

**THE MEDICAL BENEVOLENT ASSOCIATION OF NSW  
(A company limited by guarantee)  
ACN 000 033 830**

**FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2016**

**THE MEDICAL BENEVOLENT ASSOCIATION OF NEW SOUTH WALES**  
**(A company limited by guarantee)**  
**ACN 000 033 830**

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This financial report covers The Medical Benevolent Association of New South Wales as an individual entity. The financial report is presented in Australian currency.

The financial report was authorised for issue by the councillors on 17 October 2016. The Association has the power to amend and re-issue the financial report.

The Medical Benevolent Association of New South Wales is a Association limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business are located at Level 6, 69 Christie Street, St Leonards, Sydney, 2065.

**THE MEDICAL BENEVOLENT ASSOCIATION OF NEW SOUTH WALES  
ACN 000 033 830**

**COUNCILLORS' REPORT**

The councillors present the accounts of the Association for the year ended 30 June 2016 in accordance with of the Australian Charities and Not-for-Profits Commission Act 2012. In accordance with the Articles of Association, office bearers are described as councillors rather than directors.

**COUNCILLORS**

The councillors in office during the financial year and up to the date of this report were:

	<b>Qualifications</b>	<b>Experience (no. years on council of Association)</b>	<b>Special Responsibility</b>
Dr D Chen	Medical Practitioner	24	President
Dr F Virant	Medical Practitioner	21	Vice-President
Dr R Pearson	Medical Practitioner	8	Vice-President
Dr A Wines	Medical Practitioner	11	Secretary
Dr F Choi	Medical Practitioner	8	Treasurer
Dr V Wong	Medical Practitioner	17	
Dr R Herlihy (resigned 16.11.15)	Medical Practitioner	28	
Dr R Mina	Medical Practitioner	8	
Dr C Wijeratne (resigned 7.10.15)	Medical Practitioner	8	
Dr C Dalton	Medical Practitioner	16	
Dr S Morey	Medical Practitioner	12	
Dr C Brassill	Medical Practitioner	7	
Dr J Allman	Medical Practitioner	6	
Dr I Wechsler	Medical Practitioner	4	
Dr N Wilton	Medical Practitioner	3	
Dr M Penm (resigned 1.12.2015)	Medical Practitioner	3	
Dr V Rogers	Medical Practitioner	3	
Dr Deborah Campbell (appointed 16.11.2015 & resigned 6.09.2016)	Medical Practitioner	<1	

**OBJECTIVES AND STRATEGIES**

*Short and long term objectives*

To provide financial assistance and counselling for necessitous doctors and their families.

**PRINCIPAL ACTIVITY AND STRATEGY FOR ACHIEVEMENT OF OBJECTIVES**

The Medical Benevolent Association of NSW (MBANSW) provides financial assistance and counselling support to all registered medical practitioners, and their families in NSW and ACT, including to the families of deceased Medical Practitioners, during times of need. The Association will also provide assistance for medical students facing unforeseen difficult circumstances and for other necessitous people as determined by the council. The Association's strategy is to raise funds, through appeals, bequest, donations and income derived from its investments.

**PERFORMANCE MEASURES**

The Association measures its performance by monitoring the financial assistance and counselling provided on an ongoing basis. Financial performance is measured by review of cash flow and net assets on an on-going basis.

During the current financial year, the Association incurred a deficit of \$24,555 after payments to beneficiaries of \$250,415 (2015: surplus of \$88,812, after payments to beneficiaries of \$198,531).

**THE MEDICAL BENEVOLENT ASSOCIATION OF NEW SOUTH WALES**  
**ACN 000 033 830**

**COUNCILLORS' REPORT (continued)**

**MEMBERSHIP**

The Association is incorporated and domiciled in Australia as an Association limited by guarantee. The liability of members is limited. The amount of capital that each member can be called on to contribute in the event of the Association being wound up is \$10. At 30 June 2016, there were 15 members. Accordingly, the total amount that members may be called on to contribute in the event of the Association being wound up is \$150.

