration are valued at the current replacement cost as at the date of acquisition.

(e) 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 Australian Medical Council Limited are classified as finance leases.

Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the Australian Medical Council Limited will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the lease term.

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

Notes to the financial statements for the year ended 30 June 2010

Note 1: Statement of Significant Accounting Policies (continued)

(f) Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the Australian Medical Council Limited becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (ie trade date accounting is adopted). Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Finance instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method, or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

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

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

(i) Financial assets at fair value through profit or 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, or where they are derivatives not held for hedging purposes, or when they are 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. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(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.

The accompanying notes form part of these financial statements

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Australian Medical Council Limited's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period.

If during the period the company sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire held-to-maturity investment would be tainted and reclassified as available-for-sale.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to be disposed of within 12 months after the end of the reporting period.

(v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Fair Value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At the end of each reporting period, the Australian Medical Council Limited 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 statement of comprehensive income.

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 Australian Medical Council Limited no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability, which is 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 the Statement of Comprehensive Income.

Notes to the financial statements for the year ended 30 June 2010

Note 1: Statement of Significant Accounting Policies (continued)

(g) Impairment of Assets

At the end of each reporting period, the Australian Medical Council Limited 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 statement of comprehensive income.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the Australian Medical Council Limited would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an assets class, the Australian Medical Council Limited estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

Where an impairment loss on a revalued asset is identified, this is debited against the revaluation reserve in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation reserve for that same class of asset.

(h) Employee Benefits

Provision is made for the Australian Medical Council Limited's liability for employee benefits arising from services rendered by employees to end of the reporting period. Employee benefits expected to be settled within one year together with benefits arising from wages, salaries and annual leave which may be settled after 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. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Contributions are made by the Australian Medical Council Limited to an employee superannuation fund and are charged as expenses when incurred.

(i) 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.

(j) 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 the short-term borrowings in current liabilities on the statement of financial position.

The accompanying notes form part of these financial statements

Notes to the financial statements for the year ended 30 June 2010

(k) Revenue

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

Grant revenue is recognised in the statement of comprehensive income when the Australian Medical Council Limited obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the Australian Medical Council Limited and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the Australian Medical Council Limited incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

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

(l) 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 statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(m) Provisions

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

(n) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(o) Comparative Figures

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

The accompanying notes form part of these financial statements

Notes to the financial statements for the year ended 30 June 2010

Note 1: Statement of Significant Accounting Policies (continued)

(p) Critical Accounting Estimates and Judgments

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

Key Estimates

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.

Provision for doubtful debts

The directors believe that the full amount of trade and other receivables are recoverable and no doubtful debt provision has been made at 30 June 2010.

(q) New Accounting Standards for Application in Future Periods

The AASB has issued new, revised and amended standards and interpretations that have mandatory application dates for future reporting periods. The company has decided against early adoption of these standards.

The accompanying notes form part of these financial statements

Notes to the financial statements for the year ended 30 June 2010

Note 2: Revenue and Other Income

	2010 $	2009 $
Revenue		
– grant from Commonwealth	557,574	553,131
– grants from State Medical Boards	577,024	577,024
– special grant from the Commonwealth	558,612	767,657
– recognition of medical specialties grant from Commonwealth	440,680	337,134
– specialist education accreditation grant from Commonwealth	576,291	519,166
– specialist education accreditation fees	201,267	243,131
– recognition of medical specialities fees	23,798	18,182
– IMG fees	951,100	1,272,300
– credentialing fees	927,374	1,139,694
– accreditation fees	275,998	278,450
– examination fees	11,219,539	11,204,094
– sale of publications	720,600	483,336
– miscellaneous revenue	786,714	641,683
	17,816,571	18,034,982
Other Revenue		
– interest	256,395	353,885
Total revenue	18,072,966	18,388,867

The accompanying notes form part of these financial statements

Notes to the financial statements for the year ended 30 June 2010

Note 3: Surplus for the Year

	2010 $	2009 $
(a) Expenses		
Rental expense on operating leases		
– minimum lease payments	845,107	702,858
Depreciation and amortisation		
– furniture and equipment	395,913	289,576
– software	38,181	37,765
– leasehold improvements	389,000	117,512
	823,094	444,853

Note 4: Key Management Personnel

	Short Term Benefits $	Post Employment Benefit $	Other Long Term Benefits $	Total $
2010				
Total compensation	408,670	71,951	55,617	536,238
2009				
Total compensation	394,668	61,385	133,544	589,597

Note 5: Auditor's Remuneration

	2010 $	2009 $
Remuneration of the auditor for:		
- auditing services	12,000	11,500
	12,000	11,500

The accompanying notes form part of these financial statements

Notes to the financial statements for the year ended 30 June 2010

Note 6: Cash and Cash Equivalents

	2010 $	2009 $
CURRENT		
Cash in hand	1,500	1,500
Cash at bank	761,079	1,064,948
	762,579	1,066,448

Note 7: Financial Assets

	2010 $	2009 $
CURRENT		
Held to maturity financial assets		
Term deposits	5,430,488	3,627,156

The effective interest rate on short-term investments was 4.85% (2009:5.5%), these investments have an average maturity of 90 days.

Note 8: Trade and Other Receivables

	2010 $	2009 $
CURRENT		
Trade receivables	45,688	250,650
GST receivable	110,592	-
Accrued interest	22,399	8,446
Accrued income	347,111	250,586
	525,790	509,682

The accompanying notes form part of these financial statements

Note 8: Trade and Other Receivables (continued)

(i) Provision for Impairment of Receivables

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 2010 (2009: Nil).

(ii) Credit Risk – Trade and Other Receivables

The company does not have any material credit risk exposure to any single receivable or group of receivables.

The following table details the company's trade and other receivables exposed to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between the company and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the company.

