



**Australian Society of Anaesthetists Limited**  
**(A company limited by guarantee)**  
**ABN 16 095 377 370**

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**Annual Financial Report**  
**Year ended**  
**30 June 2007**

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# Australian Society of Anaesthetists Limited

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## Directors' report

The directors present their report together with the financial report of Australian Society of Anaesthetists Limited for the year ended 30 June 2007 and the auditor's report thereon.

## Directors

The directors at any time during or since the end of the financial year are:

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Name & Qualification	Age	Experience and Special Responsibilities
Dr James Palmer Bradley Specialist Anaesthetist	57	Immediate Past President Director from 14 December 2000 until 23 October 2006
Dr Richard Martin Clarke Specialist Anaesthetist	53	Vice President and President Director from 19 September 2004
Dr Paul Cook Specialist Anaesthetist	52	Chair, Queensland Section Director from 8 July 2006
Dr Gregory John Deacon Specialist Anaesthetist	53	President and Immediate Past President Director from 12 October 2001
Dr Elizabeth Macdonald Feeney Specialist Anaesthetist	53	Vice President Director from 23 October 2006
Dr Sai Fong Specialist Anaesthetist	40	Chair, Western Australian Section Director from 18 March 2006
Dr Cameron Gourlay Specialist Anaesthetist	39	Chair, Tasmanian Section Director from 18 February 2006
Dr Richard William Grutzner Specialist Anaesthetist	50	Chair, Victorian Section Director from 28 February 2005 until 25 February 2007
Dr Michael Levitt Specialist Anaesthetist	56	Chair, New South Wales Section Director since 20 May 2006
Dr Andrew Schneider Specialist Anaesthetist	43	Chair, Victorian Section Director from 25 February 2007
Dr David Mickle Scott Specialist Anaesthetist	45	Executive Councillor Director from 19 September 2004 until 23 October 2006
Dr Mark Fairbridge Sinclair Specialist Anaesthetist	42	Chair, South Australian Section Director from 6 September 2006
Dr Mark Skacel Specialist Anaesthetist	49	Chair, Australian Capital Territory Section Director from 17 September 2004 until 21 February 2007
Dr Michael Tuch Specialist Anaesthetist	60	Treasurer Director from 3 October 2003
Dr Vida Viliunas Specialist Anaesthetist	49	Executive Councillor Director from 23 October 2006
Dr Linda Weber Specialist Anaesthetist	46	Chair, Australian Capital Territory Section Director from 21 February 2007

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## **Australian Society of Anaesthetists Limited**

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### **Directors' report (continued)**

#### **Directors' Meetings**

The number of directors meetings held, and attended by each of the directors during the year are:

<b>Director</b>	<b>Council Meetings attended</b>	<b>Number of Meetings held during the time director held office during the year</b>
Dr J Bradley	2	2
Dr R Clarke	5	5
Dr P Cook	4	5
Dr G Deacon	5	5
Dr E Feeney	3	3
Dr S Fong	5	5
Dr C Gourlay	5	5
Dr R Grutzner	3	3
Dr M Levitt	4	5
Dr A Schneider	1	2
Dr D Scott	2	2
Dr M Sinclair	3	5
Dr M Skacel	2	3
Dr M Tuch	5	5
Dr V Viliunas	3	3
Dr L Weber	2	2

#### **Company Secretary**

Mr Peter Lawrence was appointed to the position of Company Secretary on 30 March 2003.