**MEETINGS OF COUNCILLORS**

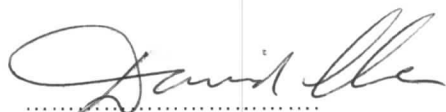
During the year the Association's councillors held twelve meetings and the number of meetings attended by each councillor is as follows:

	<b>Meetings held whilst councillor</b>	<b>Meetings attended whilst councillor</b>
Dr D Chen	12	10
Dr F Virant	12	8
Dr A Wines	12	4
Dr F Choi	12	11
Dr V Wong	12	8
Dr R Herlihy (resigned 16.11.2015)	5	4
Dr R Mina	12	7
Dr R Pearson	12	9
Dr C Wijeratne (resigned 7.10.15)	3	1
Dr C Dalton	12	9
Dr S Morey	12	10
Dr C Brassill	12	9
Dr J Allman	12	8
Dr I Wechsler	12	10
Dr N Wilton	12	8
Dr M Penm (resigned 1.12.2015)	5	0
Dr V Rogers	12	5
Dr D Campbell (appointed 16.11.15 & resigned 6.09.16)	7	3

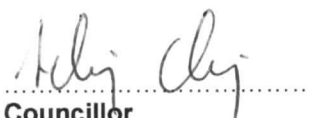
**AUDITOR'S INDEPENDENCE DECLARATION**

A copy of the Independence Declaration given to the Councillors by the lead auditor for the audit undertaken by HLB Mann Judd is included within this financial report.

This report is made in accordance with a resolution of the councillors.



Councillor



Councillor

**17 October 2016**


**THE MEDICAL BENEVOLENT ASSOCIATION OF NEW SOUTH WALES  
ACN 000 033 830**

**COUNCILLORS' DECLARATION**

In the councillors' opinion:

- (a) the financial statements and notes set out on pages 4 to 15 are in accordance with Division 60 the Australian Charities and Not-for-Profits Commission Act 2012, including:
  - (i) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the Australian Charities and Not-for-Profits Commission Regulations 2013; and
  - (ii) giving a true and fair view of the Association's financial position as at 30 June 2016 and of its performance for the financial year ended on that date; and
- (b) there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the councillors.



Councillor



Councillor

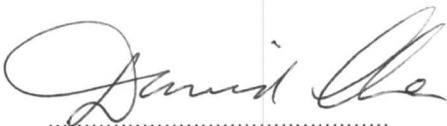
**Sydney, NSW  
17 October 2016**

**DECLARATION BY PRESIDENT IN RESPECT OF FUNDRAISING APPEALS**

I, Dr D Chen, President of The Medical Benevolent Association of New South Wales declare that in my opinion:

- (a) the financial statements give a true and fair view of all income and expenditure of The Medical Benevolent Association of New South Wales with respect to fundraising appeals; and
- (b) the statement of financial position gives a true and fair view of the state of affairs of the Association with respect to fundraising appeals; and
- (c) the provisions of the Charitable Fundraising Act 1991, the regulations under that Act and the conditions attached to the Authority have been complied with;
- (d) the internal controls exercised by The Medical Benevolent Association of New South Wales are appropriate and effective in accounting for all income received and applied from any fundraising appeal.

