

**MEDICAL BENEVOLENT ASSOCIATION OF QUEENSLAND**

**ABN 33 126 718 376**

**FINANCIAL REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2016**

- ❖ **Director's Report**
- ❖ **Auditor's Independence Declaration**
- ❖ **Statement of Comprehensive Income**
- ❖ **Statement of Financial Position**
- ❖ **Statement of Changes in Equity**
- ❖ **Statement of Cash Flows**
- ❖ **Notes of the Financial Statements**
- ❖ **Director's Declaration**
- ❖ **Independent Audit Report**

# **MEDICAL BENEVOLENT ASSOCIATION OF QUEENSLAND**

ABN 33 126 718 376

## **DIRECTORS' REPORT**

Your directors submit the financial accounts of the company for the year ended 31 December 2016.

### **Principal Activities**

The principal activity of the company during the year was the granting of financial relief and assistance to necessitous members of the company and of the medical profession.

No significant change has occurred in the nature of this activity, or in the state of affairs of the company.

### **Operating Results and Review of Operations**

The net profit amounted to \$56,325 (2015: \$44,200).

### **Future Developments and Expected Results**

The company aims to increase the awareness within Queensland's medical profession of our existence and objectives.

### **Dividends Paid or Recommended**

As the company is limited by guarantee it is prohibited from paying dividends to its members.

### **Matters Subsequent to the End of the Financial Year**

There have not been any events arising since 31 December 2016 which significantly affects or may significantly affect:-

- (a) the operations of the company;
- (b) the results of those operations; or
- (c) the state of affairs of the company.

### **Environmental Issues**

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

### **Proceedings on Behalf of the Company**

No person has applied for leave of Court to bring proceedings on behalf of the entity or intervene in any proceedings to which the entity is a party for the purpose of taking responsibility on behalf of the entity for all or any part of those proceedings.

The entity was not a party to any such proceedings during the year.

**MEDICAL BENEVOLENT ASSOCIATION OF QUEENSLAND**

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**DIRECTORS' REPORT**

**Directors**

The following persons held office during or since the end of the year:

Robert Paul Brown  
Filomena Ferlan  
Ralph Patrick Devlin  
Lisa Ann Cavaye  
Justin Blaise Bissell  
Zelle Hodge  
Julienne Agnew  
Kimberley Bondeson

All directors are non-executive and independent. None of the directors have received any remuneration for the performance of their duties as directors during the year.

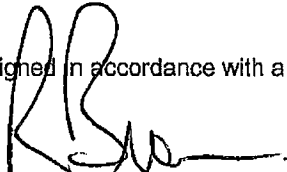
**Directors' Benefits**

Since 31 December 2016, no director of the company has received or become entitled to receive a benefit by reason of a contract made by the company or a related corporation with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

**Auditor's Independence Declaration**

The auditor's independence declaration for the year ended 31 December 2016 has been received and is attached to the director's report.

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



Director



Director

Dated this 8<sup>th</sup> day of March 2017

**MEDICAL BENEVOLENT ASSOCIATION OF QUEENSLAND**

**ABN 33 126 718 376**

**AUDITOR'S INDEPENDENCE DECLARATION**

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2016 there have been:

