



# ANNUAL REPORT 2018-2019

Australian College of  
Rural & Remote Medicine  
WORLD LEADERS IN RURAL PRACTICE





Danielle Dries (Registrar)

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*ACRRM acknowledges Australian Aboriginal People and Torres Strait Islander People as the first inhabitants of the nation. We respect the traditional owners of lands across Australia in which our members and staff work and live, and pay respect to their elders past present and future.*

# PRESIDENT'S REPORT

It's been a turbulent 12 months for rural Australia. We have shared with our communities in the trauma of droughts, floods and fires and these events have been coupled with our own struggles to maintain local health personnel and resources, particularly hospital services and birthing units.

The year has found so many of us working in a health system held together by people stretched to the limit and unsupported, reliant on bureaucratic structures needing wholesale reform both at the state and federal levels.

There is much that can be done, but first we must acknowledge that rural people deserve the best of care, they deserve the best clinicians, and this means supporting clinicians trained as FACRRM (Rural Generalists) and sustained by robust rural health services in which their model of practice can thrive.

To this end, ACRRM has been at the centre of operations for a range of exciting new developments which have the potential to deliver transformative change and there is much cause for optimism.

The implementation of the National Rural Generalist Taskforce recommendations has commenced in earnest with the formation of the Rural Generalist Recognition Taskforce comprising of ACRRM, the RACGP and the National Rural Health Commissioner, which will oversee the process of applying to the Medical Board of Australia for recognition of Rural Generalist Medicine as a protected title.

Alongside this, ACRRM is well down the track of transitioning to College-led training. This will mean that there will be a single, integrated ACRRM Fellowship program to qualification as a Rural Generalist practitioner which will be entirely fit-for-purpose.

The fully-integrated program will be based on the principles of rural generalism which underpin the FACRRM qualification of quality, adaptive, expansive, community-responsive care. Its delivery approach will be two-pronged – seeking to provide a continuous line of support to both the registrar and their local practice/supervisors as both teachers and learners, on their journey toward attaining and maintaining FACRRM standards.

The Commonwealth Government has commenced development on its National Medical Workforce Strategy and through our representatives on the National Medical Workforce Advisory Group the College is seeking to see the rural paradigm integrated into systems planning.

It's meaningless to discuss workforce development without also addressing our health system's capability to support viable rural models of practice. To this end, over the past year we have participated as members for the Commonwealth Health Ministers' Primary Care Advisory Group and



**DR EWEN McPHEE**

**PRESIDENT**

are now looking forward to taking a leading role in the Minister's planned Primary Health Reform Group.

The rural paradigm can bring much to these discussions. Necessity is the mother of invention and innovation comes naturally to rural and remote doctors who have a responsibility to find creative solutions to getting their communities the care they need.

While these external developments are important, there is also much underway within our College to support our members and their practice. The College has embarked on its broad scoping 'Respectful Workplaces' initiative. This seeks to

ensure all our members including medical students, junior doctors, trainees, supervisors or Fellows, are training and working in settings in which they can thrive, that are safe, respectful, supportive and promote a culture of belonging. We are all too aware of the stresses our members face and are taking the opportunity, particularly with the move to College-led training, to look at how the College can contribute to your well-being.

One of the most pleasing developments this year has been to see our second year of record training enrolments. We are thrilled to see the next generation of doctors showing such confidence not just in the Rural Generalist profession but also in what it represents in terms of seeking to serve people living in rural and remote locations.

To all our new and aspiring trainees, I would like to say that we share your view of rural generalism as part of the solution for our rural, remote and Aboriginal and Torres Strait Islander communities. I would like to congratulate you on taking the road less travelled and it is our privilege to continue to do all we can to support you and all your fellow RGs throughout the journey.

**There is much that can be done, but first we must acknowledge that rural people deserve the best of care, they deserve the best clinicians, and this means supporting clinicians trained as ACRRM (Rural Generalists) and sustained by robust rural health services in which their model of practice can thrive.**

# CEO'S REPORT

The year has seen our College steam ahead toward establishing a single, integrated training program for ACRRM Fellowship.

This has always been ACRRM's vision and with the AGPT and RVTS transition, and governmental approval and funding in place for the key National Rural Generalist Taskforce recommendations, we are enabled to implement it. It is now over to our operational teams to put the systems and staff in place to achieve our vision.

## INDEPENDENT PATHWAY EXPANSION

This year has seen a more than doubling of our Independent Pathway enrolments and a transformation of the program to a much more structured training experience.

The College has undertaken a major expansion to all aspects of the teaching and support elements of the training program available to our registrars enrolled through the Independent Pathway. Registrars are now provided with a full multi-modal, structured teaching program delivered through facilitated online forums, in person workshops and online modules. This is reinforced with enhanced assessment support and remediation programs. The next planned stage is an expansion to supervisor training and support.

This program expansion coincided with the

introduction of the Non-VR Fellowship Support Program which enabled us to pass on up to \$15,000 of government funding toward registrars' training costs.

## AGPT AND RVTS TRANSITION

The full transfer of management of these programs for ACRRM registrars to our College will occur from the beginning of 2022. Until that time, various aspects are being transferred in a staged process such as the selection which is already College-managed, eligibility checks and aspects of data management.

For ACRRM, College-led training is mostly a shift in scope and scale rather than a change in function as we have delivered our own accredited Independent Pathway external to government-funded programs for over a decade. The expanded program and support structures currently being developed for the Independent Pathway program will provide the core of the single, integrated national program.



**MARITA COWIE**

**CHIEF EXECUTIVE OFFICER**

## RURAL GENERALIST RECOGNITION TASKFORCE

A key action for implementation of the National Rural Generalist Taskforce recommendations is to undertake the formal process of seeking attainment of national recognition of Rural Generalist medicine as a specialised field. The Rural Generalist Taskforce has been formed to manage this process. This application and accreditation process involves extensive consultation and documentation and is expected to take two years to complete. The Commonwealth Government has committed to financially support the process.

Over the past year, considerable energy and enthusiasm has been shown across all jurisdictions to strengthening and/or developing their respective Rural Generalist training both at the vocational and junior doctor levels. We continue to be part of these developments and are actively looking for every opportunity to link these effectively with our Fellowship training.

There's certainly never a dull moment - but the College continues to view it as our great privilege to be making good on the vision of our members both old and new, in the knowledge that this vision is borne out of a deep and enduring drive to make things better.

**Registrars are now provided with a full multi-modal, structured teaching program delivered through facilitated online forums, in person workshops and online modules. This is reinforced with enhanced assessment support and remediation programs.**

# CENSOR-IN-CHIEF'S REPORT

## WOULD YOU BE STARTING FROM HERE?

Like the Irish farmer when asked for directions to a certain town, replied: "Well, if I was wanting to be getting there, I wouldn't be starting from here".

University departments of rural health, Rural Clinical Schools, John Flynn scholarships, Bonded Student programs, regionalisation of GP training, International Medical Graduate provider number programs, junior doctor programs ... and emerging from this to support the concept of 'end-to-end' rural medical education, is the Rural Health Commissioner and the National Rural Generalist Pathway.

The stark reality is that this has been ACRRM's mantra for two decades. The ACRRM Training Program IS the Australian Rural Generalist Pathway.

In the past 20 years, ACRRM has been at the forefront of the major changes to medical education and GP training in Australia, as the lead organisation in advocacy for equity of access to medical services for rural Australians.

The ACRRM Rural Generalist Pathway will bring to the profession the component that has been

missing from all the other national programs -- **status** and **recognition** of Rural Generalist Medicine and the Rural Generalist.

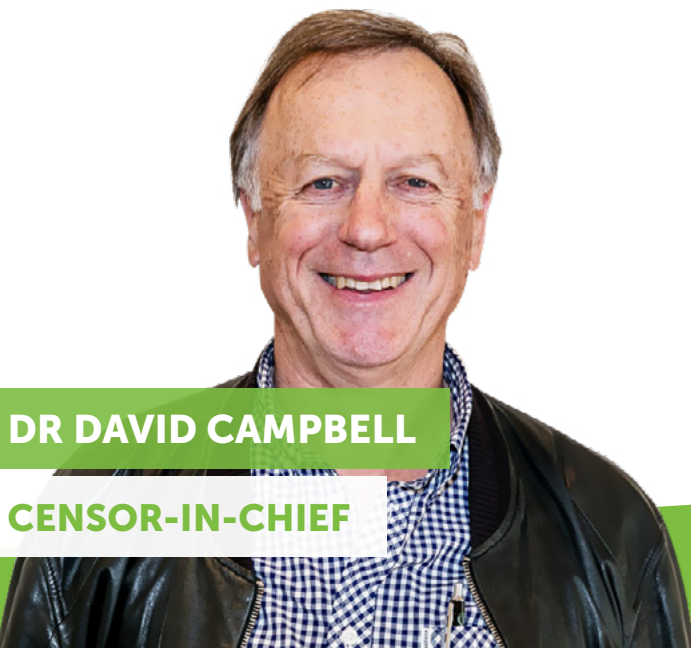
Students and junior doctors can rightly feel excited about embarking on a training program that will confer an ACRRM Rural Generalist Fellowship that recognises and affirms the scope of practice of Rural Generalist Medicine, working across the contexts of primary care, emergency care, hospital-based medicine and advanced specialised care.

Funding in the 2019 Federal Budget has provided for the process of application to the Medical Board of Australia to achieve this recognition.

The Queensland Rural Generalist Program is a state government-funded initiative in acknowledgment of the need to staff Queensland's rural hospitals with appropriately-trained rural generalists working across primary and secondary care.

Other states have commenced funding for programs addressing the first years of postgraduate training outside the metropolitan public hospital vortex, enabling graduates to undertake the majority of their training in rural placements as they progress to a rural fellowship.

Jack Best, one of the architects of the rural clinical school and University Department of Rural Health programs, said in 2005 that our aim should be that "there will be a group of young medical graduates, procedurally competent and with flexibility to undertake any postgraduate training course. The proviso is that they will be doing it from a rural base for these years." Unless this happens, "the power will still remain with the major metropolitan



DR DAVID CAMPBELL

CENSOR-IN-CHIEF



teaching hospitals, whose major concern is to staff their own, where the demands of an increasingly differentiated medical profession means that each sub-specialist to the power x wants a resident or a factotum to do all that tedious clerking work”(1).

The concept of ‘end-to-end’ rural training brings together the disparate programs introduced in the past two decades - selection of rural kids into medical school, exposure to rural communities and rural practice for as many medical students as possible for as long as possible (more than a year according to recent evidence (2)), rural intern/pre-vocational placements and rurally-based generalist training. Any pathway, however, needs the flexibility of multiple entry points, and it is still true that most current rural doctors do not have a background of a rural upbringing. Also, in some Australian states, accreditation of appropriate Advanced Specialised Training posts will require metropolitan placements, but standards of accreditation enable us to ensure that appropriate training for rural practice is delivered in these placements.

The transition to college-led training will ensure that trainees are more likely to feel a sense of collegiality than occurs with government-managed programs, just as ACRRM trainees under the Independent Pathway have expressed being ‘part of the tribe’ of Rural Generalists.

ACRRM has continued to adapt our curriculum, training program and assessment to the changing environment of clinical care, the needs of rural and Aboriginal and Torres Strait Islander communities, and the population demographics of rural Australia. The impact of the world’s climate emergency, changes in farming practices

and declining employment opportunities has seen the shrinkage of some rural towns, while others flourish. Regardless, ageing communities with the burden of chronic illness require expert generalist medical care close to home, including palliative and hospital-based services. ACRRM Rural Generalists are needed now more than ever.


As a College, ACRRM arose from a workforce need. The intersection of training and workforce has dictated ACRRM’s policies and processes in recognition of the needs of rural communities.

The long-awaited recognition of the ACRRM Rural Generalist as an essential part of medical workforce reform in Australia, with the deserved status that this carries, will attract a new cohort of appropriately-skilled doctors to undertake stimulating and professionally-satisfying rural careers.

I’m sure we’d get a nod of approval from the Irish farmer.

(1) Best J, Proceedings of “Breaking Down the Silos” Conference, Traralgon, Victoria. Nov 2005.

(2) Campbell DG, McGrail MR, O’Sullivan B, Russell DJ. Outcomes of a 1-year longitudinal integrated medical clerkship in small rural Victorian communities. *Rural and Remote Health* 2019; 19: 4987. <https://doi.org/10.22605/RRH4987>



# EDUCATION & TRAINING



# EDUCATION & TRAINING REPORT

This year saw the signing of a formal agreement with the Department of Health governing the framework and timelines for the transfer of responsibility for the delivery and administration of the Australian General Practice Training (AGPT) program. This represents a significant milestone in the transition to College-led training, which is enabling ACRRM to fully operationalise our vision to deliver a structured, supported national training program for our registrars.