The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

	Gross amount	Past due and impaired	Past due but not impaired (days overdue)				Within initial trade terms
			< 30	31-60	61-90	> 90	
	$	$	$	$	$	$	$
2010							
Trade and term receivables	525,790	-	35,198	17,516	6,471	1,374	465,231
Other receivables	-	-	-	-	-	-	-
Total	525,790	-	35,198	17,516	6,471	1,374	465,231
2009							
Trade and term receivables	509,682	-	487,470	3,509	2,709	15,994	487,470
Other receivables	-	-	-	-	-	-	-
Total	509,682	-	487,470	3,509	2,709	15,994	487,470

The company does not hold any financial assets whose terms have been renegotiated, but which would otherwise be past due or impaired.

There are no balances within trade receivables that contain assets that are not impaired and are past due. It is expected that these balances will be received when due.

The accompanying notes form part of these financial statements

Note 9: Other Current Assets

	2010 $	2009 $
CURRENT		
Prepayments	30,156	31,291

Note 10: Plant and Equipment

	2010 $	2009 $
Computer equipment – at cost	1,071,494	935,305
Less accumulated depreciation	(683,686)	(437,463)
	387,808	497,842
Office equipment – at cost	381,359	342,599
Less accumulated depreciation	(230,976)	(161,511)
	150,383	181,088
Furniture and fittings – at cost	343,012	343,012
Less accumulated depreciation	(127,801)	(47,577)
	215,211	295,435
Software – at cost	395,512	147,752
Less accumulated depreciation	(135,019)	(96,838)
	260,493	50,914
Leasehold improvement	2,370,024	2,245,990
Less accumulated depreciation	(506,512)	(117,512)
	1,863,512	2,128,478
	2,877,407	3,153,757

(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:

The accompanying notes form part of these financial statements

Notes to the financial statements for the year ended 30 June 2010

Note 10: Plant and Equipment (continued)

	Computer Equipment	Office Equipment	Furniture & Fittings	Software	Leasehold Improvements	Total
	$	$	$	$	$	$
2009						
Balance at beginning of year	305,273	132,810	54,930	64,679	-	557,692
Additions	371,013	132,428	310,394	24,000	2,245,990	3,083,825
Disposal	(86,989)	(151,062)	(299,630)	-	-	(537,681)
Depreciation expense	(176,418)	(65,987)	(47,171)	(37,765)	(117,512)	(444,853)
Depreciation written back	84,963	132,899	276,912	-	-	494,774
Carrying amount at the end of the year	497,842	181,088	295,435	50,914	2,128,478	3,153,757
2010						
Additions	136,190	38,760	-	247,760	124,034	546,744
Disposal	-	-	-	-	-	-
Depreciation expense	(246,224)	(69,465)	(80,224)	(38,181)	(389,000)	(823,094)
Depreciation written back	-	-	-	-	-	-
Carrying amount at the end of the year	387,808	150,384	215,211	260,493	1,863,511	2,877,407

Note 11: Trade and Other Payables

	2010 $	2009 $
CURRENT		
Trade payables	61,527	65,571
GST Payable	4,732	102,184
PAYG Payable	275	1,212
Withholding Tax Payable	16,592	15,695
Short-term employee benefits	583,721	528,266
Accrued expenses	788,225	444,005
	1,455,072	1,156,933

The accompanying notes form part of these financial statements

(a) Financial liabilities at amortised cost classified as trade and other payables

	2010 $	2009 $
Trade and other payables		
- Total current	1,455,072	1,156,933
- Total non-current	-	-
	1,455,072	1,156,933
Less accrued expenses	(788,225)	(444,005)
Less annual leave entitlements	(583,721)	(528,266)
Financial assets as trade and other payables	83,126	184,662

Note 12: Other Liabilities

	2010 $	2009 $
CURRENT		
Income received in advance	3,410,723	2,671,207
Department of Health & Ageing – grants in advance	71,909	143,819
	3,482,632	2,815,026

Note 13: Provisions

	Lease Provision $	Employee Benefits $	Total $
Opening balance at 1 July 2009	30,038	314,286	344,324
Additional provisions raised during the year	59,863	128,374	188,237
Balance at 30 June 2010	89,901	442,660	532,561

Analysis of Total Provisions

	2010 $	2009 $
Current	315,923	226,387
Non-current	261,638	117,940
	532,561	344,327

The accompanying notes form part of these financial statements

Notes to the financial statements for the year ended 30 June 2010

Note 13: Provisions (continued)

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.

Provision for Leases

A provision has been recognised for the lease of the Majura Park premises to align the current year lease expenditure with the average monthly expenditure over the entire term of the lease.

Note 14: Borrowings

	2010 $	2009 $
CURRENT		
Lease liabilities	23,498	44,852
NON-CURRENT		
Lease liabilities	45,241	68,984

Leased liabilities are secured by the underlying assets which includes the Canon photocopiers, Sedcom telephone equipment, Lenovo and Dell notebook computers and video conferencing equipment.

Note 15: Reserves

Development Fund Reserve

The development fund consists of a reserve for future new development activities.

Examination Development Reserve

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

The accompanying notes form part of these financial statements

Notes to the financial statements for the year ended 30 June 2010

Note 16: Leasing Commitments

	2010 $	2009 $
(a) Finance Lease Commitments		
Payable – minimum lease payments		
– not later than 1 year	29,626	52,600
– later than 1 year but not later than 5 years	57,543	96,476
Minimum lease payments	87,168	149,076
Less: future finance charges	(18,430)	(35,240)
Present value of minimum lease payments	68,738	113,836

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

	2010 $	2009 $
(b) Operating Lease Commitments		
Non-cancellable operating leases contracted for but not capitalised in the financial statements		
Being for rent of office		
Payable – minimum lease payments		
– not later than 1 year	772,134	868,663
– later than 1 year but not later than 5 years	2,715,208	3,495,733
	3,487,342	4,364,396

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 the Australian Medical Council, the results of those operations, or the state of affairs in subsequent financial years.

The accompanying notes form part of these financial statements

Notes to the financial statements for the year ended 30 June 2010

Note 19: Related Party Transactions

The Board members receive an allowance for attendance at board meetings to the value of $343 per session. No other remuneration was received in connection with services provided.

