



RACP
Specialists. Together

**EDUCATE
ADVOCATE
INNOVATE**

The Royal Australasian College of Physicians

Annual Report 2016



RACP

Specialists. Together

EDUCATE

Through the RACP we work together to educate and train the next generation of specialists to deliver quality care.

ADVOCATE

We advocate for policies that promote the interests of our profession, our patients and our communities.

INNOVATE

We collaborate to lead innovation in the delivery of specialist medicine in a constantly changing world, and support innovative medical research through our Foundation.

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▲ 145 Macquarie Street, Sydney

PRESIDENT'S MESSAGE

It's been a tremendous honour and privilege to have been given the responsibility to lead the RACP through a period of profound change in the delivery of specialist education.

If there's one truth that I've learned in more than three decades working as both a specialist general physician and now a geriatrician, it is that our models of training and professional development are central to the care we provide to our patients.

That's why the College plays such a critical role in the delivery of specialist care – establishing the standards, developing physicians' careers and training the next generation of specialists.

We do this work in a dynamic and constantly changing environment, underpinned by the professional rigour that has been the hallmark of our College since its inception.

In the past 12 months, we have focused on ensuring our core business continues to be relevant to the world in which we operate.

The College is currently reviewing our curricula, entry requirements and models of delivering training. We have a particular focus on the capacity of our Fellows to continue to provide specialist education to world-class standards as numbers of trainees grow.

This is important and foundational work that will impact on every member of the College in the coming years.

We are also in the process of making our Continuing Professional Development (CPD) processes easier to access and complete as part of an update of the College's online presence.

Ours is an era when health consumers are bombarded with information and healthcare choices.

Through our Evolve program, our specialists work with specialty societies to review specific practices, ensuring our Fellows continue to deliver the most appropriate and relevant types of care for each patient.

What inspires me most about the RACP is that we are also looking at our members' broader role in the communities they operate within.

We are progressing our international strategy, which will see the College take a leadership role in the Southwest Pacific Region, with partnerships to support post-graduate education being developed in Fiji, and further locations under consideration.

This is an exciting model for us to develop. We are planning a five-year program using 'start up' principles of iterative program design and constant testing of the model.

We have also determined to take a leadership role in Indigenous health, working in partnership with Indigenous health leaders to contribute to better health outcomes and to grow the Indigenous specialist workforce.

And we have been vocal on broader issues such as the global health threat of climate change, as well as the harm to children's health from offshore immigration detention.

To improve the internal operations of the College, we have secured support for constitutional changes to create a more focused board structure, with wider input from specialties through our new College Council.

That body has now met three times and is playing a significant role in ensuring all of our 43 distinct specialties have their voice heard in College decisions.

The College has also been active in the Council of Presidents of Medical Colleges, a body that has been re-energised to provide a united voice for the profession in key public health debates.

If there is a common thread running through all of these activities, it is the sense that your College is prepared to lead and not just follow, whether it be on the future of the profession, broader health issues or the quality of care in our region.

This commitment to lead was championed by my predecessor, Laureate Professor Nicholas Talley, whose contribution and tireless work I must pay tribute to. It has been endorsed by your College Board and is inculcated through every level of College staff.

I look forward to working with you all and continuing our leadership role over the year ahead.

C. E. Yelland.

Dr Catherine Yelland
President RACP





CHIEF EXECUTIVE'S REPORT

As College CEO, my role is to provide the platform to implement the Board's strategic agenda, encourage Fellowship engagement and harness the skills and passions of our dedicated staff.

During 2016, we have continued the task of re-orienting the organisation to meet the needs of our Fellows and trainees first, so they can better serve their patients and our communities.

Central to this effort has been a determination that the College has the right people, systems and processes in place to deliver real value to our members.

We have been able to introduce a range of initiatives that I am confident will improve the experience of belonging to one of Australasia's largest and most prestigious medical colleges.

Most importantly, we have had ongoing success in meeting the milestones required for accreditation as the preferred provider of physician education in Australia and New Zealand.

This has required collaboration between our Divisions, Faculties and Chapters and our College support staff, and I thank all involved for their hard work.

I am proud to report in more detail on some of the measures we have undertaken to make the College operate more effectively.

Over the past 12 months we have:

- completed the redesign of the Basic Training curriculum and released it for stakeholder consultation
- introduced a Trainees in Difficulty Support Pathway and RACP support helpline to assist trainees and Fellows facing training, personal or workplace difficulties

- implemented a new member database as a foundation to improving membership experience
- Used the new database to successfully launch myRACP, a dashboard customised to each member, allowing members to update personal details and pay subscriptions online
- planned for enhanced functionality to be added to myRACP over the coming year
- expanded our regional graduation ceremonies to New Zealand, ensuring our new Fellows are recognised in their own communities for completing the life-changing journey to attain Fellowship
- evolved the format for our flagship event, the RACP Congress, to a new model, providing increased value and relevance for all members
- established a College-wide business plan that gives life to the Board's strategic vision and goals
- created an internal Leadership Forum to bring together our senior staff for collaboration on strategic cross-College projects and initiatives
- further expanded our CPD program with additional episodes of the popular Fellow-run Pomegranate podcast.

We have also formalised the operation of our new College Council, a group with wide representation of all College groups, which plays a valuable role in advising our Board.

The value in that diversity of skills and perspective is also embedded in the newly defined College purpose adopted during the year, 'Specialists. Together'.

It simultaneously embodies our many different practices and unified strength.

As custodians of College assets, this year we have completed restorative

renovations to the facade of our stunning building on Macquarie Street, one of Sydney's few remaining colonial-era grand sandstone terraces.

In August 2016, we opened the building's doors to all members and the public, hosting a lecture and exhibition of rare herbal medical texts – a joint initiative with the Royal Botanic Gardens.

It's a good metaphor for the sort of College we are striving to create – one built on strong foundations and rich traditions, but open to the broader communities we serve.

I would particularly like to thank our President, Dr Catherine Yelland, for her diligent work and support over the past year, and her predecessor, Laureate Professor Nicholas Talley, for his passionate advocacy of the College's interests.

I would also like to extend my gratitude to the Board, all those Fellows and trainees who sit on College committees, my Senior Leadership Group and the entire College staff.

An organisation is only as good the individuals who give it their time and energy.

On this measure, our College is a truly remarkable institution.

Linda Smith

Linda Smith
Chief Executive Officer





| | | | | |
|----|---------|--------|--------|--------|
| 55 | 15,215 | 18,912 | 21,900 | 17,700 |
| 56 | 16,015 | 18,611 | 21,900 | 16,200 |
| 57 | 16,815 | 18,310 | 21,900 | 14,700 |
| | 17,615 | 18,009 | 21,900 | 13,200 |
| | 18,415 | 17,708 | 21,900 | 11,700 |
| | 19,215 | 17,407 | 21,900 | 10,200 |
| | 20,015 | 17,106 | 21,900 | 8,700 |
| | 20,815 | 16,805 | 21,900 | 7,200 |
| | 21,615 | 16,504 | 21,900 | 5,700 |
| | 22,415 | 16,203 | 21,900 | 4,200 |
| | 23,215 | 15,902 | 21,900 | 2,700 |
| | 24,015 | 15,601 | 21,900 | 1,200 |
| | 24,815 | 15,300 | 21,900 | 0 |
| | 25,615 | 15,000 | 21,900 | |
| | 26,415 | 14,700 | 21,900 | |
| | 27,215 | 14,400 | 21,900 | |
| | 28,015 | 14,100 | 21,900 | |
| | 28,815 | 13,800 | 21,900 | |
| | 29,615 | 13,500 | 21,900 | |
| | 30,415 | 13,200 | 21,900 | |
| | 31,215 | 12,900 | 21,900 | |
| | 32,015 | 12,600 | 21,900 | |
| | 32,815 | 12,300 | 21,900 | |
| | 33,615 | 12,000 | 21,900 | |
| | 34,415 | 11,700 | 21,900 | |
| | 35,215 | 11,400 | 21,900 | |
| | 36,015 | 11,100 | 21,900 | |
| | 36,815 | 10,800 | 21,900 | |
| | 37,615 | 10,500 | 21,900 | |
| | 38,415 | 10,200 | 21,900 | |
| | 39,215 | 9,900 | 21,900 | |
| | 40,015 | 9,600 | 21,900 | |
| | 40,815 | 9,300 | 21,900 | |
| | 41,615 | 9,000 | 21,900 | |
| | 42,415 | 8,700 | 21,900 | |
| | 43,215 | 8,400 | 21,900 | |
| | 44,015 | 8,100 | 21,900 | |
| | 44,815 | 7,800 | 21,900 | |
| | 45,615 | 7,500 | 21,900 | |
| | 46,415 | 7,200 | 21,900 | |
| | 47,215 | 6,900 | 21,900 | |
| | 48,015 | 6,600 | 21,900 | |
| | 48,815 | 6,300 | 21,900 | |
| | 49,615 | 6,000 | 21,900 | |
| | 50,415 | 5,700 | 21,900 | |
| | 51,215 | 5,400 | 21,900 | |
| | 52,015 | 5,100 | 21,900 | |
| | 52,815 | 4,800 | 21,900 | |
| | 53,615 | 4,500 | 21,900 | |
| | 54,415 | 4,200 | 21,900 | |
| | 55,215 | 3,900 | 21,900 | |
| | 56,015 | 3,600 | 21,900 | |
| | 56,815 | 3,300 | 21,900 | |
| | 57,615 | 3,000 | 21,900 | |
| | 58,415 | 2,700 | 21,900 | |
| | 59,215 | 2,400 | 21,900 | |
| | 60,015 | 2,100 | 21,900 | |
| | 60,815 | 1,800 | 21,900 | |
| | 61,615 | 1,500 | 21,900 | |
| | 62,415 | 1,200 | 21,900 | |
| | 63,215 | 900 | 21,900 | |
| | 64,015 | 600 | 21,900 | |
| | 64,815 | 300 | 21,900 | |
| | 65,615 | 0 | 21,900 | |
| | 66,415 | | 21,900 | |
| | 67,215 | | 21,900 | |
| | 68,015 | | 21,900 | |
| | 68,815 | | 21,900 | |
| | 69,615 | | 21,900 | |
| | 70,415 | | 21,900 | |
| | 71,215 | | 21,900 | |
| | 72,015 | | 21,900 | |
| | 72,815 | | 21,900 | |
| | 73,615 | | 21,900 | |
| | 74,415 | | 21,900 | |
| | 75,215 | | 21,900 | |
| | 76,015 | | 21,900 | |
| | 76,815 | | 21,900 | |
| | 77,615 | | 21,900 | |
| | 78,415 | | 21,900 | |
| | 79,215 | | 21,900 | |
| | 80,015 | | 21,900 | |
| | 80,815 | | 21,900 | |
| | 81,615 | | 21,900 | |
| | 82,415 | | 21,900 | |
| | 83,215 | | 21,900 | |
| | 84,015 | | 21,900 | |
| | 84,815 | | 21,900 | |
| | 85,615 | | 21,900 | |
| | 86,415 | | 21,900 | |
| | 87,215 | | 21,900 | |
| | 88,015 | | 21,900 | |
| | 88,815 | | 21,900 | |
| | 89,615 | | 21,900 | |
| | 90,415 | | 21,900 | |
| | 91,215 | | 21,900 | |
| | 92,015 | | 21,900 | |
| | 92,815 | | 21,900 | |
| | 93,615 | | 21,900 | |
| | 94,415 | | 21,900 | |
| | 95,215 | | 21,900 | |
| | 96,015 | | 21,900 | |
| | 96,815 | | 21,900 | |
| | 97,615 | | 21,900 | |
| | 98,415 | | 21,900 | |
| | 99,215 | | 21,900 | |
| | 100,015 | | 21,900 | |

STRATEGIC GOALS

GOAL 1

RACP is the preferred educator and assessor of physician performance

We ensure today's specialists continue to learn for their entire careers, and we educate the specialists of tomorrow.

GOAL 2

RACP shapes the medical workforce strategy

The healthcare sector is undergoing profound change. Our College is leading preparations for the medical workforce of the future.

GOAL 3

RACP is a respected supporter of research

The practice of medicine is built on new knowledge and innovation, and we ensure that process of discovery continues.

GOAL 4

RACP provides value for members

There are multiple benefits to our members in belonging to one of Australasia's largest and most influential medical colleges.

GOAL 5

RACP is able to shape the health policy agenda

Our specialist expertise doesn't just service patients; we also drive long-term, positive healthcare outcomes for entire communities and populations.

GOAL 6

RACP is a robust and effective college

We are adapting and changing to ensure we remain relevant and effective for our members, their patients and our communities.

GOAL 1

RACP IS THE PREFERRED EDUCATOR AND ASSESSOR OF PHYSICIAN PERFORMANCE

8,000

trainees

4,500

supervisors

40

program
specific
curricula

61

training
pathways

8

specialties and

34

fields of specialty
practice
(Australia)

9

vocational
scopes of
practice

(New Zealand)

“ Without the time, effort and dedication of supervising Fellows, the RACP could not continue to produce the globally recognised graduates that it does. Without our volunteer supervisors, there would be no College training programs. ”

Dr Marie Louise Stokes,
Director, Education



A modern, world-class educator

In 2016, the RACP focused on our core business as a modern, internationally recognised and respected educator of specialists in Australia and New Zealand.

