

Annual Report

2018





ABOUT RACS

RACS is the leading advocate for surgical standards, professionalism and surgical education in Australia and New Zealand. The College is a not-for-profit organisation that represents more than 7000 surgeons and 1300 surgical trainees and International Medical Graduates.

RACS also supports healthcare and surgical education in the Asia-Pacific region and is a substantial funder of surgical research.

RACS trains nine surgical specialties in Australasia: Cardiothoracic Surgery, General Surgery, Neurosurgery, Orthopaedic Surgery, Otolaryngology Head-and-Neck Surgery, Paediatric Surgery, Plastic and Reconstructive Surgery, Urology and Vascular Surgery.

VISION

Leading surgical performance, professionalism and improving patient care

MISSION

The leading advocate for surgical standards, education and professionalism in Australia and New Zealand

VALUES

- Service
- Integrity
- Respect
- Compassion
- Collaboration



2018 HIGHLIGHTS

EDUCATION AND TRAINING



Surgical education training applications increased in 2018 by 6.25 per cent, with General surgery experiencing the largest increase (13.7 per cent) in applications.



More than 2600 skills course participants completed one of 156 RACS skills courses in 2018.



More than 1200 Fellows contributed approximately 24,500 hours to teaching RACS skills courses in 2018.



More than 2400 delegates from around the world attended the RACS Annual Scientific Congress in Sydney. The event was held in conjunction with the American College of Surgeons.



We developed our first-ever app, SimuSurg to perform surgical skills in a gaming environment. The SimuSurg app was the Indie Category winner at the Serious Games Showcase & Challenge Australasia 2018.



More than 98 per cent of our Fellows, Trainees and IMGs completed the training courses aimed at addressing discrimination, bullying and sexual harassment (DBSH).

SURGICAL STANDARDS



RACS conducted a review of the New Zealand Trauma System. The New Zealand Transport Authority (NZTA) had sought independent review based on the RACS Australasian Trauma Verification Program. RACS also led a trauma review of the New Zealand Ministry of Transport.



In Australia, RACS assisted the Australian Defence Force to conduct a trauma verification review of the 2nd General Health Battalion (2GHB), the first review of a military hospital.



The Alfred and the Royal Melbourne Hospital underwent formal trauma verification reviews and in Western Australia, RACS conducted a similar review for the Royal Perth Hospital. In total, RACS conducted trauma verification reviews of five hospitals in 2018.

GENDER DIVERSITY



The number of women on councils and committees increased from 23 per cent in 2017 to 27 per cent in 2018 exceeding the set target.

PHILANTHROPY



In September 2018, RACS secured a two and a half year \$460,000 grant from the Australian Department of Health to support a review of needs across nine surgical specialties in relation to Aboriginal and Torres Strait Islander health and cultural safety.



We increased RACS scholarship funding for Aboriginal, Torres Strait Islander and Māori doctors and medical students seeking careers in surgery to \$142,000 annually, up from \$30,000.



44 research scholarships were awarded to support higher levels of excellence in surgical care.



200 Indigenous delegates given grants to attend educational symposiums.



RACS signed a \$5.9 million contract with the Australian Department of Foreign Affairs and Trade for the implementation of a three-year Clinical Support Program (CSP) in Papua New Guinea to enhance the quality of care and specialist training.



RACS Global Health initiatives in the Asia-Pacific region achieved:

- 25,000 specialist consultations
- 2555 life-changing surgical procedures
- 509 local health workers attended workshops to ensure services are sustainable and accessible long after RACS involvement.

ADVOCACY AND AWARENESS



RACS Northern Territory Committee long-term advocacy effort saw a change of alcohol laws. The Northern Territory government introduced a minimum \$1.30 floor price per standard drink for all alcoholic beverages, making the Territory the first Australian jurisdiction to place such a price.



In September 2018, RACS called for an overhaul of road safety measures following the findings of the Inquiry into the National Road Safety Strategy. Chair of the RACS Trauma Committee, Dr John Crozier, was one of two independent experts who chaired and co-authored the Inquiry report.



RACS hosted two rural summits focusing on training and workforce issues. Representatives from RACS training boards and rural surgeons section committee discussed the College's responsibility to train surgeons able to provide services in rural and regional communities.



We launched the 'Do you have a GP?' campaign to encourage surgeons, trainees and international medical graduates to be mindful of their own health.

PRESIDENT'S REPORT



Engagement and advocacy were some of the common themes that stood out in 2018. At a Council level, we embarked on a long-term reform agenda aimed at ensuring that our structural processes, and the manner in which we conduct our core business remains relevant to our membership. Earlier in the year we amalgamated the Board of Regional Chairs and the Governance and Advocacy Committee to form a new Advocacy Board. The new Board brought together the state, territory and New Zealand (STANZ) chairs, the Professional Development Standards Board Chair, the Censor in Chief, community representatives, as well as other relevant groups.

Another potential change we proposed to make to our governance structure was a merger of the Education Board and Board of Surgical Education and Training, to form the Education and Training Committee. This proposal was presented to the specialty societies for their input and a definitive plan will be presented to Council in June 2019.

October marked the first meeting of the Council since elections were held in September 2018. Congratulations to the successful candidates, particularly our newly elected Councillors, Dr Sarah Coll, Professor Henry Woo, and Dr Lawrence Malisano. I would also like to thank all our Fellows for participating in the election process. Your support and commitment to the College is commendable.

We also focused on ensuring equitable access to quality surgical care in rural and regional communities. Despite various efforts over the years, evidence shows that we are failing to achieve this equity. I commend the federal government for appointing Australia's first National Rural Health Commissioner, with a priority to develop a national rural generalist pathway. This approach aims to extend general practice into areas of emergency medicine, anaesthesia, obstetrics and surgery. RACS preferred option is supporting rural and regional surgical generalism to ensure specialist surgeons provide increased services in rural and regional areas.

Another important initiative that we started was the 'Do you have a GP?' campaign to encourage surgeons, trainees and international medical graduates to be mindful of their own health. Our RACS research showed that some 37 per cent of surgeons do their own check-ups or have not had a check-up with a GP in more than two years. Maintaining good health means that we can better support the health of our patients.

We continued to support initiatives on Aboriginal and Torres Strait Islander ear health. The continuing prevalence of ear disease and hearing loss in these communities is a clear barrier to closing the gap priorities. RACS, through the Indigenous Health Committee and the Reconciliation Plan, advocated for the need for a nationally consistent approach to monitoring and addressing the unacceptably high rate of ear disease in these communities.

Sustainability in terms of both the environment and the healthcare system was also on our agenda. In New Zealand we joined OraTaio – the New Zealand Climate and Health Council's call to reduce the impact that surgical practice has on the environment. We will continue to explore the issues that involve sustainability and surgical practice further and look at how we can take a leadership role in this area.

During the year excessive surgical fees and out-of-pocket costs were a much talked about issue in Australia. Our position on the subject has always been unequivocal that charging extortionate fees is exploitative and unethical. The RACS Council agreed to promote information on informed financial consent and develop relevant information for patients to be made available in GP consulting rooms. RACS will also continue to apply sanctions where appropriate and encourage adherence to the RACS Code of Conduct. It is important that we continue working with specialty societies and government to ensure that our patients are well informed about their rights.

There is much more work for us to do, but what we have achieved so far would not have been possible without the support of our Fellows, Trainees, International Medical Graduates, specialty societies and the many other stakeholders who are as passionate about the best possible health outcomes as we are.

Finally, I would like to thank the RACS Council, specialty societies, CEO Mary Harney, her management team and every employee for their commitment to the ongoing development of the organisation.

John Batten
President

CEO'S REPORT



During the June Council meeting, we agreed to adopt Te Whare Piki Ora o Māhutonga as the Māori name for the College. The name translates to the school of ascension to health under the Southern Cross. We also adopted a Māori motif to highlight Māori health and culture across the organisation and to reinforce RACS commitment to excellence in learning, good health and the College's bi-national history.

Our Building Respect, Improving Patient Safety initiative continued to grow in strength. It was pleasing to see more than 98 per cent of our Fellows, Trainees and IMGs completing the training courses aimed at addressing discrimination, bullying and sexual harassment.

We also expanded our global health strategy and signed a \$5.9 million contract with the Australian Department of Foreign Affairs and Trade for the implementation of a three-year Clinical Support Program in Papua New Guinea. This will enhance the quality of care at ANGAU Memorial Hospital in Lae, Port Moresby General Hospital, and specialist training at the University of Papua New Guinea's School of Medicine and Health Sciences.

In February, the president John Batten and I visited our specialty societies. Encouragingly, throughout both Australia and New Zealand, all wanted RACS to be the advocate and voice for the highest standards in surgery, and to be responsible for the maintenance of those standards. We agreed to work together on issues raised. These included the management of Trainees and International Medical Graduates (IMGs), data collection and access to College information, among others.

It was also important to facilitate the creation of an internal environment where employees could offer more of their capabilities and potential. With this in mind, we embarked on a staff engagement survey that saw a response rate of over 75 per cent. We then established an employee working group to develop and implement strategies to address the issues identified by the survey, such as eliminating silos and excessive bureaucracy.

We also restructured the organisation in order to bring functions and expertise to support our current and future strategic priorities. The new structure, which has been designed to better meet stakeholder expectations and the evolving strategic priorities, now has four portfolios—Education, Fellowship, Partnerships and Operations.

As part of the restructure we created three new executive leadership roles: Chief Operating Officer, Executive General Manager Education, and Executive General Manager Partnerships. These roles, together with the Deputy CEO and Fellows on staff, now form our Executive Leadership Team (ELT), reporting to the CEO. Additionally, we broadened the role of the Deputy CEO to include New Zealand, and the states and territories in Australia (now called STANZ).

In May, we held the Annual Scientific Congress in Sydney. The event was held in conjunction with the American College of Surgeons, and it attracted more than 2400 delegates from around the world. We look forward to the 2019 event which will be held in Bangkok, Thailand.

Additionally, I am pleased to say that we joined the Global Alliance for Surgical, Obstetric, Trauma and Anaesthesia Care (G4 Alliance) and will be part of a coalition dedicated to advocating for the neglected surgical patient. As part of this I had the opportunity to visit Harvard University where I presented the RACS global health strategy in a discussion on global surgery and social change. These important steps are a demonstration of our commitment to global surgical care, and an extension of the work that we have been conducting in the Asia-Pacific region to provide sustainable and affordable healthcare.

In November, we brought all staff together to discuss our strategy for 2019 – 2021, and what we can do to keep improving our culture and services to our stakeholders. We agreed that our focus will revolve around standards and professionalism, enduring value and membership with each executive portfolio leader working with their respective teams to develop and implement the strategy.

It has been a year of great change, and I would like to acknowledge the hard work that our employees put in to keep things moving efficiently. I would also like to thank the RACS Board, Council, specialty societies and other stakeholders for their support in 2018.

