It is my pleasure to present to you the Annual Report for 2007. A decade on Council preceded by eight years on the Court of Examiners has given me an insight into the substantial changes that have occurred in the College over that time. One of the reasons I stood for Council was to improve the troubled relationships between the College and the specialist societies. This was particularly important to me as an orthopaedic surgeon who had served on the Australian Orthopaedic Association (AOA) Board and a number of its committees. I hoped to participate in changes that would result in a College that was more relevant to specialty practice. It gives me great satisfaction that much has been achieved in this area. The societies representing our nine specialties now work in collaboration with the College, each respecting the other’s role. Like all successful collaborations there will be ups and downs in the future and ongoing success will require good communication and an understanding of the expectations of all parties.

Although this annual report deals with the key events of the past 12 months, I would like to challenge all our Fellows and Trainees to identify and defend the wider and more inclusive issues of collegiality. Unity for surgeons is at a critical stage. Many of those we deal with, including governments and regulatory bodies, do not always agree with or understand our principles regarding professionalism and advocacy. These attitudes run the risk of destroying our profession as we know it. Our challenge is to work at individual, society and collegiate levels to improve the structures, advocate for our patients and passionately defend the standards that we know are essential.

Political Achievements to Come?
The new Australian government has promised to improve the relationships between State and Federal Governments. It is hoped that this will sort out the confusion about responsibilities and funding that holds back the delivery of surgical care to the Australian community. The new government has also promised improved funding for elective surgery. Surgeons will reserve judgement on whether this money will be spent wisely and to good effect. In New Zealand, as in Australia, there are serious concerns about the availability of timely surgical care. I was honoured to open the Canterbury Charity Hospital in Christchurch – established to provide free care to patients removed from waiting lists by Government edict. It is an outstanding effort by local surgeons and community leaders but a worrying precedent in a system under significant stress.

Access to Health Services is Now a Priority
During my career the public sector has been increasingly dominated by budget imperatives. As the budget becomes tighter the response has too often been to cut back on elective surgery and support services such as intensive care unit beds. This is often blamed on inadequate work force numbers. It is the College view that the current surgical work force is not being used effectively, accentuating these perceived shortages. The College recognises the need to train more surgeons in selected specialties to cope with a population and surgical work force which are ageing. It is working with its specialty society partners to create more training opportunities where they are needed.

The emphasis is now moving from strict budget containment to access to services. Politicians are confronted by angry constituents who cannot obtain what they were promised: high quality, timely and safe surgical services at no cost to them – however they are moving to deal with this in ways that raise new concerns. There has been an influx of International Medical Graduates (IMGs) with the challenges of assessing whether or not they are comparable with an Australasian surgeon and supporting them in their new work environment. The College is actively involved in this process through the
Australian Medical Council (AMC) and the College IMG Assessment Unit. This process is covered by fees charged to the Hospitals/IMGs or from Commonwealth Grants. It is an area where tensions are real between the requirements of communities, hospitals, governments, Fellows and specialist societies. The College is committed to outcomes that are not only fair and appropriate but provide protection for the community.

Area of Need positions must be a response to a real medical need that is not otherwise resolvable, not a political knee-jerk reaction. Such positions must provide appropriate hospital infrastructure and professional support for any incoming surgeon. Many of these positions in the past were poorly supported or had substantial internal issues. These positions are now more effectively reviewed and shortfalls identified.

Recent Council of Australian Governments’ (COAG) sponsored initiatives around national registration and accreditation were clearly directed at task transfer potentially bypassing the safeguards of full surgical training. The College supports task and role delegation within surgical teams, but governments continue to explore models of task substitution. One only needs to look at the proliferation of skin clinics, cosmetic surgeons without proper surgical training, the endless application by podiatrists to do a full range of foot and ankle surgery and the complex issues arising from surgical tourism to understand how standards of care are unlikely to be maintained purely by market forces. The College must engage with statutory authorities and at a political level to ensure our community is protected from poor quality and dangerous surgical practice.

Royal Australasian College of Surgeons – What is in a Name?
Council proposed a change of name of the College to the Fellowship for resolution by plebiscite in 2007. This was prompted by some lack of clarity around the word Australasian and the wish to recognise more clearly the bi-national nature of the College. Although the majority of those Fellows who voted supported the change, it did not reach the required level of 75 per cent. To help clarify the meaning of “Australasian”, Council resolved to adopt the by-line “The College of Surgeons of Australia and New Zealand” below the official College name.

**Professionalism of Training**
There is ongoing concern about the pro-bono model for our supervisors, teachers and examiners. The College is conscious of the demands of work-life balance, complex regulations and increasing expectations of our Trainees. The College is currently preparing a case for hospital support in the form of infrastructure and remuneration for supervisors as a requirement for Accreditation of training positions. This is exacerbated by new responsibilities for surgeons and supervisors inherent in the new Surgical Education and Training (SET) program, including the more structured in-training assessment.