The RACP worked hard to meet the challenges of managing the accreditation requirements of two countries and the training needs of 8,000 trainees across 61 training pathways, as well as supporting our Fellow supervisors who also lead busy professional lives.

In the past 12 months, in response to member feedback, the College improved support for all our trainees and Fellows and launched innovative, accessible online resources that recognise our members have busy lives – whether they live in metropolitan areas or remote and rural communities.

In 2016, we also made significant progress towards meeting accreditation requirements and modernising the Basic Training curricula to reflect global shifts in medical education.


Meeting milestones

The RACP is making good progress in meeting conditions set out by the Australian Medical Council (AMC) and Medical Council of New Zealand (MCNZ), which granted the College maximum six-year accreditation in 2015.

In 2016, we met some big milestone conditions and recommendations, including developing clear support programs for trainees in difficulty; and increasing engagement with health departments and providers about the impact of changes in education on workforce and clinical service delivery.

In 2017, we will continue to report against conditions and recommendations of both the AMC and MCNZ.

 **Maximum 6-year accreditation**

 **31 AMC conditions, 25 recommendations to meet by 2020**

| CONDITIONS | RECOMMENDATIONS |
|-------------------------|-------------------------|
| 31 total | 25 total |
| 2 closed in 2015 | 2 closed in 2015 |
| 4 closed in 2016 | 5 closed in 2016 |

“ ... given the size and complexity of the College, and therefore the work required to meet a number of significant conditions relating to training, curriculum, assessment, and supervision, the AMC notes that the College has been working hard and acknowledges and commends the progress being made across a number of substantial areas. ”

AMC Accreditation Report

Physician of the future – curricula review

The RACP is continuing the immense task of renewing all 40 training curricula to make sure our trainees continue to have the skills they need to be world-class physicians and meet the expectations patients now have of specialists.

The curricula renewal program will also make sure College training continues to be globally recognised, respected and trusted.

It will include:

- a Professional Practice Framework to define the medical expertise and professional skills a modern specialist requires
- milestones for key progression across training, teaching and learning resources
- new curriculum standards, and new teaching and learning programs and assessment programs. The College is implementing a competency-based approach to training using

an Entrustable Professional Activities model, which was piloted by Community Child Health trainees and supervisors in 2015.

The review has involved extensive design workshops, consultation sessions and member and committee submissions.

The new draft curricula were open for consultation between August and October. The College is analysing feedback, with a full report available in early 2017. A teaching and learning program and assessment program to support the new Basic Training curricula will be developed in 2017.

▼ RACP Professional Practice Framework



12,000
stakeholders and
70
committees
invited to
give feedback

More than
100
online
submissions

50
committee
submissions

200
participants at
15
local consultation
sessions

Supporting trainees and supervisors

Support 24/7

The RACP Support Program was launched at the RACP Congress in May to provide trainees and Fellows with independent, confidential advice and support.

The professional and confidential counselling service is available 24/7 to provide counselling, coaching or support for workplace and personal issues.

The service is provided by Converge International, an organisation that specialises in employee assistance programs.

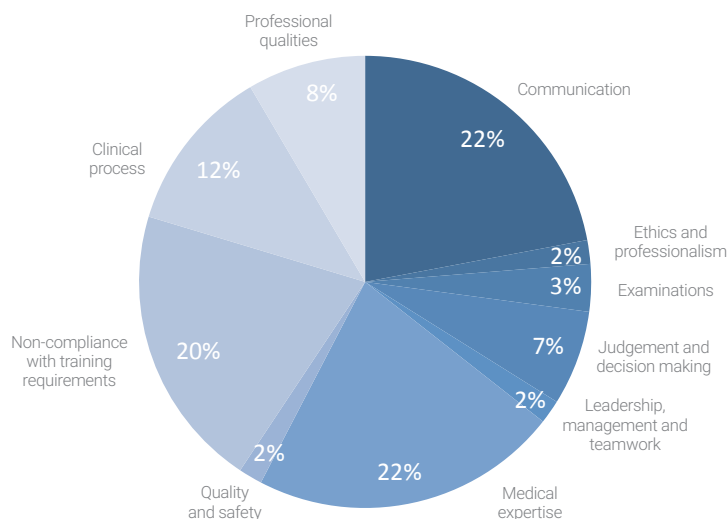


Trainee support pathway

In 2016, the RACP introduced the Trainee in Difficulty Policy and Support Pathway – managed by a dedicated Training Support team in both Australia and New Zealand. It provides resources and support for trainees and their supervisors to identify training issues early and help get things back on track.

The Training Support Unit also supports trainees who have had multiple attempts at the Written and Clinical examinations. The unit encourages trainees to work on an action plan with their Director of Physician/Paediatric Education (DPE), Educational Supervisor or mentor and provides links to helpful resources and other information that may support their next attempt.

▼ 59 new training support cases during 2016 – main reason for referral



Supervisor training

Positive feedback continues from Fellows about the Supervisor Professional Development Program (SPDP).

All three SPDP workshops: Practical Skills for Supervisors; Teaching and Learning in Healthcare Settings; and Work-based Learning and Assessment are now available online, providing more access to College Fellows, particularly those working in remote and regional areas.

In 2016

- ✓ **1,216 Fellows participated in SPDP workshops.**
- ✓ **89% of Fellows agreed the training was relevant to their needs.**
- ✓ **50% of supervisors have participated in at least one workshop.**

eLearning@RACP

In 2016, eLearning@RACP switched to a more focused and concise course structure to fit into a physician's busy schedule.

New courses offer a mobile format, podcasts, video scenarios, peer discussions and opportunities to buddy up with Fellows for role play. The format allows physicians to log in whenever they want, study for exactly as long as they like, and progress in a non-linear manner.

The top four visited eLearning resources

1

Practical Skills for Supervisors (February 2017)

2

Teaching and Learning in Healthcare Settings

3

Overseas Trained Physicians Orientation Program

4

Communication Skills

eLearning take up doubled in 2016

7,107 users logged in



17,825 total sessions



191,564 e-learning page views



Effective professional development

Effective professional development is a cornerstone of demonstrating competence to the public and achieving better health outcomes for patients.

Effective professional development is a key component of recertification in New Zealand and has been identified by the Medical Board of Australia's Expert Advisory Group as a basis for revalidation processes in Australia.

During 2016, the College continued its focus on trials of evidence-based professional development activities. The College:

- launched a peer and patient review Multisource Feedback trial to identify which tools and processes will best meet the needs of physicians
- established three new sites in New Zealand to evaluate the Fellow-designed Regular Practice Review Framework
- began development and trial of peer and practice review audit tools.

Curated Collections

RACP's Curated Collections, which launched in 2015, are physician-recommended, peer-reviewed guides to key topics. Eleven new collections were made available on the RACP website in 2016.

These included guides to health advocacy, climate change and health, ethics, adolescent health, and refugee and immigrant health.

Meet the Censor

In 2016, the RACP established the new position of College Censor to act as the Lead Fellow for all assessment standards across all RACP training programs and act as Chair of the newly formed College Assessment Committee.

Longstanding member of the RACP Professor Tim Wilkinson was appointed to the role of College Censor in February 2016.





GOAL 2

RACP SHAPES THE MEDICAL WORKFORCE STRATEGY

Planning for the future, caring for communities

In 2016, the RACP continued to work with governments and the health sector to shape medical workforce strategies in both Australia and New Zealand.

The RACP is working with the Australian Department of Health and the National Medical Training Advisory Network to develop comprehensive workforce modelling projections that aim to provide insight into the future physician workforce and training landscape. These new models follow from Health Workforce Australia's landmark report; *Health Workforce 2025*.

Also in 2016:

- The College assisted the Australian Health Practitioner Regulation Agency (AHPRA) with reconciling their national medical practitioner register by providing College data on Fellows. In turn, AHPRA has commenced filling in gaps in College Fellow data.
- The RACP Dean, Professor Richard Doherty, and Professor John Kolbe led a forum of health system leaders in New Zealand. The forum explored the challenges and potential areas of conflict in developing a single, integrated performance review process that would meet the needs of employers, regulators and the profession.
- The Queensland State Committee prepared a response to the Queensland Health discussion paper, *Developing a Health Workforce Strategy for Queensland*.
- The Western Australia State Committee continued working with the Western Australia Department of Health to establish a standardised state-wide process for selection into Basic Physician Training.

Understanding MABEL

In 2016, the RACP's Workforce Unit began analysing data from the MABEL longitudinal survey project. *Medicine in Australia: Balancing Employment and Life (MABEL)* is an annual survey for doctors that investigates how their work and life choices affect Australia's medical workforce supply.

The Dean, Professor Richard Doherty, and Director of Education, Marie-Louise Stokes, made presentations during the Medical Training and Work-Life Balance session at the 4th annual MABEL Research Forum in May.

More flexibility

In 2016, the RACP continued to shape strategies that ensure communities have access to specialist health care when they need it, wherever they live, through new training pathways and new, innovative ways of accessing care.



Bendigo Dual Training Program

In July, the RACP and the Victorian Government announced the expansion of the Dual Physician Training Program after the success of a Bendigo-based pilot.

From 2017, new Advanced Trainee positions will begin at Ballarat Health, Bendigo Health, Goulburn Valley Health and La Trobe Regional Hospital. They will partner with metropolitan health services to deliver dual training in General and Acute Care Medicine and an additional specialty via a four-year accredited training pathway.

The new program will ensure rural physicians can be trained to fill gaps that may exist in rural communities.

▲ Left to right, Professor Richard Doherty, Victorian Minister for Health the Hon Jill Hennessy and Dr Christopher Mills, dual trainee at Bendigo Health

“ The dual training position at Bendigo fits perfectly with my career goals and aspirations. It recognises the need for training rural specialists, particularly rural general specialists.

In an era of increasing sub-specialisation, regional centres such as Bendigo provide one of the best opportunities for advanced training in General and Acute Care Medicine.

The position at Bendigo has given me the opportunity to become engrossed in the local community, developing friendships and community partnerships to a degree not possible in metropolitan centres. ”

Dr Christopher Mills, Advanced Trainee, General and Acute Care Medicine and Gastroenterology Medicine.

“ This new training program will give our future rural physicians access to first-class clinical education in Melbourne and help fill gaps in our rural communities. ”

Victorian Minister for Health, Jill Hennessy

Supporting telehealth

In 2016, the RACP continued to support the capability of specialists to provide telehealth services for rural and remote communities through locally based workshops run by its state and territory committees and close collaboration with the Australian College of Rural and Remote Medicine.

The RACP has developed an online telehealth portal housing guidelines, resources and templates to support Fellows in establishing telehealth services:

www.racptelehealth.com.au

Sydney-based geneticist, Dr Hilda High, assesses the risk of inherited cancers in her patients. Telehealth has allowed her to provide easy access to genetic testing for patients and their families in rural and remote communities around Australia.

She uses a combination of email and Skype to stay in touch with her patients. The first consultation is always through the patient's local GP, so they have their GP or nurse, as well as a family or support person, in the room with them.

“ What’s wonderful about telehealth is that I end up educating a whole community: the patient and their family, the GP who in turn passes the information on to their colleagues It’s about making the testing equally available whether they live in Wahroonga or Walgett. ”

Dr Hilda High



Katherine-based General and Acute care Physician Dr Simon Quilty delivers telehealth services to communities across the Top End of Australia via video link. While communicating via telehealth is very different to the traditional clinic visit, it does allow patients to see their doctor face-to-face without travelling hundreds of kilometres to Katherine Hospital.

“ I feel that a lot of people weren’t being seen and that telehealth would immediately rectify that – and it has. As physicians, we are our patient’s advocate. We have a responsibility to make sure our patients are able to access our services, in a way that is best for them and supports the provision of high quality care. ”

Dr Simon Quilty



Overseas trained physicians

The Overseas Trained Physicians (OTP) Unit manages the assessment of overseas trained physicians and paediatricians who want to practise in Australia and New Zealand on behalf of the respective national medical regulators.

The RACP has updated the OTP Orientation Program to ensure it is up-to-date with recent changes to the Australian healthcare system and developed new processes that will reduce waiting times for OTP interviews and assessments.

IN 2016, THE BIGGEST PROPORTION OF APPLICATIONS WERE FROM:

IN AUSTRALIA
UK & INDIA

IN NEW ZEALAND
US & UK





GOAL 3

RACP IS A RESPECTED SUPPORTER OF RESEARCH

More than
\$2 million
distributed
in grants

48
recipients

More than
200
applications

“ Research goes to the very core of what we do as a world-class College – nurturing the best minds, advocating for research, and supporting innovation. ”

**Professor Paul Colditz,
Chair, College Research
Committee**



In 2016, the RACP Foundation continued to support the careers of trainees and early-career Fellows and allowed the College to contribute to the Australasian effort in medical research. We acknowledge the generous support of the donors and their families who have made the Foundation's program possible.

The Foundation's prizes, grants, scholarships and fellowships addressed current healthcare challenges, but are heavily focused on supporting the careers of trainees and physicians with high potential for success in research.

Investment was guided by the RACP's Research Strategy, a blueprint to guide investment in College research to 2018. Priority areas set out in the strategy include clinical research, education methodology research, health services and health systems research.