Mary Harney
Chief Executive Officer

ORGANISATIONAL PERFORMANCE

EDUCATION, TRAINING AND SURGICAL STANDARDS

During the year we continued to offer a variety of education and training opportunities to Fellows, Trainees and International Medical Graduates.

More than 2600 skills course participants completed one of 156 RACS skills course in 2018. These courses included:

- ASSET, an educational package of generic surgical skills required by surgical trainees in the Australian and New Zealand context and is a compulsory aspect of surgical training;
- the CCrISP® course which assists doctors in developing simple, useful skills for managing critically ill patients, and promotes the coordination of multidisciplinary care where appropriate;
- the CLEAR course which provides tools to undertake critical appraisal of surgical literature and to assist surgeons in the conduct of clinical trials;
- the EMST course which focuses on the management of injury victims in the first hour or two following injury, and
- the TIPS course which teaches patient-centred communication and team-oriented non-technical skills in a clinical context.

We also conducted the Operating with Respect (OWR) course, which is evidence-based and designed to equip surgeons with practical strategies and skills to respond to unacceptable behaviour. In 2018, RACS ran 29 courses, with 591 participants successfully completing the course.

In 2018, more than 1200 Fellows contributed approximately 24,500 hours to teaching RACS skills courses. The volunteers are drawn from various specialties including anaesthetics, emergency medicine, intensive care, general practice and surgery.

SPECIALIST TRAINING

In 2018, the RACS Specialist Training Program provided additional funding for Colleges to develop and deliver educational support projects to support the success and sustainability of delivery training in rural and Aboriginal and Torres Strait Islanders communities. Three projects were approved by the Department of Health to support surgical trainees in rural settings, and Aboriginal and Torres Strait Islander trainees. These were:

- Indigenous Health Cultural Competency Resource and Curriculum Integration. This project aims to improve education and understanding of Aboriginal and Torres Strait Islander health and cultural competence along with the SET speciality training programs.
- Supporting Surgical Pathways for Aboriginal and Torres Strait Islanders, which will undertake research with Aboriginal and Torres Strait Islander medical students and doctors who have considered a career in surgery, to identify useful supports and potential barriers. The program will be developed in partnership with James Cook University.

- Operating with Respect Course for STP supervisors supported eight surgeons to attend.

NEW SURGICAL TRAINEES

Surgical Education Program (SET) applications increased in 2018 by 6.25 per cent, with General Surgery experiencing the largest increase (13.7 per cent) in applications compared to 2017.

The number of individual female SET applicants increased by 6.7 per cent, with female SETs comprising almost one-third of the applicants. Of the 267 applicants offered a Trainee position in 2018, just over 33 per cent were female – a two per cent increase from 2017.

The Indigenous Health Committee is working with the Australian Indigenous Doctors' Association (AIDA) to promote surgery as a career to indigenous doctors.

PROFESSIONAL DEVELOPMENT

During 2018, 82 RACS Fellows donated their time to deliver over 130 Professional Development activities.

The Professional Development Department coordinated training activities that include short courses, conferences, webinars and residential programs for 2784 participants.

The Foundation Skills for Surgical Educators (FSSE) course attracted 961 participants with most courses hosted by our offices in Australia and New Zealand.

Five Surgeons as Leaders in Everyday Practice (SAL) courses were rolled out in Australia and New Zealand with 100 participants.

The Advanced Feedback in Surgical Education (AFSE) course was developed after FSSE participants indicated they would like more training in providing feedback. Three pilot courses were then conducted with 33 participants.

The Surgical Education and Supervision (SES) course was also developed and piloted in November 2018.

INTERNATIONAL MEDICAL GRADUATES

Specialist Assessment applications increased by 13 per cent with a significant increase in the number of applications received from UK trained International Medical Graduates (IMGs).

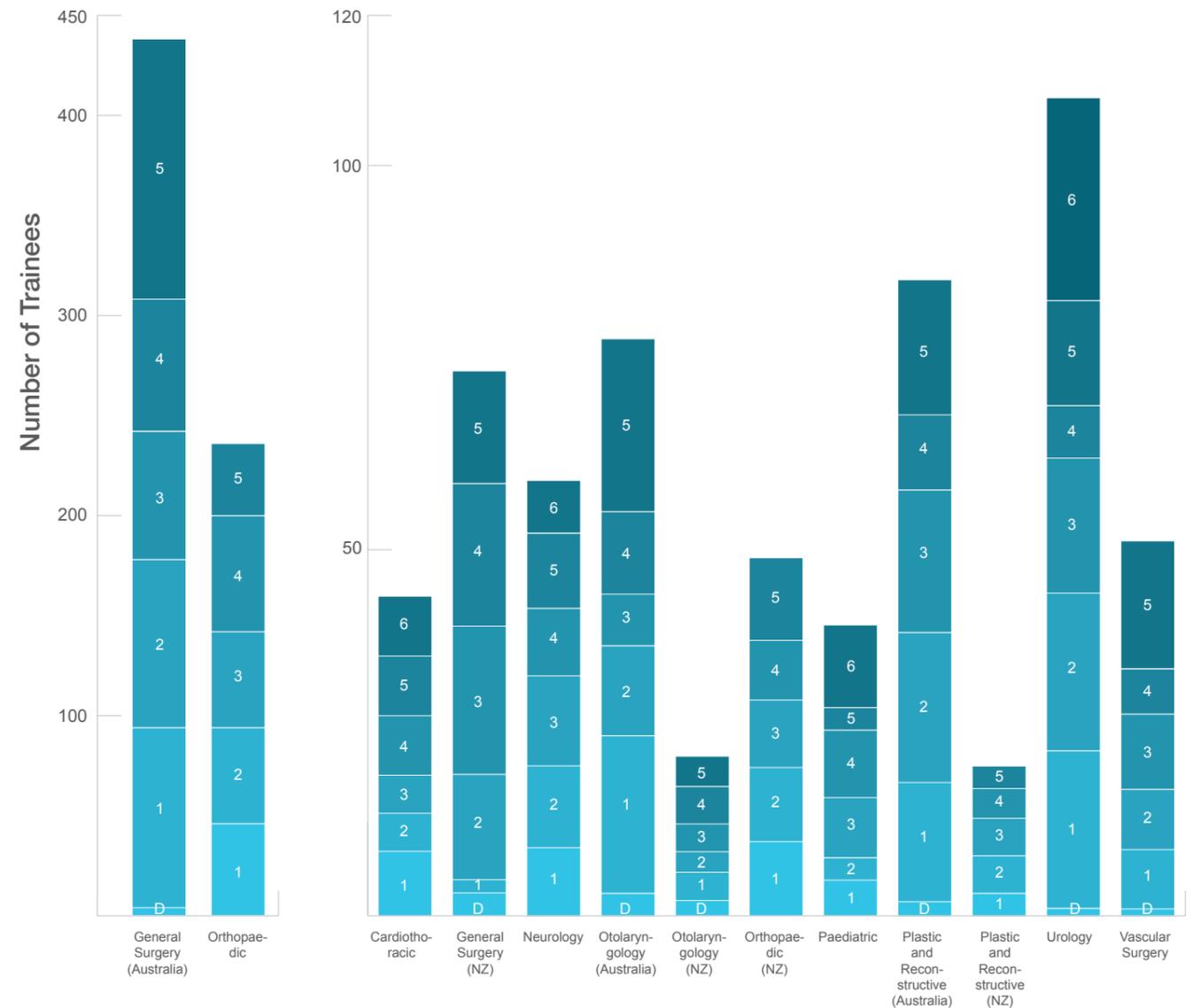
Policies and processes were improved to ensure IMGs are assessed in a timely, robust and transparent manner.

A range of resources were developed to support IMGs on their specialist pathway, including an orientation eLearning module and a Fellowship Examination video resource.

Piloting of a work-based assessment program commenced aimed at externally validating IMGs professional practice.

Discussions commenced regarding the harmonisation of Australian and New Zealand assessment processes for IMGs.

2018 SET Trainees by specialty and SET level



D= Deferred, 1= SET 1, 2= SET 2, 3= SET 3, 4= SET 4, 5= SET 5, 6= SET 6

EXAMINATIONS

More than 1800 candidates sat examinations during 2018, with most written examinations delivered electronically. The Clinical Examination continues to be successfully delivered with the tablet marking app and work in progress for a similar system to be developed for the Fellowship Examination. Results for all examinations were delivered electronically via the RACS portfolio.

Examiner training continued to be a key focus for the department with the following projects being completed:

- A review of the Fellowship Examiners' Training Course, including the examiners' manual.
- Development of the Fellowship Examiners' Refresher Course, a suite of eLearning modules that will launch in 2019 to coincide with examiner reappointments.

- Launch of the Clinical Examiners' Training Course. A blended learning course, with a suite of eLearning modules to be completed prior to a face-to-face session.

Another key project which began in 2018 and will be continuing over the next 12 months is the development of a Question Management System (QMS). The QMS will be designed as both a question bank and an analytic tool to provide examiners increased measurement and feedback on the performance of examination components.

SIMUSURG APP: Keyhole surgery in the palm of your hand

In 2018, we developed our first-ever app, SimuSurg. Created by surgeons, the app simulates real life minimally invasive surgery and is an engaging, fun and interactive way to perform surgical skills in a gaming environment.

Launched at the Annual Scientific Congress in Sydney in May 2018, SimuSurg allows users to challenge themselves through four levels of endoscopic and laparoscopic scenarios with six

activities including simple control movement exercises and more complex tasks associated with using the various instruments. The SimuSurg app was the Indie Category winner at the Serious Games Showcase & Challenge Australasia 2018, held by Simulation Australasia.

The app is available for free download and is also a useful tool for high school and university students interested in surgery.



THE 2018 RACS ANNUAL SCIENTIFIC CONGRESS

The 2018 RACS Annual Scientific Congress was held in Sydney from 7 to 11 May 2018. The congress was a joint meeting between the Royal Australasian College of Surgeons, the American College of Surgeons, and the Australian and New Zealand College of Anaesthetists (ANZCA).

The event attracted more than 2400 delegates from Australia, New Zealand, the USA, the United Kingdom, China, Singapore, Malaysia, Fiji and many other countries.

Speakers included the American College of Surgeons president, Dr Barbara Bass, ANZCA president David Scott, and the President's guest lecture was delivered by Dame Clair Marx, the immediate past president of the Royal College of Surgeons of England.



ACHIEVEMENTS AGAINST STRATEGIC IMPERATIVES

PROGRESS MADE IN THE BUILDING RESPECT, IMPROVING PATIENT SAFETY CAMPAIGN

Overwhelming support for our leadership in the Building Respect Improving Patient Safety Initiative continued throughout 2018. This was seen in the completion rates for our suite of training courses aimed at addressing discrimination, bullying and sexual harassment (DBSH). Our early focus was to deliver the Operating with Respect online module and Foundation Skills for Surgical Educators course (more than 98 per cent completion achieved in both cases). We then addressed the need to equip our Fellows with the practical skills to deal with unprofessional conduct in the workplace, through delivery of the Operating with Respect course. This will continue in 2019.