## SELECTION & TRAINING

ACRRM now has full responsibility for administering the selection process for ACRRM applicants to the AGPT Program. Registrar enrolments are continuing to increase for both the AGPT Program and ACRRM's Independent Pathway, while enrolments for the Remote Vocational Training Scheme (RVTS) remain steady.

## INDEPENDENT PATHWAY EDUCATION PROGRAM

ACRRM has developed a new education program for Independent Pathway registrars. The new program currently consists of 10 curriculum topics delivered over a 12-month period but will be expanded to 20 topics delivered over 24 months plus two five-day face-to-face intensive workshops.

Each online topic consists of four weeks of education including self-directed learning, online case discussions, capstone webinar and a final assessment activity. The five-day face-to-face activity occurs in Brisbane and consists of intensive hands-on training, with opportunities for peer-group support and team building.

The new program began in 2019 and feedback from the first cohort of registrars has been positive.

## CURRICULUM REVIEW

2019 saw the commencement of a formal process of review and revision of the ACRRM Primary Curriculum. Review of the Curriculum at regular intervals ensures that the content, structure and requirements of the Curriculum continue to enable the delivery of internationally-recognised, high-standard training, preparing doctors to practise independently and safely in a wide range of rural and remote contexts. The review will continue over the next 12 months and will include extensive consultation ACRRM members and key stakeholders. Later stages of the review will expand to include the Advanced Specialised Training Curricula.

## LIFE HACKS

Life Hacks is a new optional program available to all Independent Pathway registrars with a focus on topics that are not currently delivered through workshops or the online education program. In many cases the content is part of the Primary Curriculum and covers topics registrars feel they need support in. This may include assessment guidance, how to select an AST, Medicare, etc.

Life Hacks sessions are delivered monthly as live virtual classrooms. They also provide registrars with a supported and confidential environment to discuss personal issues they may have in their workplace or with the College.

## ASSESSMENT SUPPORT

ACRRM has continued to develop and deliver structured support for registrars preparing for assessments. We have successfully conducted regular study groups for the Primary Curriculum and Emergency Medicine StAMPS exams, along with a two-day intensive workshop for registrars

with multiple unsuccessful exam attempts. These programs provide registrars with regular individual feedback and guidance on the standard of expectation of the exams.

### DRUG AND ALCOHOL ADDICTION EDUCATION PROGRAM

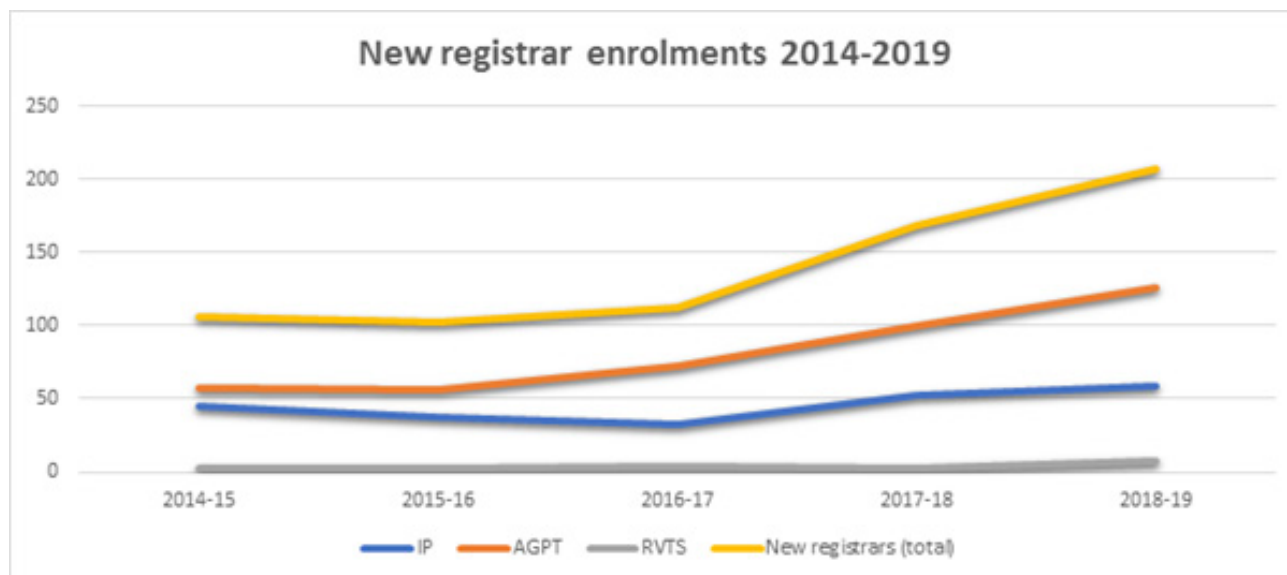
The College has been funded by the Department of Health to design and deliver a suite of incentivised training programs to strengthen the capacity of general practitioners to address drug and alcohol addiction in their community.

The multi-modal program will include face-to-face workshops and online learning courses supported by a series of webinars, an online

community of practice, and resources for general practitioners to use in their practice.

A clinical working group of College Fellows and other leading experts are developing the training to ensure it is tailored to meet the needs of general practitioners in different community settings and is focused on rural and remote areas of highest need.

ACRRM members will be eligible to receive incentive grants for the completion of training activities in accordance with their level of engagement, providing real incentives for increased participation in the program.



# ASSESSMENT REPORT

ACRRM continues to embrace a programmatic approach to assessment and is working on a number of key areas to increase its understanding of success factors, ensure continuous improvement and support our registrars. In conjunction with the Registrar Committee and other key stakeholder groups, there has been a focus on improving registrar readiness for Primary Curriculum Structured Assessment using Multiple Patient Scenarios (PC StAMPS). As a result of this process, the College, with the endorsement of the Registrar Committee, has instigated the implementation of several prerequisites for PC StAMPS which will take effect from January 2020.

In order to enrol in PC StAMPS, Registrars must have:

1. Passed the Multiple Choice Questions (MCQ) assessment.
2. Successfully completed the Mini Clinical Evaluation Exercise formative assessment and/or Multi-source Feedback.
3. Completed at least one formal StAMPS preparation activity either with ACRRM or their RTO.

## Other key developments in assessment include:

- Training and induction of new StAMPS examiners with a concentration on female involvement, adjusting the demographic mix to ensure an equal mix (where practicable)
- Review of StAMPS grading schema to determine best practice approach and transparency
- Training and induction of new Case Based Discussion (CBD) examiners to enhance team capacity
- MCQ Familiarisation Activity increased to 125 questions to mirror actual exam
- Instigation of review of MCQ software platform
- Training and induction of six new StAMPS writers
- Training and induction of new StAMPS lead examiner

Emergency Medicine continues to be the most popular area of AST with candidate numbers increasing on last year.

We would like to thank the following Fellows for their contribution to the management and implementation of the various ACRRM assessment modalities:

Drs Raymond Lewandowski, Peter Arvier, Angela Stratton, Johanna Mostofizadeh, Karin Jodlowski-Tan, John Tognio, Stephen Margolis, Chris Carroll, Ralph Chapman, and Katie Goot along with all scenario writers and contributors.

## ASSESSMENT STATISTICS 2018-19

Adult Internal Medicine StAMPS	7
Surgery StAMPS	5
Mental Health StAMPS	4
Paediatrics StAMPS	2
Emergency Medicine StAMPS	55
PC StAMPS	169
MSF	116
CBD	80
Projects	10
MCQ	136
Mini CEX	1
<b>TOTAL</b>	<b>585</b>





## How do you describe rural generalism?

I think that the Cairns Consensus Statement about rural generalism is a good comprehensive summary: the provision of a broad scope of medical care by a doctor in the rural context that encompasses the following:

- Comprehensive primary care for individuals, families and communities;
- Hospital in-patient and/or related secondary medical care in the institutional, home or ambulatory setting;
- Emergency care;
- Extended and evolving service in one or more areas of focused cognitive and/or procedural practice as required to sustain needed health services locally among a network of colleagues;
- A population health approach that is relevant to the community;
- Working as part of a multi-professional and multi-disciplinary team of colleagues, both local and distant, to provide services within a 'system of care' that is aligned and responsive to community needs.

Simply put though I think that a rural generalist someone who can provide care to a rural community and adapt to meet the demands of the community in primary care, emergency care, in-patient care and care that is traditionally seen as specialist care.

## What inspires you most about a career in rural generalism?

I like to feel like I am a part of a community, I also like variety and challenges. Most of all I like to be able to help people and meet needs. I have seen this

# DR RAYMOND "RT" LEWANDOWSKI

happen throughout my career in rural medicine. I have been able to live in and be a part of small communities and use my training and skills to meet needs allowing people to get what I feel is high quality care close to home.

## Do you think rural generalism is for all GPs?

Though it is probably not for everyone, I think that training as a rural generalist is something all GPs should consider.

While the goal of this training is to meet the needs of rural communities, there are other benefits.

- Having the training opens doors to opportunities that might not otherwise be available.
- Even if living in a rural community doesn't appeal to you, there are a number of doctors living in urban Australia working outside of what is traditionally thought of as GP roles including hospital and ED work, procedural work and specialist clinic work. Roles that their training as rural generalists prepared them for.
- Having the extra skills provides confidence and I feel allows you to better serve your patients in any environment.
- You never know when you may be called to a disaster or feel the desire to do work in more austere environments, even short term.
- The training and experience will give you both the skills and confidence to step up.
- I think that everyone ought to have the experience, at least, of working in a rural community; and, that many who had no idea before would find that practising medicine in a rural community is the most rewarding career choice they could make.



- Lastly, the whole idea of practising medicine is to meet people's needs. The broader your training and skill set, the more prepared you will be to do this.

### Where has your career taken you?

I have been a part of several communities each using different aspects of my training. My first practice was in Willow Springs Missouri where I worked as a family practitioner in a town of 3,000 in the middle of the national forest. We provided primary care to the community but also provided in-patient and ICU care, operative obstetric services and endoscopy in the larger town of West Plains. We served as the doctors for the school sports teams and I later served in management and on the board of directors for the larger hospital.

- My wife and I have worked in part time missions in Mexico where we attempted to simultaneously meet the physical and spiritual needs of the people in free primary care clinics.
- I have served as a short-term relief worker in Haiti helping to man a hospital after the earthquakes in Port Au Prince, operating in a mud floor theatre and reducing fractures without the aid of an X-ray.
- I have worked as superintendent of a hospital in Kingaroy where I also covered the emergency department, obstetrics and endoscopy and provided outreach clinics to the Indigenous community of Cherbourg.
- Currently I work as a senior medical officer in Innisfail where I perform endoscopy 2-3 days a week in addition to covering in-patient, emergency and obstetric services.
- I have also been involved in PESCI and StAMPS examining for ACRRM at the level of an examiner and as lead examiner and have served a supervisor to several ACRRM registrars as well as residents, interns and students.
- I have also been called on to provide presentations on a wide variety of topics from comparative health care systems to snake bites.

So, I have worked as a small town GP, an ICU doctor, a hospitalist, an emergency doctor,

an obstetrics doctor, an endoscopist, a team doctor, a missionary, a disaster relief worker, an administrator and a member of a board of directors and an educator.

### What is most important to you re the future of rural generalism?

**I FEEL IT IS CRITICAL THAT WE CONTINUE TO KEEP THE NEEDS OF RURAL COMMUNITIES FOREMOST IN OUR MINDS. WHILE RURAL GENERALISM IS A VERY REWARDING CAREER CHOICE, IT IS DEPENDENT ON SERVING THE COMMUNITY.**

**THE WHOLE IDEA IS NOT TO HAVE A COMMUNITY ADAPT TO WHAT IT CAN GET, BUT TO ADAPT TO GIVE A COMMUNITY WHAT IT NEEDS.**

### As a lead medical educator, what is the first piece of advice you have for people undertaking fellowship with ACRRM?

- Keep your focus on the endpoint and make the most out of every experience and exposure. You may be surprised at how a little trick you learn today could change someone's life 10 years down the road.
- You will likely get to use everything you learn, so learn everything you can.
- Be simultaneously open to new ideas and critical of them, learning how others approach problems but creating your own approach rather than just mimicking theirs.
- There is often more than one way to do things and ideally you would know them all rather than be rigid. You may find that the way you like to do something just isn't practical in some of the circumstances you find yourself in and having flexibility is vital.
- Get ready for a fulfilling adventure and know that you will be prepared to practice medicine to your fullest when you are done.