Dated at Sydney this 17th day of October 2016



Dr D Chen  
President

**THE MEDICAL BENEVOLENT ASSOCIATION OF NEW SOUTH WALES  
ACN 000 033 830**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016 \$	2015 \$
<b>Revenue from continuing operations</b>	10	365,438	401,376
Profit on disposal of investments		2,420	18,320
Depreciation		(2,306)	(1,372)
Appeal expenses		(32,287)	(39,720)
Employee benefits expense		(55,628)	(40,787)
Payments to beneficiaries		(250,415)	(198,531)
Portfolio management fees		(16,649)	(17,715)
Other expenses		(35,128)	(33,359)
		<u>                    </u>	<u>                    </u>
<b>(Deficit)/surplus before income tax expense</b>		<b>(24,555)</b>	<b>88,212</b>
Income tax expense	1	-	-
		<u>                    </u>	<u>                    </u>
<b>Net (deficit)/ surplus for the year</b>	11	<b>(24,555)</b>	<b>88,212</b>
		<u>                    </u>	<u>                    </u>
<b>Other comprehensive income</b>			
Available-for-sale financial assets		(53,051)	30,059
		<u>                    </u>	<u>                    </u>
<b>Other comprehensive (loss)/income for the year</b>		<b>(53,051)</b>	<b>30,059</b>
		<u>                    </u>	<u>                    </u>
<b>Total comprehensive (loss)/income for the year</b>		<b>(77,606)</b>	<b>118,271</b>
		<u>                    </u>	<u>                    </u>

The above statement of comprehensive income is to be read in conjunction with the accompanying notes.

**THE MEDICAL BENEVOLENT ASSOCIATION OF NEW SOUTH WALES  
ACN 000 033 830**

**STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2016**

	Note	2016 \$	2015 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	2	203,581	241,947
Trade and other receivables	3	<u>109,779</u>	<u>77,727</u>
<b>TOTAL CURRENT ASSETS</b>		<u>313,360</u>	<u>319,674</u>
<b>NON CURRENT ASSETS</b>			
Available-for-sale financial assets	4	2,036,146	2,094,373
Property, plant & equipment	5	<u>3,062</u>	<u>1,982</u>
<b>TOTAL NON CURRENT ASSETS</b>		<u>2,039,208</u>	<u>2,096,355</u>
<b>TOTAL ASSETS</b>		<u><b>2,352,568</b></u>	<u><b>2,416,029</b></u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	6	51,584	40,213
Employee benefits	7	<u>31,040</u>	<u>29,582</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u>82,624</u>	<u>69,795</u>
<b>NON CURRENT LIABILITIES</b>			
Employee benefits	7	<u>10,412</u>	<u>9,096</u>
<b>TOTAL NON CURRENT LIABILITIES</b>		<u>10,412</u>	<u>9,096</u>
<b>TOTAL LIABILITIES</b>		<u><b>93,036</b></u>	<u><b>78,891</b></u>
<b>NET ASSETS</b>		<u><b>2,259,532</b></u>	<u><b>2,337,138</b></u>
<b>ACCUMULATED FUNDS</b>			
Reserves	12	607,198	660,249
Accumulated funds	11	<u>1,652,334</u>	<u>1,676,889</u>
<b>TOTAL ACCUMULATED FUNDS</b>		<u><b>2,259,532</b></u>	<u><b>2,337,138</b></u>

The above statement of financial position is to be read in conjunction with the accompanying notes.

**THE MEDICAL BENEVOLENT ASSOCIATION OF NEW SOUTH WALES**  
**ACN 000 033 830**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2016**

	<b>Reserves</b>	<b>Accumulated</b>	<b>Total</b>
	<b>\$</b>	<b>Funds</b>	<b>\$</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Balance at 30 June 2014</b>	<b>630,190</b>	<b>1,588,677</b>	<b>2,218,867</b>
Total comprehensive income for the year	30,059	88,212	118,271
<b>Balance at 30 June 2015</b>	<b>660,249</b>	<b>1,676,889</b>	<b>2,337,138</b>
Total comprehensive income for the year	(53,051)	(24,555)	(77,606)
<b>Balance at 30 June 2016</b>	<b>607,198</b>	<b>1,652,334</b>	<b>2,259,532</b>

The above statement of changes in equity is to be read in conjunction with the accompanying notes.