## **Australian Society of Anaesthetists Limited**

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### **Directors' report (continued)**

#### **Principal activities**

The principal activities of the company during the course of the financial year were:

- Advancement of the science and art of anaesthesia in Australia and related disciplines to achieve international best practice
- Promotion of education and training in anaesthesia and related disciplines
- To encourage and support research related to anaesthesia
- To facilitate communication between practitioners in anaesthesia and related disciplines
- To prescribe high standards of practice and professional conduct and to maintain the object of such standards
- To enhance the professional status of anaesthesia
- To preserve, at all times, the professional independence of anaesthetists in whatever capacity they may be serving
- To protect the economic and legal interests of anaesthetists
- To foster the personal health and welfare of members, associates and their families
- To publish a scientific journal and encourage other publications in the sphere of anaesthesia

#### **Review and result of operations**

The Society made a surplus of \$1,739,021 (2006: \$1,151,895) which included CME net loss of \$33,210 (2006: net profit of \$62,718). The company is in a sound financial position to continue to be able to achieve its objectives as set out in the constitution.

#### **Dividends**

The company is prohibited from paying a dividend under its constitution.

#### **State of affairs**

There were no significant changes in the state of affairs of the company that occurred during the financial year under review.

#### **Environmental regulation**

The company's operations are not subject to any significant environmental regulations.

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### **Directors' report (continued)**

#### **Events subsequent to reporting date**

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

#### **Likely developments**

The directors do not foresee any significant changes in the scope of operations of the company in subsequent financial years.

#### **Indemnification and insurance of officers and auditors**

##### Indemnification

Since the end of the previous financial year, the company has not indemnified or made relevant agreement for indemnification against a liability for any person who is or has been an officer or auditor of the company.

##### Insurance Premiums.

During the financial year the company has paid insurance premiums in respect of its local directors for their liability.

The directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the directors' and officers' liability insurance contract, as such disclosure is prohibited under terms of the contract.

#### **Lead auditor's independence declaration**

The directors have received the lead auditor's independence declaration under section 307C of the Corporations Act 2001 which forms part of the directors' report on page 6.

Dated at Sydney this 22 August 2007.

Signed in accordance with a resolution of the directors:



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Dr Richard Clarke  
*President*



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Dr Michael Tuch  
*Treasurer*

## **Lead auditor's independence declaration under Section 307C of the Corporations Act 2001**

To: the directors of Australian Society of Anaesthetists Limited

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2007 there have been:

- no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG



Brett Mitchell

Sydney

22 August 2007

## Australian Society of Anaesthetists Limited

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### Income Statement

For the year ended 30 June 2007

	Note	2007 \$	2006 \$
Revenue	3(a)	2,889,638	3,182,215
Awards		(124,208)	(117,780)
Computer expenses		(118,607)	(54,711)
Conferences & meetings		(241,526)	(222,073)
Cost of sales		(311,316)	(319,882)
Depreciation expense		(119,996)	(92,761)
Employee expenses		(931,407)	(933,092)
Honorariums		(200,588)	(184,962)
Legal & professional fees		(22,962)	(20,806)
Printing, stationery & postage		(189,121)	(188,625)
Property costs		(65,587)	(61,183)
Secretarial services		(56,055)	(42,677)
Other expenses		(188,727)	(257,376)
<b>Surplus from operating activities</b>		<b>319,538</b>	<b>686,287</b>
Financial income	3(b)	1,726,682	465,608
Financial expense	3(c)	(307,199)	-
<b>Net financial income</b>		<b>1,419,483</b>	<b>465,608</b>
<b>Surplus before tax</b>		<b>1,739,021</b>	<b>1,151,895</b>
<b>Income tax expense</b>	2(c)	<b>-</b>	<b>-</b>
<b>Surplus for the year</b>		<b>1,739,021</b>	<b>1,151,895</b>

The Income Statement is to be read in conjunction with the notes to the financial statements set out on pages 11 to 23.