In 2016, in response to member feedback, the RACP also introduced a new training module to help trainees and Fellows in applying for research grants.

RACP Foundation awards and scholarships

| TYPE OF AWARD | NUMBER OF RECIPIENTS |
|------------------------------------|----------------------|
| Research development awards | 2 |
| Research entry scholarships | 17 |
| Research establishment fellowships | 16 |
| Career development fellowships | 1 |
| Travel grants | 3 |
| Study grants | 6 |
| Indigenous scholarships | 3 |
| International grants | 0 |
| TOTAL | 48 |

| DIVISION, FAULTY AND CHAPTER | NUMBER OF RECIPIENTS | |
|---|----------------------|---------|
| | TRAINEES | FELLOWS |
| Adult Medicine Division | 6 | 24 |
| Paediatric & Child Health Division | 5 | 9 |
| Australasian Faculty of Rehabilitation Medicine | 0 | 2 |
| Australasian Faculty of Public Health Medicine | 1 | 0 |
| Australasian Faculty of Occupational and Environmental Medicine | 1 | 0 |

Nurturing the next generation

The Foundation has partnered with the National Health and Medical Research Council (NHMRC) to support top young clinical researchers with an Award for Excellence, as part of a shared commitment to nurture the next generation of medical researchers.

Each recipient will receive \$10,000 a year, for up to three years, on top of their NHMRC Postgraduate Scholarship.

Seven RACP NHMRC awards were announced in 2016.

The number of Fellows and trainees who donated to the Foundation during 2016

3,642

The total amount they donated

\$358,629

The amount that external donors contributed to the Foundation during 2016

\$211,200

Income earned from bequests, gifts and donor accounts for 2016

\$1.5 million

RACP NHMRC Awards for Excellence recipients for 2016

| RECIPIENT | AWARD | PROJECT |
|----------------------------|------------------------------------|--|
| Dr Catherine Bateman-Steel | JJ Billings Award for Excellence | Gender as a determinant of health – consolidation of the evidence base. An analysis of gender equity and health outcomes in lower income countries, with a focus on maternal and neonatal mortality. |
| Dr Robert Commons | Kincaid-Smith Scholarship | Primaquine radical cure of Plasmodium vivax malaria: a risk benefit analysis. |
| Dr Tejaswi Kandula | Award for Excellence | Chemotherapy-induced neuropathy in the paediatric population: risk factors, assessment strategies and functional outcomes. |
| Dr Matthew Pitman | CRB Blackburn Award for Excellence | The role of chemokine signaling in the maintenance of the latent HIV reservoir. |
| Dr Angela Titmuss | Woolcock Scholarship | Pandora Wave 1: assessment of the impact of maternal diabetes on growth and nutritional indicators, cardio-metabolic risk factors and developmental risk of pre-school aged children living in the Northern Territory. |
| Dr Thomas Forbes | Jacquot NHRMC Award for Excellence | Characterising the molecular basis of kidney diseases using organoids derived by directed differentiation of induced pluripotent stem cells. |
| Dr Andrea Viecelli | Jacquot NHMRC Award for Excellence | Strategies to improve vascular access outcomes in haemodialysis patients. |



▲ Some of the recipients of the RACP Trainee Research Awards for Excellence in the field of adult medicine, with Laureate Professor Nicholas Talley. Left to right: Dr Jonathon Fanning, Dr Sarah McGuinness, Dr Jennifer O'Hern, Dr Gowri Somarajah, Dr Tom Wang.

Professor David Burgner

Professor David Burgner is a paediatric infectious diseases clinician scientist and an NHMRC Senior Research Fellow. As the recipient of the 2017 RACP Fellows Career Development Fellowship, he will use the \$100,000 award to investigate how childhood infection and inflammation impact on the development of cardiometabolic risk.

"This funding comes at a key period in my career development, providing essential support for mechanistic human studies which are the key to move from epidemiology to translation. Lying at the interface between communicable and non-communicable diseases, the research aims to develop childhood interventions which reduce the burden of adult cardiovascular disease.



"RACP funding has been crucial to my work and is allowing me to sustain the VASCFIND study, which is the first prospective childhood study of its kind. It places our research group at the forefront of this field, offering opportunities to leverage national and international collaborations and funding.

"RACP support will also facilitate ongoing mentorship and career development for the next generation of clinicians and scientists within our group and more broadly," said Professor Burgner.

The RACP Fellows Career Development Fellowship is made available by the generous donations from RACP Fellows.

GOAL 4

RACP PROVIDES VALUE FOR MEMBERS



“ Members have told us clearly what they need from the College and the College has listened and acted. They’re happier with our communications and policy and advocacy. There’s still work to do in 2017 but what’s really pleasing is that members are telling us it’s working. ”

Dr Kate More,
Director, Fellowship Relations



In 2016, in response to member feedback, the RACP focused on simplifying its digital platforms, making its Contact Centre more responsive, and improving communication with members. The backend changes are designed to make interacting with the College as easy, as fast and as flexible as possible for our members so they can concentrate on caring for patients and training.

The 2016 engagement survey shows members' satisfaction has increased in response in nearly all key areas.

Members said that in the next 12 months they want the College to continue its policy and advocacy work on behalf of members and focus on improving value for money, providing more support for trainees as well as continuing to improve communication.

MyCPD

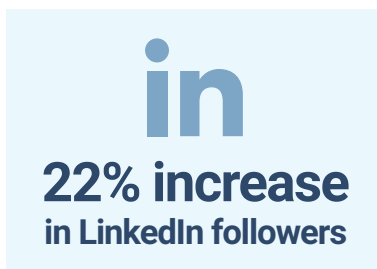
In 2016, a new MyCPD framework was rolled out to better reflect the educational value of CPD activities and to support a broad range of scopes of practice.

More changes to MyCPD are expected to launch in 2017. These were developed with Fellows as part of the CPD Committee's work and the RACP's first CPD Forum, held in Melbourne in August. The Forum, which will run again in 2017, aims to develop a Fellow-led strategic direction for professional development.

RACP on social media

Over the past 12 months, the RACP has invested in ensuring its social media presence continues to grow to meet the needs of members.

There were very strong social media outcomes as part of Congress 2016, with #RACPCongress16 trending as high as number seven on Twitter in Australia. Total hashtag reach for the three days is estimated at 1.9 million – driven by 1,252 tweets (not including retweets) using the #RACPCongress16 hashtag.



Contact Centre Improving customer service



In 2017, the College will improve customer service by developing new member enquiry management systems to ensure that, through whichever channel a member makes contact with the College, the experience is consistent and helpful.



RACP Congress 2016

The RACP Congress 2016 program included more than 100 presentations, orations and panel discussions in a new-look event designed to break down the barriers between specialties.

Congress brought more than 900 delegates together at the Adelaide Convention Centre to debate and discuss the big health issues and clinical developments of the year.

Highlights included the launch of the RACP End-of-Life Care Position Statement; a thought-provoking lecture from international keynote speaker Sir Harry Burns on the impact of poverty on health; and an in-depth discussion on Indigenous health.

A number of other events are held alongside Congress, including Trainees' Day, to create an environment open to physicians and paediatricians at all stages of their career.

RACP Congress 2017 in Melbourne will be bigger and more dynamic than ever – with more interactive technology, a faster pace and TED-style talks from some of the best physicians from around the globe. It will also introduce a forum aimed at supporting new Fellows at the early stage of their careers.

“ I’m a junior trainee, it’s great to get a better understanding of where we are heading and an update on everything that is going on. ”

Dr Alexander Croker

“ It is really great that you meet people from different specialties, it gives you the opportunity to communicate with each other and have a look at the latest things that are happening. ”

Dr Su Ling Chua



900 Delegates



100 Presentations, orations and panel discussions



5 Keynote speakers



▼ Sir Harry Burns
RACP Congress 2016

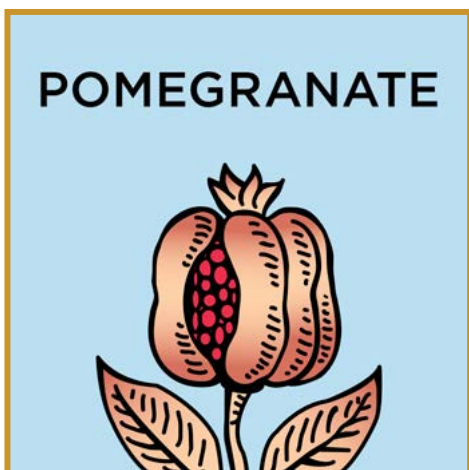


Pomegranate

The RACP’s monthly CPD podcast experienced large audience growth in 2016 and consistently ranks among the top science and medicine podcasts in Australia and New Zealand.

Some of the most popular episodes in 2016 focused on Aboriginal and Torres Strait Islander people’s health, the gender gap in medicine, methamphetamine use and treatment, and weight stigma.

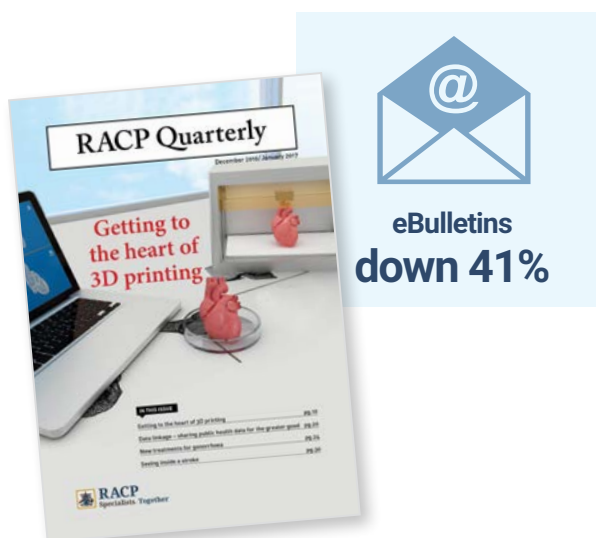
A new member editorial group was formed at the end of the year to help develop and review the podcasts.



Quality, not quantity

RACP’s new look magazine, *RACP Quarterly* was launched in March to replace *RACP News*. Based on member feedback, it now focuses on more in-depth analysis of broader issues. We’re hoping it will engage members in areas that may be outside their speciality.

In line with member feedback, we have also streamlined member communications – reducing regular Division and Faculty eBulletins to monthly so we can make sure information is increasingly engaging and relevant.




MyRACP


On November 14, RACP launched MyRACP – a one-stop online dashboard for members. The new portal allows members to update their contact details; choose communications preferences; pay, download, view and print invoices and receipts, view CPD points, and connect with the CPD application.

It also allows the College to collect more useful data that will help it meet the needs of members.

MyRACP is mobile and tablet compatible so it can be accessed anywhere, at any time. In short, it makes membership easier. All transactions have been iteratively designed, tested and refined to minimise and remove unnecessary steps.



clicks in a transaction – close to best practice



100% issues resolved by 4.30pm same day

In addition to improvements to existing features based on member feedback, new features will be added including the Admission to Fellowship process and links to education portals. Member feedback will also inform any changes to usability and interaction design over time.

MyRACP is the start of an ongoing program to modernise College IT systems and improve the online experience of members.

In 2017, we will begin consolidating the variety of highly specialised or customised digital platforms currently used across the College into one standardised, intergrated learning management system that’s quicker and easier for members to use, and tailored to the information they need. It will provide members with learning content that’s searchable, up-to-date and relates to the training pathway they are on.

Member feedback so far has been positive.

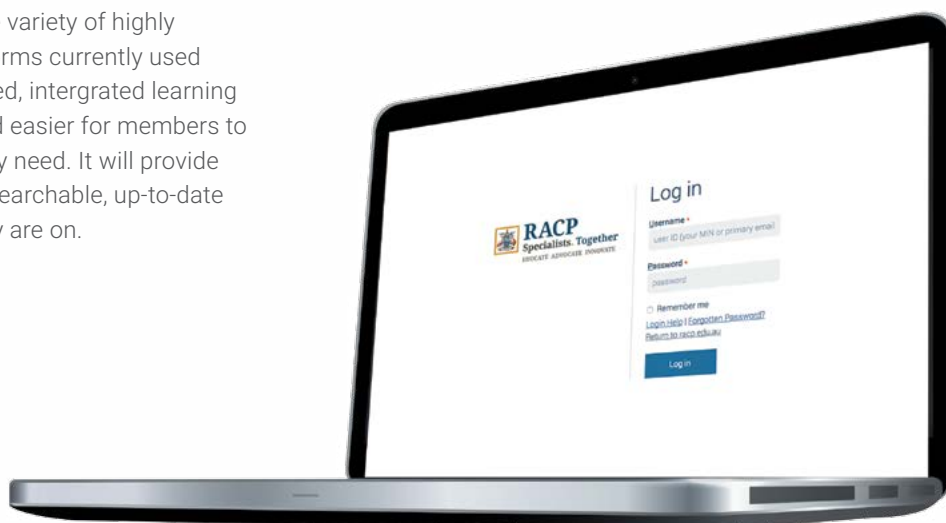
“ The updated electronic payment services are wonderfully easy to use! Thank you for making it so easy to pay annual subscriptions. ”

“ I logged in really quickly and got done what I needed to do. ”

“ It works great on mobile. ”

“ It was so easy to change my contact details. ”

“ It was great to have the flexibility to set up my instalments. ”





New regional ceremonies

In 2016, the College recognised it needed to reflect the membership through a greater focus on state and regional areas and on providing more value for our New Zealand membership in particular.