# ACRRM FLAGSHIP COURSES



**67** face-to-face courses this year



**20** locations of course delivery

The college is committed to delivering education and training across all stages of Fellowship, from students considering a career in rural generalism to our experienced doctors who continue to maintain and develop their knowledge and skills.

Recognising there are different formats to deliver training which suit specific needs and outcomes, the College works with experts to develop and teach face-to-face content.

Member feedback indicates this format not only provides hands-on experiences, but is an opportunity to network with peers and experts.

The College is also proud to engage members and stakeholders to deliver education, training and assessment.

This year, course delivery exceeded previous offerings with more than 67 face-to-face courses across 20 locations, giving members greater access and greater opportunities.

## RURAL EMERGENCY SKILLS TRAINING

The College presents the Rural Emergency Skills Training (REST) course which defines emergency skills that are foundational to safe, quality rural practice for registrars, International Medical Graduates (IMGs) and experienced doctors.

The two-day course was successfully delivered on 33 occasions this financial year including 10 courses direct to organisations. More than 600 doctors from all of Australia's states and territories undertook a REST course including for the first time on the Sunshine Coast and in Bathurst.

This year, REST has continued to be presented across Australia, providing members with the opportunity to attend the course closer to home, or travel if desired.

## RURAL EMERGENCY OBSTETRICS TRAINING

The one-day Rural Emergency Obstetrics Training (REOT) course is designed for non-obstetricians working in emergency departments or in primary health care settings and aims to provide a practical foundation for management of emergency labour and birth in these clinical settings.

A total of seven REOT courses were held in Hobart, Melbourne, Brisbane, Coogee and Perth attended by 108 medical professionals.

## ADVANCED LIFE SUPPORT

In 2018-19, the College's tailor-made Advanced Life Support (ALS) program continued to see strong connections being fostered among our membership.

The one-day course was successfully presented on 12 occasions to over 210 medical professionals in Brisbane, Melbourne, St Kilda, Adelaide, Sydney, Newcastle and Darwin.

## MENTAL HEALTH SKILLS TRAINING

Mental Health continues to be an area of national priority and critical importance for rural practitioners. This course was developed by the College for members working in primary health care settings with minimal mental health skills training. It is accredited by the General Practice Mental Health Standards Collaboration (GPMHSC) and includes a focus on developing skills in assessment, planning, and review. Completion allows access to Medicare items 2715 and 2717 for General Practitioners.

The College continues to encourage completion of this course to members and during the year over 95 Fellows, members and registrars attended either through face-to-face or virtual classroom options.

IN 2018-2019, THE COLLEGE DIRECTLY DELIVERED TRAINING IN TAILOR-MADE PRIORITY SKILLS COURSES FOR **1130 PARTICIPANTS**.



**60+**

College members delivering education, training and assessment

### RURAL ANAESTHETIC CRISIS MANAGEMENT

This one-day course was launched by the College in St Kilda at the Rural Doctors' Association of Victoria's conference in April 2019 to 24 participants. Designed and taught by Rural Generalists, the course provides participants with contemporary learning environments designed around guided scenario-based activities. The course was a major success and the College will roll it out over the 2019/2020 year in various locations across Australia.

### PRE-HOSPITAL AND RETRIEVAL MEDICINE

The College piloted a retrieval medicine course as a pre-conference workshop for Rural Medicine Australia in 2018 which was held in Darwin. A test group of six participants undertook the course; the response of the group was overwhelmingly positive encouraging the College to add it to 2018-19 course calendar.

The course provides rural doctors with hands-on simulation-based training in first response scenarios.

## COURSES BY ACRRM FOR THE FINANCIAL YEAR OF 2018 - 19

COURSE	TOTAL COURSES	TOTAL REGISTRATIONS
REST	33	603
REOT	7	108
ALS	12	214
Ultrasound	5	63
Mental Health	7	99
RACM	1	24
Procedural Upskilling GP Obstetrics	1	13
PHaRM	1	6
<b>TOTAL</b>	<b>67</b>	<b>1130</b>



# MEMBERSHIP

Dan Wilson (Fellow)

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# MEMBERSHIP SERVICES REPORT

The College's membership continues to grow, increasing an unprecedented 20 per cent for the triennium.

Our commitment to providing members with support and service, has seen an increase in satisfaction and through greater tailored engagement, we have seen improved member interaction and assisted to keep attrition rates low.

An example of such engagement was the overwhelming response to the ACRRM Mentoring program, which connected over 100 mentees with mentors, allowing them to share their passion for medicine and cultivate the next generation of Rural Generalists.

The College Mentoring program is open to all College members and provides an opportunity for our senior members to inspire and nurture their

junior colleagues toward becoming exemplary rural doctors. The Mentee has the opportunity to regularly discuss professional issues and career plans with an experienced member of the College.

The College also focused on understanding the membership base, particularly the diversity of members. Having this information enables us to target services and support specific to the members we represent. It also provides the information needed to ensure the College is well positioned to meet the needs of the community.

**"I THOUGHT 'IF YOU ARE GOING TO BE A BEAR, BE A GRIZZLY'. I KNEW I WAS GOING RURAL AND REMOTE, AND I WANTED TO BE ABLE TO PRACTISE MEDICINE MORE WIDELY, INCLUDING IN DEVELOPING COUNTRIES — SO I FIGURED 'WHY NOT DO THE MOST RELEVANT TRAINING?'**

**I GOT THE SENSE THAT ACRRM WAS A BIT MORE FOCUSED ON ACUTE AND CRITICAL CARE, AND THAT IT WOULD EQUIP ME WITH A BROADER SET OF SKILLS."**

*DR TARUN PATEL, AGPT FELLOW*

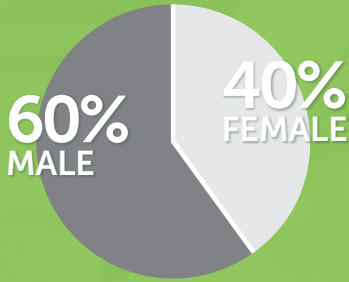
# ANNUAL STATISTICS

**↑ 20%**  
IN MEMBERSHIP

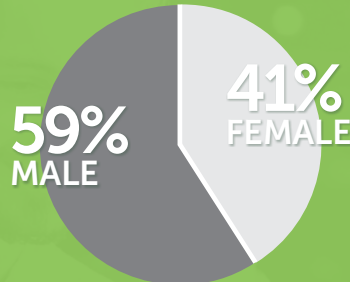
**↑ 100**  
MENTORING PROGRAM  
MEMBERSHIP

AVERAGE YEARS OF  
MEMBERSHIP IS  
**7 YEARS**

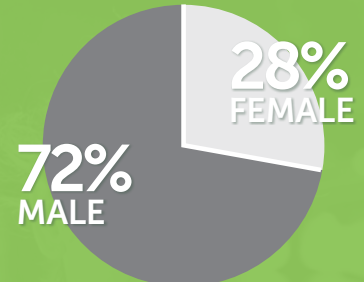
TOTAL MEMBERS



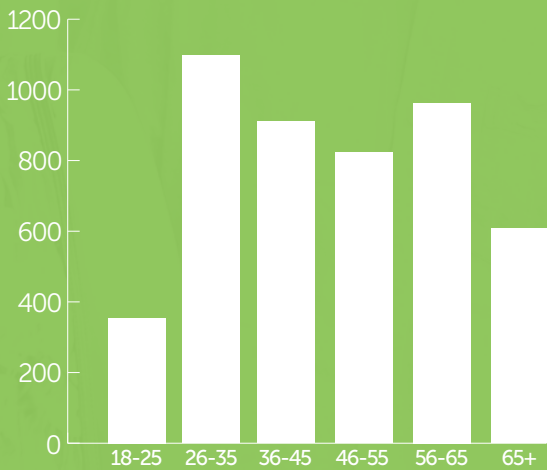
REGISTRARS



FACRRM

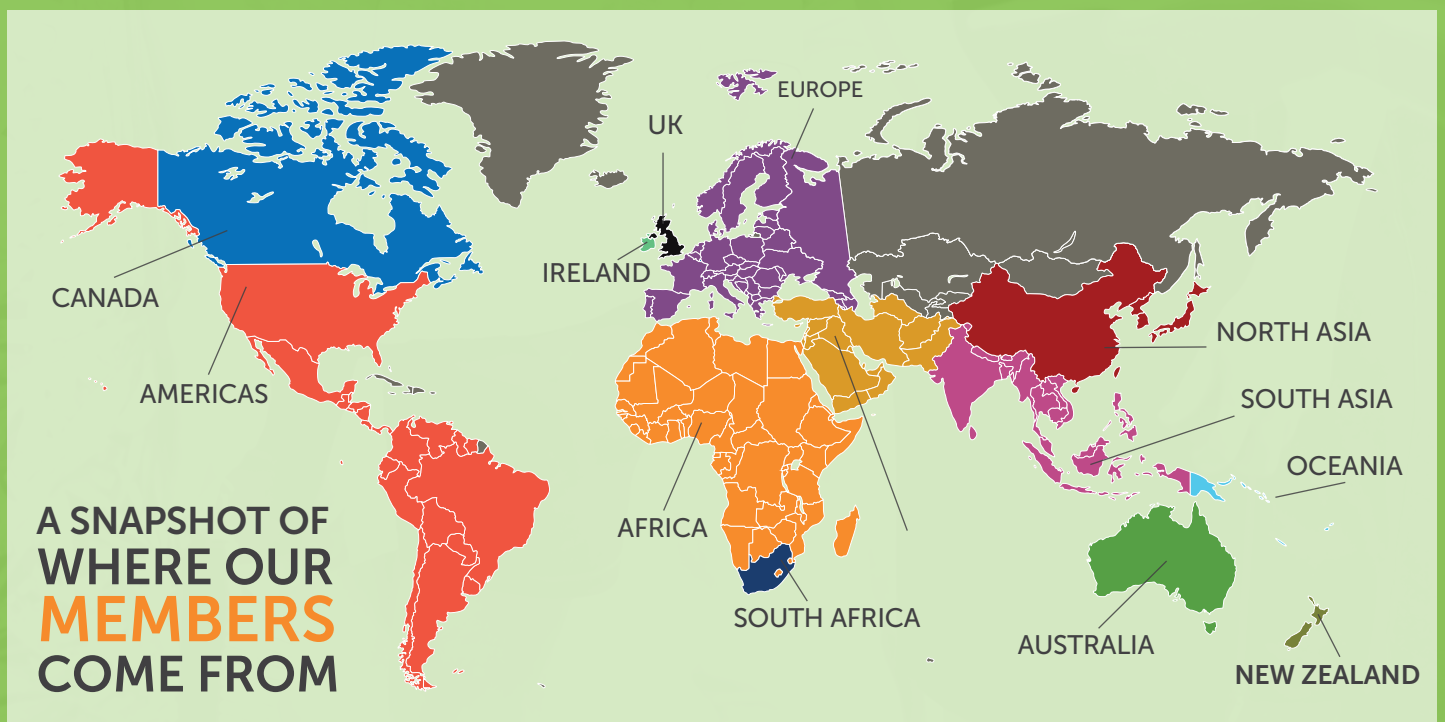


AGE BREAKDOWN



**25** IS THE AGE OF  
OUR YOUNGEST  
REGISTRAR

**39** IS THE  
AVERAGE AGE  
OF REGISTRARS



# RURAL MEDICINE AUSTRALIA 2018

Another successful RMA conference was held at the Darwin Convention Centre in the Northern Territory from 25-27 October 2018.

Hosted in conjunction with the Rural Doctors Association of Australia, this annual conference is the leading event for rural and remote General Practitioners and Rural Generalists, and those who support them through their journey to Fellowship and beyond.

Darwin proved to be a popular location to gather, network and learn, with over 750 enthusiastic delegates attending - making RMA18 our biggest conference to date.

Inspiring keynote sessions from Jillann Farmer, Orange Sky Laundry, Glenn Singleman, Olivia O'Donoghue, and Donna Ah Chee, and more abstracts received than previous years, ensured we had a robust program with engaging and diverse content across all streams.

Such great attendance and engagement gives us confidence that RMA is continuing to grow and Rural Generalism is gaining momentum.