We also focused on increasing awareness of the evidence linking professional conduct and patient safety with presentations made to RACS by Professor Jerry Hickson, one of the foremost experts in this field. We plan to continue this

work in 2019 during the upcoming RACS Annual Scientific Congress in Bangkok.

We continued to formalise partnerships with employers, governments, university medical schools and like-minded medical colleges. These partnerships signify a shared commitment to addressing DBSH in a collaborative manner.

We also started the development of a comprehensive evaluation framework that will enable RACS to measure its impact and refine its approach at the three, five and 10 year marks. With phase one to take place in 2019, we look forward to assessing our progress to date, with an ongoing commitment to maintain our focus on achieving cultural change in the practice of surgery.

ACHIEVING GENDER EQUITY GOALS

RACS made a commitment to achieve gender equity in its diversity and inclusion plan. Our goal was to increase representation of women in surgical education training from 29 per cent in 2016 to 40 per cent in 2021, and increase women's representation on committees and other leadership roles by 20 per cent in 2018 and 40 per cent by 2020.

	Applications to surgical training	Accepted into surgical training	Total of Trainees	New Fellows	Total active Fellows	Women on Council and main committees (combined)
2016	30%	25%	29%	22%	12%	21%
2017	33%	31%	29%	22%	12%	23%
2018	33%	35%	29%	24%	13%	27%



Total Trainees 2018
29%



New Fellows 2018
24%



Total active Fellows 2018
13%

DEVELOPING AND MAINTAINING STRONG EXTERNAL RELATIONSHIPS

RACS advocated strongly on a range of issues at a state, territory, national and bi-national level and also presented at conferences and seminars in Australia and New Zealand.

RACS state committees communicated our priorities prior to the Tasmanian, South Australian and Victorian elections, and met regularly with health ministers, ministerial staff, opposition health spokespeople and government officials throughout 2018.

The RACS NSW Committee continued to work with the Australian Society of Plastic Surgeons to call for increased regulation at a state, territory and national levels to ensure safe cosmetic surgery practice. RACS also reiterated that further protections need to be put in place, particularly around confusing naming and that the title 'surgeon' should be protected for use by Fellows of recognised institutions such as RACS.

We also made a submission to the Ministerial Drug and Alcohol Forum that noted a number of significant flaws in the government's draft strategy. Other advocacy efforts saw RACS Northern Territory Committee seeing the fruits of a long-term strategy to change alcohol laws. This resulted in the Northern Territory government introducing a minimum \$1.30 floor price per standard drink for all alcoholic beverages, making the Territory the first Australian jurisdiction to place such a price.

In partnership with the Australian Society of Otolaryngology Head & Neck Surgery, RACS has led a two-year ear health for life campaign in support of reducing the burden of ear disease in Aboriginal and Torres Strait Islander communities. The coalition of supporters included ear health researchers, allied health providers and peak bodies including the National Aboriginal Community Controlled Health Organisation

(NACCHO) and the Australian Medical Association. In 2018 wins included:

- \$30 million investment in hearing assessments over four years.
- Federal Government support for the \$7.9 million program addressing otitis media in the Northern Territory.
- Establishment of a Hearing Health Sector Committee led by Minister Ken Wyatt.
- Development of national KPIs as part of the COAG process.

In New Zealand, RACS regularly responded to government and industry consultations on issues related to ensuring quality surgical care and the health of New Zealanders. This included addressing funding for postgraduate surgical training, responding to the Health Select Committee on the Misuse of Drugs (Medicinal Cannabis) Amendment Bill and the New Zealand Transport Agency (NTZA) proposal to raise the speed limit to 110km/h on certain roads.

RACS also adopted a position statement in New Zealand on the Environmental Impact of Surgical Practice, and endorsed the OraTaiao Call to Action on Climate Change.

Transparency of surgical fees was another key focus for RACS during the year. We worked with the Ministerial Advisory Committee on out-of-pocket costs and improved surgical billing. We also made various fee related submissions to government on Clinical Definitions; the Medical Benefits Schedule Review; the Consumer Health Forum Specialist Fees and Transparency Roundtable Report, and the Senate Inquiry of the *PHI Legislation Amendment Bill 2018*.

RURAL HEALTH

In 2018, RACS hosted two rural summits focused on training and workforce issues. Representatives from RACS training boards and the rural surgeons section committee discussed responsibility to train surgeons able to provide services in rural and regional communities, focusing on surgical generalists, generalism and extended scope of practice. Following this meeting the Surgical Training Boards provided feedback on options for:

- Supporting selection of candidates who could demonstrate a commitment to rural practice.
- Shifting the focus of selected rotations to rural centres with trainees rotated out to metropolitan areas as required.

- Providing opportunities for cross-specialty training.
 - Defining what was deemed to be a generalist set of knowledge within the specialty.
- In September, RACS invited state and federal government representatives and workforce planners to discuss options to support the rural surgical workforce. Rural and regional Fellows shared their experience with government representatives including Chief Medical Officer Professor Brendan Murphy and National Rural Health Commissioner Professor Paul Worley.

A SUCCESSFUL YEAR FOR RACS TRAUMA INITIATIVES

Activities of the RACS Trauma Committee included advocacy around road safety, bicycle helmets, quad bike safety, gun safety, trauma verification and alcohol related harm.

In September 2018, RACS called for an overhaul of road safety measures following the findings of the Inquiry into the National Road Safety Strategy. Chair of the Royal Australasian College of Surgeons Trauma Committee, Dr John Crozier was one of two independent experts who chaired and co-authored the Inquiry report.

Dr Crozier was awarded the prestigious 2018 Australasian College of Road Safety Fellowship for his commitment to the reduction of road trauma and care of the injured patient. RACS strongly voiced concerns through the media about the Bicycle Network survey, which questioned mandatory helmet legislation.

In 2018, the RACS Trauma Week combined with the Tasmanian annual scientific meeting in Hobart. Guest speaker, Dr David Hoyt, Executive Director, American College of Surgeons provided great insight into the development and complexities of regional trauma systems.

During the year RACS made a submission to the Ministerial Drug and Alcohol Forum that noted significant flaws in the government's draft strategy. RACS Northern Territory Committee saw the fruits of a long-term strategy to change alcohol laws resulting in the introduction of a minimum unit price for all alcoholic beverages, making the Territory the first Australian jurisdiction to place such a price.



TRAUMA VERIFICATION

A Report of the Review of the New Zealand Trauma System was delivered to the New Zealand Transport Authority (NZTA). The NZTA had sought independent review based on the RACS Australasian Trauma Verification Program.

In Australia, RACS assisted the Australian Defence Force to conduct a trauma verification review of the 2nd General Health Battalion (2GHB), the first review of a military hospital. RACS also led a trauma review of the New Zealand Ministry of Transport.

In Melbourne, both The Alfred and the Royal Melbourne Hospital underwent formal trauma verification reviews and in Western Australia, RACS conducted a similar review for

the Royal Perth Hospital. In total, RACS conducted trauma verification review of five hospitals in 2018.

RACS also worked on a study with the University of Sydney to identify trauma research and quality improvement priorities in Australia and New Zealand. The study will support the strategic activities of the RACS Trauma Quality Improvement Subcommittee.

ABORIGINAL, TORRES STRAIT ISLANDER AND MĀORI HEALTH

The RACS Reconciliation Action Plan (Australia) and Māori Health Action Plan (New Zealand), launched in 2016, have guided our efforts to improve health outcomes for Aboriginal, Torres Strait Islander and Māori patients in Australia and New Zealand. In 2018, we worked with key partners including the Australian Society of Otolaryngology Head & Neck Surgery (ASOHNS), Australian Indigenous Doctors' Association, Te Ohu Rata O Aotearoa (Māori Medical Practitioners), the National Aboriginal Community Controlled Health Organisation and the Leaders in Medical Education.

Highlights from 2018 include:

- The Aboriginal and Torres Strait Islander Surgical Trainee Selection Initiative has been implemented by eight of nine training boards. The initiative creates a specific pathway into training for Aboriginal and Torres Strait Islander doctors meeting all the relevant selection criteria.
- The Māori Health Working Group met with the Chairs of New Zealand specific training boards to progress the development of successful selection processes, as well as cultural competence training for trainees and selectors.

- Seven Māori and two Aboriginal doctors were accepted into training in the 2018 application round.
- In September 2018, RACS secured a two and a half year \$460,000 grant from the Australian Department of Health to support a review of needs across nine surgical specialties in relation to Aboriginal and Torres Strait Islander health and cultural safety.
- We increased RACS scholarship funding for Aboriginal, Torres Strait Islander and Māori doctors and medical students seeking careers in surgery to \$142,000 annually, up from \$30,000.
- We launched the Davison Family Scholarship to support Aboriginal and Torres Strait Islanders who might, without financial assistance, be unable to contemplate a career in surgery.

RACS LIBRARY SERVICES

Library online resources and services continued to provide value and were well utilised by RACS Fellows, Trainees, IMGs and staff. The library sees the highest traffic on the RACS website, with 227,992 visits recorded in 2018.

Simplified access tools such as the Read by QxMD app, which alerts users to the latest materials from a self-selected set of e-journals, keywords or custom collections, had 741 registered RACS users by the end of 2018 and with close to 160,000 abstracts read and around 54,000 articles accessed.

Similarly, the BrowZine app and its desktop equivalent which provide easier access to journals had 12,000 individual sessions and 20,000 full-text downloads.

Usage of the extensive e-resources collections remained at high levels in 2018 with e-Books achieving more than 205,000 hits and e-Journals with more than 340,000 hits.

The in-house journal alerting service (eTOCs) developed by RACS Library staff expanded to 15 separate specialty, sub-specialty and topic-based sets in 2018. Subscriber numbers reached 1070 during the year.

Demand continues to be high for the facility to request delivery of documents from journals not held or still held in print format. Requests for document delivery resulted in the delivery of around 6000 items. Almost 200 literature and database search results were supplied following requests by users.