**THE MEDICAL BENEVOLENT ASSOCIATION OF NEW SOUTH WALES  
ACN 000 033 830**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016 \$	2015 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from donors		212,016	263,243
Interest and trust distributions received		75,065	65,878
Dividends received		25,558	34,025
Imputation credits received		18,278	13,994
Other income		2,623	2,584
Payments to suppliers and employees		(142,645)	(140,605)
Payments to beneficiaries		(233,471)	(195,858)
		(42,576)	43,261
<b>Net cash used in operating activities</b>			
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of property, plant and equipment		(3,386)	(300)
Proceeds from sale of investments		62,070	205,948
Acquisition of investments		(54,474)	(270,596)
		4,210	(64,948)
<b>Net Cash provided by investing activities</b>			
Net (decrease) in cash held		(38,366)	(21,687)
Cash and cash equivalents at beginning of financial year		241,947	263,634
<b>Cash and cash equivalents at end of year</b>	2	<b>203,581</b>	<b>241,947</b>

The above statement of cash flows is to be read in conjunction with the accompanying notes.

**THE MEDICAL BENEVOLENT ASSOCIATION OF NEW SOUTH WALES  
ACN 000 033 830**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016**

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies adopted in the preparation of the financial report are set out below. These accounting policies have been consistently applied to all the years presented, unless otherwise stated.

**Basis of preparation**

The Association has elected to adopt Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: Application of Terms of Australian Accounting Standards.

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, other pronouncements of the Australian Accounting Standards Board (“AASB”) and the Australian Charities and Not-for-Profits Commission (“ACNC”) Act 2012. The Medical Benevolent Association of New South Wales (“the Association”) is a not-for-profit organisation. The financial report is presented in Australian dollars.

The Association is a company limited by guarantee and is involved in providing financial assistance and counselling of impaired doctors and their families. As such it has no share capital and does not operate for profit. Having regard to this, the councillors are of the opinion that, in accordance with the Association’s Constitution, office bearers be described in the financial report as councillors rather than directors.

**Historical cost convention**

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets.

**Critical accounting estimates**

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. There are no areas involving a high degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements.

**Income Tax**

No provision has been made for income tax in the financial report as the Association is exempt from income tax due to being a charitable institution in terms of Section 50-5 of the Income Tax Assessment Act 1997.

**Property Plant & Equipment**

Property, plant and equipment is stated as historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included into assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated within the item will flow to the Association and the cost of the item can be reliably measured. All other repairs and maintenance are charged to surplus(deficit) during the financial period in which they are incurred.

Depreciation is calculated so as to write off book value of each item of property, plant and equipment over its expected useful life. Estimates of remaining useful lives are made on a regular basis with annual reassessments for major items. Assets are depreciation or amortised from the date of acquisition.

**THE MEDICAL BENEVOLENT ASSOCIATION OF NEW SOUTH WALES  
ACN 000 033 830**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016**

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**Property Plant & Equipment** (continued)

The following rates are used in the calculation of depreciation:

Plant and Equipment	10% diminishing value
Furniture and Fittings	10%-15% diminishing value
Computer Equipment	33%-60% diminishing value

**Investment and other financial assets**

The Association classifies its investments as available-for-sale financial assets. Available-for-sale financial assets, comprising principally of marketable equity securities, are non-derivatives that are designated in this category. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the statement of financial position date.

Regular purchases and sales of investments are recognised on trade-date – the date on which the Association commits to purchase or sell the asset. Investments are initially recognised at fair value. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Association has transferred substantially all the risks and rewards of ownership.

Available-for-sale financial assets are subsequently carried at fair value. The fair value of financial instruments traded in active markets is based on quoted market prices at the statement of financial position date. The quoted market price is the last available sale price, which is compared to the last bid price. Unless the difference is significant, no adjustment is made to the value of the investment. The fair value of investments which are not quoted are calculated by the Investment Manager, using valuation techniques.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in surplus (deficit) as profit or losses from disposal of investments.

The Association assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered in determining whether the security is impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in surplus(deficit) – is removed from equity and recognised in surplus(deficit). Impairment losses recognised in profit or loss on equity instruments classified as available-for-sale are not reversed through surplus(deficit).