To assist this process the College has launched the Supervisor and Trainer (SAT) course for the SET program, providing training in these techniques and 240 Fellows have already attended. Council is committed to developing more such programs in the future which may interface with university education degrees. The AOA has grappled with the issue of the professionalisation of surgical education and has developed a proposal for an Academy of Orthopaedic Surgery. This is with the intention of moving to a fully remunerated program in the future. This Academy would have the option of working within the College model or independently. The College looks to maintain the present spirit of cooperation in regard to this and other similar proposals.

The College is also reviewing its organisational structure to determine what benefits may accrue from delivering surgical training through a University structure. A Working Party will report to Council in 2008 on this most important strategic issue.

**Australian Medical Council Accreditations**
Introduction of the new SET program triggered a review by the Australian Medical Council which is responsible for accrediting medical school and post graduate vocational education programs. This took place in the middle of 2007 involving a substantial commitment by the College and the specialist societies. I am pleased to report that the AMC has fully accredited the new program with a further review after December 2011.

**Involvement by the Community – Thank You to All Who Assist the College**
The College is committed to ensuring that we seek alternative views and expertise in our deliberations. There is a strong history of this with groups such as the Ethics and Anatomy Committees and Early Management of Severe Trauma (EMST) and Care of the Critically Ill Surgical Patient (CCrISP) courses having strong external representation over many years. The College relies heavily on our honorary financial and investment advisors and values their advice.

The introduction of an Expert Community Advisor sitting on Council has been a positive initiative. The Hon Geoff Davies AO joined Council in this role and as co-opted Councillor. Sir David Tompkins QC is now attending the New Zealand National Board and Professor David Barr AM is the Expert Community Advisor on the Education Board. The success of this program has lead Council to consider a second Expert Community Advisor and this will be explored further in 2008.

**Relationships and Advocacy**
The Vice President (Professor Ian Gough) is responsible for the Relationships Portfolio which includes the activities of the Regional Offices. He chairs the regular meetings of the Board of Regional Chairs. The Director of this portfolio, Mr James McAdam, was appointed in August and has a strong background in political and advocacy issues. The Regional Committee structure has a vital role to ensure that
Trainees and Fellows of all disciplines are as fully informed as possible and that interaction with the local Department of Health and Minister’s Office is at a functional level.

The College has now established our office in Northern Territory which, although it provides service to a small numbers of surgeons, offers a vital role in a geographically and politically important part of Australia.

Education – The New Surgical Education and Training Program

The eightieth anniversary of the College saw further evolutionary changes in surgical education with the introduction of the SET program. This was oversighted by the Censor in Chief (Mr Ian Civi) assisted by the Dean of Education (Professor John Collins), the Director of Education Development and Assessment (Mrs Kathleen Hickey), and the Director of Education and Training Administration (Mr Glenn Petrusch). The Basic Surgical Training (BST) program will now progressively wind down as the appointment of new Trainees is made directly into one of nine specialties. The specialty training committees and boards now have an increased responsibility to ensure their Trainees acquire all of the required knowledge and skills, including the basic information and competencies previously inherent in the old Primary and BST programs. All programs will be actively reviewed in terms of curricula, on-line educational material, assessment processes and recognition of prior learning.

Partnerships will play an increasing role as other institutions take up roles in surgical education. The relationship with Macquarie University and the Neurosurgical Society of Australasia continues to move forward in providing both clinical and academic experience in Neurosurgery. Recognition of elements of the Macquarie program within the Neurosurgery SET program is an important issue.

In the absence of a formal BST program, applicants for selection into surgical training will need access to appropriate junior resident positions and experience. A number of states are developing processes to expedite such experience in the early post graduate years. The College no longer has a role in this area.

Surgical Simulation

The College is now establishing one of the biggest research projects of its type: studying the learning of laparoscopic skills in a simulated environment and their transferability to the clinical setting. This project will involve a number of centres across Australia and provide a strong impetus to the development of simulator programs. The Commonwealth Government has contributed more than $4 million for this three-year endeavour which will be under the oversight of Professor Guy Maddern.

Examinations

I particularly draw attention to the role of the Court of Examiners in our College. It is a point of differentiation with some other Colleges that we admit to Fellowship by an exit Examination and this will remain so. As a retired senior orthopaedic examiner and former Chair of the Court, I know that this can be onerous but rewarding work. The intensity and commitment by Examiners and the staff of the Examinations Department is substantial. It entails not only running examinations twice a year in both Australia and New Zealand but also the extensive planning behind this. The May examination in Melbourne involved 102 Fellows. The number of candidates in 2007 was 317 and the pass rate for any individual examination averaged 75 per cent. I wish to express my thanks to all examiners and support staff for this commitment.