INFORMATION TECHNOLOGY UPDATE

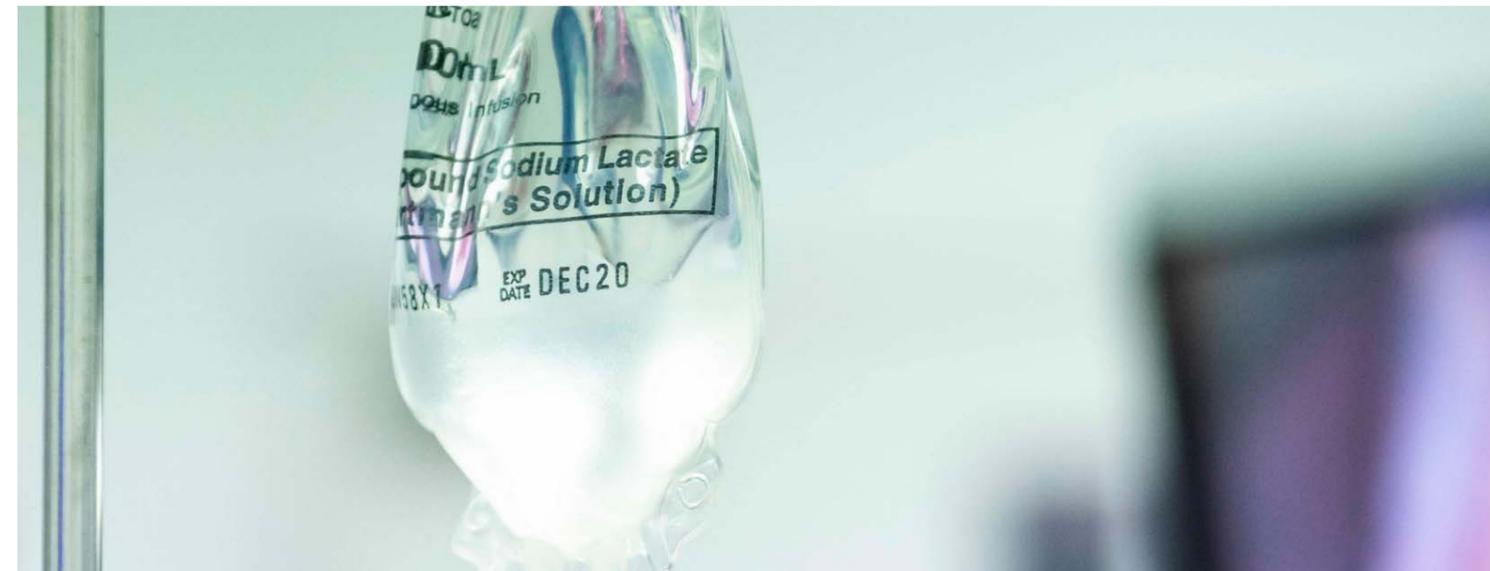
We made good progress in increasing the digital footprint for the College and generated tangible savings. Fellows, trainees and IMGs can now view and pay their invoices from the Portfolio self-service portal. They can also pay annual fees by instalment. The new functionality also enables them to go back to an 18-month invoice transaction history and print information for taxation or records.

We also enabled PayPal as a payment option for our Australian members and will explore implementing this for our New Zealand members in early 2019.

The redesign of our donations digital content saw an increase in online donations of 871 per cent from 2016 to 2018. We plan to implement a new payment gateway that is projected to save \$180,000 per annum by the end of 2019.

During the year we also made a considerable improvement to the recovery or continuation of vital technology infrastructure and systems. Fellows, trainees and IMGs now have access to a disaster recovery data centre. This means that in the event of a disaster we can bring critical systems online within 24 hours and less critical systems within three to four business days.

We also progressed work on the new RACS website due for launch in 2019. The new website will provide stakeholders with an attractive, responsive design and better navigation with a simpler site architecture, making it easier for users to find the content they need.



RESEARCH, AUDIT AND ACADEMIC SURGERY UPDATE

RACS, through its Research, Audit and Academic Surgery division, facilitated Fellows in conducting meaningful research through: the establishment of Clinical Trials Networks across Australia and New Zealand; the collection of audit data to identify practical recommendations; and in the assessments of healthcare services and devices for policy makers.

The Clinical Trials Network Australia and New Zealand (CTANZ), led by Professor David Watson FRACS since late 2018, continued its work to contribute to multi-centred trials that addressed essential questions of surgical care. CTANZ supported 13 trainee networks binationally and was involved in both national and international collaborations. An example of this collaboration was RACS supporting Fellows, Trainees and medical students to contribute to the Ileus Management International (IMAGINE) trial, which is a protocol for a multicentre, observational study that assesses gastrointestinal recovery following colorectal surgery.

The collection of data on surgical mortality and morbidity at RACS is vital for implementing a continuous quality improvement process. In 2018, the surgical mortality team published over 40 peer reviewed publications.

During the year, the Surgical Audits department conducted the ANZ Emergency Laparotomy Audit – Quality Improvement (ANZELA-QI) pilot to establish 'proof of concept' to support an application for full funding. We had 65 hospitals volunteering to pilot data collection on emergency laparotomies with the aim of improving patient outcomes such as reducing length of stay in hospitals. The total national Australian costs associated with emergency laparotomies is estimated to be approximately \$400 million per annum. For every day that ANZELA-QI reduces the overall average length of stay for emergency laparotomies, the bed savings alone would be between \$30 million and \$34 million per annum.

RACS IN AUSTRALIA AND NEW ZEALAND

The New Zealand and Australian states and territories (STANZ) staff worked with their respective committees to provide advice on local issues and policies that impact on the delivery of quality patient outcomes.

In New Zealand, the RACS Maori Health Advisory Group worked towards achieving equitable outcomes from surgical treatments for Maori people, equitable representation in surgery and improved cultural competence for all.

EVENTS

The Tristate Annual Scientific Meeting was held in Alice Springs, Western Australia in August 2018. Approximately 100 Fellows, Trainees, IMGs and Associates attended the event which was combined with the Rural Surgery and Indigenous Health Sections and centred on the theme 'Infection: From head to toe.'

In the ACT, the annual scientific meeting which was held in October, was attended by 75 participants. The meeting focused on the role of surgeons in health advocacy to help surgeons understand how they further support access to care and the health needs of the communities in which they work.

In Tasmania, the annual scientific meeting was combined with a trauma symposium. The meeting was held in Hobart in November with over 130 delegates attending the two day event.

Victoria held its 60th Victorian Annual Scientific Meeting in October. The meeting, which focused on contemporary surgical management of severe trauma, brought together surgeons from across the state and provided them with a practical update on the management of severe trauma.

RACS AWARDS

RACS in New Zealand and the Australian states and territories recognised long-serving surgeons who have made an impact through distinguished service as well as students who participated in competitions.

ACT

- Outstanding service to the Community
 - › Dr Ian Davis
- Educator of the year
 - › Sindy Vrancic
- Professor Noel Tait Medical Student Prize
 - › Akash Patel

New South Wales

- Outstanding service to the Community
 - › Associate Professor Alan Cheng
- Recognition of Outstanding service
 - › Dr Raffi Qasabian

The RACS New Zealand office also continued to engage with stakeholders such as the Council of Medical Colleges, the Ministry of Health and industry groups such as the Prioritisation Working Group, ACC Infection Advisory Group, and the Resuscitation Council, among others.

The one day program was a collaboration between the three major trauma centres and our regional surgical partners across Victoria.

In August, New Zealand's best medical minds came together at the annual scientific meeting with discussion including how to plan for, and tackle, the challenges associated with changes in surgical care.

In November we held the NSW Surgeons' Month. More than 225 attendees attended a range of events that included the Younger Fellows Preparation for Practice course; an Australian Defence Force in Medicine event as well as a NSW Surgeons' Evening held at the NSW Art Gallery. Highlights of the NSW Surgeons' Evening were the Graham Coupland Lecture and the Women in Medicine evening with Dr Kerry Phelps, the member of parliament for Wentworth, as the key speaker.

The Western Australian Charity Ball had 170 Fellows, partners and sponsors who raised \$27,015 for the Foundation for Surgery, and the Queensland Charity Ball raised approximately \$50,000 for the Foundation for Surgery.

- Graham Coupland lecture and medal
 - › Dr Gillian Dunlop
- Merit award
 - › Dr Steven Dubenec
- Michael Donnellan Medal
 - › Professor Peter Zelas
- Essay Competition for medical students
 - › Josephine de Costa

Northern Territory

- Outstanding service to the Community
 - › John Treacy

Queensland

- Neville Davis Prize
 - › Dr Alex Nesbitt
- Queensland RACS Papers Prize
 - › Samuel Smith



Victoria

- Community Service Award
 - › Dr Annette Holian
 - › Stewart Skinner
 - › Peter Lugg
- Recognition of Outstanding Service
 - › Jason Chuen

Western Australia

- Outstanding service to the Community
 - › Tom Bowles
 - › Stephen Honeybul

South Australia

- Outstanding Service to the Community
 - › Mr Matthias Wichmann
- Annual Sir Henry Newland Award
 - › Mr Glenn McCulloch
- RP Jepson Award
 - › Dr Alex Cameron
- Justin Miller Prize
 - › Dr Thomas Cundy