## Australian Society of Anaesthetists Limited

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### Statement of changes in accumulated funds

For the year ended 30 June 2007

	Retained Earnings	Asset Revaluation	Accumulated Fund
	\$	\$	\$
Opening balance 1 July 2005	8,150,796	280,050	8,430,846
Surplus for the period	1,151,895	-	1,151,895
Revaluation of equity investments	-	212,797	212,797
<b>Closing balance 30 June 2006</b>	<b>9,302,691</b>	<b>492,847</b>	<b>9,795,538</b>
Opening balance 1 July 2006	9,302,691	492,847	9,795,538
Surplus for the period	1,739,021	-	1,739,021
Disposal of revalued equity investments	-	(492,847)	(492,847)
<b>Closing balance 30 June 2007</b>	<b>11,041,712</b>	<b>-</b>	<b>11,041,712</b>

The Statement of Changes in Accumulated Funds is to be read in conjunction with the notes to the financial statements set out on pages 11 to 23.

# Australian Society of Anaesthetists Limited

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## Balance Sheet

As at 30 June 2007

	Note	2007 \$	2006 \$
<b>Current assets</b>			
Cash and cash equivalents	4	2,162,191	5,477,261
Receivables	5	644,883	130,365
Other	7	46,888	89,945
<b>Total current assets</b>		<b>2,853,962</b>	<b>5,697,571</b>
<b>Non-current assets</b>			
Property, plant and equipment	9	2,869,577	2,596,724
Other financial assets	6	7,483,337	3,144,068
Other	8	45,642	45,642
<b>Total non-current assets</b>		<b>10,398,556</b>	<b>5,786,434</b>
<b>Total assets</b>		<b>13,252,518</b>	<b>11,484,005</b>
<b>Current liabilities</b>			
Payables	10	2,168,105	1,650,161
Employee benefits	11	42,701	38,306
<b>Total current liabilities</b>		<b>2,210,806</b>	<b>1,688,467</b>
<b>Total liabilities</b>		<b>2,210,806</b>	<b>1,688,467</b>
<b>Net assets</b>		<b>11,041,712</b>	<b>9,795,538</b>
<b>Accumulated funds</b>			
Retained surplus		11,041,712	9,302,691
Asset revaluation reserve	12	-	492,847
<b>Total accumulated funds</b>		<b>11,041,712</b>	<b>9,795,538</b>

The Balance Sheet is to be read in conjunction with the notes to the financial statements set out on pages 11 to 23.

## Australian Society of Anaesthetists Limited

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### Statement of cash flows

For the year ended 30 June 2007

	Note	2007 \$	2006 \$
<b>Cash flows from operating activities</b>			
Cash receipts from members and other		3,646,741	3,517,653
Cash paid to suppliers and employees		(2,661,111)	(2,722,496)
Cash generated from operations		985,630	795,157
Interest and investments income received		315,461	469,293
<b>Net cash from operating activities</b>	14	1,301,091	1,264,450
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment	9	(392,852)	(1,026,787)
Payments for investments		(7,750,000)	(57,000)
Proceeds from investments		3,526,691	-
<b>Net cash from investing activities</b>		(4,616,161)	(1,083,787)
<b>Net increase/(decrease) in cash and cash equivalents</b>		(3,315,070)	180,663
<b>Cash and cash equivalents 1 July</b>		5,477,261	5,296,598
<b>Cash and cash equivalents 30 June</b>		2,162,191	5,477,261

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The Statement of Cash Flows is to be read in conjunction with the notes to the financial statements set out on pages 11 to 23.

# **Australian Society of Anaesthetists Limited**

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## **Notes to the financial statements**

### **For the year ended 30 June 2007**

#### **1 (a) Reporting Entity**

Australian Society of Anaesthetists Ltd (“the company”) is a company domiciled in Australia. The address of the Company’s registered office is Suite 603 Eastpoint Tower, 180 Ocean Street Edgecliff NSW 2027

#### **Basis of preparation**

##### **(b) Statement of compliance**

The financial report is a general purpose financial report which has been prepared in accordance with the Australian Accounting Standards (AASBs) (including Australian Accounting Interpretations) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The Company’s financial report does not comply with IFRSs as the Company has elected to apply the relief provided to parent entities by AASB 132 *Financial Instruments: Presentation and Disclosure* in respect of certain disclosure requirements.