In July, we held the first New Zealand regional ceremony for new Fellows in the country. The ceremony recognised 48 new Fellows and four Clinical Diploma recipients at The Langham in Auckland, with a keynote address by noted New Zealand GP and poet Dr Glenn Colqhoun.



▲ Top and middle photos: RACP Congress 2016
Bottom: Auckland Convocation Ceremony 2016



ADELAIDE

May 2016

129

new Fellows

+2 Clinical Diploma recipients



AUCKLAND

July 2016

48

new fellows

+4 Clinical Diploma recipients



SYDNEY

December 2016

126

new Fellows

+4 Clinical Diploma recipients

GOAL 5

RACP IS ABLE TO SHAPE THE HEALTH POLICY AGENDA

9

new policies
and position
statements

85

submissions to
external public
consultations

RACP
representatives on

40

external bodies

57

policy-related
media releases

“ Only through the RACP can all specialties speak with a clear voice to advocate for our patients, our profession and our community. Whether measured in policies produced, submissions made, debates engaged in, issues framed or policies and practices changed, the RACP’s influence made a real difference in 2016. ”

**Associate Professor
Mark Lane,
Chair, College Policy
and Advocacy Committee.**



2016 – Making change happen

2016 was a year that the RACP led health debates and shaped public policy in Australia and New Zealand more than ever before.

We contributed to public health policy in highly visible, well organised and executed public campaigns on issues as diverse as speed limits in the Northern Territory, the *Australian Border Force Act 2015* gag laws on doctors, and the abuses of incarcerated adolescents at Don Dale Youth Detection Centre.

We worked in partnership with Fellows to develop health policies and programs, such as Evolve and End-of-Life Care, that have shown just how professional and passionate RACP Fellows are about improving the health of our patients and our community.

In 12 months, our Fellows finalised nine new policies and position statements – trialling innovative online methods of consultation to increase the involvement of College members in shaping College policies on emerging health issues, such as e-cigarettes and the interface of health

services with the National Disability Insurance Scheme.

In 2016, the RACP also continued to ensure physicians had a voice and a seat at the table when government is formulating health policies and changes, including the Medical Benefits Schedule review, the use of medicinal cannabis, the Health Care Homes trial and Therapeutic Goods Agency reforms. It was particularly pleasing to see the Specialist Training Program continued in the 2016-17 Federal Budget after a long-standing campaign by RACP members.

Members signalled a 14 per cent increase in satisfaction rating with our policy and advocacy on their behalf over 2016.



Leading an evolution

Through Evolve, the RACP and specialty societies are identifying the top five 'low-value practices' across almost 40 specialties.

Evolve brings together specialist physicians across the RACP to shape clinical best practice and drive the best quality of care for patients. We actively facilitate cross-speciality discussions on lists of low-value practices across the RACP, and with other colleges and medical bodies. We continue to promote and support the Choosing Wisely campaign in both Australia and New Zealand.

Twenty-two specialties were represented at the first 2016 Evolve forum, and the Paediatrics & Child Health Division ran an Evolve masterclass later in the year. Both of these events were well attended, and Evolve lists

were promoted and debated at a number of annual scientific meetings. In 2017, the focus will be on completing more lists and translating the recommendations into clinical practice.

“ A smart, succinct, evidence-based 'list of five points' with direct clinical relevance ”

**Dr Theo van Lieshout,
Sexual Health Physician**

68%

of specialties have or are developing an Evolve list

14

lists published

16

in development

2

Evolve podcasts

evolve

evaluating evidence. enhancing efficiencies.

Find out more
www.evolve.edu.au



Ending open speed zones, saving lives in the Northern Territory

In 2016, the RACP, in partnership with The Royal Australasian College of Surgeons and The Australasian College for Emergency Medicine, successfully campaigned to put safety first and reinstate speed limits of 130km/h across the Northern Territory.

In August, the new Northern Territory Government announced an end to open speed limits on the Stuart Highway.

“ We have made that decision for safety, on the basis of advice from doctors. ”

Northern Territory Chief Minister, Michael Gunner



▲ Dr Christine Connors FRACP highlights the dangers of open speed limits.

Healthy living at every age and every stage: preventing and managing obesity

An Obesity Working Party was established at the end of 2016 to finalise the RACP's position statement on the prevention and management of obesity, building on work led by our New Zealand committees.

The Working Party will lead the RACP's ongoing contributions to action to tackle obesity in New Zealand and Australia and reduce the burden of non-communicable disease.

“ We are fortunate to be able to call on the considerable expertise and clinical knowledge of the RACP's membership in childhood and adult obesity and public health to form the Obesity Working Party. ”

**Professor Chris Bullen,
Chair, New Zealand Policy
& Advocacy Committee**



Sugary drinks advocacy

Led by the New Zealand Paediatrics & Child Health Division Committee, the RACP has advocated for the removal of sugar-sweetened beverages from New Zealand hospitals and District Health Boards since August 2015.

In March 2016, the New Zealand Government urged the country's 2500 schools to move to 'water only' and ban sugary drinks by the end of the year, and offered assistance to schools wanting to make this change.

Being part of the conversation: medically-assisted dying in New Zealand

In November 2016, RACP New Zealand President Dr Jonathan Christiansen and Dr George Laking made an oral submission to the New Zealand Health Select Committee Inquiry on medically-assisted dying.

They highlighted a range of concerns previously presented in the RACP's written submission to the Inquiry in late 2015, and requested that the Select Committee recognise the interest of physicians in the Inquiry and that physicians be kept centrally involved at every stage of the process.

The RACP's Euthanasia and Physician Assisted Death Working Party is chaired by Dr Laking. The Working Party is in its early stages, with the purpose of exploring all views and facilitating the development of a future RACP position statement on euthanasia and physician assisted death.

“ We took encouragement in the Select Committee's consideration and engagement in some thoughtful questioning beyond our allotted time. ”

Dr Jonathan Christiansen,
New Zealand President



Standing up for incarcerated adolescents

In August, the RACP joined the chorus of outrage about the appalling mental and physical abuse of young people in the Northern Territory's Don Dale Youth Detention Centre.

The RACP provided two submissions to the Royal Commission investigating conditions at Don Dale, including one reflecting the on-the-ground experience of paediatricians in the Northern Territory.

“ I am proud to be a paediatrician and so proud of my exceptional paediatric colleagues who have dedicated their professional lives to standing up for children like those in Don Dale Youth Detention Centre in the Northern Territory. ”

Dr Sarah Dalton, President Paediatrics & Child Health Division



RACP continues to highlight detention risks to asylum seekers

The RACP continues to call attention to the health impacts of immigration detention, via media and submissions to government inquiries.

The College developed a one-stop-shop of resources to help members access information on refugee health, such as endorsed guidelines on post-arrival assessments and on the new government migrant women's health initiative.

The RACP was a driving force behind repeated calls for changes to the *Australian Border Force Act 2015* to remove the threat of jail for doctors for speaking out on behalf of patients. While we welcome the changes made in October, doctors should seek legal advice to make sure these changes apply to their own situation.



Doctors for Climate Action

In November, the College released position statements on climate change and health, calling for strategies to address this urgent threat to global health and promote the health benefits of action. The RACP's call-to-action was publicly lauded by Sir Michael Marmot, Immediate Past President of the World Medical Association.



A seat on the Health Care Homes Implementation Advisory Group

Following discussions with government and other stakeholders, the RACP successfully lobbied for a position to ensure the medical specialist perspective contributes to reforms to improve care for chronically ill patients.

Calling last drinks on the harms of alcohol

In March, the RACP with the Royal Australian and New Zealand College of Psychiatrists grabbed national attention when it highlighted the effects of alcohol advertising on children, particularly in sport.

It was one of RACP's most successful media campaigns. More importantly it has helped drive the national policy debate around alcohol.

Copies of RACP's updated alcohol policy were sent to all major Australian sporting codes, as well as state, territory and federal ministers. The policy was picked up by both the ALP and the Greens as part of their federal election platforms.



Media reach of
14.2 million people



More than **700**
broadcast & online articles



Social media reach of
738,349

GOAL 6

RACP IS A ROBUST AND EFFECTIVE COLLEGE

More than
24,000
members

Supported by
285
staff

Model of
collaboration
with specialty
societies
developed

Pilot of
webinar
format for
learning

202
Fellow and
trainee-led
committees
and parties

51
specialty
societies

More than
34,000
medical history
items in the
College library

Specialists. Together

In 2016, the College launched our new logo, RACP Specialists. Together

Grounded firmly in member consultation and community research, RACP Specialists. Together tells our story in two simple words.

For almost 80 years our College has trained and educated generations of physicians to provide the best care for our patients and our communities. In simple, clear words our new logo, and accompanying tagline – Educate Advocate Innovate – explains the value of membership. It says who we are and what we are so proud to do as we continue to work together to train future generations of specialists.

Through the RACP, specialists:

Educate

- by providing accredited specialist training to trainee doctors who wish to further specialise as physicians in Australia or New Zealand
- by providing continuing professional development and education for specialists who have become Fellows of the RACP
- by assessing Overseas Trained Physicians who wish to practise as physicians in Australia or New Zealand
- by holding events including conferences, training sessions and continuing professional development workshops
- by providing opportunities for physicians and trainee physicians to connect as a community.

Advocate

- for healthcare policies that promote the interests of our profession, our patients and our communities.

Innovate

- by collaborating to lead innovation in specialist medicine in a constantly changing world.
- by collaborating to develop world-leading medical education programs
- by supporting medical graduates, Fellows and trainee physicians education and research by awarding fellowships, grants and prizes.

◀ Dr Fey-Ching Un,
Rehabilitation Medicine physician,
Greenwich Hospital





Smaller, more agile, member-elected Board

At the RACP's 2016 Annual General Meeting members voted to change the way the College Board is structured. Members asked for more transparency and faster decision making at a Board level and a Board that best represents all members.

In response, the new Board structure will be expert-led and smaller – with the number of Board Directors reduced from 19 to 10. Sixty per cent will be elected by all RACP members, compared to 11 per cent under the current structure. The new Board structure will take effect in May 2018.

▲ **Back (Left to right):**
Associate Professor Charles Steadman,
Associate Professor Andrew Cole,
Associate Professor Grant Phelps,
Dr Jeff Brown, Professor Paul Komesaroff.

Middle (Left to right):
Dr Peter Connaughton,
Dr Sarah Dalton, Dr Helen Rhodes,
Mr Peter Martin, Dr Tina Marinelli,
Professor Paul Colditz.

Front (Left to right):
Associate Professor Mark Lane,
Dr Catherine Yelland,
Dr Jonathan Christiansen.

Absent: Dr Susannah Ward, Professor Lynne Madden, Associate Professor Nicholas Buckmaster and Ms Susan Tiffin.



College Council

The newly established College Council met three times in 2016, providing advice to the Board on the redesign of Congress, the role and purpose of the State Committees and how the College can improve the way it engages with health-care consumers.

The Council was set up as a one-year trial in 2015. In 2016, the Board made the Council an ongoing committee of the Board.

Forty-three distinct specialities have their voice heard in College decisions. New positions on the Council were established in 2016 – one for an Aboriginal or Torres Strait Islander member, and one for a Māori member.

“ This is the place where issues that face the College come for discussion. This is the place to agree on what binds us together. But it is also the place for forthright conversation and robust discussion. ”

**Associate Professor Alasdair MacDonald,
Chair of the College Council**

▶ Dr Sandra Hotu, FRACP
Respiratory physician, Auckland City Hospital



Indigenous health

The RACP is committed to working – shoulder-to-shoulder with Indigenous leaders and communities – for equal health outcomes for Aboriginal and Torres Strait Islander people in Australia and Māori in New Zealand. Indigenous peoples of both countries continue to suffer worse health outcomes and poorer access to care than non-Indigenous people. The RACP supports calls for the Indigenous health sector to lead this work. They know the issues and know what’s needed; and the College is committed to true partnerships with the sector to contribute to and support this vital work.

As part of this, the College has recently established a working party on Indigenous Child Health and on Sexual Health in Aboriginal and Torres Strait Islander communities. In Australia we are continuing our work on our key target within the National Aboriginal and Torres Strait Islander Health Plan’s Implementation Plan to improve access to specialist care.

Crucial to improving access to care is ensuring that health services are culturally appropriate and culturally safe. Work is being undertaken across the College to continue to incorporate cultural competency within the curricula, develop and promote additional CPD resources to support members’ lifelong learning, and add the College’s voice in advocating for this to be a government priority.

Closer to home, it is vital that our College is representative and inclusive – not only to build a strong and robust college, but to build a stronger and more effective medical workforce and deliver best clinical care.

The College’s Aboriginal and Torres Strait Islander Health Committee (ATSIHC) and Māori Health Committee (MHC) both play a key role in leading and guiding College policies and work in these areas.

2016 AIDA Conference

- ATSIHC Chair Dr Tamara Mackean facilitated an RACP workshop on Building Resilience with RACP President Dr Catherine Yelland, and the College hosted a booth promoting the College’s training pathways and Indigenous scholarships to young doctors and medical students.