Professional Development and Standards

Issues relating to Fellows are the responsibility of the Fellowship Portfolio oversighted by the Chair of the Professional Development and Standards Board (Dr Ian Dickinson) assisted by Dr Pam Montgomery, the Director Fellowship and Standards, Dr Wendy Babidge, the Director of Research Audit and Academic Surgery, Mrs Daliah Moss, Director of External Affairs and their staff.

Professional Standards

The College has been a long-term supporter of ongoing Continuing Professional Development (CPD) leading to recertification of the Fellowship Diploma. The “Find a Surgeon” section on the College website now only lists surgeons who are compliant with the CPD requirements.

Safe Hours

The College supports the Australian Medical Association AMA guidelines for Safe Hours, particularly as it relates to Trainees. The College has also prepared and distributed Guidelines for Safe Hours applicable to all surgical areas.

Acute and Emergency Surgery Services

Access to acute and emergency surgery services may be the most critical issue confronting surgical services in Australia and New Zealand. As budget imperatives come into play, acute and emergency surgery often becomes a victim. The challenge of providing resources and rostering that minimise the impacts on the surgeon and his/her family is a challenge. It is not surprising that the biggest issue in Regional centres is access to emergency services. While this critical area is marginalised and under-remunerated the crisis will continue.
Diagnostic Services – It is the Image that Counts

The introduction of Digital Imaging has clear benefits to doctor and patient but surgeons must continue to have access to appropriate diagnostic quality images. At the present time this is not guaranteed. The College has joined the substantial lobby being undertaken to ensure that this occurs in a cost effective fashion.

Professional Development

The College continues to progress its professional development initiatives. The Supervisors course for the assessment processes of SET (SATSET) was developed, trialled and delivered across Australia and New Zealand. Our other courses have been increasingly successful with over 911 surgeons attending 46 workshops including those covering medico-legal, managerial and communication skills.

Fellowship Survey

The Workforce and Fellowship surveys are some of the more important initiatives that the College undertakes. It was interesting to reflect on the recent results. A majority of Fellows believe we are heading in the correct direction, with a high degree of satisfaction in their interactions with the College structures and the staff. Many felt that the public profile of the College needs to be more evident on surgical-related issues but felt that the College was the correct body to be doing this.

Research and Audit

The profile of the Australian Safety and Efficacy Register of New Interventional Procedures – Surgical (ASERNIP-S) continues to grow. Involvement with international groups in the evaluation of health related and surgery specific technologies is significant. The importance of this work continues to be recognised by the Federal Government though the College continues to seek longer term sustainable funding.

There has been substantial progress with Mortality Audits. The College made a commitment to making this a bi-national initiative and similar processes have commenced in South Australia, Queensland, Victoria and Tasmania. New South Wales is undertaking these activities through their Clinical Excellence Commission. ACT and Northern Territory are now being addressed.

Research Scholarships

College funded Research Scholarships continue to be successful in supporting worthwhile research endeavours by Trainees and Fellows. More than $1 million is awarded each year from the Foundation for Surgery and College operational funds.

Annual Scientific Congress – Christchurch 2007

As an orthopaedic surgeon it is often asked why I go to the Annual Scientific Congress (ASC). I believe the quality of the plenary sessions, the breadth of the science that is displayed across the entire surgical discipline and the increasing numbers of key interest sessions are invaluable. Christchurch also provided sessions in medico-legal work, the history of surgery and the developing fields of education and surgical audit. Congratulations to the entire ASC team, the New Zealand Fellows and Regional Office as well as the Conference and Events department and ASC co-ordinator.

Our Areas of Influence – South East Asia and Oceania

Although the College Fellowship was asked to vote on changing our name to the Australian and New Zealand College of Surgeons and move away from the confusion of Australasia, there is no doubt that our international influence and future is principally within South East Asia and Oceania. It is for this reason that I have concentrated my travel on this region attending scientific conferences in Japan, Malaysia, Singapore, Thailand and Papua New Guinea. This will culminate at our 2008 ASC being held in Hong Kong as a combined meeting with the College of Surgeons of Hong Kong in May.

Resources

As the Honorary Treasurer for a number of years before becoming President I can appreciate the enormous strides the College has made in the areas of financial clarity and fiduciary responsibility. This is now overseen by Dr Keith Mutimer as the Honorary Treasurer assisted by Mr Ian Burke (Director of Resources). Thanks to their efforts the College remains in a sound financial position. Revenue and expenditure are clearly tracked and if there are any cross subsidies they are clearly identified and acknowledged. Income from investments supports the Foundation and related activities.

Commitment

In my time on Council I have been lucky to work with so many exceptional people and to have seen the magnificent support given by our College staff.