The financial statements were approved by the Board of Directors on 22 August 2007.

##### **(c) Basis of measurement**

The company’s financial statements have been prepared on the historical cost basis except for available-for-sale financial assets (equity investments and managed funds) which are measured at fair value.

##### **(c) Functional and presentation currency**

These company’s financial statements are presented in Australian dollars, which is the Company’s functional currency.

##### **(d) Use of estimates and judgements**

The preparation of financial statements requires management to make judgements, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

# **Australian Society of Anaesthetists Limited**

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## **Notes to the financial statements**

### **For the year ended 30 June 2007**

#### **2 Statement of significant accounting policies**

##### **(a) Revenue recognition – Note 2**

Revenue is recognised in the income statement when the significant risks and rewards have been transferred to the buyer or the services performed.

##### ***Membership and journal income***

Revenue from membership and journal income is recognised as income in the period it relates to as long as collectability is not in doubt. Membership and journal income received or receivable in relation to future periods is recognised as income in advance in the balance sheet.

##### ***Interest revenue***

Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset.

##### ***CME meeting revenues***

Revenue from Combined Medical Education meetings is recognised in the period that it becomes due and receivable.

##### ***Donations and sponsorship income***

Donations and sponsorship income are recognised when received.

##### ***Managed fund distributions***

Revenue from distributions from managed fund investments are recognised when received or when due and receivable.

##### **(b) Goods and services tax**

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheet.

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## Notes to the financial statements

For the year ended 30 June 2007

### 2 Statement of significant accounting policies (continued)

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

#### (c) Taxation

The company is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

#### (d) Property, plant and equipment

Items of property, plant and equipment are stated at cost or deemed cost less accumulated depreciation and impairment losses.

With the exception of freehold land, depreciation is charged to the income statement on a straight line cost over the useful lives of each item of property, plant and equipment.

The estimated useful lives in the current and comparative periods are as follows:

	2007	2006
<i>Property, plant and equipment</i>		
Buildings	40 years	40 years
Furniture and equipment	3-10 years	3-10 years
Information technology	3-4 years	3-4 years

#### (e) Cash and cash equivalents – Note 4

Cash and cash equivalents comprise cash balances, short term bills and call deposits. These accounts form an integral part of the entity's cash management and are included as a component of cash and equivalents for the purpose of the cash flow statement.

#### (f) Trade and other receivables – Note 5

Trade and other receivables are stated at their amortised cost less impairment losses.

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## **Notes to the financial statements**

**For the year ended 30 June 2007**

### **2 Statement of significant accounting policies (continued)**

#### **(g) Investments**

Financial instruments held by the entity (equity investments and managed funds) are classified as being available for sale are stated at fair value, with any resultant gain or loss being recognised directly in equity, except for impairment losses. Where these investments are interest bearing, interest calculated using the effective interest method is recognised in the income statement

#### **(h) Impairment**

The carrying amounts of the entity's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated

An impairment loss is recognised whenever the carrying amount is an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement, unless an asset has previously been revalued in which case the impairment loss is recognised as a reversal to the extent of that previous revaluation with any excess recognised through profit and loss.

When a decline in the fair value of an available-for-asset financial asset has been recognised directly in equity and there is objective evidence that the asset is impaired, the cumulative loss that had been recognised directly in equity is recognised in profit or loss even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in profit or loss is the difference between acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss.

#### **Calculation of recoverable amount**

The recoverable amount of the Company's investments in held-to-maturity securities and receivables carried at amortised cost is calculated as the present value of estimated future cash flows, discounted at the original effective interest rate (i.e. the effective interest rate computed at initial recognition of these financial assets). Receivables with a short duration are not discounted.