RACP Congress 2016

- The ATSIHC and MHC ran an all-Indigenous panel session, Multidisciplinary Care in Indigenous Health, chaired by Māori Paediatrician Dr Danny De Lore.
- The 2016, RACP Indigenous Congress Prize was awarded to Dr Marlene Kong, Program Head of the Aboriginal and Torres Strait Islander Health Program at the Kirby Institute. In 1997, along with her sister, Dr Marilyn Clarke, Dr Kong was the first Aboriginal woman to graduate from the University of Sydney with a Bachelor of Medicine and a Bachelor of Surgery.

Pacific Region Indigenous Doctors Congress 2016

- The RACP was proud to sponsor PRIDoc 2016, which took place in Auckland, New Zealand in November. The theme was ‘Talking about Transformation’; using Indigenous knowledge, practices and skills to transform health policy, service delivery and achieve health equity for Indigenous communities.
- Several RACP Fellows presented their research, with a focus on Māori health, service delivery, workforce, and health outcomes. MHC Chair Dr George Laking delivered a reflective presentation on the evolution of the Māori Health Committee and Indigenous health within the RACP.

“ I always view the College as a conservative organisation. But I think this is a reflection of positive change and that doors are beginning to open. ”

**Dr Marlene Kong,
recipient RACP Indigenous Congress Prize**

RACP on the world stage

In 2016, the College has taken a leadership role in the Asia-Pacific Region with partnerships to support the development of post-graduate education.

The College recognises it has a greater role to play on the world stage and is developing a five-year strategy for international engagement that will allow us to take advantage of new opportunities and meet the changing needs of our increasingly mobile Fellows.

Because of our location, the College will concentrate our focus on the South and Western Pacific – in a region from Timor-Leste to Nauru and the Cook Islands.



Celebrating our heritage

In celebration of RACP's long heritage and standing, the College completed renovations to the façade of our original Macquarie Street building and opened our History of Medicine library to the public, in a joint initiative with the Royal Botanic Gardens.

Established in 1938, the library houses Australia's largest collection of medical history books, documents and artefacts – 34,000 volumes including monographs, journals, images, manuscripts, correspondence and antique medical instruments.

It also houses a first edition of Charles Darwin's *On the Origin of Species*. Many items are available for loan to New Zealand and Australian trainees and Fellows.



HONORARY TREASURER'S REPORT

Financial strength

The financial position, as detailed in the balance sheet, shows that the College remains financially robust with consolidated net assets growing to \$94.3 million from \$92.7 million.

The College remains debt-free, with minimal long-term liabilities. Following on from the previous year, the College has sufficient liquid funds to cover more than six months of operating costs. This enables the College to withstand the impact of unanticipated events that could materially increase expenditure or reduce revenue, ensuring that it remains financially stable and sustainable in the long-term.

The RACP Foundation's financial position continues to strengthen. In 2016, the College's Foundation offered \$2.4 million in research grants, scholarships and fellowships, and a further \$111,000 in prizes for meritorious achievement and excellence.

The assets held by the Foundation are either cash or marketable securities and investments, with sufficient liquidity to cover the following year's grants and awards.

Consolidated result

The 2016 year has seen the College make a significant investment in initiatives aimed at improving education, training, and on-line services for members. This expenditure is shown in the consolidated results presented in the Audited Financial Statements. In 2016, the College generated a small surplus revenue over expenses. In the previous year, the surplus was greater as budgeted project expenditure in 2015 (particularly in the area of

information technology) did not occur while projects were in development. This project expenditure was brought forward into 2016 as projects reached operational implementation. The small surplus in 2016 was consistent with the goal of the Finance Committee and College Board to limit any increase in member fees to a level around the change in consumer price index.

Income for the year increased from \$54.4 million to \$56.3 million primarily reflecting increasing numbers of both Fellows and trainees. The College also received revenue from the Commonwealth Government through the administration of Commonwealth funding of the Specialist Training Program throughout Australia. As noted above, expenses increased in line with the budget approved by the Board, as the College invested in projects and initiatives in CPD, training, Member Services and supporting systems.

Appreciation

I am indebted to and appreciative of the work of the Finance Committee that developed to become the Finance and Risk Management Committee during 2016 overseeing both external and internal audits of the College. The membership of the Committee changed after the new Board took up office following the College elections and Annual General Meeting in May 2016.

I thank my fellow Committee members for their valued service during the year, particularly Mr Peter Martin, a Director of the RACP and Committee member from the community, who gave his time and financial and accounting expertise to the Committee both enthusiastically and generously. Until June 2016 when they retired from the

Committee, Mr Geoffrey Laurence, Ms Karen Phin and Ms Lorreta di Mento gave their much valued financial and accounting expertise to the Committee. They were all long standing members of the Finance Committee and each made great contributions to keeping the College on a sound financial footing.

I thank Dr Stephen Inns (New Zealand), Associate Professor Grant Phelps, Dr Jeff Brown (New Zealand), Professor Lynne Madden, Dr James Ross and Dr Greg Stewart for their substantial contributions as members of the Finance and Risk Management Committee in 2016.

The dedicated support provided by the Finance, Risk Management and Governance executives and staff of the College, ensuring a high standard of management of members' funds, governance and vigilant monitoring of risk, was much appreciated.



**Associate Professor
Charles Steadman
Honorary Treasurer**



INFORMATION ON DIRECTORS

The Members of the Board in office as at the date of this Report, their qualifications, experience and special responsibilities are set out below:

Dr Catherine Yelland

RACP President



| | |
|--------------------------|--|
| Qualifications | MBBS, FRACP, GAICD, PSM |
| Experience | Dr Catherine Yelland is Director of Medicine and Older Persons Service at Redcliffe Hospital. She is a geriatrician and general physician, and is interested in clinical medicine, service development and physician education. She was awarded a John Sands Medal in 2013 and a Public Service Medal in 2014. |
| Special responsibilities | RACP President (2016–2018), RACP President-Elect (2014–2016) Member RACP Board (2015–2018, 2009–2012), Chair, Policy and Advocacy Committee 2014–2016 |

Associate Professor Mark Lane

RACP President-Elect



| | |
|--------------------------|--|
| Qualifications | MBBS, FRACP |
| Experience | Associate Professor Lane is a gastroenterologist based at Auckland Hospital. For 17 years he was Head of Gastroenterology at Auckland Hospital and involved in clinical leadership at national levels. He served on the executive of the NZ Society of Gastroenterology in various roles and represented NZ Gastroenterology on international gastroenterology societies and committees. He is a patron of the Coeliac Society of NZ. He has an honorary appointment with Auckland Medical School as a Clinical Associate Professor. |
| Special responsibilities | RACP President-Elect (2016–2018), Member, RACP Board (2012–2018), New Zealand President (2014–2016), Chair, College Policy and Advocacy Committee, Member, New Zealand Committee (2009–2018). |

Dr Jeff Brown

President-Elect, New Zealand



| | |
|--------------------------|--|
| Qualifications | MBChB, FRACP |
| Experience | Dr Jeff Brown is a consultant paediatrician and Clinical Director of Child Health at Palmerston North Hospital and for the MidCentral District Health Board. Dr Brown has held various leadership positions locally and nationally, including National Health Board, Association of Salaried Medical Specialists and Advanced Paediatric Life Support. |
| Special responsibilities | RACP President-Elect New Zealand (2016–2018), Member, RACP Board (2016–2018), Member, Finance and Risk Management Committee, Member, New Zealand Committee, Co-chair NZ PCHD Committee, Member, Paediatrics and Child Health Division Council. |

Associate Professor Nicholas Buckmaster

Adult Medicine Division Representative



| | |
|--------------------------|--|
| Qualifications | MBBS, FRACP |
| Experience | Associate Professor Buckmaster is a general and respiratory physician with Gold Coast Hospital and Health Service. Past roles also include President of the Internal Medicine Society of Australia and New Zealand, Clinical Leader of the Gold Coast Electronic Medical Record Project and for the Queensland Health ieMR project, Director of Clinical Training for Caboolture Hospital. He is a former member of the DOHA Medical Training Review Panel, Chair of its Data Subcommittee, an Associate Professor in the Griffith University Medical School, and former President of the Australian Salaried Medical Officers Federation Queensland, in addition he has previously held offices within AMA Queensland, including as Chairman of AMA Queensland Council. |
| Special responsibilities | Member RACP Board (2012–2018), Deputy Chair, College Policy and Advocacy Committee, Co-opted Member, Adult Medicine Division Council, Member, Queensland State Committee, Member, ATC for General and Acute Medicine |

Dr Johnathan Christiansen **New Zealand President**



| | |
|--------------------------|--|
| Qualifications | BHB, MBChB, MD, FRACP, FACC, FCSANZ, GAICD |
| Experience | Dr Christiansen is a general and non-invasive cardiologist working at Waitemata District Health Board in Auckland. He is currently the clinical leader for the DHB's major facilities and medical services redevelopment project (Waitemata 2025), Chair of Waitemata DHB's Education Governance Committee and Clinical Senior Lecturer at the University of Auckland. |
| Special responsibilities | Member RACP Board (2012–2018), Chair, College Education Committee, President, New Zealand Committee |

Professor Paul Colditz **PCHD President-Elect**



| | |
|--------------------------|---|
| Qualifications | MBBS, FRACP, FRCPC, MBIomedEng, DPhil (Oxford), GAICD |
| Experience | Professor Colditz is Professor of Perinatal Medicine at the University of Queensland and a neonatal paediatrician at the Royal Brisbane and Women's Hospital. He is Director of the Perinatal Research Centre and Deputy Director of the University of Queensland Centre for Clinical Research. |
| Special responsibilities | Member, RACP Board (2012–2018), President-Elect, Paediatrics and Child Health Division, Chair, College Research Committee, Chair, Paediatric Research Committee |

Associate Professor Andrew Cole **AFRM President**



| | |
|--------------------------|--|
| Qualifications | MBBS (Hons), FAFRM |
| Experience | Associate Professor Cole has been a consultant in rehabilitation medicine and conjoint academic with UNSW Medicine since 1985. He has worked successively in Sydney's St George area, in East Asia, in South West Sydney and in Northern Sydney. He has been Hammond Care's Chief Medical Officer since 2008. Associate Professor Cole teaches about disability and ageing to UNSW students and rehabilitation trainees. |
| Special responsibilities | Member, RACP Board (2016–2018), President, AFRM (2016-2018) |

Associate Professor Peter Connaughton **AFOEM President**



| | |
|--------------------------|---|
| Qualifications | MBBCh, LRCP&SI, CIME, MBA, FAFOEM |
| Experience | Associate Professor Connaughton works in private practice in WA, primarily consulting to the resource sector. He is an Adjunct Associate Professor at the University of Notre Dame, Fremantle. He graduated from the medical school of the Royal College of Surgeons in Ireland and he later studied occupational medicine at the Institute of Occupational Medicine in Edinburgh. He is a Board member of the charity CINI Australia and has a Master of Business Administration from UWA. |
| Special responsibilities | Member, RACP Board (2016–2018), President, AFOEM (2016–2018) |

Dr Sarah Dalton **PCHD President**



| | |
|--------------------------|--|
| Qualifications | BMed FRACP MAppMgt (Hlth) GAICD |
| Experience | Dr Dalton is a consultant in paediatric emergency medicine at The Children's Hospital at Westmead as well as Clinical Lead at the Agency for Clinical Innovation in NSW. She holds a Masters in Applied Management in Health. Sarah has previously completed a Fulbright Scholarship to evaluate Clinical Leadership Development Programs in the United States |
| Special responsibilities | Member, RACP Board (2016–2018), PCHD President (2016–2018) |

Professor Paul Komesaroff **Adult Medicine Division President-Elect**



| | |
|--------------------------|--|
| Qualifications | MB, BS, BSc (Hons), PhD, FRACP, AM |
| Experience | Professor Komesaroff is a physician, medical researcher and philosopher at Monash University in Melbourne, where he is Professor of Medicine. He is a practising clinician specialising in the field of endocrinology. He is also Executive Director of the international NGO Global Reconciliation. |
| Special responsibilities | Member, RACP Board (2016–2018), President-Elect, Adult Medicine Division (2016–2018), Interim Chair, Ethics Committee |

INFORMATION ON DIRECTORS

Professor Lynne Madden

AFPHM President



| | |
|--------------------------|---|
| Qualifications | BSc (Med) Hons1, MBBS, MPH, MSc, FFPH (UK), FAFPHM, FPHAA |
| Experience | Professor Madden's current roles are: the Associate Dean, Learning and Teaching at the School of Medicine, Sydney, The University of Notre Dame Australia (UNDA); the President of the Australasian Faculty of Public Health Medicine; and Trustee of the Lizard Island Reef Research Foundation of the Australian Museum. Prior to commencing at UNDA four years ago she was the manager of Population Health Training and Workforce at the NSW Ministry of Health for 18 years, where, in addition to running several advanced professional training programs in public health, she was the Editor of the NSW Public Health Bulletin. She has extensive knowledge and experience of the delivery of public health and health services in Australia having prepared public health practitioners for working at senior levels in government within public health and policy contexts. |
| Special responsibilities | Member, RACP Board (2016-2018), President, AFPHM (2016-2018), Member, Finance and Risk Management Committee (2016-2018), Member, Governance Working Party (2016 – 2018) |