I must acknowledge the contributions of our immediate past President Dr Russell Stitz. Russell developed the area of CPD on the very solid foundation built by the late Don Sheldon. This has blossomed into the Professional Development and Standards Board with the responsible Councillor now a full member of the Executive. Professional Standards, Professional Development and Fellowship Services continue to evolve and deliver value. The concept and development of the new SET program was the work of many but driven under Russell’s exceptional leadership. He will be regarded as one of our most outstanding Presidents.

In 2007 a sizeable number of Councillors completed their nine years on Council or retired for other reasons. These included Professor Stephen Deane, who had been Vice President and was very influential in the area of BST; Professor Trish Davidson, who had been an outstanding Censor...
in Chief; Professor Bruce Waxman, who had been Chair of the Board of Specialist Surgical Training at a time when numbers of Trainees and posts where under scrutiny; Mr Ross Blair, who had been Chair of the Court and Inaugural Chair of the Fellowship Services Committee; Associate Professor Peter Woodruff, who served the College as Honorary Treasurer, Vice President and Vascular Surgery Specialist Councillor and Mr Tony Hardy, who had represented Orthopaedic Surgery on Council during some stressful times.

I welcome a number of new Councillors who are quickly rising to the task of leadership and responsibility. These are Professor Spencer Beasley, Mr Graeme Campbell, Professor Julian Smith, Dr Swee Tan, Ms Marianne Vonau, Professor David Watters and Mr Simon Williams. Professor Michael Grigg also returned to Council after an absence of one year.

Over 10 years on Council I have been impressed by the dedication of our College staff. These include a number of Fellows: Professor John Collins as the Dean of Education; Dr John Quinn, Executive Director Surgical Affairs – Australia; Mr John Simpson, Executive Director Surgical Affairs – New Zealand; Mr Campbell Miles, ASC Scientific Coordinator; Mr Don Murphy, Clinical Director of the Victorian Skills Centre and Dr Andrew Roberts as the Acting Clinical Director of the International Medical Graduate Assessment Unit replacing Dr Diane Hartley.

Key staff departures over the past 12 months have included two Directors – Mrs Ann Wright, who was the Director of Education, Training and Administration and Dr Anne Ellison, who had been Director of Specialist Surgical Training and Assessment. Our thanks to them for their outstanding contributions and a warm welcome to Mr James McAdam as the Director of the Relationships and Advocacy portfolio and Mr Glenn Petrusch as the Director of Education, Training and Administration.

To all our Councillors who contribute so significantly, my personal thanks. To all the staff your contribution has been enormous in a time of major change. The fact the College continued to move forward and remains so successful is testimony to your hard work.

To the Chief Executive, Dr David Hillis, who co-authored this Annual Report my personal thanks for your advice and ongoing drive to deliver surgical excellence to our two countries.

I will be retiring from Council at the AGM in May. It has been a privilege to serve the College and be associated with so many outstanding people. I close this Annual Report with a special thanks to my wife Sibby, who has travelled this path with me. It has been a fantastic voyage and I could not have done it without her support.
Surgical Workforce

Our current Trainee and active Fellow profile is detailed in the following tables.

Table: 1. All BST Trainees by region by year of training

<table>
<thead>
<tr>
<th>Year</th>
<th>ACT</th>
<th>NSW</th>
<th>NT</th>
<th>QLD</th>
<th>SA</th>
<th>TAS</th>
<th>VIC</th>
<th>WA</th>
<th>Aust</th>
<th>NZ</th>
<th>O/S</th>
<th>Total '07</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>6</td>
<td>47</td>
<td>2</td>
<td>39</td>
<td>14</td>
<td>1</td>
<td>52</td>
<td>16</td>
<td>177</td>
<td>47</td>
<td>2</td>
<td>226</td>
</tr>
<tr>
<td>2</td>
<td>3</td>
<td>64</td>
<td>0</td>
<td>41</td>
<td>13</td>
<td>3</td>
<td>81</td>
<td>12</td>
<td>217</td>
<td>48</td>
<td>3</td>
<td>268</td>
</tr>
<tr>
<td>3</td>
<td>2</td>
<td>46</td>
<td>1</td>
<td>24</td>
<td>14</td>
<td>2</td>
<td>44</td>
<td>14</td>
<td>147</td>
<td>32</td>
<td>0</td>
<td>179</td>
</tr>
<tr>
<td>4</td>
<td>2</td>
<td>17</td>
<td>0</td>
<td>7</td>
<td>5</td>
<td>0</td>
<td>6</td>
<td>3</td>
<td>41</td>
<td>13</td>
<td>0</td>
<td>56</td>
</tr>
<tr>
<td>Total</td>
<td>13</td>
<td>174</td>
<td>4</td>
<td>111</td>
<td>46</td>
<td>6</td>
<td>183</td>
<td>45</td>
<td>582</td>
<td>142</td>
<td>5</td>
<td>729</td>
</tr>
</tbody>
</table>