**Segment Reporting**

The Association provides financial assistance and counselling for impaired doctors and their families within Australia and as such comprises only one reportable industry and geographical segment.

**Councillors**

The people who held the position of councillors during the financial year are outlined in the Councillors' Report.

**THE MEDICAL BENEVOLENT ASSOCIATION OF NEW SOUTH WALES**  
**ACN 000 033 830**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**Impairment of assets**

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For property, plant and equipment, value in use is taken to be the depreciated replacement cost of the asset concerned.

**Cash and cash equivalents**

For the statement of cash flows presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**Revenue recognition**

*(i) Charitable support*

Revenue is received from appeals, donations and bequests and is brought to account on a cash received basis. Cash received prior to year end but not banked until subsequent to year end is recorded as a trade and other receivable.

*(ii) Interest revenue*

Interest revenue is recognised on an accrual basis taking into account the interest rates applicable to the assets.

*(iii) Dividend and trust distribution revenue*

Dividend and trust distribution revenue is recognised when the right to receive payment is established.

**Trade and other payables**

These amounts represent liabilities for goods and services provided to the Association prior to the end of the financial year. The amounts are unsecured and are usually paid within 60 days of recognition.

**Employee benefits**

*Annual leave*

A provision for annual leave is recognised, and is measured as the amount unpaid at balance date in respect of employees services up to that date at rates expected to be paid when the leave is taken.

*Long Service Leave*

The liability for long service leave expected to be settled within 12 months of the reporting date is recognised and measured in accordance with annual leave above.

The liability for long service leave expected to be settled more than 12 months from reporting date is recognised in non-current employee benefits but is measured based on remuneration rates current as at balance date for all employees with five or more years of service.

The councillors believe that this method provides an estimate of the liability that is not materially different from the estimate that would be obtained by using the present value basis of measurement.

**THE MEDICAL BENEVOLENT ASSOCIATION OF NEW SOUTH WALES  
ACN 000 033 830**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016**

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>2. CASH AND CASH EQUIVALENTS</b>		
Commonwealth Bank – a/c 901-952	41,276	35,362
Commonwealth Bank – a/c 1010 4795	2,000	2,000
Commonwealth Bank – a/c 800 529	32,353	18,062
BT Investment Management No 3 Pty Limited	122,000	5,523
BT Institutional Managed Cash Fund	5,952	181,000
	203,581	241,947
	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>3. TRADE AND OTHER RECEIVABLES</b>		
<b>Current</b>		
GST	5,114	4,960
Other debtors	104,665	72,767
	109,779	77,727
<b>4. AVAILABLE-FOR-SALE FINANCIAL ASSETS</b>		
	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>Equity Securities – at fair value</b>		
Australian Shares - listed	584,287	698,192
Australian Real Estate Securities - listed	210,077	164,413
International Real Estate Securities	70,918	70,939
International Shares	360,859	388,592
<b>Other Securities – at fair value</b>		
Australian Fixed Interest	659,957	633,917
International Fixed Interest	150,048	138,320
	2,036,146	2,094,373

**THE MEDICAL BENEVOLENT ASSOCIATION OF NEW SOUTH WALES  
ACN 000 033 830**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016**

**4. AVAILABLE-FOR-SALE FINANCIAL ASSETS (continued)**

Reconciliation of the carrying amount of available-for-sale financial assets at the beginning and end of the current financial year are as follows:

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Carrying amount at beginning of year	2,094,373	1,981,346
Additions	54,474	270,596
Disposals proceeds	(62,070)	(205,948)
Profit on disposal	2,420	18,320
Impairment loss	-	-
Revaluation (deficit)/surplus transferred to equity	(53,051)	30,059
	<u>2,036,146</u>	<u>2,094,373</u>
Carrying amount at end of year		

When available-for-sale financial assets are impaired (Note 1), the impairment charge is included in surplus (deficit). The impairment charge recorded in surplus(deficit) for the year ended 30 June 2016 was \$nil (2015: \$nil).