Impairment of receivables is not recognised until objective evidence is available that a loss event has occurred. Significant receivables are individually assessed for impairment

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## **Notes to the financial statements**

**For the year ended 30 June 2007**

### **2 Statement of significant accounting policies (continued)**

Impairment testing of significant receivables that are not assessed as impaired individually is performed by placing them into portfolios of significant receivables with similar risk profiles and undertaking a collective assessment of impairment. Non-significant receivables are not individually assessed. Instead, impairment testing is performed by placing non-significant receivables in portfolios of similar risk profiles, based on objective evidence from historical experience adjusted for any effects of conditions existing at each balance sheet date.

The recoverable amount of other assets is the greater of their fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

#### **Reversals of impairment**

Impairment losses, are reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimate used to determine the recoverable amount.

An impairment loss in respect of a held-to-maturity security or receivable carried at amortised cost is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised. An impairment loss in respect of an investment in an equity instrument classified as available for sale is not reversed through profit or loss. If the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss shall be reversed, with the amount of the reversal recognised in profit or loss.

An impairment loss is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

#### **(i) Payables – Note 10**

Liabilities are recognised for amounts to be paid in the future for goods or services received. Trade accounts payable are normally settled within 60 days. The carrying amount of accounts payable approximates net fair value.

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## Notes to the financial statements

For the year ended 30 June 2007

### 2 Statement of significant accounting policies (continued)

#### (j) Employee entitlements – Note 11

The carrying amount of provisions for employee entitlements approximates net fair value.

#### *Wages, salaries and annual leave*

The provisions for employee entitlements to wages, salaries and annual leave represent present obligations resulting from employees' services provided up to the balance date, calculated at undiscounted amounts based on wage and salary rates that the Society expects to pay at reporting date including related on-costs, such as, workers compensation insurance and payroll tax.

#### *Superannuation plan*

The company contributes to various employee superannuation plans. Contributions are charged against income as they are made.

### 3 (a) Revenue

	2007	2006
	\$	\$
Membership income	1,780,403	1,800,886
Journal subscriptions	325,682	308,425
Advertising revenue	167,612	102,043
Surplus from "Anaesthesia & You" sales	62,298	57,566
CME meeting net revenues	(33,210)	62,718
NSC Net Surplus	380,583	495,483
Donations, sponsorship & sundry income	206,270	355,094
Total revenue	<u>2,889,638</u>	<u>3,182,215</u>

## Australian Society of Anaesthetists Limited

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### Notes to the financial statements

For the year ended 30 June 2007

#### 3 b) Financial income

	2007	2006
	\$	\$
Interest received from other parties	236,163	260,113
Net gain on disposal of available for sale financial assets transferred from equity	492,847	-
Net profit on disposal of investments	381,444	
Revenue from managed funds (available for sale financial assets)	616,228	205,495
	<hr/>	<hr/>
	1,726,682	465,608

#### 3 (c) Financial expenses

Impairment loss on available for sale financial assets (managed funds)	307,199	-
	<hr/>	<hr/>
	307,199	-

#### 3 (d) Auditors' remuneration

Auditors of the company

Audit of financial report	8,945	11,622
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#### 4 Cash and cash equivalents

Cash and cash equivalents	2,162,191	5,477,261
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The weighted average interest rate on cash assets at 30 June 2007 is 6.26% (2006: 5.45%).

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**Notes to the financial statements**

**For the year ended 30 June 2007**

**5 Receivables**

<b>Current</b>	2007	2006
	\$	\$
CME & SIG revenues receivable	65,079	87,491
Sundry debtors	579,804	42,874
	<u>644,883</u>	<u>130,365</u>

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**6 Other financial assets**

**Non-current**

Equity securities available for sale at fair value	7,483,337	3,144,068
	<u>7,483,337</u>	<u>3,144,068</u>

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**7 Other current assets**

Prepayments	41,028	88,585
Security deposits	5,860	1,360
	<u>46,888</u>	<u>89,945</u>

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**8 Other non-current assets**

Historical books – at cost	45,642	45,642
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**Notes to the financial statements**