Table: 31. Specialist Surgical Trainees*, by year of training and location of hospital post

*Specialist Surgical Trainees in this table include all Trainees who were active in training posts, active and on accredited research, active and exam pending as well as inactive Trainees on an approved leave of absence from training. Deferred Trainees are not included in this report. Source: RACS (2006) Management Report, As at December 30th 2006


Table: 73. Active Fellowship by region by all specialty groups


*Region is based current practice or mailing address or if unavailable, last known address

P6 / RACS - The College of Surgeons of Australia and New Zealand

It is my pleasure to present this report and highlight the sound financial position of the College. The year under review has achieved excellent results in challenging times for our College with the implementation of our new Surgical Education and Training (SET) program and the attendant risks involved.

Income Statement
Total revenue in 2007 was $39,398k compared to $36,017k in 2006 while expenditure was $33,264k compared to $33,211k in 2006. An overall surplus of $6,133k was achieved compared to $2,807k in 2006.

The College Investment Portfolio is managed by the Investment Committee. During the year their efforts achieved an above market return of 18.94 per cent. Returns for 11 months in 2007 were 22.93 per cent however the downturn in December marked down the overall return for the year.

In January 2008, the downturn in the capital markets saw the portfolio decline in the market value by an estimated to be $1,815k or by 7.43 per cent.

The most meaningful way in which to review this overall result is to analyse the separate activities of the College being College Operations, College Projects, Scholarships and Research Grants and the Foundation and Investment Reserve.

College Operations are the core operational activities including Fellowship Services, Education and Training, the Annual Scientific Conference, Conferences and Workshops, College funded scholarships, Leadership and Corporate Governance and Administration.

In 2007, this revenue amounted to $27,182k compared to $24,455k in 2006 while expenditure was $25,334k compared to $25,975k in the previous year. The surplus in 2007 of $1,848k represents a $3,368k turn-around from the deficit of $1,520k in 2006.

Overall, this result is due to tight expenditure control in 2007, with similar expenditure to 2006 and additional one off increases in revenue from the areas of Skills Courses, Basic Science Examination and Fellowship admissions.

College Projects relate to activities funded by external agencies and funding providers.

The College is responsible for managing research, aid and audit projects with a total life value in excess of $41 million.

Projects currently being managed by the College include the Outer Metropolitan Training, Rapid Assessment Unit, Professional Development, Rural Services, Trauma, International (AusAID), Mortality Audit, Morbidity Audit and Retention of Surgeons in Queensland Hospitals.

In 2007, project revenue amounted to $7,054k compared to $7,120k in 2006 and expenditure was $7,302k compared to $6,763k in 2006. This resulted in a deficit of $248k in 2007 compared to a surplus of $356k in 2006.

All revenue and expenditure relating to College projects is recognised progressively throughout the life of the projects in accordance with contractual obligations and College policies.

A number of projects do not completely cover their overheads and are therefore cross subsidised by the College. In 2007 this subsidy was $351k compared to $471k in 2006.

Scholarships and Research Grants of $511k are funded from College investments committed to this purpose and in addition College scholarships of $678k are funded from College operations giving a total commitment for scholarships of $1,189k compared to $999k in 2006.

The investment return of 18.94 per cent on the committed bequest funds of $15.1 million resulted in revenue of $2,610k in 2007 compared to $2,380k in 2006. These returns will ensure the continuation of scholarships in accordance with the conditions of the bequests. Expenditure was $579k compared to $456k in 2006. Overall, the surplus for 2007 was $2,031k compared to $1,924k in 2006.

Foundation and Investment Reserve includes donations and philanthropic activities and returns on uncommitted funds from the investment portfolio.

Revenue for 2007 was $2,552k compared to $2,047k in 2006 while expenditure was $2,031k compared to $2,047k in 2006.

Highlights – 2007
• Revenue from Subscriptions, Fees & Levies of $9,061k compared to $7,799k received in 2006. A large part of this increase reflects the carry over of a small number of Fellowship admissions from December 2006 into January 2007, and unexpectedly high number of admissions for 2007.
• Investment returns of 18.9 per cent in 2007 continue to meet or exceed market performance.
• Examination & Training Fees generated $14,161k compared to $12,408k in 2006. This increase reflects a significant increase in those undertaking skills courses and the Basic Science Examination due to the introduction of SET.
• Personnel costs remain the dominant expense relating to the College activities and was $11,717k compared with $11,668k in 2006. This small increase has demonstrated a focus on controlling staff numbers and related expenditure in 2007.
• Scholarships and Research Grants funding totalled $1,189k compared to $999k in 2006.

Balance Sheet
The Balance Sheet outlines the net value of the College. In 2007, College Funds and Reserves have increased by 14.8 per cent to $47,668k.