Tasmania

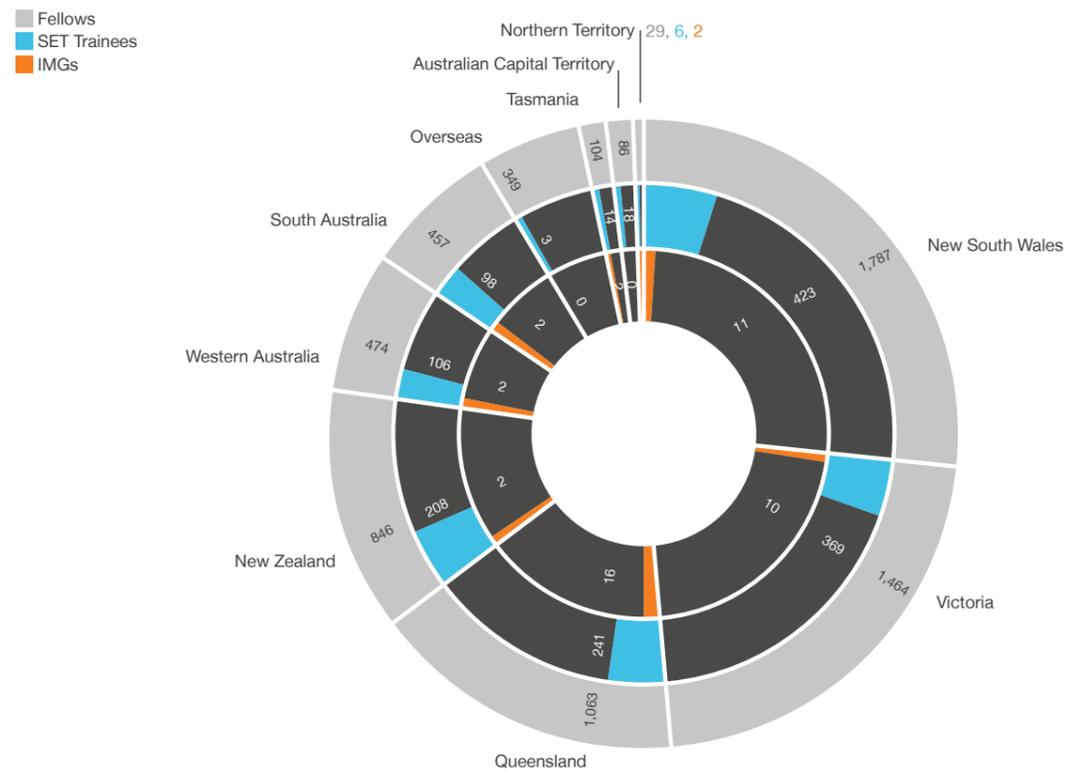
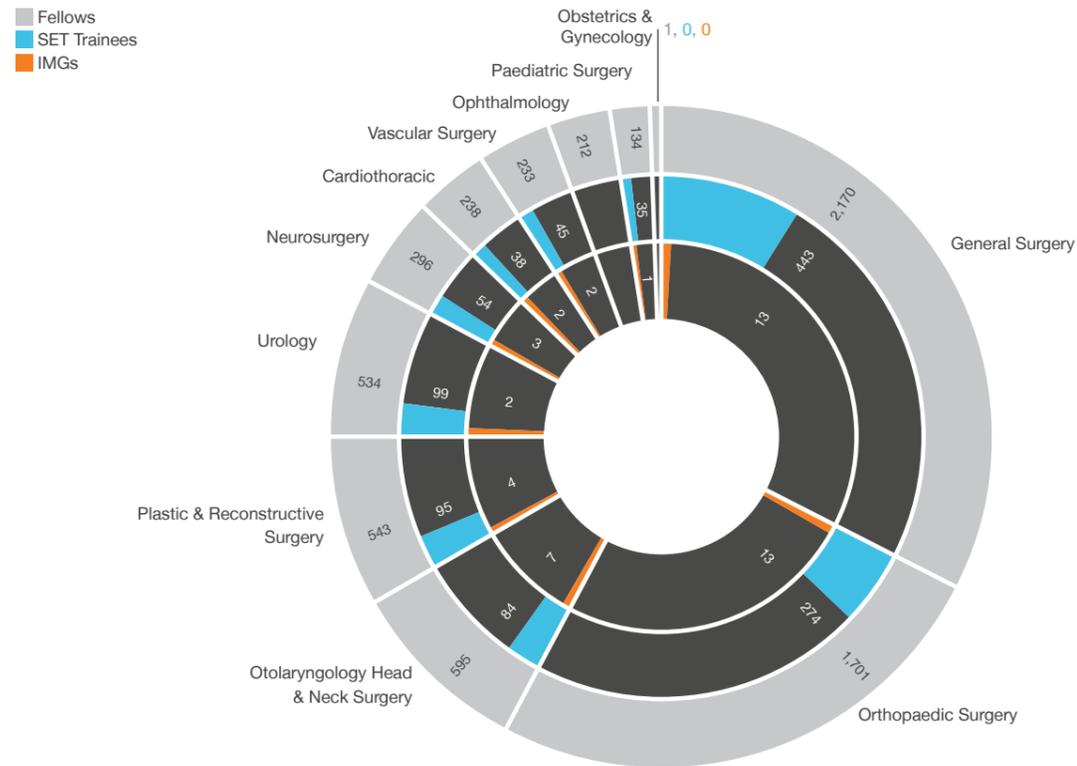
- Outstanding Service to the Community
 - › Mr David Penn
- Graeme Duffy Memorial Prize – Best paper by a Registrar or Intern
 - › Patrick Walker
- Peter Braithwaite Memorial Prize – Runner-up to best paper by a Registrar or Intern
 - › Gary Hung

- Best Overall Presentation Award (non-medical presenter)
 - › Ianthe Boden
- Peter Hewitt Memorial Prize – Best paper by a Medical Student
 - › Arad Khodarahmi and Zhu Chin Ng
- RACS University Prize 2018
 - › Colin Pettman

New Zealand

- 2018 Sir Louis Barnett Medal
 - › Dr Catherine Ferguson
- 2018 John Corboy Medal
 - › Dr Kimberly Aikins (Trainee)
- 2018 Hugh Johnson Travel Grant
 - › Dr Lisa Brown (Trainee)
- 2018 Rural Surgeons Award
 - › Dr Bill Taine
- 2018 RACS Career Enhancement Scholarship
 - › Dr James Johnston (Trainee)
- 2018 Louis Barnett Prize
 - › Dr Mohammad Amer (Trainee)
- 2018 Māori Health Medal
 - › Dr Ru Douglas
- 2018 Colin McRae Medal
 - › Mr Nicholas McIvor

OUR FELLOWS, TRAINEES AND INTERNATIONAL MEDICAL GRADUATES



RACS IN THE COMMUNITY

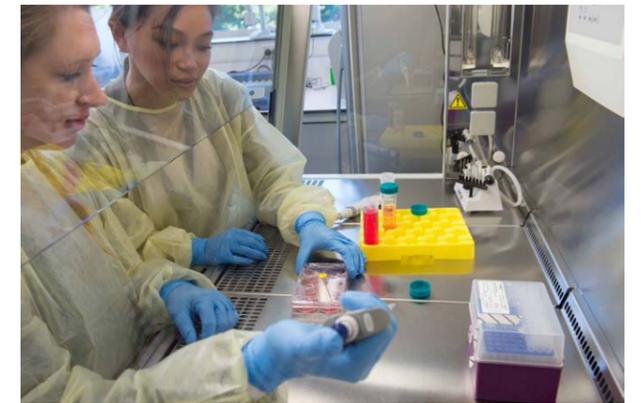
THE FOUNDATION FOR SURGERY

Every two seconds someone dies unnecessarily from conditions and injuries that are treatable by surgery. This is more than the total deaths from HIV, tuberculosis and malaria combined and children are disproportionately affected. Thanks to the generous support of Fellows, Trainees, IMGs and friends of RACS the Foundation for Surgery is now stronger than ever to address some of this critical need through support to services and training in to some of the Asia Pacific region's most disadvantaged communities as well as ground-breaking research to improve early detection, treatment and recovery for all people.

The Foundation for Surgery is the philanthropic arm of RACS, and with your help it is working toward a world in which all people have access to quality surgical care by supporting global health, Indigenous health and research projects, services and training.

During the year, the Foundation for Surgery has achieved the following results:

- > 44 research scholarships were awarded to forge higher levels of excellence in surgical care
- > Continued support to Aboriginal and Torres Strait Islander and Māori health through:
 - > Grants that allowed three Aboriginal students, one Torres Strait Islander student and three Māori doctors to attend the ASC
 - > A scholarship to support one Māori doctor and three Aboriginal students to undertake career development
 - > Funding to support one major advocacy project on improving ear health in Aboriginal communities
 - > Engagement of over 200 Indigenous delegates to in educational symposiums.
- Continued its support of RACS Global Health initiatives in the Asia-Pacific region through financial support to achieve:
 - > 25,000 specialist consultations
 - > 2555 life-changing surgical procedures
 - > 509 local health workers attended workshops to ensure





RACS GLOBAL HEALTH

RACS Global Health provides specialist medical education, training, capacity development and medical aid to 18 countries in the Asia-Pacific region. During the year RACS continued to support the implementation of high quality clinical service development projects, international scholarships, and engagement in global surgery advocacy across the Asia-Pacific region. Throughout 2018, health professionals volunteered their time with RACS Global Health projects, supporting the mentoring and training of our colleagues in partner countries.

RACS advanced its global surgery advocacy by participating in the 71st World Health Assembly in Geneva, as well as becoming a member of the International Federation of Surgical Colleges, and a member of the G4 Alliance, a global initiative which seeks to build priority for surgical, obstetric, trauma, and anaesthesia care as part of the global development agenda.

Towards the end of 2018, RACS signed a \$5.9 million contract with the Australian Department of Foreign Affairs and Trade for the implementation of a three year Clinical Support Program in Papua New Guinea (PNG). The program will enhance the quality of care at ANGAU Memorial Hospital in Lae and Port Moresby General Hospital, and also enhance specialist training at the University of Papua New Guinea's School of Medicine and Health Sciences.

It has been a number of years since RACS has implemented projects in PNG, and we greatly welcome a return to work alongside our PNG colleagues. Along with other Australasian Medical Colleges and Associations, we are pleased to support the continued strengthening of clinical services in PNG.



RACS MUSEUM, ART COLLECTION AND ARCHIVE

RACS museum, art collection and archive provide significant historical resources to the surgical and broader community. Highlights of the 2018 year for the Museum and Art Gallery included preparing the museum for MAP accreditation (early 2019), facilitating a successful open house with 240 visitors, and the bi-annual Cowlishaw Symposium, which focused on medical history in October. Other initiatives implemented in 2018 included:

- Installation of a marble statue of Sushruta, a famous Indian surgeon. The statue, which was donated by Professor Cherian went viral on social media and lifted the RACS profile.
- Development an interactive display in the foyer and site history boards on the architecture, design and history of the Melbourne office.
- All at Sea, a combined museum and archives display consisting of poster boards and an array of early nineteenth century surgical instruments.
- Visitors to the museum numbered 360 and there were 14 tours including two staff tours.
- Production of a 'Weary Dunlop' display and additional displays for the Tasmanian and New Zealand offices.
- Eight historical 'Flip books' were published on the RACS website and six articles were written, including two commemorating the centenary of the Great War.
- Over 140 research requests were received from Fellows, staff and the general public.

RACS PEOPLE

By the end of 2018, RACS had 214 staff in Australia and New Zealand with offices in Wellington, Canberra, Sydney, Melbourne, Adelaide, Hobart, Adelaide, Perth and Brisbane.

INAUGURAL STAFF CONFERENCE

The year 2018 was a significant one for RACS staff as we focussed on the development of our people and culture. For the first time in RACS history, all staff gathered together to attend a two day conference. The conference provided an opportunity for the CEO and executive team to present the 2019 strategy and for staff to discuss how we could enhance

our culture. The conference was a great success with many staff meeting each other face to face for the first time. The overwhelming feedback from the conference was that staff felt they had the opportunity to positively define our values and gained a good understanding of the 2019 strategy.

LEADERSHIP DEVELOPMENT PROGRAM

In 2018 RACS and Swinburne University partnered together to design a bespoke Leadership Development Program. A pilot program was trialed in November 2018 with a group of leaders who focused on building their core leadership skills. Based on the success of the pilot further programs will be rolled out to new groups in 2019.

STAFF INNOVATION

RACS introduced a staff innovation initiative that invited employees to suggest business improvement ideas. Many initiatives were submitted and a top five were chosen. The initiatives that will be implemented in 2019 are:

- improved data management and analytics
- centralisation and streamlining of sponsorship activities
- improved engagement with the prevocational sector;
- improved engagement with Fellows across the state of Queensland, and
- the implementation of the RACS Concierge project which will deliver an enhanced single point of contact for Fellows, Trainees and IMGs.

GOVERNANCE

RACS is governed by a Council made up of elected and co-opted members representing all surgical specialties and states and territories of Australia and New Zealand. Sixteen of the members are elected by the Fellows of Australia, New Zealand and overseas. Nine members of the Council are also elected by the Fellows of their specialty. Councillors are elected or co-opted according to the College constitution. As members of the governing body of the College, Councillors' duties are those of members of a board of directors. The Council meets three times a year; in February, June and October.