Note 20: Contingent Assets and Liabilities

The Council has not identified any contingent assets or liabilities that are either measurable or probable.

Note 21: Cash Flow Information

	2010 $	2009 $
(a) Reconciliation of Cash		
Cash at bank	762,579	1,066,448
Investments – short-term term deposits	5,430,488	3,627,156
	6,193,067	4,693,604
(b) Reconciliation Cash Flow from Operations with Surplus		
Surplus	194,451	814,407
Non-cash flows:		
Depreciation and amortisation	823,094	444,853
Net loss/(gain) on disposal of plant and equipment	-	37,907
Changes in assets and liabilities:		
Decrease/(Increase) in trade & other receivables	(16,108)	452,269
(Increase)/Decrease in prepayments	1,135	(6,464)
(Increase) in inventories	(65,247)	(41,658)
Increase in trade and other payables	298,139	303,182
Increase in provisions	188,234	99,601
Increase in other liabilities	667,606	497,460
	2,091,304	2,601,557

(c) Credit Stand-by Arrangement and Loan Facilities

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

The accompanying notes form part of these financial statements

Notes to the financial statements for the year ended 30 June 2010

Note 22: Financial Risk Management

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

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2010 $	2009 $
Financial Assets			
Cash and cash equivalents	6	762,579	1,066,448
Financial assets	7	5,430,488	3,627,156
Loans and receivables	8	525,790	509,682
Total Financial Assets		6,718,857	5,203,286
Financial Liabilities			
Financial liabilities at amortised cost			
- Trade and other payables	11	1,455,072	1,156,933
- Borrowings	14	68,739	113,836
Total Financial Liabilities		1,523,811	1,270,769

Financial Risk Management Policies

The Council's overall risk management strategy seeks to assist the company in meeting its financial targets, whilst minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the Board on a regular basis. These include credit risk policies and future cash flow requirements.

Specific Financial Risk Exposures and Management

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

a. Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the company.

The accompanying notes form part of these financial statements

Note 22: Financial Risk Management (continued)

Credit Risk Exposures

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are detailed in Note 8.

The company has no significant concentration of credit risk exposure to any single counterparty or group of counterparties. Details with respect to credit risk of Trade and Other Receivables are provided in Note 8.

Credit risk related to balances with banks and other financial institutions is managed by the Board.

b. Liquidity risk

Liquidity risk arises from the possibility that the company might encounter difficulty in settling its debts or otherwise meeting its obligations in relation to financial liabilities. The company manages this risk through the following mechanisms:

- preparing forward looking cash flow analysis in relation to its operational, investing and financing activities;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- investing only in surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The tables on the next page reflect an undiscounted contractual maturity analysis for financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

The accompanying notes form part of these financial statements

Notes to the financial statements for the year ended 30 June 2010

Financial liability and financial asset maturity analysis

	Within 1 Year		1 to 5 Years		Total contractual cash flow	
	2010 $	2009 $	2010 $	2009 $	2010 $	2009 $
Financial liabilities due for payment						
Lease liabilities	(795,631)	(913,515)	(2,838,266)	(3,564,717)	(3,633,897)	(4,478,232)
Trade and other payables (less annual leave, PAYG, GST and wage accrual)	(83,126)	(184,662)	-	-	(83,126)	(184,662)
Total expected outflows	(878,757)	(1,098,177)	(2,838,266)	(3,564,717)	(3,717,023)	(4,662,894)
Financial assets cash flows realisable						
Cash and cash equivalents	762,579	1,066,448	-	-	762,579	1,066,448
Financial assets	5,430,488	3,627,156	-	-	5,430,488	3,627,156
Trade and loans receivables	525,790	509,682	-	-	525,790	509,682
Total anticipated inflows	6,718,857	5,203,286	-	-	6,718,857	5,203,286
Net inflow on financial instruments	5,840,100	4,105,109	(2,838,266)	(3,564,717)	3,001,834	540,392

The accompanying notes form part of these financial statements

Note 22: Financial Risk Management (continued)

c. Market risk

Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The company is also exposed to earnings volatility on floating rate of instruments.

Sensitivity Analysis

The following table illustrates sensitivities to the company's exposures to changes in interest rates. The table indicates the impact on how profit and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

	Profit $
Year ended 30 June 2010	
+/- 1% in interest rates	54,305
Year ended 30 June 2009	
+/- 1% in interest rates	36,212

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

The accompanying notes form part of these financial statements

Net Fair Values

Fair value estimation

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

Fair values derived may be based on information that is estimated or subject to judgement, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgement and the assumptions have been detailed below.

		2010		2009	
	Footnote	Net Carrying Value $	Net Fair Value $	Net Carrying Value $	Net Fair Value $
Financial assets					
Cash and cash equivalents	(i)	762,579	762,579	1,066,448	1,066,448
Financial assets	(i)	5,430,488	5,430,488	3,627,156	3,627,156
Trade and other receivables	(i)	525,790	525,790	509,782	509,782
Total financial assets		6,718,857	6,718,857	5,203,386	5,203,386
Financial Liabilities					
Trade and other payables	(i)	1,455,072	1,455,072	1,156,933	1,156,933
Total financial liabilities		1,455,072	1,455,072	1,156,933	1,156,933

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

(i) Cash and cash equivalents, financial assets, trade and other receivables and trade and other payables are short-term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables exclude amounts provided for annual leave, goods and services tax and wage accrual, as they are not considered financial instruments.

The accompanying notes form part of these financial statements

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 reviews 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: Company Details

The principal place of business of the Council is:

Australian Medical Council Limited
Level 3/11 Lancaster Place

MAJURA ACT 2609

Note 25: Members Guarantee

The entity is incorporated under the *Corporations Act 2001* and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of $10 each towards meeting any outstandings and obligations of the entity. At 30 June 2010 the number of members was 21.