Key movements in assets included an increase in cash and cash equivalents of $1,152k and investments held for trading of $5,579 offset by decreases trade and other receivables of $5,099k. Current liabilities decreased by $3,912k which has been offset by a reduction in interest bearing loans of $1,000k.

The Investment Reserve has increased from $4,978k to $7,010k due to the excellent investment returns. The reserve includes revenue from investment returns on uncommitted funds in the investment portfolio.
These returns are set aside for future developments as approved by Council and will include funding towards the acquisition of the ANZCA share of "Elliot House" in New Zealand, the Queensland property redevelopment and the upgrading of the West Wing in Melbourne.

Cash Flow Statement
The Cash Flow statement indicates a positive cash flow for 2007 provided by operating activities of $5,541k and a net increase in cash held of $1,152k from 2006 represented by an overall increase in the College's operational result in 2007 offset by a pay down of commercial bills of $1,000k and acquisition of fixed assets of $616k.

In summary this sound financial position has enabled:
- The development and implementation of the new SET Program.
- The support for the funding of the Investment Reserve which now totals $7,010k.
- Annual increases in Fellows’ subscriptions and fees being held at the level of the CPI.
- The reduction in borrowings for the East Wing loan from $3,000k to $2,000k.
- Continued investment in infrastructure (particularly IT web development and applications) to enable better levels of service and support be provided to Trainees and Fellows.
- Continued refurbishment and renovation of College properties to improve utilisation and availability of resources, especially in the regional offices.

In closing I would like to acknowledge the services of our Honorary Advisers for which the College remains indebted. I would like to thank Mr Anthony Lewis (Audit & Finance), Mr Robert Mihle (Property), Mr Doug Oldfield OAM (Finance), Mr Brian Randall (Investment) and Mr Ken Welfare (Investment) for their generous and valued support during the year.

The College continues in a sound financial position and I recommend these accounts to the Fellows.

Keith Mutimer, Honorary Treasurer
28 February 2008

Councillors’ Declaration
The Councillors of the Royal Australasian College of Surgeons declare that the summarised financial report set out on pages seven to nine 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 2006.

On behalf of the Councillors
A D SUTHERLAND................President
K MUTIMER.............Honorary Treasurer
A D SUTHERLAND.............President

Melbourne
28 February 2008

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 2007, comprising the income statement, balance sheet and the statement of cash flows to the financial statements, 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 2007.

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 or audit report on the annual statutory financial report.

Ernst & Young
Stuart Painter
Partner
Melbourne
### Royal Australasian College of Surgeons

#### Balance Sheet as at 31 December 2007

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>2007 $</th>
<th>2006 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>8,404,121</td>
<td>7,252,351</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>9,656,970</td>
<td>14,756,685</td>
</tr>
<tr>
<td>Inventories</td>
<td>98,095</td>
<td>108,030</td>
</tr>
<tr>
<td>Prepayments</td>
<td>431,522</td>
<td>226,160</td>
</tr>
<tr>
<td>Investments held for trading financial assets</td>
<td>30,066,139</td>
<td>24,487,346</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td>48,656,847</td>
<td>46,830,572</td>
</tr>
<tr>
<td>Non-Current Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>23,528,844</td>
<td>24,361,644</td>
</tr>
<tr>
<td>Receivables</td>
<td>933,896</td>
<td>816,594</td>
</tr>
<tr>
<td><strong>Total Non-Current Assets</strong></td>
<td>24,462,740</td>
<td>25,178,238</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>73,119,587</td>
<td>72,008,810</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITIES</th>
<th>2007 $</th>
<th>2006 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>12,014,909</td>
<td>17,668,572</td>
</tr>
<tr>
<td>Provisions</td>
<td>1,316,530</td>
<td>1,177,634</td>
</tr>
<tr>
<td>Government grants received in advance</td>
<td>6,527,475</td>
<td>5,673,957</td>
</tr>
<tr>
<td>Funds held on behalf of others</td>
<td>3,439,388</td>
<td>2,690,093</td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td>23,298,302</td>
<td>27,210,256</td>
</tr>
<tr>
<td>Non-Current Liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provisions</td>
<td>152,920</td>
<td>263,074</td>
</tr>
<tr>
<td>Interest bearing loans and liabilities</td>
<td>2,000,000</td>
<td>3,000,000</td>
</tr>
<tr>
<td><strong>Total Non-Current Liabilities</strong></td>
<td>2,152,920</td>
<td>3,263,074</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td>25,451,222</td>
<td>30,473,330</td>
</tr>
<tr>
<td><strong>NET ASSETS</strong></td>
<td>47,668,365</td>
<td>41,535,480</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>COLLEGE FUNDS AND RESERVES</th>
<th>2007 $</th>
<th>2006 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retained surplus</td>
<td>40,658,018</td>
<td>36,557,479</td>
</tr>
<tr>
<td>Investment earnings Reserve</td>
<td>7,010,347</td>
<td>4,978,001</td>
</tr>
<tr>
<td><strong>TOTAL COLLEGE FUNDS AND RESERVES</strong></td>
<td>47,668,365</td>
<td>41,535,480</td>
</tr>
</tbody>
</table>