# CONGRATULATION TO NEW FELLOWS 2018-19

Patrick Akhiwu

Tegan Allin

Mary Anderson

Alexandra Bagley

Michael Bala

Shanmugam Balaji

Kyren Baxendell

Jill Benson

Mario Carangan

Amanda Carson

Mary Chapman

Elizabeth Christie

Philip Cohen

Brenton Cole

Brent Collins

Suzanne Conden

Jude D'Cruz

Amranthir Dhillon

Robert Douglas

Teena Downton

Anthony Fitch

Alice Fitzgerald

Karen Flegg

Ghazal Ghodosi

Renee Guli

Louise Harker

Sheik Hayder

Aaron Hollins

William Hunt

Abbas Hussein

Robert Illingworth

Rashid Iqbal

Jean Nee Khoo

Agatha Kujawa

Melinda Lattimore

Yoska Lindsay

Hoe Bing Lo

Sonya Manwaring

Etwell Mari

George Marsden

Ian McKellow

Michael McLaughlin

Kris McQuaid

Kara Methven

Sian Meyer

Charles Miller

Lara Mucha

Manickam Muthu

Grace Neely

Peter Neeskens

Sheri Newman

Shashikant (Shashi) Patel

Judith Paterson

Josephine Pearson

Michael Pfeffer

Lincoln Pike

Selina Porter

Kanchanamala Ranasinghe

James Ricciardone

Heather Ringrose

Nicolette Roux

Megan Scott

Andrew Scott

Claire Shanahan

Nikita Shanley

Kari Sims

Corinna Smith

Eliza Spann

Patrick Steele

Christopher Symmons

Kirsten Symmons

Rachel Taylor

Shay Taylor

Phillipa Treloar

Melanie Van Twest

Robert Vickers

Hilary Von Maltzahn

Katharine Wallis

Kenan Wanguhu

Alberdina Zwijnenburg

# COMMUNITY DIRECTOR REPORT

After ten months as the Community Director on the ACRRM Board, I am struck by the parallels between being the only non-doctor on the Board and being a resident in rural/remote Australia where doctors are still generally considered a bit of a higher authority.

The Board, College Council, College staff and members I have met have all been incredibly supportive and inclusive of me and yet, on some level, I find myself still quite intimidated by the collective knowledge and experience of the ACRRM doctors.

So it is, I believe, with most people consulting their doctor in a rural/remote community.

While I know that most doctors appreciate that their patients don't always understand what they're being told or asked to do, I fear time restraints, busy waiting rooms and Medicare rebates dictate just how much time any doctor can spare to make sure each of their patients comprehends the context/content of their treatment. Some of us don't have the capacity, and most of us don't have the confidence, to question our doctor (assuming we have one) or to demand a second opinion despite it being our bodies, and our health at

stake. We don't want to waste their time; or ours.

And because we live rural/remote, and because so many services have been withdrawn from rural and remote communities, there is now that insidious, mischievous belief that what we get is our lot in life for choosing to live beyond city limits.

In an ideal world, we'd have ACRRM Rural Generalists in every rural/remote hospital and clinic in the country. The unfortunate truth is, most rural/remote consumers don't know that ACRRM exists. Clearly the ACRRM Board has begun to address that issue, among others, with the appointment of me as Community Director and of Susi Tegan as our Community Rep on the College Council.

Further to that, I am delighted that we will take the steps with the Community Forum at RMA19 to connect with Aboriginal and Torres Strait Islander consumers as well as rural/remote organisations such as the Isolated Children's Parents' Assoc Aust Inc, the Country Women's Assoc of Australia and the National Farmers Federation. We will hear their stories and their perspective on the major challenges impacting the health of rural/remote consumers. Ideally, we'll promote such awareness of ACRRM that, ultimately, those same consumers will know to expect the services of nothing less than an ACRRM trained doctor/s ensuring better health outcomes for the people of rural and remote Australia.

**#myheroesarebushdocs**

A portrait of Annabelle Brayley, a woman with short, light-colored hair, wearing a light pink blazer and a colorful patterned scarf. She is smiling and looking directly at the camera.

**ANNABELLE BRAYLEY**

**COMMUNITY DIRECTOR**



# POLICY & ADVOCACY

Dr Ewen McPhee (ACRRM President), Minister for Regional  
Services Senator Bridget McKenzie

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# POLICY REPORT

Rural Generalism continues to be a priority in policy and advocacy. The College is taking a primary role in the work to secure recognition of Rural Generalism as a specialised field within the specialty of general practice, which is one of the first and most important steps towards establishing the National Rural Generalist Pathway. ACRRM is engaging with states to support jurisdictional implementation and the College is collaborating with organisations including the RACGP, RDAA and with the National Rural Health Commissioner, to develop a strong policy framework for future implementation at both the state and national level.

Achieving our vision and purpose is a focus of the policy team, and this year we have increased our efforts on broader engagement with rural and remote stakeholder groups and community members. We welcomed advice from our rural community and consumer representatives on the Board (Ms Annabelle Brayley) and Council (Ms Susanne Tegan) in initiating engagement with a number of rural community organisations. These relationships will assist the College to design policies and curriculum that remain relevant to the community. ACRRM also seeks to contribute to these organisations through joint advocacy and raising awareness of wider rural public health and medical workforce issues and policy. We look forward to continuing to build productive community partnerships and working together to achieve common objectives.

ACRRM works closely with Departments of Health and a wide range of medical stakeholder organisations at both federal and state levels. Our liaison with Primary Health Networks (PHNs) ranges from national CEO forums to designated project work with individual PHNs. Our consultation and engagement activities have included the Indigenous General Practice Registrars Network

(IGPRN); the Australian Indigenous Doctors Association (AIDA) and Leaders in Indigenous Medical Education (LIME).

Our College Council provides advice on our broader policy agenda and priorities while recognising the need to respond to national and state issues as they arise. At its face-to-face meeting in October 2018, the Council agreed it was timely for the College to become more involved in a range of public policy areas. This has resulted in increased advocacy, particularly in the areas of climate change and health, and refugee health.

The health and wellbeing of College members and staff continues to be a high priority. A Respectful Workplaces Working Group has been convened by the President. This group will focus on promoting and upholding safe and respectful workplaces and communities with a culture of belonging; where diversity is celebrated and people can thrive and reach their full potential.

# AT A GLANCE

## DURING THE YEAR THE COLLEGE

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Continued to participate in a number of key national forums including the Medical Workforce Reform Advisory Committee; the Rural Health Ministers' Rural Roundtable; Workforce Distribution Working Group; the Ministers' Advisory Group on General Practice; and the Close the Gap Steering Committee

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Provided rural and remote representation on over

**150**



national and state committees and advisory councils, with work being undertaken by members on a voluntary basis

DELIVERED

**25**



submissions, including to the Medicare Benefits Schedule Taskforce, national and state maternity services planning projects, Parliamentary inquiries, Medical Board of Australia and Australian Health Practitioner Regulation Agency.

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Released a comprehensive policy statement in the lead-up to the Federal election and 2019-2020 budget

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Continued policy development in areas including rural and remote mental health; maternity services; aged care; digital health; pharmacist prescribing and pill testing

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Participated in a number of international conferences to lead and promote the rural generalist model of practice

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# RECONCILIATION ACTION PLAN

## REINFORCING OUR VISION FOR RECONCILIATION

Following the conclusion of the 'Reflect' Reconciliation Action Plan (RAP) in October 2018, the College has embarked on the next step in our Reconciliation journey – our 'Innovate' RAP.

This RAP reinforces our vision for reconciliation, which is to work in partnership with our Aboriginal and Torres Strait Islander members, peoples and organisations to achieve equity of access to high quality health care for Aboriginal and Torres Strait Islander peoples living in rural and remote Australia.

ACRRM's ongoing commitment to increasing the number of Aboriginal and Torres Strait Islander Fellows of the College; supporting them along their career pathway to Fellowship and beyond; and encouraging them to play an active role within the College; is a key component of the RAP.

A Steering Committee coordinates the implementation of the RAP. It works in consultation with the College Aboriginal and Torres Strait Islander Member's Group and reports back to the group following meetings. The Aboriginal and Torres Strait Islander Member's Group has continued to

grow - now with almost 30 members. It meets regularly and provides a basis for networking, mentoring and support as well as providing the College with expert guidance on the RAP and on all relevant issues.

The Steering Committee also reports regularly to the College Board and Council.

Initiatives to date have included extending and formalising Acknowledgment protocols for all College meetings and communications; commemorating Aboriginal and Torres Strait Islander dates of significance; raising staff awareness of Aboriginal and Torres Strait Islander cultures and traditions; and exploring options for engaging with Aboriginal and Torres Strait Islander businesses and organisations in the wider community.

We look forward to continuing this enriching and rewarding journey.





# ACRRM OPEN HOUSE

More than 150 representatives from Registered Training Organisations, the Remote Vocational Training Scheme, Rural Workforce Agencies, and other stakeholder groups, attended the ACRRM Open House in Brisbane in May this year.

Open House is an opportunity to engage stakeholders in activities of the College, providing information on who we are, what we offer, and ways to promote and deliver the ACRRM Fellowship pathways.

## THIS YEAR'S OPEN HOUSE FOCUSED ON:

- Preparing to deliver ACRRM training requirements
- Understanding the College curriculum
- Meeting College medical educators, directors of training and staff
- Participation in interactive sessions on training and assessment
- Learning about our technology and how it is delivering great outcomes for users
- Working together to promote ACRRM Fellowship pathways

This is an annual event and with feedback indicates it is highly valued as an information and networking opportunity.







# QUALITY & SAFETY



# PROFESSIONAL DEVELOPMENT



**225** additional members registered for PDP



**1822** new activities accredited this year\*



**122** new RPPG registrations



**2237** new grant claims processed this financial year

## PROFESSIONAL DEVELOPMENT PROGRAM

The 2018-2019 financial year has seen an additional 225 members register in the ACRRM PDP, and 1822 new activities were accredited in this period.

The Professional Development Committee (PDC), chaired by Dr Ian Kamerman, has augmented our PDP program to best support our doctors to fulfil the requirements proposed by the Medical Board of Australia's (MBA) Professional Performance Framework's new categories of performance review, outcome measurement and educational activities.

Extensive member consultation has greatly contributed to the Colleges ability to develop a fit-for-purpose program that both meets the standard set by the MBA and provides options for the professional diversity of member needs. Through member surveys, a Multi-Source Feedback (MSF) trial for ACRRM Fellows, a PDP workshop at the 2018 Rural Medicine Australia conference and a number of other presentations and consultation sessions, ACRRM members have provided significant feedback. This valuable information was utilised to assist the College to develop a comprehensive suite of quality improvement tools for professional development that suits the wide scope of practice of ACRRM PDP participants.

The College will continue to support members by providing all doctors with a range of options for PDP across all categories. Importantly, there has been significant investment in developing mechanisms to better identify, enable and record CPD activities that doctors undertake as part of their everyday practice, providing credit for activities many doctors have not previously utilised.

ACRRM remains committed to ongoing consultation with members and will continue developing activities and tools relevant to members that will add value and support improved quality and safety in their practice.

## PROFESSIONAL PERFORMANCE FRAMEWORK TRANSITION

The MBA developed the Professional Performance Framework to 'ensure all registered medical practitioners in Australia practise competently and ethically throughout their working lives and provide safe care to patients'. While recognising the authority and the intent of the MBA the College continues to engage in regular discussions with them to ensure the exceptional role rural doctors provide to their communities is well cogitated in any mandates.

Aptly, ACRRM has developed the new triennium PDP framework with input from the PDC and through extensive consultation with members across the country and from all clinical and operational areas. Members have told us they want a suite of options to choose from that meets their individual needs for performance review and outcome measurement, and that peer review is a high value activity.

The new triennium framework has been approved by the Professional Development Committee and the ACRRM Board, and work is underway to implement this into our existing systems. It will simplify existing activities and streamline recording of day-to-day learning, enabling rural and remote doctors to meet their mandatory requirements while better supporting them to help improve rural health outcomes.

# PROGRAM REPORT

THE AIM OF ACRRM'S PROFESSIONAL DEVELOPMENT PROGRAM (PDP) IS TO SUPPORT AND ENABLE DOCTORS TO UNDERTAKE CONTINUING EDUCATIONAL ACTIVITIES THAT HELP TO MAINTAIN AND ENHANCE THEIR PROFESSIONAL SKILLS THROUGHOUT THEIR CAREERS. THE PROGRAM IS DESIGNED TO ACCOMMODATE OUR DOCTOR'S WIDE VARIETY OF CLINICAL, ACADEMIC AND OPERATIONAL ROLES, AND SUPPORT THEM BY PROVIDING OR RECOMMENDING ROLE RELEVANT ACTIVITIES THAT REINFORCE THE EXCELLENT STANDARD OF PATIENT CARE FACRRM'S DELIVER IN THEIR COMMUNITIES.