Dr Tina Marinelli

Trainee Representative



| | |
|--------------------------|---|
| Qualifications | MBBS |
| Experience | Tina Marinelli is an Advanced Trainee in infectious diseases, currently based in Adelaide. Tina is currently completing a Master of Public Health and Tropical Medicine at James Cook University. |
| Special responsibilities | Member, RACP Board (2016–2018), Chair, College Trainees' Committee (2016–2018) |

Mr Peter Martin

Community (Non-Fellow) Director



| | |
|--------------------------|--|
| Qualifications | BBus, MBA, CA, AGIA, MAICD |
| Experience | Peter Martin is Executive Director of Constellation Advisors and is an experienced company director and consultant in strategy and corporate advice. |
| Special responsibilities | Member, RACP Board (2014–2018), Member, College Finance and Risk Management Committee |

Associate Professor Grant Phelps

Adult Medicine Division President



| | |
|--------------------------|---|
| Qualifications | BMBS, MBA, FRACP, FRACMA, GAICD, FAIM |
| Experience | Associate Professor Phelps worked as a gastroenterologist and acute physician in Western Victoria for over 20 years, before moving into a number of management and leadership roles in Victoria and Tasmania. His major focus has been on clinical leadership for safety and quality. He is Associate Professor of Clinical Leadership at Deakin University, and consults to organisations on Governance, Clinical Safety and Quality, and Clinical Leadership. |
| Special responsibilities | President, Adult Medicine Division (2016–2018), Member, RACP Board (2012-2018), Member, College Finance and Risk Management Committee, |

Dr Helen Rhodes

Adult Medicine Division Representative



| | |
|--------------------------|--|
| Qualifications | MBBS, FRACP, GAICD |
| Experience | Dr Rhodes is a renal physician at Fiona Stanley Hospital in WA and a visiting Renal Physician and Director of the Haemodialysis Unit at SJOG Hospital in Bunbury in the South West of WA. Since 1996, Dr Rhodes has been involved in a wide range of teaching and educational activities. She has been involved in Post-graduate Medical Council activities in WA and was previously a director of Clinical Training and Director of Physician Education at Fremantle Hospital, and is now the Director of Clinical Training and Director of Physician Education at St John of God Murdoch Hospital WA. |
| Special responsibilities | Member, RACP Board (2012–2018), Chair, Fellowship Committee, Member, Adult Medicine Division Council, Member, Western Australia State Committee. |

Associate Professor Charles Steadman **Honorary Treasurer**



| | |
|--------------------------|--|
| Qualifications | MBBS, MD, FRACP, AGAF, FAICD |
| Experience | Associate Professor Steadman is a gastroenterologist and hepatologist at the Mater and Greenslopes Private Hospitals in Brisbane with the Queensland Gastroenterology group. He is part of the Greenslopes Clinical School of the University of Queensland. Previously, at the RACP he was chairman of the SAC in Gastroenterology and a clinical examiner with the NEP and SEP for many years. Associate Professor Steadman is a Fellow of the American Gastroenterological Association and the Australian Institute of Company Directors. He is a director of the Medical Indemnity Protection Society Ltd and Queensland Doctors Mutual in Melbourne. In the past he was a Travelling Fellow of the RACP and a Fulbright scholar at the Mayo Clinic in the USA. |
| Special responsibilities | Director RACP, Honorary Treasurer, Chair of College Finance Committee |

Ms Susan Tiffin **Community (Non-Fellow) Director**



| | |
|--------------------------|---|
| Qualifications | BA, MA, PhD |
| Experience | Ms Tiffin is currently a consultant on governance and board effectiveness, largely to not-for-profit organisations. She has a depth of experience in the public, higher education and not-for-profit sectors with a focus on human resource management, organisational effectiveness and change management. She is currently a member of the Sydney Children's Hospital Network Human Research Ethics Committee. Her qualifications include a Masters in Professional Ethics and a PhD from UNSW. |
| Special responsibilities | Member, RACP Board (2014–2018) |

Dr Susannah Ward **Trainee Representative**



| | |
|--------------------------|---|
| Qualifications | MBBS (Hons), BMedSci (Hons) |
| Experience | Dr Ward is an Advanced Trainee in rehabilitation medicine in NSW. She was awarded the Basmajian Prize following the AFRM Fellowship exams in 2015. |
| Special responsibilities | Member, RACP Board (2016–2018), Deputy Chair, College Trainees' Committee (2016-2018), CTC representative on the AFRM Trainee Committee (2014–2018) |



RACP
Specialists. Together

2016 FINANCIAL REPORT

THE ROYAL AUSTRALASIAN COLLEGE OF PHYSICIANS

ABN 90 270 343 237

CORPORATE INFORMATION

ABN 90 270 343 237

Directors

Catherine Yelland

Mark Lane

Jeff Brown

Nicholas Buckmaster

Jonathan Christiansen

Paul Colditz

Andrew Cole

Peter Connaughton

Sarah Dalton

Paul Komesaroff

Lynne Madden

Tina Marinelli

Peter Martin

Grant Phelps

Helen Rhodes

Charles Steadman

Susan Tiffin

Susannah Ward

Company Secretary

Michael Smith

Registered office and principal place of business

145 Macquarie Street, Sydney NSW 2000



Level 17, 383 Kent Street,
Sydney NSW 2000

Correspondence to:
Locked Bag Q800
QVB Post Office
Sydney NSW 1230

T +61 2 8297 2400
F +61 2 9299 4445

E info.nsw@au.gt.com
www.grantthornton.com.au

**Auditor's Independence Declaration
To the Responsible Entities of The Royal Australasian College of
Physicians**

In accordance with the requirements of section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012, as lead auditor for the audit of The Royal Australasian College of Physicians for the year ended 31 December 2016, I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

James Winter
Partner - Audit & Assurance

Sydney, 24 March 2017

Grant Thornton Audit Pty Ltd ACN 130 913 594

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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2016

| | NOTE | 2016 \$ | 2015 \$ |
|---|------|-------------------|-------------------|
| General fund | | | |
| Revenue | | | |
| Subscriptions & other Fellow receipts | | 19,661,554 | 18,286,576 |
| Admissions, training & examination fees | | 29,688,600 | 28,480,285 |
| Other | 3 | 6,965,912 | 7,637,998 |
| Total revenue | | 56,316,066 | 54,404,859 |
| Expenditure | | | |
| Employee benefits | | 32,834,506 | 30,105,367 |
| Travel, accommodation & meetings | | 7,831,342 | 6,005,444 |
| Other | 4 | 15,815,973 | 12,056,993 |
| Total expenditure | | 56,481,821 | 48,167,804 |
| General fund surplus | | (165,755) | 6,237,055 |
| RACP Foundation fund | | | |
| Revenue | | | |
| Interest & dividend income | | 2,534,888 | 1,899,868 |
| Donations from Fellows and other grants | | 542,075 | 723,503 |
| Loss on disposal of financial assets | | (203,605) | 254,301 |
| Other | | 220,068 | 290,729 |
| Total revenue | | 3,093,426 | 3,168,401 |
| Expenditure | | | |
| Grants paid or payable | | 2,399,991 | 2,563,195 |
| Other | | 199,677 | 350,592 |
| Total expenditure | | 2,599,668 | 2,913,787 |
| RACP Foundation fund surplus | | 493,758 | 254,614 |
| Total surplus | | 328,003 | 6,491,669 |

The statement of profit or loss and other comprehensive income is to be read in conjunction with the attached notes.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2016

| | NOTE | 2016 \$ | 2015 \$ |
|--|------|------------------|------------------|
| Surplus for the year | | 328,003 | 6,491,669 |
| Other comprehensive income: | | | |
| Net gain/(loss) on revaluation of financial assets | | 841,396 | (1,369,168) |
| Foreign currency translation gain/(loss) | | 446,519 | (245,350) |
| Total comprehensive income for the year | | 1,615,918 | 4,877,151 |

The statement of profit or loss and other comprehensive income is to be read in conjunction with the attached notes.

STATEMENT OF FINANCIAL POSITION

As at 31 December 2016

| | NOTE | 2016 \$ | 2015 \$ |
|--------------------------------------|------|--------------------|--------------------|
| Assets | | | |
| Current assets | | | |
| Cash & cash equivalents | 5 | 21,012,850 | 16,871,659 |
| Trade & other receivables | 6 | 5,441,902 | 3,349,068 |
| Other current assets | 7 | 1,383,130 | 867,903 |
| Other financial assets | 8 | 9,867,531 | 7,332,889 |
| Total current assets | | 37,705,413 | 28,421,519 |
| Non-current assets | | | |
| Other financial assets | 8 | 76,666,400 | 78,266,378 |
| Property, plant & equipment | 9 | 6,019,121 | 6,662,491 |
| Intangibles | 10 | 3,835,782 | 2,232,611 |
| Other non-current assets | 11 | 1,449,854 | 1,447,015 |
| Total non-current assets | | 87,971,157 | 88,608,495 |
| Total assets | | 125,676,570 | 117,030,014 |
| Liabilities | | | |
| Current liabilities | | | |
| Trade & other payables | 12 | 28,771,748 | 22,144,171 |
| Provisions | 13 | 1,919,348 | 1,684,253 |
| Total current liabilities | | 30,691,096 | 23,828,424 |
| Non-current liabilities | | | |
| Provisions | 13 | 716,629 | 548,663 |
| Total non-current liabilities | | 716,629 | 548,663 |
| Total liabilities | | 31,407,725 | 24,377,087 |
| Net assets | | 94,268,845 | 92,652,927 |
| Funds | | | |
| General funds | 17 | 45,263,502 | 45,429,257 |
| RACP Foundation funds | 17 | 44,316,676 | 43,822,918 |
| Reserves | 17 | 4,688,667 | 3,400,752 |
| Total Funds | | 94,268,845 | 92,652,927 |

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

STATEMENT OF CHANGES IN FUNDS

For the year ended 31 December 2016

| NOTE | 2016 \$ | 2015 \$ |
|---|-------------------|-------------------|
| General and Foundation funds | | |
| Balance, 1 January | 89,252,175 | 82,760,506 |
| General fund surplus | (165,755) | 6,237,055 |
| RACP Foundation fund surplus | 493,758 | 254,614 |
| Balance, 31 December | 89,580,178 | 89,252,175 |
| Available for sale reserve | | |
| Balance, 1 January | 1,428,438 | 2,797,606 |
| Movement in available for sale financial assets | 841,396 | (1,369,168) |
| Balance, 31 December | 2,269,834 | 1,428,438 |
| Foreign currency translation reserve | | |
| Balance, 1 January | 1,972,314 | 2,217,664 |
| Foreign currency translation gain | 446,519 | (245,350) |
| Balance, 31 December | 2,418,833 | 1,972,314 |
| Total Funds | 94,268,845 | 92,652,927 |

STATEMENT OF CASH FLOWS

For the year ended 31 December 2016

| | NOTE | 2016 \$ | 2015 \$ |
|---|-----------|-------------------|--------------------|
| Cash flow from operating activities | | | |
| Cash receipts from training fees, memberships and operations | | 50,655,962 | 49,673,913 |
| Cash payments applied in operations | | (54,921,605) | (49,048,493) |
| Payments to Specialist Training Program posts | | (41,768,533) | (47,222,808) |
| Proceeds from Government for Specialist Training Program posts | | 48,481,264 | 50,056,021 |
| Interest received | | 234,791 | 326,584 |
| Proceeds from Government grants | | 306,526 | 544,260 |
| Net cash provided by operating activities | 14 | 2,988,405 | 4,329,477 |
| Cash flow from investing activities | | | |
| Payments for property, plant and equipment | | (2,983,995) | (3,574,817) |
| Payments for investments | | (2,736,765) | (3,533,446) |
| Proceeds from investments | | 6,778,163 | 4,786,503 |
| Net cash from (used in) investing activities | | 1,057,403 | (2,321,760) |
| Net increase in Cash & cash equivalents | | 4,045,808 | 2,007,717 |
| Cash & cash equivalents at the beginning of the year | | 16,871,659 | 14,885,645 |
| Effects of exchange rate fluctuations on the balance of cash held in denominated foreign currencies | | 95,383 | (21,703) |
| Cash & cash equivalents at the end of the year | 5 | 21,012,850 | 16,871,659 |

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

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

1. Corporate information

The College is a medical college that provides training and education and represents physicians in Australia and New Zealand. The College is an Australian company limited by guarantee registered under the *Corporations Act 2001*, domiciled in Australia and registered with the Australian Charities and Not-for-profits Commission.

The financial report of the College for the year ended 31 December 2016 was authorised for issue in accordance with a resolution of the Directors (the Responsible Entities) on 24 March 2017.

2. Statement of accounting policies for the year ended 31 December 2016

a. Basis of preparation

These general purpose financial statements have been prepared in accordance with the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*, Australian Accounting Standards - Reduced Disclosure Requirements and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected assets.

b. Significant accounting judgments, estimates and assumptions

Accounting policies are selected and applied in a manner which ensures that the resultant financial information satisfies the concepts of relevance and reliability, thereby ensuring the substance of the underlying transaction and other events is reported.

In the application of Australian Accounting Standards, management is required to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The 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 if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Significant accounting judgments

The College has entered into leases of premises and office equipment as disclosed in Note 15 (a). Management has determined that all of the risks and rewards of ownership of these premises and equipment remain with the lessor and has therefore classified the leases as operating leases.