BOARD

At the June Council meeting, there was a formal resolution to create a committee of the Council with full delegated powers, to be titled a Board with up to three independent skills based directors. The Board (previously the Executive Committee of Council) is responsible for operational oversight in the months between the Council meetings.

The Council's role is to:

- Set and monitor the College's strategic direction and associated budgets
- Approve policies and monitor their implementation
- Exercise fiduciary responsibility, ensure the College complies with legal requirements, and remains solvent.

The Board members between 1 January – 31 December 2018 were:

- Mr John Batten
- Dr Cathy Ferguson
- Associate Professor Julie Mundy
- Mr Tony Sparnon
- Mr Richard Perry
- Dr Jenny Chambers
- Professor Andrew Hill
- Professor Owen Ung
- The Hon Rob Knowles AO (from April 2018).

OFFICE HOLDERS AND COUNCILLORS 2018

Office holders

President

Mr John Batten, Fellowship Elected Councillor, Orthopaedic Surgeon, Tasmania

Vice President

Dr Catherine Ferguson, Fellowship Elected Councillor, Otolaryngologist Head and Neck Surgeon, New Zealand

Treasurer

Associate Professor Julie Mundy, Specialty Elected Councillor, Cardiothoracic Surgeon, Queensland

Censor in Chief

Mr Tony Sparnon, Specialty Elected Councillor, Paediatric Surgeon, South Australia

Chair Professional Development & Standards Board

Mr Richard Perry, Fellowship Elected Councillor, General Surgeon, New Zealand

Chair Board of Surgical Education and Training

Mr Adrian Anthony, Fellowship Elected Councillor, General Surgeon, South Australia

Chair Prevocational & Skills Education Committee

Associate Professor Kerin Fielding, Fellowship Elected Councillor, Orthopaedic Surgeon, New South Wales

Chair Court of Examiners

Associate Professor Phillip Carson, Fellowship Elected Councillor, General Surgeon, Northern Territory

Chair Professional Standards

Mr Bruce Hall, Specialty Elected Councillor, Neurosurgeon, Queensland

Chair Professional Development

Dr Sally Langley, Fellowship Elected Councillor, Plastic and Reconstructive Surgeon, New Zealand

Chair Fellowship Services

Dr Ruth Bollard, Fellowship Elected Councillor, General Surgeon, Victoria

Chair Research and Academic Surgery

Professor Andrew Hill, Fellowship Elected Councillor, General Surgeon, New Zealand

Chair Surgical Audit

Mr John Crozier AM CSM, Specialty Elected Councillor, Vascular Surgeon, New South Wales

Chair External Affairs

Dr Annette Holian, Fellowship Elected Councillor, Orthopaedic Surgeon, Victoria

Chair Board of Regional Chairs

Professor David Fletcher AM, Specialty Elected Councillor, General Surgeon, Western Australia

Deputy Treasurer

Associate Professor Christopher Pyke, Fellowship Elected Councillor, General Surgeon, Queensland

Chair Advocacy Board

Dr Catherine Ferguson, College Vice President

Fellowship Elected Councillors

Dr Claire Campbell, Vascular Surgeon, Victoria (resigned June 2018)

Dr Jennifer Chambers, Vascular Surgeon, New South Wales

Dr Christine Lai, General Surgeon, South Australia

Dr Maxine Ronald, General Surgeon, New Zealand

Professor Owen Ung, General Surgeon, Queensland

Specialty Elected Councillors

Professor Mark Frydenberg AM, Urologist, Victoria

Dr Geoff Lyons, Plastic and Reconstructive Surgeon, New South Wales

Mr Christopher Perry OAM, Otolaryngologist Head and Neck Surgeon, Queensland

Dr Greg Witherow, Orthopaedic Surgeon, Western Australia

Co-opted Councillors

The Hon Rob Knowles AO, Expert Community Advisor, Victoria

Mr Garry Wilson KStJ, Expert Community Advisor, New Zealand

Dr Rachel Care, RACS Trainees' representative, New Zealand

Councillors with term ended in May 2018

Chair Prevocational & Skills Education Committee

Professor Jonathan Serpell, General Surgeon, Fellowship Elected Councillor, Victoria

Chair Professional Standards

Dr Lawrence Malisano, Fellowship Elected Councillor Orthopaedic Surgeon, Queensland



Boards and Committees

A number of boards, committees and working parties report to Council and contribute to the running of the College. These include:

The Awards Committee

The Awards Committee considers and provides advice on College awards.

The committee meets three times a year during Council week (February, June and October).

STANZ Committees

New Zealand and each state and territory in Australia have committees that meet regularly to discuss and manage local issues.

Education Board

The Australian Medical Council (AMC) on behalf of the Medical Board of Australia (MBA) and the Medical Council of New Zealand (MCNZ) is responsible for assessing RACS against the approved standards for specialist medical education. Accreditation is given by the AMC to RACS. The Education Board is the senior board responsible for overseeing RACS' education policy, maintaining standards of surgical education, training and assessment standards and approving doctors eligible for admission to Fellowship. The authority of the Education Board to develop, regulate and approve all educational activities is delegated by Council.

The Education Board comprises various committees. These include:

- Board of Surgical Education and Training
- Board of Cardiothoracic Surgery
- Australian Board in General Surgery
- New Zealand Board in General Surgery
- Board of Neurosurgery
- New Zealand Board of Orthopaedic Surgery
- Board of Otolaryngology Head and Neck Surgery
- Board of Paediatric Surgery
- Australian Board of Plastic and Reconstructive Surgery
- New Zealand Board of Plastic and Reconstructive Surgery
- Board of Urology
- Board of Vascular Surgery
- Court of Examiners
- Surgical Science Examination and Clinical Examination Committee
- Pre-vocational and Skills Education Committee
- International Medical Graduates (IMG) Committee
- RACS Trainees' Association
- Post Fellowship Education and Training Committee

For orthopaedic training in Australia, RACS has delegated the powers of a RACS Specialty Training Board to the Federal Training Committee of the Australian Orthopaedic Association.

Advocacy Board

The Advocacy Board was formed in June 2018 merging together the Board of Regional Chairs (BoRC) and the Governance and Advocacy Committee (GAC). The Advocacy Board manages a program of relevant public policy advocacy through the identification of issues and the development of an advocacy strategy.

The following report on their advocacy activities to the Advocacy Board:

- Australian Capital Territory Committee
- New South Wales Committee
- Northern Territory Committee
- Queensland Committee
- South Australia Committee
- Tasmania Committee
- Victoria Committee
- Western Australia Committee
- New Zealand National Board

Professional Development and Standards Board

This Board manages professional development and standards and has the following committees:

- Professional Standards Committee
- Fellowship Services Committee
- Professional Development Committee
- Research and Academic Surgery Committee
- Surgical Audit Committee
- External Affairs

Resources Committee

The Resources Committee was established to advise Council on all matters that affect the financial management of the Royal Australasian College of Surgeons. Its primary role is to assist Council in fulfilling its responsibilities for maintaining sound managerial and financial control over all activities within the College, through the development, coordination and monitoring of policies for the effective management of all College resources. It comprises of the following committees:

- Heritage and Archives Committee
- Investment Committee
- Resources Committee

Risk Management and Audit Committee

The Risk Management and Audit Committee was established to ensure that the Royal Australasian College of Surgeons maintains a high standard of internal control in all aspects of its operations. This internal control comprises all policies, systems and procedures established by Council management to safeguard assets; ensure the accuracy and reliability of records, and provide operational efficiency encourage adherence to the College's policies.



Executive leadership

The day to day operations of the organisation are managed by Executive Leadership Team headed by the Chief Executive Officer. Under the new structure RACS has four divisions.

Operations

The Operations function ensures the efficient management of the internal operations of the College. The portfolio contains the business resources of the organisation including Governance & Risk (which includes Legal Counsel & Complaints Resolution), the Building Respect, Improving Patient Safety initiative, Human Resources, Research, Audit & Academic Surgery (RAAS), IT, Finance, Facilities, Archives & Records Management and College Collections.

Education

The Education portfolio is responsible for influencing, shaping and directing the development of world-class curricula based on innovative clinical teaching practices that deliver high impact learning outcomes and build on a best practice simulation, design, assessment and evaluation learning cycle.

Through relationships with stakeholders, Training Boards, hospitals and global technology providers, the portfolio ensures the highest standard of safe, respectful and comprehensive surgical care through excellence in training and professional development and continuous education.

Partnerships

The portfolio develops and strengthens partnerships within the surgical community including working with the Specialty Societies, to identify and address their unique and collective priorities. Incorporating the Foundation for Surgery, Communications and Advocacy, Global Health team as well as events management.

Fellowship

Incorporating the Australian states, territories and New Zealand offices, the Fellowship portfolio is also responsible for the processes and procedures related to surgical standards and quality care, policy development and the recertification of Fellows and a range of other fellowship services including a library.

Executive leadership team

Chief Executive Officer – Mary Harney, departed March 2019.

Deputy Chief Executive Officer and Executive General Manager, Fellowship – John Biviano

Chief Operating Officer – Emily Wooden

Executive General Manager Education – Julian Archer

Executive General Manager Partnerships – Susan Wardle

TREASURERS' REPORT



Overall performance

This year has seen an overall sound result while progressing a number of important initiatives including the transition to a new executive management team, improving governance of the partnership training program and staging a highly successful Annual Scientific Congress (ASC) in Sydney. We also continued our commitment to the Building Respect, Improving Patient Safety (BRIPS) action plan, restructured key areas of our Education portfolio and targeted our investment in areas of strategic priority.

Overall revenues grew by +1.5 per cent to \$69.1 million (\$68.1 million in 2017) due broadly to successful completion of Fellowship numbers resulting in a net increase of active Fellows and sound cash investment income from our investment portfolio, which funds our future scholarships, grants and philanthropic work of our Foundation for Surgery. We also saw strong growth in registrant numbers for the ASC while sponsorship for the event was modestly down on 2017.

Our expenses for the year were well managed at \$66.3 million (\$66.8 million in 2017) as a result of containing staffing costs through the restructure and active staff leave entitlement plans. It is pleasing that despite increasing professional indemnity insurance expenses other cost control measures across a variety of supplier services such as printing, banking and other professional fees have been offsetting factors to achieve an overall static cost base compared to 2017.

This resulted in us exceeding our strategic goal of a +2 per cent return, achieving a surplus of \$2.8 million or +4 per cent return across all activities (\$1.3 million or +2 per cent in 2017). This is a sound result and allows us to invest these funds into our future strategic initiatives. This includes our ongoing commitment to the BRIPS action plan, education programs from the Australian Medical Council (AMC) and New Zealand Medical Board (MCNZ) review in 2017 and investing further in library resources, advocacy and information technology systems that are critical in delivering our services to our members throughout their surgical career.