Directors' declaration

AUSTRALIAN MEDICAL COUNCIL LIMITED

DIRECTORS' DECLARATION

The directors of the Australian Medical Council Limited declare that:

1. The financial statements and notes, as set out on pages 7 to 28, are in accordance with the *Corporations Act 2001*:

    a. comply with Australian Accounting Standards; and

    b. give a true and fair view of the financial position as at 30 June 2010 and of the performance of the Australian Medical Council Limited for the year ended on that date.

2. In the directors' opinion there are reasonable grounds to believe that Australian Medical Council Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors

Director

25 October 2010

29

Compilation report

WALTERTURNBULL
your extra asset
CANBERRA

WalterTurnbull Building
44 Sydney Avenue
Barton ACT 2600
GPOBox 1955
Canberra ACT 2601
Tel 02 6247 6200
Fax 02 6257 6655
www.walturn.com.au
walterturbull@walturn.com.au
A division of
WalterTurnbull Pty Ltd
ABN 90 513 256 181

BUSINESS ADVISORY SERVICES
ASSURANCE SERVICES
MANAGEMENT CONSULTING
FINANCIAL PLANNING
INSOLVENCY SERVICES
ACCOUNTING SOLUTIONS

COMPILATION REPORT

To the Directors of the Australian Medical Council Limited

We have compiled the accompanying special purpose financial statements of the Australia Medical Council Limited, which comprise the Income and Expenditure Statement and are set out on pages 31 to 35. The specific purpose for which the special purpose financial statements have been prepared is to provide information relating to the performance of the entity that satisfies the information needs of the directors.

The Responsibility of the Directors

The Directors are solely responsible for the information contained in the special purpose financial statements and have determined that the basis of accounting used is appropriate to meet their needs and for the purpose that the financial statements were prepared.

Our Responsibility

On the basis of information provided by the directors we have compiled the accompanying special purpose financial statements in accordance with the basis of accounting adopted and APES 315: Compilation of Financial Information.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the directors provided, in compiling the financial statements. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

The special purpose financial statements were compiled exclusively for the benefit of the directors. We do not accept responsibility to any other person for the contents of the special purpose financial statements.

Shane Bellchambers, CA
Registered Company Auditor
WalterTurnbull
Canberra ACT
Dated: 28 October 2010

30

Supplementary information: income and expenditure statement for core activities

	2010 $	2009 $
INCOME		
Commonwealth Grant	507,574	1,320,788
Medical Board Grants	577,024	577,024
Other Commonwealth Project Grant	608,613	-
Accreditation of Medical Schools Fees	275,998	278,450
Examination Fees & Charges	12,432,374	12,597,760
IMG Assessment	951,101	1,272,300
Interest Income	256,395	353,885
Book Sales	720,600	483,336
Miscellaneous Income	6,980	17,268
Management/Administration Fees	494,272	370,444
TOTAL OPERATIONAL INCOME	16,830,931	17,271,255
LESS: EXPENDITURE		
ACCREDITATION OF MEDICAL SCHOOLS		
Accommodation & Fares	306,469	331,615
Fees to Members	117,620	138,958
Meeting Expenses	57,971	28,849
Consultancy Fees	67,200	0
Taxis/Incidentals/Other	33,520	18,663
Teleconferences	2,269	2,472
	585,049	520,557
INTERNATIONAL RELATIONS		
Accommodation & Fares	8,965	-
Fees to Members	8,022	-
Meeting Expenses	1,514	-
Taxis/Incidentals/Other	1,423	-
Teleconferences	88	-
	20,012	-

Table continues

Supplementary information: income and expenditure statement for core activities (continued)

	2010 $	2009 $
CLINICAL EXAMINATIONS		
Accommodation & Fares	955,224	769,991
Examination Running Expenses	381,120	355,287
Fees Paid to Members	685,483	555,575
Taxis & Incidentals	124,730	111,753
TOTAL CLINICAL EXAMINATIONS COSTS	2,146,557	1,792,606
Accommodation & Fares	807,083	808,476
Examination Running Expenses	1,603,991	1,682,863
Fees Paid to Members	315,570	527,252
Taxis & Incidentals	75,115	78,945
Teleconferences	3,168	4,243
TOTAL MCQ EXAMINATIONS	2,804,927	3,101,779
TOTAL EXAMINATIONS COSTS	4,951,484	4,894,385
CREDENTIALING		
Fees to ECFMG	329,147	629,158
	329,147	629,158
UNIFORMITY		
Accommodation & Fares	153,890	122,356
Fees Paid to Members	5,276	3,128
Meeting Expenses	7,798	9,187
Taxis & Incidentals	13,090	5,235
	180,054	139,906
SPECIALIST ASSESSMENT		
Accommodation & Fares	41,706	67,538
Fees Paid to Members	7,097	7,001
Meeting Expenses	4,956	7,674
Taxis & Incidentals	2,940	6,387
	56,699	88,600
CODE OF PROFESSIONAL CONDUCT		
Accommodation & Fares	-	116,381
Fees Paid to Members	-	32,638
Meeting Expenses	-	133,623
Taxis & Incidentals	-	12,579

	2010 $	2009 $
	-	295,221
PUBLISHING		
Printing & Distribution Costs	73,654	56,955
Royalties	10,057	22,349
Taxis & Incidentals	-	45
	83,711	79,349
COAG IMG ASSESSMENT PROJECT		
Accommodation & Fares	124,473	258,077
Fees Paid to Members	95,442	87,806
Meeting Expenses	10,048	35,891
Taxis & Incidentals	18,500	32,375
Teleconferences	3,221	2,940
	251,684	417,089
COUNCIL COMMITTEES & DIRECTORS		
Accommodation & Fares	284,867	416,868
Fees Paid to Members	47,649	49,731
Consultancy Fees	7,902	0
Meeting Expenses	58,608	47,329
Taxis & Incidentals	30,441	40,881
Teleconferences	5,692	1,783
	435,159	556,592
WORKPLACE BASED ASSESSMENT		
Accommodation & Fares	45,672	-
Fees Paid to Members	14,766	-
Consultancy Fees	29,751	-
Meeting Expenses	32,936	-
Taxis & Incidentals	3,851	-
Teleconferences	304	-
	127,280	-