The councillors have impaired available for sale investments where, at year end, there is objective evidence that the asset is impaired. Objective evidence is assumed to be instances where investments which have experienced a significant decrease in fair value below cost (assumed to be where the market value at year end is 20% or more below cost), or a prolonged period of fair value below cost (assumed to be where the market value has been below cost for a period of 12 months or more).

When objective evidence exists and the asset is impaired, the cumulative loss recognised in equity is transferred to surplus/(deficit).

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>5. PROPERTY, PLANT &amp; EQUIPMENT</b>		
Plant & Equipment at cost	-	5,345
Less: Accumulated Depreciation	-	(5,000)
	<u>-</u>	<u>345</u>
Furniture & Fittings at cost	792	1,039
Less: Accumulated Depreciation	(500)	(667)
	<u>292</u>	<u>372</u>
Computer Equipment at cost	7,356	6,472
Less: Accumulated Depreciation	(4,586)	(5,207)
	<u>2,770</u>	<u>1,265</u>
<b>Total property, plant &amp; equipment</b>	<b><u>3,062</u></b>	<b><u>1,982</u></b>
Carrying amount the beginning of the financial year	1,982	3,054
Add: additions of property, plant & equipment	3,386	300
Less: disposals	-	-
Less: depreciation expense	(2,306)	(1,372)
Carrying amount at the end of the financial year	<b><u>3,062</u></b>	<b><u>1,982</u></b>

**THE MEDICAL BENEVOLENT ASSOCIATION OF NEW SOUTH WALES  
ACN 000 033 830**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016**

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>6. PAYABLES</b>		
<b>Current</b>		
Beneficiaries	27,062	10,118
Other creditors	24,522	30,095
	<u><b>51,584</b></u>	<u><b>40,213</b></u>
 <b>7. EMPLOYEE BENEFITS</b>		
<b>Current</b>		
Annual leave	28,682	27,029
Long Service Leave	2,358	2,553
	<u><b>31,040</b></u>	<u><b>29,582</b></u>
<b>Non Current</b>		
Long service leave	<u><b>10,412</b></u>	<u><b>9,096</b></u>

**8. MEMBERS' GUARANTEE**

The Medical Benevolent Association of New South Wales is incorporated in New South Wales as a company limited by guarantee. In the event of the Association being wound up, each member undertakes to contribute a maximum of \$10 for payment of the Association's liabilities.

**9. RELATED PARTY TRANSACTIONS**

The following persons were councillors of The Medical Benevolent Association of New South Wales during the financial year: Dr D Chen, Dr F Virant, Dr R Pearson, Dr A Wines, Dr F Choi, Dr V Wong, Dr R Herlihy (resigned 16.11.2015), Dr R Mina, Dr C Wijeratne (resigned 7.10.2015), Dr C Dalton, Dr S Morey, Dr C Brassill, Dr J Allman, Dr I Wechsler, Dr N Wilton, Dr M Penm (resigned 1.12.2015), Dr V Rogers and Dr Deborah Campbell (appointed 16.11.2015 & resigned 6.09.2016).

There were no amounts received, or due and receivable, by the councillors of The Medical Benevolent Association of New South Wales during the year.

Other than any donations made by the Councillors to the Association, there were no other related party transactions during the year (2015: nil).