### Royal Australasian College of Surgeons

#### Cash Flow Statement for the Financial Year ended 31 December 2006

<table>
<thead>
<tr>
<th>Cash Flows from Operating Activities</th>
<th>2007 $</th>
<th>2006 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subscriptions and entrance fees</td>
<td>9,142,547</td>
<td>7,774,373</td>
</tr>
<tr>
<td>Training, Examination and Assessment fees</td>
<td>13,463,627</td>
<td>11,588,485</td>
</tr>
<tr>
<td>Sponsorship and donations</td>
<td>1,202,957</td>
<td>851,310</td>
</tr>
<tr>
<td>Conference registrations</td>
<td>2,039,241</td>
<td>2,635,196</td>
</tr>
<tr>
<td>Property rental and recoveries</td>
<td>687,925</td>
<td>331,364</td>
</tr>
<tr>
<td>Project income and associated fees</td>
<td>7,667,222</td>
<td>4,558,366</td>
</tr>
<tr>
<td>Interest income</td>
<td>132,376</td>
<td>71,166</td>
</tr>
<tr>
<td>Other income</td>
<td>1,160,858</td>
<td>1,374,788</td>
</tr>
<tr>
<td>Payments to suppliers and employees</td>
<td>(29,815,109)</td>
<td>(28,563,692)</td>
</tr>
<tr>
<td>Borrowing costs</td>
<td>(140,217)</td>
<td>(515,645)</td>
</tr>
<tr>
<td><strong>Net cash provided by operating activities</strong></td>
<td>5,541,427</td>
<td>305,711</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cash flows from financing and investing activities</th>
<th>2007 $</th>
<th>2006 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial bill facility used (repaid)</td>
<td>(1,000,000)</td>
<td>(1,000,000)</td>
</tr>
<tr>
<td>Net movement from investment securities</td>
<td>(2,774,084)</td>
<td>(1,730,590)</td>
</tr>
<tr>
<td>Payments for property plant and equipment</td>
<td>(615,573)</td>
<td>(1,109,553)</td>
</tr>
<tr>
<td><strong>Net cash (used in) financing and investing activities</strong></td>
<td>(4,389,657)</td>
<td>(3,840,143)</td>
</tr>
<tr>
<td>Net increase / (decrease) in cash held</td>
<td>1,151,770</td>
<td>3,534,432</td>
</tr>
<tr>
<td>Cash at beginning of financial year</td>
<td>7,252,351</td>
<td>10,786,783</td>
</tr>
<tr>
<td>Cash at the end of the financial year</td>
<td>8,404,121</td>
<td>7,252,351</td>
</tr>
</tbody>
</table>

**ANNUAL REPORT 2007 / P9**
## New Fellows 2007

- Muhammad Abdullah
- Sulman Ahmed
- Darweesh Al-Khawaja
- Aymen Al-Timimi
- Jacqueline Allen
- Majeed Alwan
- Paul Anderson
- Nicole Andrews
- Sreenivas Appu
- Bruce Ashford
- Muhammad Ashraf
- Arthur Aspoas
- Matthias Axt
- Maged Aziz
- Stuart Bade
- Charles Baillieu
- Jitendra Balakumar
- Pritpal Bansi
- Graeme Barber
- Andrew Barclay
- Stephanie Bardsley
- Lesley Barron
- Edward Bateman
- Griffith Batstone
- Ben Beaumont
- Tilan Beneragama
- Suzanne Beuker
- Barend Beukes
- Aziz Bhimani
- William Blake
- Ruth Bollard
- Richard Boyle
- Andrew Bucknill
- Paul Burton
- Anthony Cadden
- Claire Campbell
- David Carmody
- Venu Chalasani
- Anthony Chambers
- Malinga Chandrasekara
- David Chang
- Abdul Chaudhry
- Christopher Chee
- Derek Chen
- Cheung Yan Cheuk
- Yui Shan Cheung
- David Chin
- Jacob Chisholm
- Jin Cho
- Julian Choi
- Carina Chow
- Jason Chuen
- Neil Cleaver
- Neil Cochrane
- Geoffrey Coughlin
- Terrence Creagh
- Kate Cross
- Istvan Csorgvay
- Tore Dalen
- Balsam Darwish
- Amitabha Das
- Nicola Dean
- Philippe Demers
- Eddy Dona
- Arvind Dubey
- Evan Dyer
- Katherine Edyvane
- Michael Elliott
- Sian Fairbank
- Shihab Faraj
- William Farrington
- Sergey Fedorine
- Antony Field
- Darren Foreman
- Adrian Fox
- Sivakumar Gananadha
- Rebecca Garland
- Juliette Gentle
- Katherine Gibson
- Jenny Gough
- Edward Graham
- Jeremy Grummet
- Kayvan Haghighi
- Mark Hamilton
- Jason Harvey
- Angela Hatfield
- Kaushik Hazratwala
- Wolfgang Heiss-Dunlop
- Peter Heppner
- Alexander Heriot
- Nicola Hill
- Kevin Ho
- Conroy Howson
- Mihaela Hrsicu
- Brian Hsu
- Ravi Huigol
- Sarah Hulme
- Ishaq Hussain
- Pedram Imani
- Tim Iseli
- Brett Jackson
- Paul Jarman
- Benjamin Jeffcote
- Rosalind Jeffree
Deaths of Fellows