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

RAMSEY & ASSOCIATES  
Auditors & Accountants  
Neil Morris

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Ipswich, Queensland

Neil Morris, Chartered Accountant  
Registered Company Auditor



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1st March 2017

**MEDICAL BENEVOLENT ASSOCIATION OF QUEENSLAND**

ABN 33 126 718 376

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

2015		<u>Notes</u>	2016
	Revenue		
90.91	Membership subscriptions		-
3,630.00	Donations & Sponsorships		8,230.00
33,498.03	Dividends Received		25,607.03
1,450.73	Interest Received		1,813.86
-	Profit from sale of investments		-
34,102.17	The Peter & Monica Foxwell Memorial Trust Distributions		37,297.08
<u>72,771.84</u>			<u>72,947.97</u>
	Expenses		
2,280.00	Auditor's remuneration		2,280.00
77.82	Bank charges		187.81
(43.63)	Catering		159.09
221.50	Room hire		570.00
16,000.00	Grants of assistance		14,030.00
1,388.18	Insurance		1,453.08
-	Licence & registration fees		-
122.27	Photocopying, postage & stationery		106.49
1,190.00	Printing		56.34
6,000.00	Promotion		-
-	Records storage		143.73
6,329.86	Secretarial Fees including phone services		6,482.18
2,291.22	Website Costs		604.83
-	Other Costs		188.44
3,102.24	Net losses on disposal of investments		-
<u>38,959.46</u>			<u>26,261.99</u>
33,812.38	Surplus/(deficit) before income tax expense		46,685.98
10,387.67	Income tax refunds of franking credits	1(g)	9,639.70
<u>\$ 44,200.05</u>	Net current year surplus		<u>\$ 56,325.68</u>
	Other comprehensive income		
(9,409.94)	Fair value measurement gains/(losses) on financial assets		31,698.06
<u>(9,409.94)</u>	Total other comprehensive income for the year		<u>31,698.06</u>
<u>\$ 34,790.11</u>	Total comprehensive income for the year		<u>\$ 88,023.74</u>

The accompanying notes form part of these financial statements

**MEDICAL BENEVOLENT ASSOCIATION OF QUEENSLAND**

ABN 33 126 718 376

**STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2016**

2015		2016
	<u>Notes</u>	
<b>CURRENT ASSETS</b>		
	Cash and cash equivalents:	
18,594.27	Westpac Gift Account	38,705.52
<u>125,373.14</u>	Westpac Max-I Bonus Account	<u>161,660.63</u>
143,967.41		200,366.15
<u>120.73</u>	Other Receivables	<u>99.05</u>
<u>144,088.14</u>	<b>TOTAL CURRENT ASSETS</b>	<u>200,465.20</u>
<b>NON-CURRENT ASSETS</b>		
	Financial Assets	
	Shares in Public Companies - at market value:	
60,157.44	Amcor Ltd	66,916.20
43,012.20	ANZ Banking Group Limited	46,846.80
21,432.00	BHP Billiton Ltd	30,072.00
23,649.08	Brambles Ltd	25,345.60
42,765.00	Commonwealth Bank	41,205.00
91,619.70	CSL Limited	87,356.70
-	CYBG Plc	2,410.00
60,400.00	National Australia Bank Ltd	61,340.00
9,484.60	Origin Energy Ltd	13,298.62
10,071.00	Orora Limited	13,383.24
66,721.92	Resmed Inc	76,945.44
1,278.00	South32	3,300.00
47,685.00	Telstra Corporation Ltd	43,350.00
15,987.69	Transurban Group	15,758.64
56,589.60	Wesfarmers Ltd	57,310.40
5,417.67	Westfield Group	5,999.52
77,188.00	Westpac Banking Corporation Ltd	74,980.00
<u>40,498.50</u>	Woolworths Ltd	<u>39,837.30</u>
<u>673,957.40</u>		<u>705,655.46</u>
<u>673,957.40</u>	<b>TOTAL NON-CURRENT ASSETS</b>	<u>705,655.46</u>
<u>818,045.54</u>	<b>TOTAL ASSETS</b>	<u>906,120.66</u>
<b>CURRENT LIABILITIES</b>		
-	Trade and other payables	51.38
<u>-</u>	<b>TOTAL LIABILITIES</b>	<u>51.38</u>
<u>\$ 818,045.54</u>	<b>NET ASSETS</b>	<u>\$ 906,069.28</u>
<b>EQUITY</b>		
174,851.25	Asset Revaluation Reserve	206,549.31
<u>643,194.29</u>	Retained Earnings	<u>699,519.97</u>
<u>\$ 818,045.54</u>	<b>TOTAL EQUITY</b>	<u>\$ 906,069.28</u>