**For the year ended 30 June 2007**

**9 Property, plant and equipment**

<b>Cost</b>	<b><i>Land &amp; Buildings</i></b>	<b><i>Furniture &amp; Equip</i></b>	<b><i>Information Technology</i></b>	<b><i>Total</i></b>
Balance at 1 July 2005	1,762,942	498,091	282,924	2,543,957
Acquisitions of assets	952,056	2,901	71,830	1,026,787
Disposals	-	-	-	-
Balance at 30 June 2006	2,714,998	500,992	354,754	3,570,744
Balance at 1 July 2006	2,714,998	500,992	354,754	3,570,744
Acquisitions of assets	326,634	56,006	10,212	392,852
Disposals	-	-	-	-
Balance at 30 June 2007	3,041,632	556,998	364,966	3,963,596
	<b><i>Land &amp; Buildings</i></b>	<b><i>Furniture &amp; Equip</i></b>	<b><i>Information Technology</i></b>	<b><i>Total</i></b>
<b>Depreciation and impairment loss</b>				
Balance at 1 July 2005	215,347	434,121	231,793	881,261
Depreciation charge for the year	41,091	20,115	31,555	92,761
Disposals	-	-	-	-
Balance at 30 June 2006	256,438	454,236	263,348	974,022
Balance at 1 July 2006	256,438	454,236	263,348	974,022
Depreciation charge for the year	66,933	14,995	38,069	119,997
Disposals	-	-	-	-
Balance at 30 June 2007	323,371	469,231	301,417	1,094,019
<b>Carrying amounts</b>				
At 1 July 2005	1,547,595	63,970	51,131	1,662,696
At 30 June 2006	2,458,560	46,756	91,406	2,596,722
At 1 July 2006	2,458,560	46,756	91,406	2,596,724
At 30 June 2007	2,718,261	87,767	63,549	2,869,577

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**Notes to the financial statements**

**For the year ended 30 June 2007**

*Valuations of land and buildings*

An independent valuation was carried out on 5th July 2007 by KJ McCartney, FAPI on a vacant possession basis. This valuation was \$3,833,500 which exceeds book value.

	2007	2006
	\$	\$
<b>10 Payables</b>		
Unearned revenue	1,960,031	1,556,862
Trade creditors	62,032	75,775
Other creditors and accruals	146,042	17,524
	<hr/>	<hr/>
	2,168,105	1,650,161
	<hr/>	<hr/>
<b>11 Employment Benefits</b>		
	2007	2006
	\$	\$
<b>Current</b>		
<b>Employee Benefits</b>	<b>42,701</b>	<b>38,306</b>
	<hr/>	<hr/>
<i>Number of employees</i>		
Number of employees at year end	15	15

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**Notes to the financial statements**

**For the year ended 30 June 2007**

**12 Reserves**

	2007	2006
	\$	\$
Asset revaluation	-	492,847

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**(a) Movements during the year**

	2007	2006
	\$	\$
Balance at the beginning of the year	492,847	280,050
Revaluation increment / (decrement) on managed funds	(492,847)	212,797
Balance at the end of the year	-	492,847

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**(b) Nature and purpose of reserves**

*Asset revaluation*

The asset revaluation reserve includes the cumulative change in the fair value of available for sale investments until the investment is derecognised.

**13 Total Members liability**

The maximum liability of each member in the event of winding up is \$10. In total, the members' liability amounts to \$25,070.