Key revenue streams

Key revenue streams for the year can be broken down into:

- Subscriptions and entrance fees of \$17.4 million with an additional 222 new Fellows in 2018, up from \$16.5 million in 2017;
- Training, examination and assessment fees of \$24.5 million, which was modestly higher than \$24.4 million in 2017, primarily due to increased Fellowship exam candidate numbers;
- Project income and management fees from external parties of \$13.8 million, which is below the \$15 million achieved in 2017 and represents timing variations in funding agreements;
- Higher than expected revenue from conferences registrations at \$2.9 million (\$2 million in 2017); and
- Slightly lower sponsorship and donations of \$2.8 million with industry sponsorship support for the ASC of \$0.9 million down compared to \$1 million in 2017.

Key expenses

Key expense streams for the year can be broken down into:

- Personnel costs of \$25 million (\$24.9 million in 2017) representing less than 1 per cent increase;
- Externally funded grants of \$5.8 million mainly related to hospital training post payments funded under the Specialist Training Program (down from \$7.4 million in 2017);
- Travel and accommodation of \$7.1 million (\$6.1 million in 2017), with increase partially due to commencement of a new Papua New Guinea project funded by the Australian Government; and
- Specialty society funding costs of \$4.7 million (\$4.3 million in 2017) and in line with the training partnership agreements.

Core operations

The core operational activities of RACS include Fellowship services, education and training, the ASC and other events and the funding of the associated leadership, governance and administrative structures. In 2018, with the execution of improved governance measures for the partnership training program and related higher professional indemnity insurance costs it was necessary to run our core operations into a deficit result. However, with a turnaround in our externally funded project activities mainly driven from additional funding secured by ASERNIP-S, the combined result was materially favourable compared to 2017.

Foundation for Surgery

The Foundation for Surgery activities encompass scholarships, fellowships and research grants as well as direct oversight of our philanthropic endeavours. Scholarship commitments of \$1.2 million were paid in 2018 down from \$1.8 million in 2017 due to less numbers of awarded surgical research scholarships. It is the RACS Council's strategic aim to commit to an annual funding limit of up to \$2.5 million in order to maintain RACS as a nationally and globally recognised funding institution for surgical research, global health, indigenous health and other philanthropic initiatives.

Investments portfolio – funding the Foundation for Surgery

Despite a high degree of volatility in the market, particularly in the last few months of the year, a modest positive return of +0.52 per cent (+12.89 per cent in 2017) was achieved. The overall positive return is thanks to continued strong cash investment income of \$5.4 million (2017 - \$4.3 million). However although not impacting on our overall operational surplus result, an unrealised loss of \$5.1 million (2017 – gain of \$4 million) was due to a decrease in market value of our investment portfolio which has been booked to the reserve. The Investment Committee's Honorary Advisers continued to provide RACS with expert stewardship of our investment portfolio and we are thankful for their ongoing commitment and professionalism. In particular, we thank Ms Siobhan Blewitt who has ably performed as Chair throughout the year.

Leading surgical performance

Over 2018, the RACS Council continued to support advocacy and investments to ensure we can better serve the Fellowship and the broader community. Activities worth noting included:

1. Recognition of achievements, ASC visitors grants and presentations of awards and prizes have been distributed to the value of \$1 million (\$0.9 million in 2017).
2. An increase in the number of Fellows requesting and being supported with interest free travel loans for overseas studies and research.
3. The on-going investment in library publications to ensure our members have access to relevant information including online books, e-journals and multimedia items. Staff throughout the year also received over 5,000 journal article order requests and performed expert literature and database searches for members.

4. Delivering a successful 87th ASC with higher than expected attendance at what is the premium broad based surgical educational event for the region.

Summary of financial position

Overall, the funds and reserves have dropped to \$78.5 million (\$80.8 million in 2017), due mainly to a decrease in market value of our investment portfolio. Furthermore, current liabilities have increased largely due to government grants received in advance now at \$15 million (\$8.2 million in 2017) which will be administered in accordance with contractual agreements.

The Statement of Cash Flows indicated strong net cash inflow provided from operating activities of \$5.3 million (2017 - \$0.9 million). This was a result of the combined effects of timely and increasing receipting of annual subscription and training fees and net increase in government grants.

Conclusion

I would like to acknowledge the services of our Honorary Advisers for which we remain indebted. I note my thanks to Mr Anthony Lewis (Audit, Investment, Finance and Information Technology), Mr Stuart Gooley – retired (Audit, Finance and Information Technology), Ms Siobhan Blewitt (Investment), Ms Penny Heard (Investment), Mr Chesley Taylor (Investment), Mr Ian Taylor (Investment), Mr Michael Randall OAM (Investment), Mr Reg Hobbs - retired (Property) and Mr John Craven (Information Technology) and for their generous and valued support during the year. RACS remains extremely grateful to all our Honorary Advisers for their wise counsel and support.

It is also with great sadness that we mourn the loss of Mr Peter Wetherall, our trusted, talented and respected Honorary Investment Adviser, whose contributions since 2013 as a key member of our Investment Committee extended way beyond his thoughtful and astute stewardship of our investments.

I should also thank the RACS staff for their ongoing hard work and commitment in 2018.

The College continues to maintain a strong balance sheet and is financially well positioned to meet its ongoing commitments and I recommend these accounts to the Fellows.

Associate Professor Julie Mundy,
Treasurer



Royal Australasian College Of Surgeons Statement of comprehensive income for the financial year ended 31 December 2018

DIRECTOR'S DECLARATION

The Directors of the Royal Australasian College of Surgeons declare that the summarised financial report set out below have been derived from and are consistent with the full financial report of the Royal Australasian College of Surgeons for the year ended 31 December 2018. The financial statements are in accordance with relevant legislation, accounting standards, provide a true and fair view of RACS financial position and performance, and that RACS can pay its debts as and

when they become due. The full financial report can be provided upon request and is available via the RACS website at www.surgeons.org

Mr John Battern, President

Associate Professor Julie Mundy, Treasurer

Melbourne, 5 April 2019

INDEPENDENT AUDIT REPORT TO MEMBERS OF ROYAL AUSTRALASIAN COLLEGE OF SURGEONS

We have audited the summarised financial report of the Royal Australasian College of Surgeons as at 31 December 2018, comprising the Statement of Comprehensive Income, Statement of Financial Position, Statement of Cash Flows and Statement of Changes in Equity, in accordance with Australian Auditing Standards. The summarised financial report has been derived from the Royal Australasian College of Surgeons annual statutory financial report for the year ended 31 December 2018.

Audit opinion

In our opinion, the information reported in the summarised financial report is consistent with the annual statutory report from which it is derived and upon which we expressed an unqualified audit opinion. For a better understanding of the scope of our audit, this report should be read in conjunction with our audit report on the annual statutory financial report.

PKF Melbourne Audit & Assurance Pty Ltd

Steven Bradby - Partner

5 April 2019

	2018	2017
Revenue from operating activities	63,781,574	63,836,927
Income from investments	5,375,654	4,311,764
Revenue	69,157,228	68,148,691
Expenditure		
Personnel costs	25,031,403	24,873,453
Consultants fees - clinical	1,147,066	1,108,751
Consultants fees - management	2,224,873	1,692,990
Telephone, teleconference and audio-visual costs	805,333	1,589,487
Printing, stationery and photocopying	1,161,321	1,400,063
Postage and courier costs	566,179	607,476
Information system costs	1,506,113	1,413,019
Travel and accommodation	7,076,829	6,144,321
Associations and library publications	1,278,212	1,095,053
Audit, legal and professional fees	755,354	1,153,882
Bank fees and merchant charges	527,835	610,931
Rent	1,730,560	1,493,946
Utilities and other property costs	1,184,110	1,118,880
Insurance	623,969	424,120
Project equipment purchases, hire and repairs	560,633	612,643
Training manuals and consumables used in education and field projects	890,563	761,023
Scholarships, fellowships and research grants	1,170,019	1,787,938
Awards, other grants, gifts and prizes	999,899	870,402
Grants – funded from external sources	5,821,546	7,364,167
Facilities hire and catering costs	4,073,168	3,453,437
Depreciation and amortisation expense	2,205,234	2,244,294
Specialty societies funding costs	4,727,982	4,278,527
Other expenses from operating activities	248,177	715,028
Expenditure	66,316,378	66,813,831
Surplus for the period	2,840,850	1,334,860
Other comprehensive income		
Items not to be reclassified subsequently to profit or loss:		
Net gain / (loss) on revaluation of financial assets	(5,112,443)	4,029,620
Foreign currency translation	29,760	188,485
Other comprehensive income for the year	(5,082,683)	4,218,105
TOTAL COMPREHENSIVE INCOME	(2,241,833)	5,552,965

Royal Australasian College Of Surgeons
Statement of financial position as at 31 December 2018

	2018	2017
ASSETS		
Current assets		
Cash and short-term deposits	27,017,461	20,435,179
Trade and other receivables	23,430,414	22,018,754
Inventories	324,480	404,685
Prepayments	2,448,135	2,361,003
Available for sale financial assets	64,308,565	65,575,360
Total current assets	117,529,055	110,794,981
Non-current assets		
Trade and other receivables	611,611	734,359
Property, plant and equipment	17,980,055	18,680,716
Intangibles	2,119,010	2,622,456
Total non-current assets	20,710,676	22,037,531
TOTAL ASSETS	138,239,731	132,832,512
LIABILITIES		
Current liabilities		
Trade and other payables	3,051,605	3,689,276
Provisions	3,640,006	4,106,275
Income in advance	27,737,326	26,431,096
Government grants received in advance	15,017,401	8,218,915
Funds held on behalf of others	9,891,231	9,229,903
Total current liabilities	59,337,569	51,675,465
Non-current liabilities		
Provisions	374,815	387,867
Total non-current liabilities	374,815	387,867
TOTAL LIABILITIES	59,712,384	52,063,332
NET ASSETS	78,527,347	80,769,180
COLLEGE FUNDS AND RESERVES		
Retained surplus	79,678,590	76,837,740
Available for sale financial assets reserve	(1,082,823)	4,029,620
Foreign currency translation reserve	(68,420)	(98,180)
TOTAL COLLEGE FUNDS AND RESERVES	78,527,347	80,769,180

Certain lines of items required in the ACFID Code of Conduct reporting including but not limited to investment property, borrowings and current tax liabilities have nil balances for both the reporting periods covered.