The accompanying notes form part of these financial statements

**MEDICAL BENEVOLENT ASSOCIATION OF QUEENSLAND**

**ABN 33 126 718 376**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

	<u>Asset Revaluation Reserve</u>	<u>Retained Earnings</u>	<u>Total</u>
Balance at 1 January 2015	184,261.19	598,994.24	783,255.43
Surplus/(deficit) for the period	-	44,200.05	44,200.05
Total other comprehensive income	<u>- 9,409.94</u>	<u>-</u>	<u>- 9,409.94</u>
Balance at 31 December 2015	174,851.25	643,194.29	818,045.54
Surplus/(deficit) for the period	-	56,325.68	56,325.68
Total other comprehensive income	<u>31,698.06</u>	<u>-</u>	<u>31,698.06</u>
Balance at 31 December 2016	<u><u>\$ 206,549.31</u></u>	<u><u>\$ 699,519.97</u></u>	<u><u>\$ 906,069.28</u></u>

The accompanying notes form part of these financial statements

**MEDICAL BENEVOLENT ASSOCIATION OF QUEENSLAND**

**ABN 33 126 718 376**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

<u>2015</u>		<u>2016</u>
	Cash flows from Operating Activities	
3,720.91	Receipts from Members and Donors	8,230.00
(36,171.66)	Payments to Suppliers	(26,188.93)
33,498.03	Dividends Received	25,607.03
1,450.73	Interest Received	1,813.86
10,387.67	Income Tax expense/franking credits refunded	9,639.70
<u>34,102.17</u>	Trust Distributions Received	<u>37,297.08</u>
46,987.85	Net Cash inflow/(out flow) from Operating Activities	56,398.74
	Cash flows from Investing Activities	
(5,985.00)	Purchase of Investments	-
36,160.00	Proceeds from disposal of Investments	-
<u>30,175.00</u>	Net Cash inflow/(out flow) from Investing Activities	<u>-</u>
77,162.85	Net Increase / (Decrease) in Cash and Cash equivalents	56,398.74
<u>66,804.56</u>	Cash and Cash equivalents at the Beginning of the Financial Period	<u>143,967.41</u>
<u>\$ 143,967.41</u>	Cash and Cash equivalents at the End of the Financial Year	<u>\$ 200,366.15</u>
	Reconciliation of Net Cash provided by Operating Activities to Profit after Income Tax:	
44,200.05	Profit after income tax	56,325.68
	Non-cash flows in profit:	
3,102.24	Net losses/(gains) on disposal of investments	-
	Changes in assets and liabilities:	
(213.48)	Increase/(decrease) in trade and other payables	51.38
(100.96)	(Increase)/ decrease in prepayments and other receivables	(21.68)
<u>\$ 46,987.85</u>	Net Cash provided by/(used in) Operating Activities	<u>\$ 56,355.38</u>

The accompanying notes form part of these financial statements



# MEDICAL BENEVOLENT ASSOCIATION OF QUEENSLAND

ABN 33 126 718 376

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

### **NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

(a) Basis of preparation

These general purpose financial statements has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent issues Group Interpretations and the Corporations Act 2001. Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards. Compliance with AIFRSs ensures that the financial statements and notes of the company comply with International Financial Reporting Standards (IFRSs).

These financial statements have been prepared on an accruals basis, and under the historical cost convention.

(b) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. All revenue is stated net of the amount of goods and services tax (GST).

(c) Cash and cash equivalents

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

(d) Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation 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 the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

(e) Trade and other Payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid with 30 days of recognition.

# **MEDICAL BENEVOLENT ASSOCIATION OF QUEENSLAND**

ABN 33 126 718 376

## **NOTES TO THE FINANCIAL STATEMENTS** **FOR THE YEAR ENDED 31 DECEMBER 2016**

### **NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

(f) Income Tax

This organisation is exempt from paying income tax under Division 50 of the Income Tax Assessment Act 1997. Any refunds of imputation credits on dividends received are brought to account as income only when received from the Australian Taxation Office.

(g) 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.

### **NOTE 2: EQUITY - MEMBERS' GUARANTEE**

The company is limited by guarantee, and as such has no issued capital. If the company is wound up, the Constitution states that each member is required to contribute a maximum of \$100 each towards meeting any outstanding obligations of the company.

### **NOTE 3: RELATED PARTY TRANSACTIONS**

(a) The persons holding office as directors during the year were:

Robert Paul Brown	Justin Blaise Bissell
Filomena Ferlan	Zelle Hodge
Ralph Patrick Devlin	Julienne Agnew
Lisa Ann Cavaye	
Kimberley Bondeson	

(b) No directors received any remuneration from the company for the performance of their duties as a director.