The 2020 Framework will continue to enhance a wide variety of practice types, catering for basic reporting requirements including Vocationally Registered and FACRRM maintenance, as well as advanced skillset reporting in procedural areas. The development of new tools and templates for PDP promises to provide a 'smarter, not harder' PDP experience.

We will continue to advocate for members whose unique practice characteristics should be considered as the framework is developed and implemented. We will also work to ensure PDP continues to enable rural and remote doctors to be in control of their professional development and support their needs and those of their communities.

## RURAL PROCEDURAL GRANTS PROGRAM

The Rural Procedural Grants Program (RPGP) was first introduced in 2004 and aims to retain and increase the numbers of procedural and emergency general practitioners (GPs) in rural and remote areas and maintain their skill levels by increasing their access to relevant educational activities. Grants are calculated on the number of days of training, with eligible doctors able to claim \$2,000 per day for up to 10 days of upskilling per financial year in the procedural components of Anaesthetics, Obstetrics and Surgery and up to three days under the Emergency component for attending relevant educational activities.

In the 2018-2019 financial year, there were 122 new registrations to access the program, bringing the total for procedural and emergency registrations to 2,392. The 2237 claims for grant funding processed by ACRRM this financial year

has provided valuable support to 790 rural GPs during this period. This has helped to offset some of the costs of training to maintain the skills and knowledge necessary for safe rural practice.

## GENERAL PRACTITIONER PROCEDURAL TRAINING SUPPORT PROGRAM

The GPPTSP aims to improve access to maternity services for women living in rural and remote communities by supporting GPs to attain procedural skills in obstetrics or anaesthetics by providing funding of \$40,000 (GST exclusive) to enable GPs to gain certified skills.

The program is funded by the Australian Government and managed by ACRRM for the Anaesthetics component and RANZCOG for the Obstetrics component.

Grant applications are open for four weeks each year, and candidates are judged against the application guidelines in a competitive selection process. The program is open to rural and remote medical practitioners who have achieved Fellowship of ACRRM or Fellowship of the Royal Australian College of General Practitioners.

For the purposes of this program, rural and remote is defined as the Modified Monash Model Geographical Classification (MMM 3-7).

While funding was not offered during the 2018-19 financial year, the College has continued to monitor the progress of existing recipients and has opened a new round of applications in October 2019.

# DIGITAL HEALTH REPORT

Digital health is gaining momentum throughout Australia, particularly in rural and remote regions. ACRRM has been advocating for practical solutions for our members for some time and will continue to work within the political and technological space to fight for the best options for rural doctors.

With the launch of the My Health Record, the College is focused on delivering education, training and support to members who are adopting this relevant and practical tool. Working to enable our members to use available tools in the context of their own clinical practice requirements is an area we will continue to develop, regardless of the digital platform.

ACRRM's Digital Health Committee (DHC), which reports to the Quality and Safety Council, plays a significant role in informing the learning needs of members on topics including telehealth, electronic medical records, electronic data quality and sharing, standards and guidelines for safe use and improved patient care using digital technologies. The engagement of members on this topic is encouraging, with the DHC doubling its representational membership this year, and usage on our e-Health website is increasing. The DHC works for the College, representing member interests across a wide variety of digital stakeholder groups and forums. As the digital technology progresses, the College will continue to work with political and operational entities to reinforce the wants and needs of rural doctors.

Pertinently, the College joined several new national projects this financial year: the National Child Health Collaborative, the CSIRO Primary Care Data Quality project and the My Health Record awareness project for rural and remote clinicians as part of the implementation of the opt-out module.

The College also continues its representation on the Australian Digital Health Agency National Medication Safety Program and managing its

Rural Health Outreach Fund program of work, bringing the Tele-Derm and Ophthal-Assist services to rural doctors and providing national collaboration and promotion of telehealth.

To support members to deliver high-quality patient care to rural and remote communities, the College advocates for appropriate funding models for both face-to-face and store-and-forward telehealth. A number of new MBS funded telehealth item numbers have been added to support GP-to-Patient consultations and providing patients with Mental Health Services with their GP using video conferencing.

## ANNUAL STATISTICS



**4000 +**

rural doctors registered in the Specialist Advice Services for dermatology (Tele-Derm) and ophthalmology



**600 +**

patient cases submitted for advice with 82% of patients avoiding a subsequent specialist referral and being treating locally



**1200 +**

dermatology education cases



**40**

rural and remote organisations collaborating in Digital Health



# JESSICA PAYNTER

## *PASSIONATE ABOUT SERVICING RURAL COMMUNITIES*

### **Tell us a bit about yourself and your career/ work experience up to now.**

I grew up in Nyah, Victoria in the Mallee-Murray region and was lucky enough to travel around Australia for a year with my family when I was younger, which cemented my love and passion for rural and regional Australia. I'm currently in my final year of medicine at Monash University (extended rural cohort) and very excited about the next step of my journey.

### **What made you want to pursue a career in rural medicine?**

A lot drew me towards pursuing rural medicine as a career. I love the diversity, the idea of fulfilling an area of need, the lifestyle, the terrain and the diversity of the climate and environment (from mountains to Mallee, trees, forests, lake and coastal environments), the friendly and welcoming communities, better learning and opportunities on the job and, of course, the lack of city traffic to name a few.

### **Why did you choose ACRRM?**

Currently, as a student, a typical day would be waking up and doing a run along the Murray/Lake Weroona to get prepared for the day. I'd then go through rounds, head into a clinic or into theatre and do some tutorials. My day usually ends with doing some sort of sports training like netball, umpiring or lifeguarding and then catching up with friends if I can.

### **What are some things you might normally do in your day-to-day at work/in a week?**

Currently, as a student, a typical day would be waking up and doing a run along the Murray/Lake Weroona to get prepared for the day. I'd then go through rounds, head into a clinic or into theatre and do some tutorials. My day usually ends with doing some sort of sports training like netball, umpiring or lifeguarding and then catching up with friends if I can.

### **What has been one of your career highlights so far?**

Some highlights so far include growing up and being inspired by Dr Michael Moynihan as my local GP, undertaking my clinical placements in Mildura, Swan Hill and Bendigo – with my fantastic peers in Monash Rural Clinical School, completing the John Flynn Placement Program in Broome and Bidyadanga in Western Australia and attending rural doctor conferences such as RMA and RDAV!

### **Do you have a dream place you'd like to work as a rural or remote GP?**

At the moment, my dream location would either be Swan Hill in Victoria, or Broome, Western Australia.





# FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019



# DIRECTORS' REPORT

The Directors submit the following report for the year ended 30 June 2019 under Sections 298 and 300B of the Corporations Act 2001 and in accordance with a resolution of the Board of Directors.

## DIRECTORS

The names of the Directors of Australian College of Rural and Remote Medicine Limited (ACRRM) in office at any time during the year or since the end of the year:

Dr Michael Beckoff

Ms Annabelle Brayley (appointed 31/07/2018)

Dr Sarah Chalmers (appointed 08/01/2019)

Dr Daniel Halliday

Dr Michelle Hannan

Dr Suzanne Harrison

Dr Anthony Hobbs (appointed 08/01/2019)

Dr Ewen McPhee

Associate Professor Ruth Stewart (resigned 24/10/2018)

## PRINCIPAL ACTIVITIES, OBJECTIVES & STRATEGIES

The principal strategies of ACRRM during the year were to promote the interests of rural and remote doctors through the delivery of high quality specialist medical education and training, research, policy and advocacy.

There was no significant change in the nature of the activities during the year. The company's financial accounts have been prepared in accordance with Australian Accounting Standards.

In order to meet the long term objectives of the College, the company will strive to:

- Be recognised as the leading voice for best practice in rural and remote medicine in Australia
- Proactively support students, members and Fellows with quality education, training and resources
- Engage with and bring value to the full range of medical and rural health professions.

The company's short term objectives is to focus on growth within existing target markets for the next 12 months and maintain strong member retention.

In order to meet the short term objectives of the College, the company will continue to:

- Encourage a targeted approach to member recruitment
- Place greater emphasis on generating income sources that are independent of government
- Broaden the range of College programs and activities
- Emphasise member and staff satisfaction as a key priority

## KEY PERFORMANCE MEASURES

Management and the Board (through the Finance Audit and Risk Management Council) monitor ACRRM's overall performance, from its implementation of the vision statement and strategic plan through to the performance against operating plans and financial budgets.

At this point in time, regular monitoring of revenue targets and delivery of service are a key focus however the Board and management are currently working on a series of quantitative and qualitative key performance indicators for use in future years.

## REVIEW AND RESULTS OF OPERATIONS

The profit from ordinary activities for the year ended 30 June 2019 amounted to \$333,416 (2018 profit: \$256,319).

## WINDING UP PROVISIONS

Every member undertakes to contribute to the assets of the Company if it is wound up while the member is a member or within one year after it ceases to be a member, for payment of the debts and liabilities of the Company contracted before it ceased to be a member, and of the costs, charges and expenses of winding up and for the adjustment of the rights of contributories among themselves, such amount as may be required, not exceeding \$10.

## INFORMATION ON DIRECTORS

The following persons were Directors of the Australian College of Rural and Remote Medicine during this financial year. No payments (financial or otherwise) were made for their services.

### **Dr Michael Beckoff**

MBBS, FACRRM, FAICD, Assoc. Dipl. Agric (Dist)

Dr Beckoff is a practising rural generalist based in South Australia with over 40 years' experience, both as an equity partner and now as a rural and remote locum. He is a company director involved in various health corporate roles at a state and national level.

### **Ms Annabelle Brayley (appointed 31/07/2018)**

Ms Annabelle Brayley trained as a registered nurse before moving to live on an isolated sheep/cattle station in South West Queensland. After her second child went to boarding school, she re-entered the rural/remote health workforce utilizing satellite technology to work from a

home office. She now lives in a small South West Queensland community from where she pursues her passion for storytelling.

### **Dr Sarah Chalmers (appointed 08/01/2019)**

FACRRM, BSc(Hon), PG, DipEd, MBBS, FRACGP

Sarah is a remote GP who was based in East Arnhem Land of the Northern Territory for 15 years. She is currently a senior lecturer in General Practice and Rural Medicine at James Cook University and provides clinical services on Palm Island.

### **Ms Marita Cowie BA (Psych), BBus (Com)**

Marita Cowie is the foundation Chief Executive Officer and Company Secretary of the College. She has more than 25 years' experience in medical education, training and business management. Marita is also Deputy Chair of the Board of Asthma Australia.

### **Dr Daniel Halliday**

MBBS, FACRRM, DRANZCOG (Adv), FRACGP, B.BioMed.Sc, GAICD, GCAHM, AFRACMA

Dr Dan Halliday is a Rural Generalist with special interest in Obstetrics and Medical Superintendent of Stanthorpe Hospital, Queensland. Dan is a Past-President of Rural Doctors Association of Queensland (RDAQ) and current Secretary of the RDAQ Foundation. Dan was the inaugural ACRRM Chair of College Council and continues further engagement with the college as a member of the Finance, Audit and Risk Management Council.

### **Dr Michelle Hannan**

BMedSc(Hons), MBBS, FACRRM, DCH, MAICD

Dr Michelle Hannan is a Rural Generalist who divides her time working with the Royal Flying Doctor Services in Mount Isa Queensland and her home base in Tasmania.

# DIRECTORS' REPORT

## CONTINUED

### **Dr Suzanne Harrison**

MBBS, DA, FACRRM, Masters Sports Medicine, Grad Cert Health Professional Education

Dr Harrison is a rural generalist in Echuca and part time medical educator for Melbourne University. She is a Board member of Murray City Country Coast GP Training.

### **Dr Anthony Hobbs (appointed 08/01/2019)**

MBBS (1st Hons), FACRRM, DRANZCOG (Adv), DTM&H, DCH, GAICD

Dr Anthony (Tony) Hobbs is a former Deputy Chief Medical Officer of the Commonwealth Dept of Health. He was previously the Principal Medical Adviser at the Therapeutic Goods Administration and was a General Practitioner in rural New South Wales for nearly 20 years. Tony is currently the Chief Medical Adviser (Acting) at Calvary Health Care and continues to undertake part-time General Practice.

### **Dr Ewen McPhee**

MBBS (Hons), FRACGP, FACRRM, DRANZCOG (Adv)

Dr Ewen McPhee is a rural generalist GP Obstetrician in private practice. As a long term resident of Emerald in Central Queensland, Dr McPhee has an interest in supporting the future rural medical workforce.