Significant accounting estimates and assumptions

The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Provisions for employee benefits

Provisions for employee benefits payable after 12 months from the reporting date are based on future wage and salary levels, experience of employee departures and periods of service, as discussed in Note 2 (m). The amount of these provisions would change should any of these factors change in the next 12 months.

c. Revenue

Revenue is recognised when the College is legally entitled to the income and the amount can be quantified with reasonable accuracy. Revenues are recognised net of the amounts of goods and services tax (GST) payable to the Australian Taxation Office and the Inland Revenue Department in New Zealand.

Trainee fees

Revenue from trainee fees is recognised when the service is provided.

Membership fees

The College recognises membership subscription fees as revenue over the period of the membership, or where members have not notified the College that they have ceased to be members and not paid the subscription, the amount for which they are deemed to be liable.

Externally funded grant income

Grant income is recognised when there is reasonable assurance that the grant will be received and all attaching conditions complied with. When the grant relates to an

expense item, it is recognised as income over the period on a systematic basis to the costs that it is intended to compensate.

Investment income

Investment income comprises interest and dividends. Interest income is recognised as it accrues, taking into account the effective yield on the financial asset. Dividends and trust distributions from listed entities are recognised when the right to receive a dividend or distribution has been established.

Donations

Donations are recognised as revenue when the College gains control, economic benefits are probable and the amount of the donation can be measured reliably.

In-kind contributions

The College receives contributions from members and specialty societies in the form of the provision of extensive voluntary services to the College. These amounts are not brought to account in the financial statements as the fair value of such contributions could not be reliably measured.

Asset sales

The gain or loss on disposal of all non-current assets is determined as the difference between the carrying amount of the asset at the time of the disposal and the net proceeds on disposal.

d. Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to a particular category they have been allocated to activities on a basis consistent with use of the resources. Support costs are those costs incurred directly in support of expenditure on the objects of the College. Management and administration costs are those incurred in connection with administration of the College and compliance with constitutional and statutory requirements.

e. Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments with maturities of three months or less.

f. Trade and other receivables

Trade receivables, which comprise amounts due from provision of services are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. Normal terms of settlement are thirty (30) days. The notional amount of the receivable is deemed to reflect fair value.

An allowance for doubtful debts is made when there is objective evidence that the College will not be able to collect the debts. Bad debts are written off when identified.

g. Property, plant and equipment and intangibles

Property, plant and equipment including land and buildings is shown at cost, less accumulated depreciation and impairment losses.

Any property, plant and equipment donated to the College is recognised at fair value at the date the company obtains control of the assets.

Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the College and the cost of the item can be measured reliably.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the income statement. When revalued assets are sold, the amounts included in asset revaluation reserves, in respect of those assets, are transferred to General and Foundation funds.

Software (intangibles)

Costs incurred in developing IT products or systems are capitalised and included in as an asset when it is probable the development project will be successfully completed, the College will be able to use the assets as part of its operations, there is a continuing intention to complete the development project and the costs can be reliably measured. Costs capitalised include external direct costs of materials and service, direct payroll and payroll-related costs of employees' time spent on the project. Acquired software is also capitalised.

Amortisation of software is calculated on a straight line basis over periods generally ranging from three to five years.

Depreciation and amortisation

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land, at rates that will write off the cost of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

| | | |
|---|-----------------|-------------|
| Buildings a&strata title building units | 40 years | (2.5%) |
| Plant & equipment | 10 years | (10%) |
| Furniture & fittings | 10 years | (10%) |
| Computer equipment & software | 3 years-5 years | (20%-33.3%) |
| Equipment held under finance lease | life of lease | |

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year-end.

Impairment

The carrying values of property, plant and equipment including software are reviewed for impairment at each reporting date, with the recoverable amount being

estimated when events or changes in circumstances indicate that the carrying value may be impaired.

The recoverable amount of property, plant and equipment is the higher of fair value less costs to sell and value in use. Depreciated replacement cost is used to determine value in use. Depreciated replacement cost is the current replacement cost of an item of property, plant and equipment less, where applicable, accumulated depreciation to date, calculated on the basis of such cost.

Impairment exists when the carrying value of an asset exceeds its estimated recoverable amount. The asset is then written down to its recoverable amount. For property, plant and equipment, impairment losses are recognised in the income statement.

h. Library and College collection

The Library and College collection is carried at cost or deemed cost and consists of items of historical, scientific and artistic nature which appreciates in value, therefore no provision for depreciation is required.

i. Financial assets

The College classifies its financial assets into the following four categories:

1. financial assets at fair value through profit or loss
2. loans and receivables
3. held-to-maturity investments
4. available-for-sale financial assets.

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

Financial assets and liabilities are initially measured at fair value plus transaction costs unless they are carried at fair value through profit or loss in which case the transaction costs are recognised in the income statement.

Purchases and sales of investments are recognised on trade-date, the date on which the College commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the College has transferred substantially all the risks and rewards of ownership.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance date. The quoted market price used is the current bid price.

The four categories of financial assets are:

Financial assets at fair value through profit or loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the Statement of Financial Position date.

After initial recognition they are measured at their fair values. Gains or losses on re-measurement are recognised in the income statement.

Loans and receivables

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or derecognised are recognised in the income statement. Loans and receivables are classified as "trade and other receivables" in the Statement of Financial Position.

Held to maturity investments

Held to maturity investments are assets with fixed or determinable payments and fixed maturities that the College has the positive intention and ability to hold to maturity.

After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or derecognised are recognised in the income statement.

Available-for-sale financial assets

Financial assets at fair value through equity are those that are designated as available-for-sale financial assets or are not classified in any of the other categories above. This category encompasses investments that the College intends to hold long term but which may be realised before maturity. After initial recognition available-for-sale financial investments are measured at fair value with gains or losses being recognised in other comprehensive income until the investment is derecognised or until the investment is determined to be impaired, being either a significant or prolonged decline in value below cost, at which time the cumulative gain or loss previously recognised in other comprehensive income is reclassified to the Statement of Profit or Loss and Other Comprehensive Income.

The fair value of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business on the reporting date.

j. Impairment of financial assets

At each balance date the College assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the income statement.

k. Trade creditors and other payables

Trade creditors and other payables represent liabilities for goods and services provided to the College prior to the end of the financial year that are unpaid. These amounts are usually settled in thirty (30) days. The notional amount of the creditors and payables is deemed to reflect fair value.

i. Unexpended funds

The liability for unexpended funds is the unutilised amounts of government grants received on the condition that specified services are delivered or conditions are fulfilled. The services are usually provided or the conditions usually fulfilled within 12 months of receipt of the government grant.

m. Employee benefits

Employee benefits comprise wages and salaries, annual, long-service and accumulating but non-vesting sick leave, and contributions to superannuation plans.

Liabilities for wages and salaries expected to be settled within 12 months of balance date are recognised in other payables in respect of employees' services up to the reporting date. Liabilities for annual leave in respect of employees' services up to the reporting date which are expected to be settled within 12 months of the balance date are recognised in the provision for annual leave.

Both liabilities are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for accumulating but non-vesting sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

The liability for long-service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date.

The College pays contributions to certain superannuation funds. Contributions are recognised in the income statement when they are due.

n. Provisions

The College recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

o. Borrowings

Borrowings are initially recognised at their fair value. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

Borrowing costs are recognised as an expense in the period in which they are incurred.

p. Taxation**Income tax**

The College is exempt from income tax in both Australia and New Zealand. Accordingly there is no accounting for income tax or the application of tax effect accounting.

Goods and services tax (GST)

All items in the financial report are stated exclusive of GST, except for receivables and payables which are stated on a GST inclusive basis. Where GST is not recoverable as input

tax it is recognised as part of the related asset or expense. The net amount of GST recoverable or payable is included as part of receivables or payables in the Statement of Financial Position.

q. Leases**Finance lease**

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.

At the commencement of the lease term, the College recognises finance leases as assets and liabilities in the Statement of Financial Position at the lower of the fair value of the leased items or the present value of the minimum lease payments.

The amount recognised as an asset is depreciated over its useful life.

Operating lease

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

r. Funds

Funds are disaggregated and classified as follows (refer also to Note 17):

- general funds
- RACP Foundation funds
- available for sale reserves
- Foreign exchange translation reserves.

s. Foreign currency

All foreign currency transactions are shown in Australian dollars.

Foreign currency transactions

Transactions in foreign currencies are initially recorded in functional currency at the exchange rates ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currency are translated at the rate of exchange ruling at balance date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rate prevailing at the date the fair value was determined.

Exchange differences are recognised in profit and loss in the period they occur.

Foreign currency operations

The assets and liabilities of the College's New Zealand operations are translated at the exchange rates prevailing at the reporting date. Income and expense items are translated at the average exchange rate for the period. Exchange differences arising, if any, are recognised in the foreign currency translation reserve.

3. Revenue

| | 2016 \$ | 2015 \$ |
|---|------------------|------------------|
| General fund | | |
| Externally funded grants | 2,970,787 | 3,478,861 |
| Registration and workshop fees | 1,229,033 | 675,853 |
| Interest & dividend income | 1,995,116 | 1,985,203 |
| (Loss)/Gain on disposal of financial assets | (23,517) | 717,401 |
| Advertising & publication income | 465,752 | 529,617 |
| Administrative fees & recoveries | 272,376 | 256,551 |
| Other | 56,365 | (5,488) |
| Total other revenue (General fund) | 6,965,912 | 7,637,998 |

4. Expenses

| | 2016 \$ | 2015 \$ |
|--|-------------------|-------------------|
| General fund | | |
| Rent & outgoing/occupancy cost | 2,438,815 | 2,406,760 |
| Repairs & maintenance | 786,269 | 386,321 |
| Depreciation & amortisation | 2,054,525 | 1,574,424 |
| Printing, publication & postage | 1,782,607 | 1,843,524 |
| Contract, professional & consulting fees | 4,173,042 | 2,798,310 |
| Bank & investment management fees | 736,281 | 970,849 |
| Web hosting & information technology consumables | 386,430 | 309,117 |
| Insurance expense | 98,772 | 93,924 |
| General office stationery | 442,445 | 377,234 |
| Telephone | 294,146 | 289,871 |
| Training tools, development & delivery | 24,859 | 174,981 |
| IT hardware & software maintenance and support | 1,018,508 | 744,543 |
| Hospital assessment costs (Clinical exams) | 515,922 | 472,838 |
| OTP interview fees paid to Fellows | 144,983 | 83,882 |
| Bad and doubtful debt provision | 480,601 | (654,522) |
| Other expenses | 437,768 | 184,937 |
| Total other expenditure (General fund) | 15,815,973 | 12,056,993 |

5. Cash and cash equivalents

| | 2016 \$ | 2015 \$ |
|---|-------------------|-------------------|
| Cash at bank and on hand | 13,218,032 | 8,292,136 |
| Short-term deposits with financial institutions | 7,794,818 | 8,579,523 |
| | 21,012,850 | 16,871,659 |

Restricted funds

Cash and cash equivalents include \$7,903,177 (2015 \$4,967,019) held by the College for distribution to third parties or for a specific purpose under contractual arrangements with government departments. These funds are not available for general working capital requirements. Unexpended funding at year-end is disclosed in Note 12.

Also included in the balance is RACP Foundation funds of \$819,069 (2015 \$536,384) which is not available for general working capital requirements.

6. Trade and other receivables

| | 2016 \$ | 2015 \$ |
|------------------------------------|------------------|------------------|
| Trade & other debtors | 4,779,359 | 2,758,336 |
| Less: allowance for doubtful debts | (498,075) | (463,368) |
| Other accrued income | 1,160,618 | 1,054,100 |
| | 5,441,902 | 3,349,068 |

Allowance for doubtful debts

| | |
|--|----------------|
| Opening balance as at 1 January 2016 | 463,368 |
| Less | |
| Prior year debts collected | (264,072) |
| Debts written off against provision | (199,295) |
| Add provision for 2016 outstanding debts | 498,074 |
| | 498,075 |

7. Other current assets

| | 2016 \$ | 2015 \$ |
|-------------------------|------------------|----------------|
| Prepaid expenses | 1,383,130 | 867,903 |

8. Other financial assets

| | 2016 \$ | 2015 \$ |
|-------------------------------------|-------------------|-------------------|
| Current | | |
| Bank bills & term investments | 2,659,048 | 2,254,402 |
| Available-for-sale financial assets | 7,208,483 | 5,078,487 |
| | 9,867,531 | 7,332,889 |
| Non-current | | |
| Bank bills & term investments | 36,617 | 36,616 |
| Available-for-sale financial assets | 76,629,783 | 78,229,762 |
| | 76,666,400 | 78,266,378 |

Restricted funds

Bank bills and term investments include \$72,136 (2015 \$70,312) for the RACP Foundation. These funds are not available for general working capital requirements.

The current available-for-sale financial assets includes funds for the RACP Foundation \$6,108,746 (2015 \$4,283,035) and is not available for general working requirements.

The non-current available-for-sale financial assets also includes funds for the RACP Foundation \$41,554,713 (2015 \$42,034,922). These funds are not available for general working capital requirements.