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**Notes to the financial statements**

**For the year ended 30 June 2007**

	2007 \$	2006 \$
<b>14 Reconciliation of cash flows from operating activities</b>		
<b>Cash flows from operating activities</b>		
Surplus for the period	1,739,021	1,151,895
Adjustments for:		
Asset revaluation write back on disposal of investments	(492,847)	-
Profit on disposal of investments	(381,444)	-
Depreciation	119,996	92,761
Impairment loss on available-for-sale financial assets	307,199	-
Operating surplus before changes in working capital and provisions	1,291,925	1,244,656
(Increase)/decrease in receivables	(514,518)	347,958
(Increase)/decrease in prepayments	47,557	(73,775)
(Increase)/decrease in investments	-	(173,226)
Increase/(decrease) in accounts payable	68,563	(111,330)
Increase/(decrease) in unearned revenue	403,169	15,651
Increase/(decrease) in provisions	4,395	14,516
Net cash from operating activities	1,301,091	1,264,450

**15 Related Party Disclosure.**

***Directors***

The names of each person holding the position of Director of the Company during the financial year are J Bradley, R Clarke, P Cook, G Deacon, E Feeney, S Fong, C Gourlay, R Grutzner, M Levitt, A Schneider, D Scott, M Sinclair, M Skacel, M Tuch, V Viliunas and L Weber.

***Remuneration of directors***

All directors perform their duties on an honorary basis. During the year two directors received an honorarium which totalled \$45,968 (2006: \$44,715 one director).

# **Australian Society of Anaesthetists Limited**

**ABN 16 095 377 370**

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## **Notes to the financial statements**

### **For the year ended 30 June 2007**

#### **16 Events subsequent to reporting date**

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

#### **17 New standards and interpretations not yet adopted**

The following standards, amendments to standards and interpretations have been identified as those which may impact the company in the period of initial application. They are available for early adoption at 30 June 2007, but have not been applied in preparing this financial report:

- AASB 7 *Financial Instruments: Disclosures* (August 2005) replaces the presentation requirements of financial instruments in AASB 132. AASB 7 is applicable for annual reporting periods beginning on or after 1 January 2007, and will require extensive additional disclosures with respect to the Company's financial instruments and share capital.
- AASB 2005-10 Amendments to Australian Accounting Standards (September 2005) makes consequential amendments to AASB 132 *Financial Instruments: Disclosure and Presentation*, AASB 101 *Presentation of Financial Statements*, AASB 114 *Segment Reporting*, AASB 117 *Leases*, AASB 133 *Earnings Per Share*, AASB 139 *Financial Instruments: Recognition and Measurement*, AASB 1 *First time Adoption of Australian Equivalents to International Financial Reporting Standards*, AASB 4 *Insurance Contracts*, AASB 1023 *General Insurance Contracts* and AASB 1038 *Life Insurance Contracts arising from the release of AASB 7*. AASB 2005-10 is applicable for annual reporting periods beginning on or after 1 January 2007 and is expected to only impact disclosures contained within the financial report.
- AASB 2007-3 Amendments to Australian Accounting Standards arising from AASB 8 makes amendments to AASB 5 *Non-current Assets Held for Sale and Discontinued Operations*, AASB 6 *Exploration for and Evaluation of Mineral Resources*, AASB 102 *Inventories*, AASB 107 *Cash Flow Statements*, AASB 119 *Employee Benefits*, AASB 127 *Consolidated and Separate Financial Statements*, AASB 134 *Interim Financial Reporting*, AASB 136 *Impairment Assets*, AASB 1023 *General Insurance Contracts* and AASB 1038 *Life Insurance Contracts*. AASB 2007-3 is applicable for annual reporting periods beginning on or after 1 January 2009 and must be adopted in conjunction with AASB 8 *Operating Segments*. This standard is only expected to impact disclosures contained within the financial report.

## **Australian Society of Anaesthetists Limited**

**ABN 16 095 377 370**

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### **Directors' declaration**

In the opinion of the directors of Australian Society of Anaesthetists Limited:

- (a) the financial statements and notes, set out on pages 7 to 23, are in accordance with the Corporations Act 2001, including:
  - (i) giving a true and fair view of the financial position of the company as at 30 June 2007 and of its performance, as represented by the results of its operations and its cash flows for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Regulations 2001; and
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Dated at Sydney 22 August 2007.