### **Associate Professor Ruth Stewart (resigned 24/10/2018)**

MBBS, PhD, FACRRM, DRANZCOG (Adv)

Dr Ruth Stewart is the Immediate Past President of ACRRM and is Associate Professor of Rural Medicine and Director of rural Clinical Training at James Cook University. She lives and works on Thursday Island. She has been a Rural Generalist with advanced skills in obstetrics for

27 years. Dr Stewart is also a board director for the Torres and Cape Hospital and Health Service, Rural Doctors Association of Australia, and the Tropical Australian Academic Health Centre. She is a member of the Health Innovation Advisory Committee of the National Health and Medical Research Council.

## MEETINGS OF DIRECTORS

During the 2018-2019 financial year, six meetings of Directors were held with attendance as follows:

DIRECTORS	DIRECTORS MEETINGS	
	Eligible to attend	Attended
Dr Michael Beckoff	6	3
Ms Annabelle Brayley	6	6
Dr Sarah Chalmers	3	3
Dr Dan Halliday	6	6
Dr Michelle Hannan	6	4
Dr Suzanne Harrison	6	6
Dr Anthony Hobbs	3	3
Dr Ewen McPhee	6	6
Associate Professor Ruth Stewart	2	2

## ATTENDANCE OF EX OFFICIO BOARD MEMBERS AT MEETINGS OF DIRECTORS

EX OFFICIO MEMBERS	DIRECTORS MEETINGS	
	Eligible to attend	Attended
Associate Professor David Campbell, Censor in Chief	6	6
Ms Marita Cowie, Chief Executive Officer	6	6
Associate Professor Ruth Stewart, Immediate Past President	4	4
Professor Lucie Walters, Immediate Past President	2	2

# DIRECTORS' REPORT

## CONTINUED

There is one formally constituted committee of the Board being the College Council. During the financial year four meetings of the Council were held with attendance as follows:

COUNCIL MEMBERS	DIRECTORS MEETINGS	
	Eligible to attend	Attended
Dr Justin Azzopardi	2	1
Dr Michael Beckoff	4	4
Ms Annabelle Brayley	2	1
Associate Professor David Campbell	4	4
Dr Sarah Chalmers	4	4
Ms Marita Cowie	4	4
Dr Daniel Halliday	4	4
Dr Michelle Hannan	4	3
Dr Suzanne Harrison	4	4
Dr Allison Hempenstall	1	1
Dr Anthony Hobbs	2	2
Dr Nick Jones	1	1
Dr Viney Joshi	4	4
Dr Rod Martin	4	3
Dr Eve Merfield	4	4
Dr Andrew Miller	4	2
Dr Antoinette Mowbray	4	2



COUNCIL MEMBERS	DIRECTORS MEETINGS	
	Eligible to attend	Attended
Dr Ewen McPhee	4	3
Dr Francois Pretorius	4	2
Dr James Ricciardone	2	2
Associate Professor Ruth Stewart	4	4
Ms Suzanne Tegen	2	2
Ms Megan Telford	2	2
Dr Bruce Thorpe	2	2
Professor Lucie Walters	4	2

The Finance and Risk Management Council during the financial year held eight meetings with attendance as follows:

FINANCE AUDIT AND RISK MANAGEMENT COUNCIL MEMBERS	DIRECTORS MEETINGS	
	Eligible to attend	Attended
Dr Justin Azzopardi	3	1
Dr Michael Beckoff	8	7
Dr Sarah Chalmers	8	7
Ms Marita Cowie	8	7
Mr Will Fellowes	6	3

# DIRECTORS' REPORT

## CONTINUED

FINANCE AUDIT AND RISK MANAGEMENT COUNCIL MEMBERS	DIRECTORS MEETINGS	
	Eligible to attend	Attended
Dr Dan Halliday	5	5
Dr Michelle Hannan	3	1
Dr Viney Joshi	8	6
Dr Rod Martin	5	5
Dr Ewen McPhee	3	2

### AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration under section 307C of the Corporations Act 2001 for the year ended 30 June 2019 has been received by the directors.

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



Director

Dated at Adelaide, this 24th day of September, 2019

**AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SECTION 60-40 OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFIT COMMISSION ACT  
2012**

**TO THE DIRECTORS OF  
AUSTRALIAN COLLEGE OF RURAL AND REMOTE MEDICINE LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2019 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-Profit Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Bentleys Brisbane (Audit) Pty Ltd  
Chartered Accountants



Stewart Douglas  
Director  
Brisbane  
27 September 2019

# STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

## FOR THE YEAR ENDED 30 JUNE 2019

	Notes	2019 \$	2018 \$
Revenues from Ordinary Activities	2	16,830,436	12,551,157
Expenses from Ordinary Activities	3	(16,497,020)	(12,294,838)
Surplus/(Deficit) from Ordinary Activities		333,416	256,319
Income Tax Expense		-	-
Surplus/(Deficit)		333,416	256,319
Other comprehensive income		-	-
Total comprehensive income for the year		333,416	256,319

# BALANCE SHEET AS AT 30 JUNE 2019

	Notes	2019 \$	2018 \$
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	5	20,944,112	13,164,128
Trade and Other Receivables	6	2,014,428	1,666,077
Other Assets	7	542,626	415,452
<b>TOTAL CURRENT ASSETS</b>		<b>23,501,166</b>	<b>15,245,657</b>
<b>NON-CURRENT ASSETS</b>			
Intangible Assets	8	569,568	906,544
Plant and Equipment	9	174,179	179,076
<b>TOTAL NON-CURRENT ASSETS</b>		<b>743,747</b>	<b>1,085,620</b>
<b>TOTAL ASSETS</b>		<b>24,244,913</b>	<b>16,331,277</b>
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	10	17,850,112	10,320,589
Provisions	11	335,214	283,241
Other Liabilities	12	17,393	2,537
<b>TOTAL CURRENT LIABILITIES</b>		<b>18,202,719</b>	<b>10,606,367</b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions		199,598	198,337
Other Liabilities		35,990	53,383
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>235,588</b>	<b>251,720</b>
<b>TOTAL LIABILITIES</b>		<b>18,438,307</b>	<b>10,858,087</b>
<b>NET ASSETS</b>		<b>5,806,606</b>	<b>5,473,190</b>
<b>EQUITY</b>			
Retained Earnings	13	5,806,606	5,473,190
<b>TOTAL EQUITY</b>		<b>5,806,606</b>	<b>5,473,190</b>

# STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2019

	Notes	2019 \$	2018 \$
<b>Cash Flows from Operating Activities</b>			
Receipts from Members & Other Consultancies		12,752,986	10,991,588
Interest Received		211,976	187,083
Grants Received		13,054,466	3,537,003
Payments to Suppliers and Employees		(18,188,977)	(13,245,534)
<b>Net Cash (used in)/provided by Operating Activities</b>	21(i)	<b>7,830,451</b>	<b>1,470,140</b>
<b>Cash Flows from Investing Activities</b>			
Payments for Property, Plant, Equipment and Capital WIP		(50,467)	(455,343)
<b>Net Cash (used in) Investing Activities</b>		<b>(50,467)</b>	<b>(455,343)</b>
Net Increase (Decrease) in Cash held		7,779,984	1,014,797
Cash at the beginning of the Financial Year		13,164,128	12,149,331
<b>Cash at the end of the Financial Year</b>	21(ii)	<b>20,944,112</b>	<b>13,164,128</b>

# STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2019

	Retained Earnings \$	Total \$
<b>Balance at 30 June 2017</b>	<b>5,216,871</b>	<b>5,216,871</b>
<b>Comprehensive Income</b>		
Net Surplus/(Deficit)	256,319	256,319
Other Comprehensive Income	-	-
Total Comprehensive Income	<u>256,319</u>	<u>256,319</u>
<b>Balance at 30 June 2018</b>	<b>5,473,190</b>	<b>5,473,190</b>
<b>Comprehensive Income</b>		
Net Surplus/(Deficit)	333,416	333,416
Other Comprehensive Income	-	-
Total Comprehensive Income	<u>333,416</u>	<u>333,416</u>
<b>Balance at 30 June 2019</b>	<b>5,806,606</b>	<b>5,806,606</b>

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

## 1. SUMMARY OF ACCOUNTING POLICIES

These financial statements constitute a general purpose financial report which has been drawn up in accordance with Australian Accounting Standards (including other authoritative pronouncements of the Australian Accounting Standards Board and Australian Accounting Interpretations), the Corporations Act 2001 and the Australian and Not-for-Profits Commission Act 2012. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

A statement of compliance with International Financial Reporting Standards cannot be made due to the Company applying the not-for-profit sector specific requirements contained in Australian Accounting Standards.

### Basis of Preparation

The financial statements, except for the cash flow information, are prepared on the accrual basis of accounting using the historical cost assumption and except where stated do not take into account changing money values nor current valuations of non-current assets and their impact on operating results.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The accounting policies below have been consistently applied to all years presented.

### 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. Significant estimates and judgment employed by the company concern the useful life and depreciation rates for plant and equipment and the useful life and amortization rates for intangibles which are reviewed annually by the company (detailed in Note 1) and the basis of estimating the provision for make-good, detailed in Note 11.

### Income Tax

The College is exempt from income tax under provisions of the Income Tax Assessment Act.

### Property, Plant and Equipment

Property, plant and equipment are brought to account at cost, less, where applicable, any accumulated depreciation. Rates as per below:

		Depreciation method	Depreciation rate
Plant & Equipment	Purchased before 30/06/11	Diminishing value	20% - 40%
Plant & Equipment	Purchased after 30/06/11	Straight Line	10% - 33%
Leasehold Improvements		Straight Line	20%



## Revenue Recognition

(a) Non-reciprocal grant revenue is recognised in the statement of profit and loss and other comprehensive income when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity 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 entity 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 state of financial position as a liability until the service has been delivered to the contributor, at which time the grant is recognised as income.

(b) Interest Revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

(c) Subscriptions are recognised on an accrual basis proportionate to when the service is provided.

## Employee Benefits

The following liabilities arising in respect of employee entitlements are measured at the amount expected to be paid when the liability is settled:

- wages and salaries, annual leave and sick leave regardless whether they are expected to be settled within twelve months of balance date.
- other employee entitlements which are expected to be settled within twelve months of balance date.

Long service leave liabilities are determined after taking into consideration years of service, current level of wages and salaries and past experience regarding staff departures.

## Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Incentives received under lease arrangements are recognised in profit and loss over the term of the lease.

## Intangible Assets

The cost of implementing a Customer Relationship Management System and the Learning Management System have been capitalised under the conditions set out in Australian Accounting Interpretations. The cost is to be amortised over a period of five years and any further expenses incurred for maintenance will be expensed in profit and loss.

## Financial Instruments

### *Initial recognition and measurement*

Financial assets and financial liabilities are recognised when the College becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the College commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

## CONTINUED

transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

### *Classification and subsequent measurement*

#### Financial Liabilities:

Financial liabilities are subsequently measured at:

- Amortised cost; or
- Fair value through profit or loss.

A financial liability is measured at fair value through profit and loss if the financial liability is:

- A contingent consideration of an acquirer in a business combination to which AASB 3: Business Combinations applies;
- Held for trading; or
- Initially designated at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period. The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if:

- It is incurred for the purpose of repurchasing or repaying in the near term;
- Part of a portfolio where there is an actual pattern of short-term profit taking; or
- A derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in an effective hedging relationship).

The College currently does not recognise any financial liabilities at fair value through profit or loss, with all financial liabilities being recognised at amortised cost.

#### Financial Assets:

Financial assets are subsequently measured at:

- Amortised cost;
- Fair value through other comprehensive income; or
- Fair value through profit or loss.

Measurement is on the basis of two primary criteria:

- The contractual cash flow characteristics of the financial asset; and
- The business model for managing financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:

- The financial asset is managed solely to collect contractual cashflows; and
- The contractual terms within the financial asset give rise to cashflows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset that meets the following conditions is subsequently measured at fair value through other comprehensive income:

- The contractual terms within the financial asset give rise to cashflows that are solely payments of principal and interest on the principal amount outstanding on specified dates;
- The business model for managing the financial assets comprises both contractual cashflows and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

The College currently does not recognise any financial assets at fair value through profit or loss, with all financial assets being recognised at amortised cost.

### *Derecognition*

Derecognition refers to the removal of a previously recognised financial assets or financial liabilities from the statement of financial position.

#### *Derecognition of Financial Liabilities:*

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

#### *Derecognition of Financial Assets:*

A financial asset is derecognised when the holder's contractual rights to its cash flows expire, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for Derecognition of financial asset:

- The right to receive cash flows from the asset has been expired or been transferred;
- All risk and rewards of ownership of the asset have been substantially transferred; and
- The College no longer controls the asset.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

### **Impairment of Assets**

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

## CONTINUED

At the end of each reporting period, the College 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 recognised in profit or loss.