9. Property, plant and equipment

| Cost | Land & Building \$ | Leasehold Improvements \$ | Furniture, Fixtures & Fittings \$ | Plant & Equipment \$ | IT Hardware \$ | Total \$ |
|--------------------------------------|--------------------------|---------------------------------|--|----------------------------|-------------------|-------------------|
| Balance at 31 December 2015 | 5,632,949 | 3,259,310 | 2,084,246 | 1,066,873 | 3,645,910 | 15,689,288 |
| Additions | - | 374,654 | 157,334 | 121,439 | 341,948 | 995,375 |
| Disposals | - | - | - | (4,809) | (10,226) | (15,035) |
| Balance at 31 December 2016 | 5,632,949 | 3,633,964 | 2,241,580 | 1,183,503 | 3,977,632 | 16,669,628 |
| Accumulated depreciation | | | | | | |
| Balance at 31 December 2015 | 2,642,149 | 1,853,436 | 1,051,374 | 713,216 | 3,038,611 | 9,298,786 |
| Depreciation expense | 121,278 | 552,041 | 206,934 | 91,525 | 463,760 | 1,435,538 |
| Disposals | - | - | - | (4,809) | (10,226) | (15,035) |
| Forex translation | (16,633) | - | (12,889) | (1,505) | (993) | (32,020) |
| Balance at 31 December 2016 | 2,746,794 | 2,405,477 | 1,245,419 | 798,427 | 3,491,152 | 10,687,269 |
| Net carrying amount | | | | | | |
| at 31 December 2015 | 2,990,800 | 1,405,874 | 1,032,872 | 353,657 | 607,299 | 6,390,502 |
| 2015 Fixed Assets under construction | | | | | | 271,989 |
| | | | | | | 6,662,491 |
| at 31 December 2016 | 2,886,155 | 1,228,487 | 996,161 | 385,076 | 486,480 | 5,982,359 |
| 2016 Fixed Assets under construction | | | | | | 36,762 |
| | | | | | | 6,019,121 |

10. Intangibles

| | 2016 \$ | 2015 \$ |
|---------------------------------------|------------------|------------------|
| Software (Intangibles) | 3,835,782 | 2,232,611 |
| Balance at the beginning of the year | 2,232,611 | 592,360 |
| Acquisition | 2,223,848 | 367,094 |
| Work in progress | - | 1,690,524 |
| Amortisation | (620,677) | (417,367) |
| Balance at the end of the year | 3,835,782 | 2,232,611 |

11. Other non-current assets

| | 2016 \$ | 2015 \$ |
|---|------------------|------------------|
| Library | | |
| At cost | 1,085,782 | 1,082,943 |
| Paintings, antiques and historical objects | | |
| At cost | 364,072 | 364,072 |
| Total other non-current assets | 1,449,854 | 1,447,015 |

12. Trade and other payables

| | 2016 \$ | 2015 \$ |
|--|-------------------|-------------------|
| Trade creditors & other payables | 1,658,627 | 1,424,236 |
| Accruals | 5,396,192 | 4,137,143 |
| Income received in advance for subscriptions and exam fees | 12,674,052 | 11,116,434 |
| Unexpended funds | 9,042,877 | 5,466,358 |
| | 28,771,748 | 22,144,171 |

13. Provisions

| | 2016 \$ | 2015 \$ |
|-------------------------------------|------------------|------------------|
| Current | | |
| Employee entitlements | 1,919,348 | 1,684,253 |
| Total current provisions | 1,919,348 | 1,684,253 |
| Non-current | | |
| Employee entitlements | 716,629 | 548,663 |
| Total non-current provisions | 716,629 | 548,663 |
| | 2,635,977 | 2,232,916 |

14. Reconciliation of cash

| | 2016 \$ | 2015 \$ |
|---|------------------|------------------|
| Net surplus for the year | 328,003 | 6,491,669 |
| Add/(subtract) non-cash items | | |
| Depreciation of property, plant & equipment | 2,056,215 | 1,577,319 |
| Add/(subtract) investing activities | | |
| (Profit)/loss on disposal of property, plant & equipment | - | 79 |
| (Profit)/loss on sale of investments | 227,122 | (971,702) |
| Investment distributions re-invested | (4,016,251) | (3,810,053) |
| Changes in assets and liabilities | | |
| (Increase)/decrease in trade & other debtors | (2,595,450) | (1,383,256) |
| Increase/(decrease) in trade & other creditors and accruals | 6,587,801 | 2,062,439 |
| Increase/(decrease) in provisions | 400,965 | 362,982 |
| Net cash provided by operating activities | 2,988,405 | 4,329,477 |

15. Commitments and contingencies

a. Operating leases

The College has entered into commercial leases of buildings and office equipment. These leases have an average life of between three and five years with some having a renewal option included in the contracts. There are no restrictions placed upon the lessee upon entering into these leases. The College has provided financial guarantees in respect of leased premises secured by lease deposits.

| | 2016 \$ | 2015 \$ |
|--|------------------|------------------|
| Lease expenditure commitments | | |
| Operating leases (non-cancellable) | | |
| Not later than one (1) year | 1,813,888 | 1,403,037 |
| Later than one (1) year & not later than two (2) years | 1,099,167 | 1,316,718 |
| Later than two (2) years & not later than five (5) years | 732,120 | 1,415,359 |
| Later than five (5) years | - | 127,697 |
| | 3,645,175 | 4,262,811 |

b. Capital expenditure commitments

There is no known capital commitment.

c. Contingencies

There are no known contingencies.

d. Events after the balance date

There have been no significant events after balance date.

16. Related parties and related party transactions

a. Directors

Directors of the College in office during the year are disclosed under Corporate Information that accompanies these financial statements.

b. Directors' compensation

The Directors act in an honorary capacity and receive no compensation for their services as Directors. During the year travel expenses incurred by the Directors in fulfilling their role were reimbursed to the Directors if not paid directly by the College.

c. Related party transactions

The College has paid \$11,165 in 2016 to the former President Professor Nicholas Talley for services he has performed as President.

During the year, the College paid University of Newcastle \$1,586.36 (2015 \$6,830) as a reimbursement of Professor Nicholas Talley's mobile and iPad usage costs.

There is no other amounts payable to or receivable from Directors or Director-related entities as at the reporting date.

Professor John Wilson, a Director of the College, was also a director and shareholder of an entity holding shares in Attend Anywhere Pty Ltd, a company in which the College had 10 per cent shareholding. The College's investment in Attend Anywhere Pty Ltd was written down to nil in 2009. As at 18 July 2016, the College sold back its share to Attend Anywhere Pty Ltd in a Share Buyback offer for \$154,291.

The College provides services and accommodation to a number of Specialty societies and some provide services back to the College and members of the College may be members of these Societies. During the year the College received \$176,998 (2015 \$212,416) for rent and outgoings from the Specialty societies.

Members of the Board are Fellows of the College and may be members of specialty societies. All transactions of Board members as individual Fellows are on terms applicable to all members of the College. Transactions with Specialty societies are referred to above.

In-kind services and contributions provided by all members and Specialty societies, including Board members, are not brought to account in the financial statements as the fair value of such contributions could not be reliably measured.

d. Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the College, directly or indirectly, including any Director of the College.

The aggregate compensation made to key personnel is set out below.

| | 2016 \$ | 2015 \$ |
|---------------------------|------------------|------------------|
| Total compensation | 2,739,606 | 2,654,364 |

17. Details of funds

General funds

The amounts held in the general funds are used to finance the operations of the College.

| | 2016 \$ | 2015 \$ |
|-----------------------------|-------------------|-------------------|
| General Funds | | |
| Balance, 1 January | 45,429,257 | 39,192,202 |
| General Fund surplus | (165,755) | 6,237,055 |
| Balance, 31 December | 45,263,502 | 45,429,257 |

RACP Foundation funds

The amounts held in the RACP Foundation funds are used to finance awards and grants in research activities in Australia and New Zealand.

| | 2016 \$ | 2015 \$ |
|------------------------------|-------------------|-------------------|
| RACP Foundation Funds | | |
| Balance, 1 January | 43,822,918 | 43,568,304 |
| RACP Foundation Fund surplus | 493,758 | 254,614 |
| Balance, 31 December | 44,316,676 | 43,822,918 |

Reserves

The amounts in the reserves represent the unrealised gains resulting from movements in the fair value of the investment portfolio of the General funds and RACP Foundation funds, and movements in exchange rates.

18. Limitation of Fellows' liability

The College is a company limited by guarantee; in accordance with the Constitution, the liability of each Fellow in the event of the College being wound up would not exceed \$50.

19. Fundraising

The College undertook fundraising appeals throughout the year and holds an authority to fundraise under the *Charitable Fundraising Act 1991* (NSW). The College has disclosed the fundraising income statement below in respect of fundraising activity conducted with non-members. Proceeds from members are not considered to be fundraising activity in accordance with the *Charitable Fundraising Act 1991* (NSW) and therefore not included in the information below.

(a) Details of aggregate fundraising income and expense from fundraising appeals (from non-members)

| | 2016 \$ | 2015 \$ |
|-------------------------------|------------|------------|
| Gross income from fundraising | 1,200 | 1,875 |
| Total cost of fundraising | (12,404) | (7,058) |
| Net deficit from fundraising | (11,204) | (5,183) |

(b) Accounting Principles and Methods adopted in Fundraising accounts

The fundraising financial statements have been prepared on an accrual basis and in accordance with Australian Accounting Standards as per Note 2.

(c) Information on Fundraising Activities

The College has included in the total cost of fundraising the administration expenses of the Fundraising department. The fundraising income only includes contributions made by non-members and hence the expense is prorated between the contributions made by members and non-members. There were no fundraising initiatives carried out in Australia and New Zealand for 2016.

20. Other information

The registered office and principal place of business is:

145 Macquarie Street

Sydney NSW 2000.

RESPONSIBLE ENTITIES' DECLARATION

The Responsible Entities of The Royal Australasian College of Physicians declare that:

- 1) The financial statements and notes of the College are in accordance with the Australian Charities and Not-for-profits Commission Act 2012 including;
 - a. giving a true and fair view of its financial position as at 31 December 2016 and of its performance for the financial year ended on that date;
 - b. complying with Australian Accounting Standards – Reduced Disclosure Requirements and the Australian Charities and Not-for-profits Commission Regulation 2013; and
- 2) there are reasonable grounds to believe that the College will be able to pay its debts as and when they become due and payable.

Signed in accordance with the resolution of the Board of The Royal Australasian College of Physicians.

For and on behalf of the Board.

C. E. Yelland.

Catherine Yelland
Director
24 March 2017

C. Steadman

Charles Steadman
Director
24 March 2017

DECLARATION BY RESPONSIBLE MEMBER OF THE GOVERNING BODY

I, Linda Smith, the Chief Executive Officer of The Royal Australasian College of Physicians (the College) declare that in my opinion:

- a) The financial statements and notes thereto for the year ended 31 December 2016 give a true and fair view of all income and expenditure of the College with respect to fundraising appeals;
- b) The Statement of Financial Position as at 31 December 2016 gives a true and fair view of the state of affairs with respect to fundraising appeals;
- c) The provisions of the *Charitable Fundraising Act 1991* and the regulations under that Act and the conditions attached to the authority have been complied with; and
- d) The internal controls exercised by the College are appropriate and effective in accounting for all income received.

Linda Smith

Sydney, 24 day of March 2017



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To the Members of The Royal Australasian College of Physicians

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of The Royal Australasian College of Physicians (the "registered entity"), which comprises the statement of financial position as at 31 December 2016, the statement of profit or loss and comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Responsible Entities' declaration.

In our opinion:

1. the financial report of The Royal Australasian College of Physicians has been prepared in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012 ("ACNC Act"), including:
 - a. giving a true and fair view of the registered entity's financial position as at 31 December 2016 and of its financial performance for the year then ended; and
 - b. complying with Australian Accounting Standards and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013;
2. the financial report gives a true and fair view of the financial results of fundraising appeals of The Royal Australasian College of Physicians for the year ended 31 December 2016, and the financial statements and associated records of The Royal Australasian College of Physicians have been properly kept during the year in accordance with the Charitable Fundraising Act 1991 and its Regulations; and
3. monies received by The Royal Australasian College of Physicians, as a result of fundraising appeals conducted during the year ended 31 December 2016, have been accounted for and applied, in all material aspects, in accordance with the Charitable Fundraising Act 1991 and its Regulations.

Basis for Opinion

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

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

Responsibilities of Responsible Entities and Those Charged with Governance for the Financial Report

The Responsible Entities of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the ACNC Act, the NSW Charitable Fundraising Act 1991 and the NSW Charitable Fundraising Regulation 2015, and for such internal control as the Responsible Entities determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the registered entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

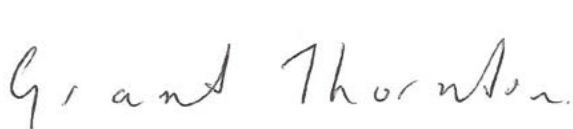
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

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

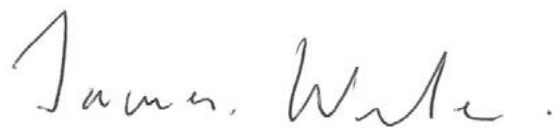
We also:

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

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



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants
Sydney, 24 March 2017



James Winter
Partner - Audit & Assurance
Sydney, 24 March 2017



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