**THE MEDICAL BENEVOLENT ASSOCIATION OF NEW SOUTH WALES  
ACNE 000 033 830**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016**

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>10. REVENUE FROM CONTINUING OPERATIONS</b>		
Appeals	228,718	245,559
Bequests	4,000	8,015
Donations	6,383	9,669
Dividends received	31,535	45,221
Interest and trust distributions received	79,794	72,050
Imputation credits refund	12,385	18,278
Sundry Income	2,623	2,584
	<u><b>365,438</b></u>	<u><b>401,376</b></u>
<b>11. ACCUMULATED FUNDS</b>		
Accumulated surplus at the beginning of the financial year	1,676,889	1,588,677
Net (deficit)/surplus for the year	<u>(24,555)</u>	<u>88,212</u>
Accumulated surplus at the end of the financial year	<u><b>1,652,334</b></u>	<u><b>1,676,889</b></u>
<b>12. RESERVES</b>		
<b>Available-for-sale revaluation reserve</b>		
Balance 1 July 2015	660,249	630,190
(Devaluation)/revaluation	(53,051)	30,059
Impairment loss transferred to profit or loss	<u>-</u>	<u>-</u>
Balance 30 June 2016	<u><b>607,198</b></u>	<u><b>660,249</b></u>

Changes in fair value on translation of investments classified as available-for-sale financial assets are taken to the available-for-sale investments revaluation reserve, as described in Note 1. Amounts are recognised in surplus (deficit) when the associated assets are sold or impaired.



**THE MEDICAL BENEVOLENT ASSOCIATION OF NEW SOUTH WALES  
ACNE 000 033 830**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016**

**13. ADDITIONAL INFORMATION TO BE FURNISHED UNDER THE CHARITABLE FUNDRAISING ACT, 1991**

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>Details of aggregate gross income and expenditure of fundraising appeals (including bequests and donations):</b>		
Gross proceeds from appeals	239,101	263,243
Less: Costs of appeals	<u>(32,287)</u>	<u>(39,720)</u>
Net surplus from fundraising appeals	<u>206,814</u>	<u>223,523</u>
<b>Statement showing how funds received were applied to charitable purposes:</b>		
Net surplus from fundraising appeals	<u>206,814</u>	<u>223,523</u>
This was applied to the charitable purposes in the following manner:		
Expenditure on direct services	250,415	198,531
Expenditure on administration	<u>107,405</u>	<u>91,861</u>
Expenses applied to charitable purposes	<u>357,820</u>	<u>290,392</u>
The shortfall of \$151,006 being the difference between the \$206,814 available from fundraising appeals conducted and total expenditure of \$357,820 was provided from the following sources:		
Dividends received	31,535	45,221
Interest and unit trust distributions received	79,794	72,050
Imputation credits refund	12,385	18,278
Profit/(loss) on disposal of investments	2,420	18,320
Other income	2,623	2,584
Depreciation	<u>(2,306)</u>	<u>(1,372)</u>
Total income (deficit) from all other sources	126,451	155,081
Net deficit (surplus) for the year	<u>24,555</u>	<u>(88,212)</u>
	<u><b>151,006</b></u>	<u><b>66,869</b></u>

(i) Statement of significant accounting principles and methods are detailed in Note 1.

		<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>%</b>	<b>%</b>
Total cost of fundraising / gross income from fundraising	32,287 / 239,101	14	15
Net surplus from fundraising / gross income from fundraising	206,814 / 239,101	86	85
Total costs of services provided / gross income	357,820 / 367,858	97	69
Total costs of services provided / total expenditure	357,820 / 392,413	91	88

(iii) Fundraising appeals conducted during the financial year

Annual Direct Mail Appeal

**THE MEDICAL BENEVOLENT ASSOCIATION OF NEW SOUTH WALES**

**AUDITOR'S INDEPENDENCE DECLARATION**

We declare that, to the best of our knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit of the financial report of The Medical Benevolent Association of New South Wales for the year ended 30 June 2016.



**Sydney, NSW  
11 October 2016**

**HLB Mann Judd  
Chartered Accountants**

**THE MEDICAL BENEVOLENT ASSOCIATION OF NEW SOUTH WALES**

**ACN 000 037 830**

**INDEPENDENT AUDITOR'S REPORT**

To the members of The Medical Benevolent Association of New South Wales:

We have audited the accompanying financial report of The Medical Benevolent Association of New South Wales ("the Association"), which comprises the statement of financial position as at 30 June 2016, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Councillors' declaration, for the Association.