Royal Australasian College Of Surgeons
Statement of cash flows for the financial year ended 31 December 2018

	2018	2017
Operating activities		
Subscriptions and entrance fees	18,543,498	14,530,510
Training, examination and assessment fees	25,946,142	23,086,935
Sponsorship and donations	2,946,318	2,932,631
Conference registrations	2,998,850	1,837,097
Property rental and recoveries	874,859	938,412
Project income and associated fees	19,514,392	18,896,934
Interest income	193,372	156,948
Other income / (expense)	(675,051)	1,411,736
Payments to suppliers and employees	(65,076,369)	(62,898,427)
Net cash flows from operating activities	5,266,011	892,776
Investing activities		
Net movement from investment securities	2,011,915	365,413
Payments for property plant and equipment	(1,011,621)	(1,689,183)
Net proceeds from sale – fixed assets	636	28,691
Net cash flows from / (used in) investing activities	1,000,930	(1,295,079)
Net increase / (decrease) in cash and short-term deposits	6,266,941	(402,303)
Net foreign exchange difference	315,341	(164,041)
Cash and short-term deposits at 1 January 2018	20,435,179	21,001,523
Cash and short-term deposits at 31 December 2018	27,017,461	20,435,179



International Aid and Development Programs

Information provided under the ACFID Code of Conduct



RACS is a member of the Australian Council for International Development (ACFID) and a signatory to the ACFID Code of Conduct. The Code of Conduct is a voluntary self-regulatory code of good practice that aims to improve international development outcomes and increase stakeholder trust by enhancing the accountability and transparency of signatory members. Information disclosed below is in accordance with the financial reporting requirements of the ACFID Code of Conduct.

As a signatory to the Code, the College is committed to high standards in financial reporting, management and ethical practice. Further information on the code can be obtained from ACFID by visiting www.acfid.asn.au or emailing code@acfid.asn.au. Complaints in relation to the Code can be made directly to RACS Global Health using the website feedback form or to ACFID.

Any complaints will be handled in line with the RACS Global Health's Complaints Process Policy. The Summary Financial Reports disclosed below have been prepared in accordance with the requirements set out in the ACFID Code of Conduct. For further information on the Code please refer to the ACFID Code of Conduct Implementation Guidance available at www.acfid.asn.au. An independent audit of the Royal Australasian College of Surgeons financial accounts for 2018 was conducted by:

Steven Bradby – Partner
PKF Melbourne Audit & Assurance Pty Ltd
Level 12, 440 Collins Street, Melbourne VIC 3000
+ 61 3 9679 2222

Statement of changes in equity For the financial year ended 31 December 2018

	Retained surplus	Available for sale revaluation reserve	Foreign currency translation reserve	Total RACS funds and reserves
At 1 January 2017	75,502,880	-	(286,665)	75,216,215
Surplus for the year	1,334,860	-	-	1,334,860
Other comprehensive income	-	4,029,620	188,485	4,218,105
At 31 December 2017	76,837,740	4,029,620	(98,180)	80,769,180
Surplus for the year	2,840,850	-	-	2,840,850
Other comprehensive income	-	(5,112,443)	29,760	(5,082,683)
At 31 December 2018	79,678,590	(1,082,823)	(68,420)	78,527,347

Income statement For the financial year ended 31 December 2018 International Aid and Development Programs

	2018	2017
REVENUE		
Donations and gifts		
– Monetary	329,400	362,939
– Non-monetary	-	-
Bequests and legacies	-	-
Grants		
– Australian - Department of Foreign Affairs and Trade	3,152,142	2,800,874
– Other Australian	-	-
– Other Overseas	22,501	-
Commercial activities income	-	-
Investment income	1,024,876	621,648
Other income		
– International programs	312,320	666,261
– All other RACS activities	64,315,989	63,696,969
Revenue for international political or religious adherence promotion programs	-	-
Total revenue	69,157,228	68,148,691
EXPENDITURE		
International Aid and Development Programs		
International programs		
– Funds to international programs	3,345,916	2,826,471
– Program support costs	732,796	783,686
Community education	-	-
Fundraising costs		
– Public	-	-
– Government, multilateral and private	-	-
Accountability and administration	177,028	182,940
Non-monetary expenditure	-	-
Total international aid and development programs expenditure	4,255,740	3,793,097
Expenses for international political or religious adherence promotion programs	-	-
Domestic programs expenditure	-	-
Commercial activities expenditure	-	-
Other expenditure – all other RACS activities	62,060,638	63,020,734
Total expenditure	66,316,378	66,813,831
Surplus / (Deficit)	2,840,850	1,334,860
Other comprehensive income	(5,082,683)	4,218,105
TOTAL COMPREHENSIVE INCOME	(2,241,833)	5,552,965

RACS international aid, development and humanitarian activities are funded from bequeathed contributions, ongoing grants primarily from the Department of Foreign Affairs and Trade, sponsorship arrangements predominantly associated with the East Timor Lions SightFirst Eye Program and donations received from various sources. The RACS Global Health division responsible for the coordination and delivery of these programs did not directly engage in any specific fundraising activities.

THANK YOU



COUNCIL MEMBERS 2018

Back row left to right:	The Honourable Rob Knowles, Professor Mark Frydenberg, Professor David Fletcher, Professor Owen Ung, Mr Garry Wilson.
Third row left to right:	Mr Richard Perry, Associate Professor Christopher Pyke, Dr Greg Witherow, Mr Tony Sparnon, Mr Christopher Perry, Mr John Crozier, Associate Professor Phillip Carson.
Second row left to right:	Mr Bruce Hall, Dr Christine Lai, Dr Jennifer Chambers, Dr Ruth Bollard, Dr Maxine Ronald, Associate Professor Kerin Fielding, Dr Sally Langley.
Front row left to right:	Dr Rachel Care, Associate Professor Julie Mundy, Dr Catherine Ferguson, Ms Mary Harney, Mr John Batten, Dr Annette Holian, Mr Adrian Anthony, Professor Andrew Hill.

In 2018, the following Councillors joined the RACS Council:

Dr Christine Lai (GEN, SA)
Dr Maxine Ronald (GEN, NZ)

In 2018, the following Councillors left the RACS council:

Dr Claire Campbell (VASC, VIC)
Mr Lawrie Malisano (ORTH, QLD)
Prof Jonathan Serpell (GEN, VIC)

Thank you to all our Fellows, Trainees and International Medical Graduates involved in RACS Committees and activities. Special thanks to our staff, our committees, the specialty societies and partners in Australia and New Zealand.

FOUNDATION FOR SURGERY 2018 HONOUR ROLL

Platinum and Gold

The Ainsworth Foundation	Ms Julia Farrell	Mr K Lever	Mr Rowan Nicks	The Surgical Research Society of Australasia
Mr Eric Bishop	Dr Mona Girgis	Anonymous donor	P Marks Investments	Tour De Cure Limited
Prof Damien Bolton	Gough Medical Pty Ltd	Prof Paul Mackay Bolton	Mr Gordon Pickard	The Trust Company of Australia Ltd
The Bongiorno National Network	The Gray Family Foundation	Mr Donald Macleish	Mrs Diana Ramsay	Mr Philip John Walker
Ms Ann Carter	Mr William Heape	Mrs Lena Elizabeth McEwan	RANZCO Eye Foundation	The William Angliss Charitable Fund
Mr Justin Chee	Mr Henry Hong Leung	Medical Benefits Fund of Australia Ltd	The Rotary Club of Glenferrie	Watiga & Co. Pty Ltd
Anonymous donor	Mrs Eugenie Johnston	Anonymous donor	The Rotary Club of Kew	Anonymous donor
Mr Brendan Dooley	Mr Konfir Kabo	Mr Brian Morgan	St John's Ambulance Western Australia	
Dr Katherine Edyvane	Mrs Alison Kearney			
	Mrs Gloria Joyce Kees			

Silver

Dr Susan Adams	Mr Simon Crowley	Emeritus Prof John Hunn	Mr Philip Nase	Dr Sivagnana Sriskandavarman
Mr Adrian Anthony	Dr John Crozier	Dr Sanjay Kalgutkar	Dr Bradley Newell	Mrs MaryStellas
ANZSCTS Research Foundation	Mr Arthur Day	Mr Michael Kent	Mr Rudolph Ngai	Mr George Stening
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Baillieu Limited	Mr Peter Dobson	Dr Christine Lai	Mr Christopher Perry	The Sunshine Hospital General Surgery Team
Mr Antony Beeley	Dr Ian Edmunds	Dr Fiona Lee	Mr Vaughan Poutawera	Mr John Taylor
Mr Roger Bryan	Anonymous donor	Mr Ross Littlewood	Mr Pornthep Pramyothin	Mr Ming Tong
Mrs Ann Carter	Prof Kingsley Faulkner	Mr Ken Loi	Mr David Price	Mr Simon Tratt
Mr Wei Chang	Dr Cathy Ferguson	Mr Victor Mar	PSA Insurance	Mr Michael Troy
Dr Susan Chapman	Prof Mark Frydenberg	Dr Ian Martin	Mr John Ralph	Mr Harry Tsigaras
Anonymous donor	Mr Philip Gan	Dr Katherine Martin	Miss Katherine Ricardo	Anonymous donor
Mr John Chew	Mr Ian Henderson	Mr Gerard McCafferty	Anonymous donor	Dr Peter Vanniasingham
Mr Jim Christidis	Mr Nigel Henderson	Mr Michael McFarlane	Mr John Rogerson	The Wilkinson Foundation
Mr Kevin Chu	Ms Karen Hill	Mr Brian McGowan	Dr Elizabeth Rose	Anonymous donor
Dr James Churchill	Dr Vedella Hinckley	Anonymous donor	Anonymous donor	Anonymous donor
Mr Graeme Clarke	Dr Geoffrey Hirst	Mr John Mills	Prof John Royle	Mr Ivan Yaksich
Clifford Craig Foundation	Mr Philip House	Mr Ian Mitchell	Anonymous donor	
Dr Adrian Clubb	Anonymous donor	Assoc Prof Julie Mundy	Prof Julian Smith	
Dr Joan Cosgrove	Assoc Prof Thomas Hughes	Mr Niyaz Naqash	Mr Dean Southwood	

SPONSORS

Acelity	Hobart, Launceston and North West Pathology	Olympus
ACHA Group	HoodSweeney	Prescribe
Applied Medical	Hoxton MPM	Ramsay Health Care
Aspen	Jamieson Trauma Institute	Rath Consulting
Aston Martin	Johnson and Johnson	Return to Work SA
Avant	KCI - An Acelity Company	Rooms with Style
BD	Macquarie Group	SA Heart
Bongiorno Group	MDA National	Sanofi
Calvary Health Care Adelaide	Medtronic	Shexie
Central Australia Health Service	MIGA	Solitaire Automotive
Clinic to Cloud	Mint Advisory	Tas Government Dept of Health
Clinpath	Mi-tec Medical Publishing	Tego
Cook Medical	MLCOA	UmbrellaNET
Defence Force Recruiting	Monash Private	Vconsult
Ethicon	Montserrat Private Hospital	VMORE
Flinders University, NT	National Critical Care Trauma Response	Walsh's financial services
Genie	Navy Army Airforce	
Hewison Private Wealth	NT Convention Bureau	
Hobart Private Hospital		

ROYAL AUSTRALASIAN
COLLEGE OF SURGEONS



RACS

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