At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset or a group of financial assets will be deemed to be impaired if, and only if, there is objective evidence of impairment as a result of the occurrence of one or more events (a "loss event"), which has an impact on the estimated future cash flows of the financial asset(s).

### Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

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

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

### Provisions

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

### New and Amended Accounting Policies Adopted by the College

#### Initial application of AASB 9: *Financial Instruments*

The College has adopted AASB 9: Financial Instruments with a date of initial application of 1 July 2018. As a result the College has changed its financial instruments accounting policies as detailed in the "Financial Instruments" accounting policies note.

Considering the initial application of AASB 9 during the financial period, financial statement line items have been affected for the current and prior period. Below in this note are the adjustments made to the affected financial statement line items.

AASB 9 requires retrospective application with some expectations (i.e. when hedge accounting in terms of the standard).

#### *Disclosure: Initial application of AASB 9*

There were no financial assets/liabilities which the College had previously designated as at fair value through profit or loss under AASB 139: *Financial Instruments: Recognition and Measurement* that were subject to reclassification/elected reclassification upon the application of AASB 9. There were no financial assets/liabilities which the College has elected to designate as at fair value through profit or loss at the date of initial application of AASB 9.

The College applied AASB 9 (as revised in July 2014) and the related consequential amendments to other AASBs. New requirements were introduced for the classification and measurement of financial assets and financial liabilities, as well as for impairment and general hedge accounting.

The directors of the College determined the existing financial assets as at 1 July 2018 based on the facts and circumstances that were present and determined that the initial application of AASB 9 had the following effect:

- financial assets as held-to-maturity and receivables that were measured at amortised cost continue to be measured at amortised cost under AASB 9 as they are held to collect contractual cash flows and these cash flows consist solely of payments of principal and interest on the principal amount.
- financial assets measured at fair value through profit or loss (AASB 139) are still measured as such under AASB 9.

### *Impairment*

As per AASB 9, an expected credit loss model is applied, not an incurred credit loss model as per the previous standard applicable (AASB 139). To reflect changes in credit risk, this expected credit loss model requires the entity to account for expected credit losses since initial recognition.

A simple approach is followed in relation to trade receivables as the loss allowance is measured at lifetime expected credit loss.

The College reviewed and assessed the existing financial assets on 1 July 2018. The assessment was done to test the impairment of these financial assets using reasonable and supportable information that is available to determine the credit risk of the respective items at the date they were initially recognised. The assessment was compared to the credit risk as at 1 July 2017 and 1 July 2018. The assessment was done without undue cost or effort in accordance with AASB 9.

<b>Financial assets to which the impairment provisions apply (1 July 2018)</b>	<b>Note</b>	<b>Attributes of credit risk</b>
Trade and other receivables	6	The College uses the simplified approach and recognises lifetime expected credit loss.

There was no additional credit loss allowance as at 1 July 2018 and as at 1 July 2017. The application of the AASB 9 impairment requirements has not resulted in additional loss allowance to be recognised in the current year.

### *Classification and measurement of financial liabilities*

AASB 9 determines that the classification and measurement of financial liabilities relates to changes in the fair value designated as at fair value through profit or loss attributable to changes in the credit risk.

AASB 9 further states that the movement in the fair value of financial liabilities, that is attributable to changes in the credit risk of that liability, needs to be shown in other comprehensive income unless the effect of the recognition constitutes accounting mismatch in profit or loss. Changes in fair value in relation to the financial liability's credit risk are transferred to retained surplus when the financial liability is derecognised

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

## CONTINUED

and not reclassified through profit or loss. AASB 139 requires the fair value amount of the change of the financial liability designated as at fair value through profit or loss to be presented in profit or loss.

Apart from the above, the application of AASB 9 has had no impact on the classification and measurement of the College's financial liabilities.

### **New Accounting Standards for Application in Future Periods**

The AASB has issued a number of new and amended Accounting Standards that have mandatory application dates for future reporting periods, some of which are relevant to the College. The directors have decided not to early-adopt any of the new and amended pronouncements. The following sets out their assessment of the pronouncements that are relevant to the College but applicable in future reporting periods.

- AASB 16: *Leases* (applicable to annual reporting period beginning on or after 1 January 2019)

The College has chosen not to early-adopt AASB 16. However, the College has conducted a preliminary assessment of the impact of this new Standard, as follows.

A core change resulting from applying AASB 16 is that most leases will be recognised on the balance sheet by lessees as the standard no longer differentiates between operating and finance leases. An asset and a financial liability are recognised in accordance to this new Standard. There are, however, two exceptions allowed: short-term and low-value leases.

#### *Basis of Preparation*

The accounting for the College's operating leases will be primarily affected by this new Standard.

AASB 16 will be applied by the College from its mandatory adoption date of 1 July 2019. The comparative amounts for the year prior to first adoption will not be restated, as the College has chosen to apply AASB 16 retrospectively with cumulative effect. While the right-of-use assets for property leases will be measured on transition as if the new rules had always been applied, all other right-of-use assets will be measured at the amount of the lease liability on adoption (after adjustments for any prepaid or accrued lease expenses).

The College's non-cancellable operating lease commitments amount to \$742,070 as at the reporting date. There are no short-term leases or low-value leases that will be recognised as expense in profit or loss on a straight-line basis.

The College has performed a preliminary impact assessment and has estimated that on 1 July 2019, the College expects to recognise the right-of-use assets and lease liabilities of approximately \$693,000.

Following the adoption of this new Standard, the College's net profit after tax is expected to increase by approximately \$80,500 in 2020.

The repayment of the principal portion of the lease liabilities will be classified as cash flows from financing activities, thus increasing operating cash flows and decreasing financing cash flows by approximately \$30,500 in 2020.

- AASB 1058: *Income of Not-for-Profit Entities* (applicable to annual reporting periods beginning on or after 1 January 2019) and AASB 15 : *Revenue from Contracts with Customers* (applicable to annual reporting periods beginning on or after 1 January 2019)

As at the reporting date, the directors have concluded that the impact of AASB 1058 and AASB 15 on the financial statements would not be material.

The College has chosen not to early-adopt AASB 1058 and AASB 15. However, the College has conducted a high-level assessment of the impact of these new Standards, as follows.

A core change under AASB 1058 and AASB 15 is that focus shifts from a reciprocal/non-reciprocal basis to a basis of assessment that considers the enforceability of a contract and the specificity of performance obligations. AASB 1058 is applicable when an entity receives volunteer services or enters into other transactions where the consideration to acquire the asset is significantly less than the fair value of the asset principally to enable the Entity to further its objectives.

The significant accounting requirements of AASB 1058 are as follows:

- Income arising from an excess of the initial carrying amount of an asset over the related contributions by owners, increases in liabilities, decreases in assets and revenue arising from contracts with customers should be immediately recognised in profit or loss. For this purpose, the assets, liabilities and revenue are to be measured in accordance with other applicable Standards.
- Liabilities should be recognised for the excess of the initial carrying amount of a financial asset (received in a transfer to enable the Entity to acquire or construct a recognisable non-financial asset that is to be controlled by the Entity) over any related amounts recognised in accordance with the applicable Standards. Income must be recognised in profit or loss when the Entity satisfies its obligations under the transfer.

AASB 15 applies where there is an “enforceable” contract with a customer with “sufficiently specific” performance obligations which results in income being recognised when (or as) the performance obligations are satisfied under AASB 15, as opposed to immediate income recognition under AASB 1058. AASB 15 introduces a five-step approach to revenue recognition which is far more prescriptive than AASB 118 : *Revenue*.

#### *Basis of Preparation*

AASB 15 and AASB 1058 will be applied by the College from its mandatory adoption date of 1 July 2019. The modified transition approach will be the chosen approach, and thus the comparative amounts for the year prior to first adoption will not be restated.

The accounting for the revenue stream “Grant Income” will be primarily affected by these new Standards.

The income recognition for each grant has been assessed on a high-level basis to determine whether it is enforceable and whether its performance obligations are sufficiently specific. For those grant contracts that are not enforceable or the performance obligations are not sufficiently specific, this will result in immediate income recognition under AASB 1058. Income will be deferred under AASB 15 otherwise.

Given the current accounting treatment of revenue, the College does not expect any significant impact on its financial statements arising from the change in income recognition requirements.

- AASB 2018-8 : *Amendments to Australian Accounting Standards – Right-of-Use Assets of Not for-Profit Entities* (applicable to annual reporting periods beginning on or after 1 January 2019)

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

## CONTINUED

For leases that have significantly below-market terms and conditions principally to enable the Entity to further its objectives (commonly known as “peppercorn”/concessionary leases), AASB 2018-8 provides a temporary option for not-for-profit lessees to elect to measure a class (or classes) of right-of-use assets arising at initial recognition either at fair value or cost.

Where an entity elects to measure the class of right-of-use assets at cost, additional qualitative and quantitative disclosures are required and this shall include:

- the entity’s dependence on these peppercorn/concessionary leases; and
- the nature and terms of the leases.

The College has performed a high-level impact assessment and notes that all of its leases are at market terms. Accordingly, AASB 16 will apply instead.

### Fair Value Disclosures

The company does not measure any other assets or liabilities at fair value on a recurring basis after initial recognition. The carrying amount of financial assets and financial liabilities as disclosed in the statement of financial position and notes to the financial statements approximates their fair value.

### Comparative Figures

Where necessary, comparative information has been adjusted to be consistent with current year disclosures.

## 2. REVENUES FROM ORDINARY ACTIVITIES

	2019 \$	2018 \$
<b>Operating Revenue</b>		
Rendering of Services	9,696,019	9,262,274
Grant Income	6,457,155	2,798,743
Sponsorship	465,286	294,500
Sundry Income	-	8,557
<b>Non Operating Revenue</b>		
Interest	211,976	187,083
	<u>16,830,436</u>	<u>12,551,157</u>



### 3. EXPENSES FROM ORDINARY ACTIVITIES

	2019 \$	2018 \$
<i>Classification of Expenses by Function:</i>		
College Services & Admin Expenses	10,039,865	9,496,091
Drug & Alcohol Addiction Grant Expenses	86,520	-
Bi-College Grant Expenses	69,290	169,730
GP Procedural Grant Expenses	270,542	327,433
Domestic Violence Grant Expenses	-	133,383
Chronic E-Health Grant Expenses	62,972	-
GP Anaesthetic Grant Expenses	118,016	538,156
Telehealth Grant Expenses (RHOF)	410,806	384,441
AGPT Selection Grant Expenses	-	333,598
jDocs Grant Expenses	-	171,264
GP Training Grant Expenses	468,096	528,783
Lung Foundation Grant Expenses	12,245	16,708
Yellow Fever Grant Expenses	30,073	40,212
Codeine Rescheduling Grant Expenses	33,188	93,416
Black Dog Institute Grant Expenses	37,503	61,623
Non-VR Fellowship Support Grant Expenses	3,676,823	-
AGPT Transition Grant Expenses	1,144,738	-
My Health Record Grant Expenses	36,343	-
	16,497,020	12,294,838
<i>Other Expenses:</i>		
Non Program Related Employee Benefits Expense	4,069,002	4,001,979
Program Related Employee Benefits Expense	1,896,958	1,052,877
Amortisation and Depreciation Expense	392,066	357,202

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

## CONTINUED

### 4. SURPLUS/(DEFICIT) FROM ORDINARY ACTIVITIES

	2019 \$	2018 \$
<b>Activities</b>		
<i>Surplus/(Deficit) from Ordinary Activities includes:</i>		
Net (Gain)/Loss from sale of Plant and Equipment	274	1,067
Rental expense from operating leases	268,761	268,761
Superannuation contributions	334,446	327,557

### 5. CASH AND CASH EQUIVALENTS

	2019 \$	2018 \$
Cash on Hand	200	200
Cash at Bank	11,753,094	5,072,020
Cash on Deposit	9,190,818	8,091,908
	20,944,112	13,164,128

### 6. TRADE AND OTHER RECEIVABLES

	2019 \$	2018 \$
Trade Receivable	2,014,428	1,666,077
	2,014,428	1,666,077

Included in trade receivable above, are aggregate amounts receivable from the following related parties:

Directors (other than loans to directors)	1,145	-
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## 7. OTHER ASSETS

	2019 \$	2018 \$
Prepayments	520,339	383,376
Accrued Income	22,287	32,076
	<u>542,626</u>	<u>415,452</u>

## 8. INTANGIBLE ASSETS

	2019 \$	2018 \$
<b>CRM &amp; LMS Development (at cost)</b>	1,684,882	1,684,882
Accumulated Amortisation	(1,115,315)	(778,338)
	<u>569,568</u>	<u>906,544</u>