***Councillors' Responsibility for the Financial Report***

The Councillors are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012* ("the ACNC Act") 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.

***Auditor's Responsibility***

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

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

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

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

***Independence***

In conducting our audit, we have complied with the independence requirements of the ACNC Act.

THE MEDICAL BENEVOLENT ASSOCIATION OF NEW SOUTH WALES

ACN 000 037 830

INDEPENDENT AUDITOR'S REPORT (continued)

**Opinion**

In our opinion:

- (a) the financial report of The Medical Benevolent Association of New South Wales is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:
  - (i) giving a true and fair view of the Association's financial position as at 30 June 2016 and its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Regulation 2013*; and
- (b) we have been given all information, explanation and assistance necessary for the conduct of the audit;
- (c) the Association has kept financial records sufficient to enable a financial report to be prepared and audited; and
- (d) the Association has kept other records as required by Part 3.2 of the ACNC Act.
- (e) The financial report gives a true and fair view of the financial result of fundraising appeals for the financial year;
- (f) Any money received as a result of fundraising appeals conducted during the financial year has been properly accounted for and applied in accordance with the Charitable Fundraising Act 1991 and the regulations thereto;
- (g) The financial statements and associated records have been properly kept during the financial year in accordance with the provisions of the Charitable Fundraising Act 1991 and regulations thereto; and
- (h) At the date of this statement, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.



HLB Mann Judd  
Chartered Accountants

Sydney, NSW  
20 October 2016



A G Smith  
Partner

**THE MEDICAL BENEVOLENT ASSOCIATION OF NSW  
ACN 000 033 830**

**AUDITOR'S STATEMENT**

Our audit examination was made for the purpose of forming an opinion on the financial report prepared to provide information to members of The Medical Benevolent Association of NSW ("the audited financial report").

The supplementary information set out on page 20 is presented for the purpose of additional analysis but does not form part of the audited financial report. The information presented is in accordance with the accounting records maintained by The Medical Benevolent Association of NSW but amounts stated therein have not necessarily been verified as part of our audit examination.



**Sydney, NSW  
20 October 2016**

**HLB Mann Judd  
Chartered Accountants**

**THE MEDICAL BENEVOLENT ASSOCIATION OF NSW**  
**ACN 000 033 830**  
**UNAUDITED**  
**INCOME AND EXPENDITURE STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2016**

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>INCOME</b>		
Appeals – group	21,580	49,220
Appeals – individual	207,138	196,339
Bequests	4,000	8,015
Donations via AMA subscriptions	6,383	9,669
Dividends received	31,535	45,221
Interest & trust distributions received	79,794	72,050
Other income	2,623	2,584
Imputation credits refundable	12,385	18,278
Profit on disposal of investments	2,420	18,320
	<b>367,858</b>	<b>419,696</b>
<b>EXPENDITURE ON ADMINISTRATION</b>		
Accountancy and audit expenses	13,426	20,850
Appeal expenses	32,287	39,720
Depreciation	2,306	1,372
General expenses	9,206	2,331
Insurance	4,138	4,037
Portfolio management fee	16,649	17,715
Printing & stationery	3,528	3,670
Staff training & welfare	1,874	-
Superannuation contributions	4,792	7,156
Telephone expenses	2,956	2,471
Wages and social worker expenses	50,836	33,631
	<b>141,998</b>	<b>132,953</b>
<b>NET SURPLUS AFTER ADMINISTRATION EXPENSES</b>	<b>225,860</b>	<b>286,743</b>
<b>LESS: EXPENDITURE ON DIRECT SERVICES</b>		
Payments to beneficiaries	193,831	148,505
Social work support	56,584	50,026
	<b>250,415</b>	<b>198,531</b>
<b>NET SURPLUS</b>	<b>(24,555)</b>	<b>88,212</b>