Table continues

Supplementary information: income and expenditure statement for core activities (continued)

	2010 $	2009 $
SILVER JUBILEE PUBLICATION		
Accommodation & Fares	39,457	-
Fees Paid to Members	32,186	-
Meeting Expenses	26,669	-
Taxis & Incidentals	6,032	-
Teleconferences	17	-
	104,361	-
MANAGEMENT		
Audit Fee	12,000	11,500
Bank Fees	287,077	277,300
Finance Charges	14,836	27,214
Consultant -Other	-	1,273
	313,913	317,287
COMPUTER EXPENDITURE		
Computer Consultant	54,383	224,700
Computer Software & Consumables	168,728	150,482
Computer Maintenance & Repairs	19,309	18,459
	242,420	393,641
OTHER MANAGEMENT EXPENDITURE		
Depreciation	823,552	444,853
Electricity	1,175	22,413
Advertising	75,161	88,068
Equipment Maintenance	22,133	130,983
Freight Costs	15,836	46,828
Insurances	61,271	38,409
Legal Fees General	104,392	127,352
Interest & Finance Charges	26,223	22,376
Maintenance General	7,225	4,891
Miscellaneous Expenses	30,601	27,544

	2010 $	2009 $
Cleaning	34,516	-
Postage & Stationery	283,472	260,423
Printing Costs	98,194	72,978
Records Management	50,107	28,356
Rent	845,107	702,858
Relocation Costs	1,691	53,311
Salary Costs	5,813,670	5,188,062
Other Staff Costs	461,815	638,732
Security	4,762	1,354
Subscriptions	18,357	17,146
Superannuation Other	58,145	43,364
Telephone	114,231	92,745
Other Adjustments	4,871	34,110
Disposal of Equipment	-	37,907
TOTAL MANAGEMENT EXPENDITURE	8,956,507	8,125,063
TOTAL EXPENDITURE	16,637,480	16,461,805
NET OPERATING SURPLUS	194,451	814,450

Supplementary information: income and expenditure statement for accreditation of medical specialties

	2010 $	2009 $
INCOME		
Specialist Education Accreditation Grant	576,291	519,166
Recognition of Medical Specialties Grant	440,680	337,134
Specialist Education Accreditation Fees	201,267	243,131
Recognition of Medical Specialties Fees	23,798	18,181
TOTAL INCOME	1,242,036	1,117,612
LESS: EXPENDITURE		
RECOGNITION OF MEDICAL SPECIALTIES		
Accommodation & Fares	14,311	30,453
Fees to Members	22,114	7,754
Taxis & Incidentals	2,034	3,321
Meeting Expenses	7,022	3,428
Teleconferences	1,097	1,126
Management/Administration Costs	173,057	138,381
Wages & Oncosts	173,440	170,883
	393,074	355,346
SPECIALIST EDUCATION ACCREDITATION		
Accommodation & Fares	167,270	168,572
Fees to Members	80,854	87,828
Meeting Expenses	13,504	18,966
Taxis & Incidentals	14,133	17,486
Teleconference	3,748	3,024
Development Processes –Consultancy	-	-
Management/Administration Costs	321,214	232,063
Wages & Oncosts	248,240	234,327
	848,962	762,266
TOTAL EXPENDITURE	1,242,036	1,117,612
NET OPERATING SURPLUS (DEFICIT)	0	0

Appendix A: Council members and directors

Members at December 2010

Professor Richard Smallwood AO (President)
Professor Robin Mortimer AO (Deputy President)
Professor Brendan Crotty
Professor Richard Doherty
Professor David Ellwood
Dr Rod McRae
Professor Con Michael AO
Associate Professor Jill Sewell AM
Professor Peter Smith
Professor Russell Stitz AM, RFD
Dr Kendra Sundquist
Professor Anne Tonkin
Ms Diane Walsh
Dr Glenda Wood

Directors at December 2010

Professor Richard Smallwood AO (President)
Professor Robin Mortimer AO (Deputy President)
Professor Brendan Crotty
Professor David Ellwood
Professor Richard Doherty
Mr Ian Frank
Professor Con Michael AO
Associate Professor Jill Sewell AM
Professor Russell Stitz AM RFD

Appendix B: Committee members

The following lists show committee membership as at December 2010.

Medical School Accreditation Committee

Professor David Ellwood (Chair)
Professor James Angus
Professor Justin Beilby
Professor Peter Crampton
Mrs Barbara Daniels
Professor Peter Ellis
Professor Brian Jolly
Dr Fiona Joske
Professor John Kolbe
Associate Professor Richard Murray
Professor Anne Tonkin

Specialist Education Accreditation Committee

Professor Jillian Sewell AM (Chair)
Professor David Ellwood
Dr Robert Broadbent
Dr Allen Fraser
Professor Gavin Frost
Mr Dave Hallinan
Mr Russell McGowan
Dr Roderick McRae
Dr Linda MacPherson
Dr Alex Markwell
Professor Iain Martin
Associate Professor Jenepher Martin
Professor Robin Mortimer
Dr Peter White
Professor Andrew Wilson

Recognition of Medical Specialties Advisory Committee

Professor Robin Mortimer AO (Chair)
Dr John Adams
Dr Richard Ashby AM
Professor Mark Bassett
Professor Ian Gough
Ms Janne Graham AM
Ms Tricia Greenway
Dr David Jeacocke
Dr Omar Khorshid
Dr Linda MacPherson
Professor Geoffrey Metz AM
Dr Trevor J Mudge
Associate Professor Jill Sewell AM
Dr Andrew Singer
Dr Edward Weaver
Professor Steven Wesselingh
Mr Craig Winfield

Finance, Risk Management and Audit Committee

Mr Geoff Knuckey (Chair)
Associate Professor Jillian Sewell AM
Professor Richard Smallwood AO
Professor Russell Stitz AM RFD