### *Movement in Intangible Assets*

Opening Balance	906,544	884,483
Transferred from Capital Work-In-Progress	-	-
Additions	-	312,021
Disposals at Written Down Value	-	-
Amortisation	(336,976)	(289,960)
Closing Balance	<u>569,568</u>	<u>906,544</u>

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

## CONTINUED

### 9. PROPERTY PLANT AND EQUIPMENT

	2019 \$	2018 \$
<b>Office Equipment (at cost)</b>	568,773	571,234
Accumulated Depreciation	(394,594)	(392,158)
	<u>174,179</u>	<u>179,076</u>
<i>Movement in Plant and Equipment</i>		
Opening Balance	179,076	104,063
Additions	50,467	143,322
Disposals at Written Down Value	(274)	(1,067)
Depreciation Expense	(55,090)	(67,242)
Closing Balance	<u>174,179</u>	<u>179,076</u>
<b>Leasehold Improvements (at cost)</b>	125,744	125,744
Accumulated Depreciation	(125,744)	(125,744)
	<u>-</u>	<u>-</u>
<i>Movement in Leasehold Improvements</i>		
Opening Balance	-	-
Additions	-	-
Depreciation Expense	-	-
Closing Balance	<u>-</u>	<u>-</u>
Total Property Plant and Equipment	<u><u>174,179</u></u>	<u><u>179,076</u></u>

## 10. TRADE AND OTHER PAYABLES

	2019 \$	2018 \$
<b>(i) Current</b>		
Trade and Sundry Creditors	517,579	460,951
Unearned Income	15,252,722	8,836,124
Non-VR Subsidy Received in Advance	764,825	-
Accruals	285,213	299,268
Employee Benefits (annual leave, salaries and PAYG)	394,454	326,696
GST Payable	635,319	397,550
	<u>17,850,112</u>	<u>10,320,589</u>
Included in unearned income, are amounts from directors for memberships paid in advance:	<u>7,682</u>	<u>7,464</u>

## 11. PROVISIONS

	2019 \$	2018 \$
<b>Current</b>		
Long Service Leave	<u>335,214</u>	<u>283,241</u>
<b>Non-Current</b>		
Long Service Leave	53,148	51,887
Provision for "Make Good"	146,450	146,450
	<u>199,598</u>	<u>198,337</u>
<b>Analysis of Total Provisions</b>	<b>2019 \$</b>	<b>2018 \$</b>
Current	335,214	283,241
Non-current	199,598	198,337
<b>Total Provisions</b>	<u>534,812</u>	<u>481,578</u>

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

## CONTINUED

The movement in the provision during the 2019 financial year is as follows:

	Provision for "Make Good" \$	Long Service Leave \$
Opening balance at 1 July 2018	146,450	335,128
Additional provisions raised during the year	-	66,950
Amounts used	-	(13,716)
Balance as at 30 June 2019	146,450	388,362

### Provision for "Make Good"

A provision has been recognised for the requirement to restore the leased premises to their original condition at the conclusion of the lease term. The provision has been estimated using actual past experience with comparisons made to the experience of other similar organisations which generally fall between 30% to 50% of the annual rental expense. Management review the provision annually.

### Provision for Non-current Employee Benefits

A provision has been recognised for employee entitlements relating to long service leave. 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 on historical data. The measurement and recognition criteria relating to employee benefits have been included in Note 1 to these financial statements.

## 12. OTHER LIABILITIES

	2019 \$	2018 \$
<b>Current</b>		
Deferred lease incentive	17,393	2,537
<b>Non-Current</b>		
Deferred lease incentive	35,990	53,383
	53,383	55,920

### 13. RETAINED EARNINGS

	2019 \$	2018 \$
Retained Earnings at the beginning of year	5,473,190	5,216,871
Net Surplus/(Deficit)	333,416	256,319
Retained Earnings at the end of year	<u>5,806,606</u>	<u>5,473,190</u>

### 13. AUDITOR'S REMUNERATION

	2019 \$	2018 \$
Audit and review of Financial Statements	18,500	18,500
Other Project Audit Services	7,500	5,500
	<u>26,000</u>	<u>24,000</u>

### 15. COMMITMENTS FOR EXPENDITURE

	2019 \$	2018 \$
<i>Operating Expenditure</i>		
Non-cancellable operating lease for lease of premises		
Commitments not provided for:		
No later than 1 year	342,140	270,957
Later than 1 year but no later than 5 years	399,930	613,302
Later than 5 years	-	-
	<u>742,070</u>	<u>884,259</u>

The property lease commitments are non-cancellable operating leases contracted for but not recognised in the financial statements with a five-year term. Increase in lease commitments may occur in line with the Consumer Price Index (CPI).

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

## CONTINUED

### 16. MEMBERS' GUARANTEE

The company is limited by guarantee. If the company is wound up, the Articles of Association state that each member is required to contribute a maximum of \$10 each towards meeting any obligations of the company.

### 17. CORPORATE INFORMATION

Australian College of Rural and Remote Medicine Limited is an Australian company incorporated and domiciled in Australia. Its principal activities are the provision of medical education and training services. The principal place of business and registered office of the Australian College of Rural and Remote Medicine Limited is Level 2, 410 Queen Street, Brisbane, Queensland. There are 68 employees (2018: 54) at the end of the reporting period.

### 18. SEGMENT INFORMATION

The company's sole business segment is the provision of medical, education and training services to rural and remote areas in Australia.

### 19. ECONOMIC DEPENDENCY

The project operations of the Australian College of Rural and Remote Medicine are dependent upon ongoing funding, which, to date, has been predominantly through agreements with the Department of Health.

### 20. RELATED PARTY TRANSACTIONS

Key management personnel comprises the directors and senior executive management team who have authority and responsibility for planning, directing and controlling the activities of the company.

The aggregate compensation of key management personnel is as follows:

	2019 \$	2018 \$
<b>Key management personnel compensation</b>		
Short-term benefits	1,018,239	996,000
Post-employment benefits	86,232	80,885
Other long-term benefits	7,106	6,827
Total	<u>1,111,577</u>	<u>1,083,712</u>

Of the short-term benefits \$37,966 (2018 : \$62,377) relates to payments to directors for transactions made at arm's length.

Other than those disclosed above and in note 6 and note 10, there are no other related party transactions that occurred during the 30 June 2019 financial year (2018: nil).



## 21. NOTES TO THE STATEMENT OF CASHFLOWS

i) Reconciliation of Surplus/ (Deficit) from Ordinary Activities after Income Tax to Net Cash Provided by Operating Activities

	2019 \$	2018 \$
Surplus/(Deficit) from ordinary activities after income tax	333,416	256,319
Depreciation	55,090	67,242
Amortisation	336,976	289,960
Loss/(Gain) on Disposal of Assets	274	1,067
(Increase)/Decrease in Receivables	(338,562)	77,292
(Increase)/Decrease in Prepayments	(136,963)	(85,303)
Increase/(Decrease) in Employee Entitlements	53,234	1,616
Increase/(Decrease) in Creditors & Borrowings	7,526,986	861,947
Net Cash Provided by Operating Activities	<u>7,830,451</u>	<u>1,470,140</u>

For the purposes of the Statement of Cashflows, cash includes cash on hand and in banks and investments in money markets, net of bank overdrafts.

### ii) Reconciliation of Cash

	2019 \$	2018 \$
Cash on Hand	200	200
Cash at Bank	11,753,094	5,072,020
Cash on Deposit	9,190,818	8,091,908
	<u>20,944,112</u>	<u>13,164,128</u>

### iii) Undrawn Credit Card Facilities

	2019 \$	2018 \$
Facility Limits at reporting date	163,500	157,000
Less: drawn at balance date	(99,934)	(91,835)
Undrawn facilities at reporting date	<u>63,566</u>	<u>65,165</u>

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

## CONTINUED

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### 22. EVENTS AFTER THE BALANCE SHEET DATE

There have been no material events that have occurred since the end of the financial year.

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### 23. FINANCIAL INSTRUMENTS

#### **Financial Risk Management Policies**

The Company's financial instruments consist mainly of deposits with the banks, accounts receivable and accounts payable. The Company does not have any derivative instruments at 30 June 2019.

#### **i) Treasury Risk Management**

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

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

The finance committee operates under policies approved by the board of directors. Risk management policies are approved and reviewed by the Board on a regular basis. These include credit risk policies and future cash flow requirements.

#### **ii) Financial Risk Exposures and Management**

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

##### *Interest rate risk*

No assets or liabilities of the company bear interest except for cash and cash equivalents. The interest rate (market) risk regarding these assets is monitored by the directors to ensure the best possible financial returns.

At 30 June 2019 the weighted average effective interest rate in relation to cash and cash equivalents was 0.86% (2018 – 0.87%) with the interest rate being entirely represented by floating rates. In terms of interest rate sensitivity analysis, a 2% increase/decrease in interest rates would cause the net profit before tax and equity of the company to increase/decrease by \$197,000 annually assuming all other variables remain constant.

##### *Foreign currency risk*

The company is not exposed to fluctuations in foreign currencies.

##### *Liquidity risk*

The company manages liquidity risk by monitoring forecast cash flows and ensuring that spending remains within approved project budgets for which funds are received in advance.

##### *Credit Risk*

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

There are no amounts of collateral held as security at 30 June 2019.

Credit risk arising from deposits with financial institutions is managed by the deposit of funds with authorised deposit taking institutions in Australia. The company is not exposed to any significant credit risk as its receivables are principally from commonwealth government grant funding or from members in respect of subscription and other assessment course services.

**(iii) Carrying Amount of Financial Instruments by Category**

The carrying amounts 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:

**Financial Assets**

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Cash and cash equivalents	20,944,112	13,164,128
Accounts receivable and other debtors	2,014,428	1,666,077
<b>Total Financial Assets</b>	<b>22,958,540</b>	<b>14,830,205</b>

**Financial Liabilities**

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Financial liabilities at amortised cost	-	-
Accounts payable and other payables	517,579	460,951
<b>Total Financial Liabilities</b>	<b>517,579</b>	<b>490,951</b>

**(iv) Financial liability and financial asset maturity analysis:**

- Trade receivables represent the principal amounts outstanding at balance date, are non-interest bearing and are usually settled within 30 days.
- All other receivables are due to be received within one year.
- Trade payables represent the principal amounts outstanding at balance date, are non-interest bearing and are usually settled within 30 days.
- All other payables are due for payment within one year.

**(v) Net Fair Value of Financial Instruments is equal to or approximately equal to their carrying amount.**

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**24. CONTINGENT LIABILITIES**

The College has no contingent liabilities at 30 June 2019 (2018: nil).

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

## CONTINUED

### **DIRECTOR'S DECLARATION:**

In accordance with a resolution of the Directors of the Australian College of Rural and Remote Medicine Limited, the Directors declare that:

1. The financial statements and notes as set out on pages 7 to 27 are in accordance with the *Corporations Act 2001* and the *Australian Charities and Not-for-Profit Commission Act 2012* and:
  - (a) comply with Australian Accounting Standards; and
  - (b) give a true and fair view of the company's financial position as at 30 June 2019 and of its performance for the year ended on that date.
2. In the Directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.



Director

Dated at Adelaide, this 24<sup>th</sup> day of September, 2019

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF AUSTRALIAN COLLEGE OF  
RURAL AND REMOTE MEDICINE LIMITED**



**Report on the Audit of the Financial Report**

**Opinion**

We have audited the financial report of the Australian College of Rural and Remote Medicine Limited (the "Company"), which comprises the Balance Sheet as at 30 June 2019 and the statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the director's declaration.

In our opinion the financial report of the Company is in accordance with Division 60 of the *Australian Charities and Not-for-Profit Commission Act 2012*, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2019 and of its performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-Profits Commission Regulations 2013*.

**Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the ethical requirements of the Australian Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

**Responsibilities 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 and the *Australian Charities and Non-for-Profits Commission Act 2012* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

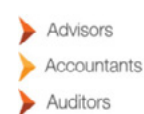
The directors are responsible for overseeing the company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists.



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**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF AUSTRALIAN COLLEGE OF  
RURAL AND REMOTE MEDICINE LIMITED (CONTINUED)**



**Auditor's Responsibilities for the Audit of the Financial Report (Continued)**

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

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

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

A handwritten signature in blue ink that reads "Bentleys".

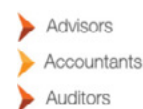
Bentleys Brisbane (Audit) Pty Ltd  
Chartered Accountants

A handwritten signature in blue ink that reads "Stewart Douglas".

Stewart Douglas  
Director  
Brisbane  
27 September 2019



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# NOTES