Signed in accordance with a resolution of the directors:



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Dr Richard Clarke  
*President*



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Dr Michael Tuch  
*Treasurer*

## **Independent Audit Report to the Members of Australian Society of Anaesthetists Limited**

### **Scope**

We have audited the financial report of Australian Society of Anaesthetists Limited for the financial year ended 30 June 2007, consisting of the income statement, balance sheet, statement of accumulated funds, statement of cash flows, accompanying notes, and the directors' declaration set out on pages 7 to 24. The company's directors are responsible for the financial report. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the company.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Australian Accounting Standards and other mandatory professional reporting requirements in Australia and statutory requirements so as to present a view which is consistent with our understanding of the company's financial position, and performance as represented by the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

### **Audit opinion**

In our opinion, the financial report of Australian Society of Anaesthetists Limited is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2007 and of its performance for the financial year ended on that date; and
- (ii) complying with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Regulations 2001.

KPMG



Brett Mitchell  
*Partner*

Sydney

22 August 2007

## **Disclaimer**

The additional financial information presented on page 27 is in accordance with the books and records of Australian Society of Anaesthetists Limited which have been subjected to the auditing procedures applied in our statutory audit of the company for the year ended 30 June 2007. It will be appreciated that our statutory audit did not cover all details of the additional financial information. Accordingly, we do not express an opinion on such financial information and no warranty of accuracy or reliability is given.

In accordance with our firm policy, we advise that neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any person (other than the company) in respect of the additional financial information, including any errors or omissions therein, arising through negligence or otherwise however caused.

KPMG

A handwritten signature in black ink, appearing to be 'B. Quinn', written in a cursive style.

Sydney

22 August 2007

# Australian Society of Anaesthetists Limited

ABN 16 095 377 370

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## Statement of operations For the year ended 30 June 2007

	2007	2006
	\$	\$
<b>Income</b>		
Advertising Revenue	167,612	102,043
CME Net Revenues	(33,210)	62,718
Donations, Meetings & Sundry Income	204,630	327,965
Net income from Benevolent Fund	1,640	27,129
Interest on Investments	852,391	465,608
Asset revaluation writeback on disposal of investments	492,847	-
Profit on disposal of investments	381,444	-
NSC Net Surplus	380,583	495,483
Subscriptions & Membership fees	2,106,084	2,109,311
Surplus from A&Y Sales	62,298	57,566
	<b>4,616,319</b>	<b>3,647,823</b>
<b>Direct Cost of Sales of Journal</b>		
Mail preparation & local postage	44,477	36,862
Airmail	41,312	42,211
Printing	208,056	217,504
On line production	16,830	23,305
	<b>310,675</b>	<b>319,882</b>
<b>Expenditure</b>		
Audit & accounting fees	8,945	11,622
Awards	124,208	117,405
Bank charges & credit card fees	32,518	35,842
Computer expenses	118,607	54,711
Conferences & meetings (incl travel)	241,526	217,641
Depreciation	119,996	92,761
Donations	1,000	46,000
General expenses	50,139	28,316
Honorariums	200,588	184,962
Insurance	10,747	24,583
Investment Fees	-	21,873
Impairment loss on investments	307,199	-
Legal & professional fees	22,962	20,806
Merchandise	16,405	17,730
Overseas aid expenses	55,422	57,816
Periodicals & subscriptions	800	806
Printing, stationery & office supplies	134,646	151,586
Postage incl member mail outs	55,116	39,319
Property costs	65,587	61,183
Salaries, super & staff costs	931,408	932,464
Secretarial services	56,055	42,677
Telephone & facsimile	12,749	15,943
<b>Total Expenditure</b>	<b>2,877,298</b>	<b>2,176,046</b>
<b>Surplus</b>	<b>1,739,021</b>	<b>1,151,895</b>

The statement of operations is to be read in conjunction with the disclaimer on page 26.