Board of Examiners

Professor Richard Doherty (Chair)
Professor John Barnard
Professor Annette Braunack-Mayer
Associate Professor Tony Buzzard
Associate Professor Peter Devitt
Dr David Gillies
Dr Ruben Glass
Dr Peter Harris
Professor Phillipa Hay
Professor Michael Kidd AM
Professor Barry McGrath
Dr Meredith Makeham
Professor Vernon Marshall
Professor Kichu Nair AM
Dr Diane Neill
Dr Michael Oldmeadow
Professor Neil Paget
Professor Dimity Pond
Dr Kendra Sundquist
Dr Ross Sweet AM
Dr Peter Vine
Associate Professor Bryan Yeo

Strategic Policy Advisory Committee

Professor Richard Smallwood AO (Chair)
Professor James Angus AO
Mr Peter Forster
Mr Ian Frank
Professor Janet Greeley
Professor Robin Mortimer AO
Dr Melissa Naidoo
Mr John Ramsay
Emeritus Professor Lloyd Sansom AO
Professor Leonie Segal

Joint Medical Boards Advisory Committee

Disbanded July 2010 following the establishment of the Medical Board of Australia

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

Registrars Sub-group

Disbanded July 2010 following the establishment of the National Registration and Accreditation Scheme

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

Appendix C: Country of training statistics

There is no direct relationship between the number of applications made in 2010 and the numbers issued with certificates or granted advanced standing, as such determinations may have been made in 2010 for applications made in either a previous year or in 2010.

Table C1. Competent authority applications and outcomes 2010

Country of training	Applications	Advanced standing	Certificates
Antigua and Barbuda	1	0	0
Armenia	2	2	0
Bangladesh	7	6	5
Belarus	1	0	0
Canada	31	23	2
Chile	1	0	1
China	2	2	0
Colombia	1	1	1
Czech Republic	2	2	0
Dominica	1	0	0
Dominican Republic	0	0	1
Egypt	10	10	0
Germany	2	1	1
Grenada	2	0	1
Guyana	0	1	1
Hungary	1	1	0
India	66	53	85
Iran	8	8	1
Iraq	8	7	5
Ireland	193	182	65
Israel	1	1	0
Jordan	3	2	0
Lebanon	0	0	1
Libya	1	1	0
Myanmar	5	6	4
Nepal	1	1	4

Country of training	Applications	Advanced standing	Certificates
Netherlands Antilles	1	1	0
New Zealand	1	0	0
Nigeria	11	6	4
Oman	1	1	0
Pakistan	36	28	23
Philippines	4	4	2
Poland	2	1	0
Romania	2	1	0
Russia	4	5	5
Saint Lucia	0	1	0
Saudi Arabia	1	0	0
Somalia	1	1	0
South Africa	7	8	3
Sri Lanka	16	14	6
Syria	1	1	0
Trinidad and Tobago	1	1	0
Turkey	0	0	1
Ukraine	5	4	3
United Kingdom	873	780	277
United States	31	27	5
Uzbekistan	1	1	0
Venezuela	1	1	1
Viet Nam	1	1	0
Yemen	1	1	0
Zambia	2	2	1
Zimbabwe	1	0	4
Total	1,355	1,200	513

Table C2. AMC MCQ Examination: pass rates by number of attempts, 2010

Country of training	Total sat (number of attempts)				Total sat	Pass (number of attempts)				Total passed
	Sat 1	Sat 2	Sat 3	Sat 4+		Sat 1	Sat 2	Sat 3	Sat 4+	
Afghanistan	4	4	2	3	13	0	1	1	1	3
Argentina	0	1	3	3	7	0	0	2	1	3
Armenia	3	1	0	0	4	2	1	0	0	3
Australia	2	0	0	0	2	1	0	0	0	1
Austria	4	2	0	0	6	1	0	0	0	1
Azerbaijan	0	0	0	2	2	0	0	0	1	1
Balearic Islands	1	0	0	0	1	1	0	0	0	1
Bangladesh	115	52	26	29	222	55	31	6	20	112
Belarus	3	1	1	0	5	2	0	0	0	2
Belgium	3	0	0	0	3	3	0	0	0	3
Bolivia	1	0	0	0	1	0	0	0	0	0
Bosnia-Herzegovina	2	0	0	1	3	2	0	0	1	3
Brazil	12	3	3	1	19	9	2	1	0	12
Bulgaria	4	3	1	5	13	3	2	0	2	7
Cambodia	2	1	0	0	3	0	1	0	0	1
Canada	2	0	0	0	2	1	0	0	0	1
Cayman Islands	1	0	0	0	1	1	0	0	0	1
China	77	47	14	15	153	36	19	5	5	65
Colombia	13	6	4	1	24	7	5	3	0	15
Croatia	1	0	0	0	1	1	0	0	0	1
Cuba	0	1	0	0	1	0	0	0	0	0
Czech Republic	1	2	1	0	4	1	2	0	0	3
Czechoslovakia	0	1	0	0	1	0	1	0	0	1
Denmark	2	0	0	0	2	2	0	0	0	2
Dominica	1	1	0	0	2	1	0	0	0	1
Ecuador	1	0	0	0	1	0	0	0	0	0
Egypt	81	22	4	11	118	41	12	2	4	59
El Salvador	1	1	0	0	2	0	1	0	0	1