(c) The Queensland Branch of the Australian Medical Association provides services to the company at charges no more than those which are charged to other organisations and customers. Some of the company's directors are members of the Queensland Branch of the Australian Medical Association.

### **NOTE 4: SEGMENT INFORMATION**

The company operates in Queensland to grant financial relief and assistance to necessitous members of the company and the medical profession.

**MEDICAL BENEVOLENT ASSOCIATION OF QUEENSLAND**

ABN 33 126 718 376

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

**NOTE 5: FINANCIAL ASSETS**

	<u>Cost</u>	<u>Market Value at</u> <u>31/12/2016</u>
Shares in Public Companies:		
Amcor Limited	44,749.65	66,916.20
ANZ Banking Group Limited	41,222.65	46,846.80
BHP Billiton Ltd	36,137.18	30,072.00
Brambles Limited	18,497.38	25,345.60
Commonwealth Bank	37,905.30	41,205.00
CSL Limited	59,988.85	87,356.70
CYBG Plc	2,005.00	2,410.00
National Australia Bank Ltd	35,058.21	61,340.00
Orora Limited	5,249.96	13,383.24
Origin Energy Ltd	7,874.69	13,298.62
Resmed Inc	49,998.39	76,945.44
South32 Limited	2,761.83	3,300.00
Transurban Group	11,998.86	15,758.64
Telstra Corporation Ltd	29,023.08	43,350.00
Westpac Banking Corporation Ltd	26,871.00	74,980.00
Wesfarmers Ltd	29,908.07	57,310.40
Westfield Group - Scentre	3,872.00	5,999.52
Woolworths Limited	55,983.75	39,837.30
	<u>499,105.85</u>	<u>705,655.46</u>

Market values are as per Australian Stock Exchange publicly-available data.

**NOTE 6: COMPANY DETAILS**

The company's registered office is:

Queensland Branch of the Australian Medical Association  
88 L'Estrange Terrace  
Kelvin Grove Qld 4059

The company's principal place of business is:

Queensland Branch of the Australian Medical Association  
88 L'Estrange Terrace  
Kelvin Grove Qld 4059

**MEDICAL BENEVOLENT ASSOCIATION OF QUEENSLAND**

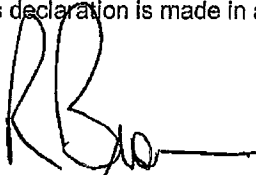
ABN 33 126 718 376

**DIRECTORS' DECLARATION**

The directors of the company declare that:

1. the attached Statements of Comprehensive Income, Financial Position, Changes in Equity, and Cash Flows, and Notes to the financial statements are in accordance with the Corporations Act 2001; and
  - (a) comply with Accounting Standards and the Corporations Regulations 2001; and
  - (b) give a true and fair view of the company's financial position as at 31 December 2016, and of its performance for the year ended on that date; and
  
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.

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



\_\_\_\_\_  
Director



\_\_\_\_\_  
Director

Dated this 8<sup>th</sup> day of March 2017

## INDEPENDENT AUDIT REPORT

### TO THE MEMBERS OF THE MEDICAL BENEVOLENT ASSOCIATION OF QUEENSLAND

We have audited the accompanying financial statements of Medical Benevolent Association of Queensland which comprises the Statement of Financial Position as at 31 December 2016 and the Statements of Comprehensive Income, Changes in Equity and Cash Flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the Directors' Declaration.

#### **Directors' Responsibility for the Financial Statements**

The directors of the company are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

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 Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of Medical Benevolent Association of Queensland on 1st March 2017 would be in the same terms if provided to the directors as at the date of this auditor's report.

#### **Auditor's Opinion**

In our opinion, the financial statements of the Medical Benevolent Association of Queensland are in accordance with the Corporations Act 2001, including:

- a. Giving a true and fair view of the company's financial position as at 31 December 2016 and of its performance for the year; and
- b. Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

RAMSEY & ASSOCIATES  
Auditors & Accountants

Neil Morris, Chartered Accountant  
Registered Company Auditor