Country of training	Total sat (number of attempts)				Total sat	Pass (number of attempts)				Total passed
	Sat 1	Sat 2	Sat 3	Sat 4+		Sat 1	Sat 2	Sat 3	Sat 4+	
Estonia	0	1	0	0	1	0	1	0	0	1
Ethiopia	1	1	0	0	2	0	1	0	0	1
Fiji	14	9	5	4	32	6	4	3	3	16
France	8	1	2	1	12	6	0	1	1	8
Germany	26	4	1	0	31	18	2	0	0	20
Ghana	2	0	0	0	2	2	0	0	0	2
Greece	3	0	1	3	7	3	0	0	0	3
Guatemala	1	0	0	0	1	0	0	0	0	0
Guinea	1	0	0	0	1	0	0	0	0	0
Hong Kong	2	0	0	0	2	2	0	0	0	2
Hungary	4	1	1	2	8	1	0	0	0	1
India	383	148	63	83	677	220	83	30	36	369
Indonesia	11	6	3	8	28	2	1	1	2	6
Iran	136	56	15	9	216	84	36	8	4	132
Iraq	61	15	6	3	85	39	10	5	0	54
Ireland	7	0	0	0	7	4	0	0	0	4
Israel	1	0	0	0	1	1	0	0	0	1
Italy	3	2	2	8	15	0	0	0	1	1
Japan	2	1	1	0	4	1	0	1	0	2
Jordan	23	3	1	0	27	17	2	0	0	19
Kazakhstan	2	0	1	3	6	1	0	0	1	2
Kenya	7	2	0	0	9	2	2	0	0	4
Kyrgyzstan	0	1	0	0	1	0	0	0	0	0
Latvia	3	3	1	2	9	1	1	1	1	4
Lebanon	1	0	0	0	1	0	0	0	0	0
Libya	12	3	0	0	15	7	3	0	0	10
Lithuania	2	1	1	0	4	2	0	1	0	3
Macedonia	1	0	0	0	1	0	0	0	0	0
Malaysia	44	10	6	3	63	31	7	3	1	42

Table continues

Country of training	Total sat (number of attempts) Sat 1	Sat 2	Sat 3	Sat 4+	Total sat	Pass (number of attempts) Sat 1	Sat 2	Sat 3	Sat 4+	Total passed
Malta	2	0	0	0	2	1	0	0	0	1
Mauritius	4	0	0	0	4	4	0	0	0	4
Mexico	5	1	0	0	6	1	0	0	0	1
Myanmar	143	26	10	5	184	92	13	4	2	111
Nepal	28	11	6	5	50	11	3	3	2	19
Netherlands	5	2	2	0	9	2	0	1	0	3
Nigeria	64	24	6	12	106	25	17	4	5	51
Oman	10	0	0	0	10	6	0	0	0	6
Pakistan	286	85	32	38	441	155	44	12	15	226
Palestinian Authority	2	0	0	0	2	1	0	0	0	1
Papua New Guinea	8	1	2	3	14	3	0	1	1	5
Paraguay	1	0	0	0	1	1	0	0	0	1
Peru	2	0	1	0	3	0	0	0	0	0
Philippines	111	66	44	71	292	39	17	17	22	95
Poland	8	1	3	1	13	4	0	1	1	6
Romania	12	7	4	7	30	6	4	2	3	15
Russia	73	30	17	13	133	27	12	7	5	51
Saint Kitts and Nevis	1	0	0	3	4	1	0	0	1	2
Samoa	2	0	0	0	2	2	0	0	0	2
Saudi Arabia	9	5	2	1	17	6	2	0	1	9
Serbia	2	1	0	2	5	2	1	0	0	3
Seychelles	1	2	0	0	3	0	1	0	0	1
Singapore	4	1	0	0	5	3	1	0	0	4
Slovak Republic	1	0	0	1	2	0	0	0	0	0
South Africa	44	8	5	3	60	34	3	3	2	42
South Korea	7	3	2	3	15	5	0	0	1	6
Spain	2	0	0	0	2	0	0	0	0	0
Sri Lanka	249	49	11	7	316	197	31	5	4	237
Sudan	18	4	5	2	29	9	0	1	0	10

Country of training	Total sat (number of attempts)				Total sat	Pass (number of attempts)				Total passed
	Sat 1	Sat 2	Sat 3	Sat 4+		Sat 1	Sat 2	Sat 3	Sat 4+	
Switzerland	4	2	1	0	7	4	1	1	0	6
Syria	5	1	3	2	11	5	0	1	1	7
Taiwan	2	1	0	3	6	1	0	0	0	1
Tajikistan	0	1	0	0	1	0	0	0	0	0
Tanzania	5	3	1	0	9	1	1	0	0	2
Thailand	3	1	0	3	7	3	1	0	0	4
Trinidad and Tobago	1	1	1	0	3	1	0	1	0	2
Turkey	4	1	0	0	5	2	0	0	0	2
Uganda	3	1	0	0	4	2	1	0	0	3
Ukraine	22	19	7	13	61	9	6	2	5	22
United Arab Emirates	4	5	1	0	10	1	3	1	0	5
Uruguay	0	1	0	0	1	0	1	0	0	1
USSR	1	1	0	3	5	1	1	0	0	2
Venezuela	2	1	0	0	3	1	0	0	0	1
Viet Nam	6	3	1	4	14	3	1	0	0	4
Yemen	2	0	0	0	2	1	0	0	0	1
Zimbabwe	10	2	0	2	14	10	2	0	2	14
Total	2,276	788	336	407	3,807	1,302	398	141	158	1,999

Table C3. AMC Clinical Examination 2010, passes by country of training and number of attempts

Country of training	Sat 1	Sat 2	Sat 3	Sat 4+	Total	Pass 1	Pass 2	Pass 3	Pass 4+	Total
Afghanistan	5	2	0	0	7	1	1	0	0	2
Algeria	0	0	1	0	1	0	0	1	0	1
Argentina	2	0	1	0	3	1	0	0	0	1
Austria	6	0	0	0	6	5	0	0	0	5
Bahrain	1	0	0	0	1	0	0	0	0	0
Bangladesh	46	24	19	3	92	23	10	11	0	44
Belarus	1	1	0	0	2	1	1	0	0	2
Belgium	2	0	0	0	2	2	0	0	0	2
Bosnia-Herzegovina	1	1	0	0	2	1	0	0	0	1
Brazil	8	4	0	0	12	5	3	0	0	8
Bulgaria	4	1	0	0	5	3	1	0	0	4
China	65	12	4	1	82	46	5	2	1	54
Colombia	6	2	0	0	8	4	2	0	0	6
Croatia	0	0	1	0	1	0	0	0	0	0
Denmark	1	0	0	0	1	1	0	0	0	1
Dominican Republic	2	0	0	0	2	0	0	0	0	0
Egypt	27	4	3	0	34	23	4	2	0	29
El Salvador	1	0	1	0	2	0	0	1	0	1
Ethiopia	2	0	0	0	2	1	0	0	0	1
Fiji	14	5	0	0	19	7	2	0	0	9
Germany	18	6	1	0	25	15	2	1	0	18
Greece	1	0	0	0	1	1	0	0	0	1
Guatemala	0	0	1	0	1	0	0	0	0	0
Guyana	1	0	0	0	1	1	0	0	0	1
Hungary	2	4	0	0	6	0	1	0	0	1
India	273	70	13	2	358	178	42	7	2	229
Indonesia	5	1	2	0	8	1	0	0	0	1
Iran	70	32	6	0	108	41	16	5	0	62
Iraq	31	4	5	0	40	15	2	3	0	20
Ireland	4	0	0	0	4	3	0	0	0	3

Country of training	Sat 1	Sat 2	Sat 3	Sat 4+	Total	Pass 1	Pass 2	Pass 3	Pass 4+	Total
Israel	1	0	0	0	1	1	0	0	0	1
Italy	0	0	1	0	1	0	0	1	0	1
Japan	2	0	0	0	2	1	0	0	0	1
Jordan	4	1	0	0	5	2	0	0	0	2
Kazakhstan	1	0	0	0	1	1	0	0	0	1
Kenya	3	1	0	0	4	1	1	0	0	2
Latvia	7	1	0	0	8	3	1	0	0	4
Lebanon	1	0	0	0	1	0	0	0	0	0
Lithuania	1	0	0	0	1	0	0	0	0	0
Macedonia	2	1	0	0	3	0	0	0	0	0
Malaysia	7	1	0	0	8	6	1	0	0	7
Malta	2	0	0	0	2	2	0	0	0	2
Mauritius	1	0	0	0	1	0	0	0	0	0
Myanmar	55	8	8	1	72	41	5	6	1	53
Nepal	13	3	1	0	17	5	2	1	0	8
Netherlands	8	0	0	0	8	7	0	0	0	7
Niger	1	0	0	0	1	1	0	0	0	1
Nigeria	17	3	0	0	20	10	0	0	0	10
Oman	1	0	0	0	1	0	0	0	0	0
Pakistan	98	39	9	2	148	57	20	6	1	84
Papua New Guinea	4	1	0	0	5	0	0	0	0	0
Peru	4	1	0	0	5	0	0	0	0	0
Philippines	60	28	8	1	97	27	13	3	0	43
Poland	3	0	1	0	4	3	0	1	0	4
Romania	3	2	0	0	5	2	1	0	0	3
Russia	21	10	2	0	33	13	7	1	0	21
Saint Kitts and Nevis	1	0	1	0	2	1	0	1	0	2
Saint Lucia	1	0	0	0	1	1	0	0	0	1
Saudi Arabia	1	0	0	0	1	0	0	0	0	0
Serbia	4	1	1	0	6	3	0	0	0	3
Singapore	1	0	0	0	1	1	0	0	0	1

Table continues

Country of training	Sat 1	Sat 2	Sat 3	Sat 4+	Total	Pass 1	Pass 2	Pass 3	Pass 4+	Total
Slovak Republic	1	0	0	0	1	1	0	0	0	1
South Africa	65	5	0	0	70	57	3	0	0	60
South Korea	2	2	0	0	4	1	1	0	0	2
Sri Lanka	118	27	2	0	147	88	18	2	0	108
Sudan	3	0	4	0	7	1	0	3	0	4
Syria	4	1	0	0	5	3	0	0	0	3
Taiwan	3	0	0	0	3	1	0	0	0	1
Thailand	2	0	0	0	2	1	0	0	0	1
Trinidad and Tobago	10	0	0	0	10	9	0	0	0	9
Turkey	5	0	0	0	5	3	0	0	0	3
Uganda	0	1	0	0	1	0	1	0	0	1
Ukraine	11	2	2	0	15	4	1	2	0	7
United Arab Emirates	1	1	0	0	2	1	1	0	0	2
United States	1	0	0	0	1	1	0	0	0	1
USSR	3	1	0	0	4	0	0	0	0	0
Uzbekistan	0	1	0	0	1	0	0	0	0	0
Venezuela	0	1	0	0	1	0	0	0	0	0
Viet Nam	5	0	0	0	5	1	0	0	0	1
Zimbabwe	10	1	0	0	11	7	1	0	0	8
Total	1,171	317	98	1010	1,596	747	169	60	5	981

Appendix D: Specialist assessment applications

Table D1. Specialist assessments by medical specialty, 2010

Medical specialty	Initial processing	College processing	Substantially comparable	Partially comparable	Not comparable	Withdrawn	Total
Adult Medicine	93	3	88	21	9	8	222
Anaesthesia	32	12	38	48	9	9	148
Dermatology	8	1	3	2	3	0	17
Emergency Medicine	13	5	13	10	0	3	44
General Practice	130	2	71	11	0	9	223
Intensive Care	7	2	2	7	1	4	23
Medical Administration	0	0	0	1	0	0	1
Obstetrics and Gynaecology	53	0	46	9	13	2	123
Occupational and Environmental Medicine	1	0	0	0	0	0	1
Ophthalmology	19	2	5	11	2	1	40
Oral and Maxillofacial Surgery	0	2	0	1	0	1	4
Paediatrics and Child Health	44	2	34	15	10	4	109
Pain Medicine	1	0	0	0	0	0	1
Palliative Medicine	0	0	1	1	0	0	2
Pathology	35	0	19	24	0	4	82
Psychiatry	41	3	47	40	1	2	134
Public Health Medicine	6	0	0	0	0	0	6
Radiology	22	4	40	43	0	4	113
Rehabilitation Medicine	4	0	1	1	1	1	8
Sexual Health Medicine	1	0	0	0	0	0	1
Surgery	62	21	61	43	25	50	262
Total	572	59	469	288	74	102	1,564

Source: Australian Medical Council administrative data, 2011