Allan Beech
Brian Bolton
Thomas Cannon
Ray Chapman
Alan Clarke
David Clews
Lloyd Coates
Edward Curtis
Joyce Daws
Kiernan Dorney
Derek Farrar
Franklin Gray
Brian Hagan
Alexander Hodge
John Hornbrook
Felix Huber
Francis Keiller
Yew Kuan
Philip Lane
George Laurensen
Robert MacGregor
Alasdair MacKellar
William Maguire
Clifton Maxwell
Gerald Milton
Peter Mortensen
Horace O’Brien
John O’Neill
Charles Poyre
Ronald Rasanyagam
Derek Richmond
Thomas Robertson
Isaac Rosen
Mihir Senapati
Donald Sheldon
Redmond Sheedy
William Shields
Ian Shymack
Keshmanhinder Singh
Mervyn Smith
Sandy Smith
John Stubbings
Geoffrey Taine
Ronald Tingey
Joe Tjandra
Clement Windsor
Honours & Awards 2007

Australia Day Honours
AO
John Hutson
Mary Brooksbank
Alan Farnsworth
David Gillett
John Harris
Anthony House
Peter Malycha
Michael O’Rourke

AM
Charles Butcher
Michael McGlynn
Warner Mooney
Brian Wilson

New Zealand
ONZM
Venkataraman Balakrishnan
David Clews

New Year Honours
MNZM
Patrick Beehan

Queen’s Birthday Honours
AO
Kenneth Donald
AM
Sydney Bell (member of Infection Control Committee)
Robert Fraser
Mark Moore
Albert Shun
Kevin Siu

OAM
John Nettlefold
Charles New
Petar Novakovic
Peter Sharwood

ONZM
James (Rob) Davidson
Colin Hooker
Order of the British Empire OBE
William Gillespie

New Zealand Queen’s Birthday Honours
ONZM
James (Rob) Davidson
Colin Hooker

College Awards 2007

Award for Excellence in Surgery
William Conolly
Leigh Delbridge
Chris O’Brien

Court of Honour
Russell Stitz
Peter Woodruff

RACS Medal
Ross Blair
Tony Hardy
Robert Robertson
Bruce Waxman

RACS International Medal
Alan Gale
John Hargrave

ESR Hughes Award
Michael Baldwin
Randal Sach
Albert Shun
Michael Sugrue

Gordon Trinca Medal
Ian Civil
Daryl Wall

College Supporters

Benefactor List
Richard Bennett
The late Eric Bishop
The late Mrs Marjory Edwards
The late Margorie Hooper
The late Mrs Eugenie Johnston
The late T.D. Kelly
Mr Henry Lumley Esq – the Henry Lumley Charitable Trust and the Edward Lumley Fellowship Fund
The late Sir Roy McCaughhey
The Paul Mackay Bolton Foundation
Gordon Moffatt
Brian Morgan
Elisabeth Morison
Rowan Nicks
William Norman
The late Emeritus Professor Murray Pheils and Mrs Unity Pheils
Mrs Diana Ramsay AO
Francis and Phyllis Thornell-Shell Memorial Trust for Medical Research
The late Alan Worcester
The late Charles Wilson
Elisabeth Unsworth

Sponsors
Ansell
Applied Medical
AstraZeneca
Australian Society of Plastic Surgeons (ASPS) and New Zealand Association of Plastic Surgery (NZAPS)
Centre of National Research on Disability and Rehabilitation Medicine (CONROD) and the Motor Accident Insurance Commission (MAIC)
Commed Linvatec
Goldman Sachs
JBWere
Johnson & Johnson
Kimberly-Clark
Macquarie Hospital Services
Matrix Surgical
MDA National
Medic Vision
Merrill Lynch
Olympus
Ramsay Health Care
Russell Kennedy
Sanofi-Aventis
Smith & Nephew
Sporting Chance Cancer Foundation.
Stryker
Covidien
United Medical Protection

Royal Australasian College of Surgeons
Head Office, College of Surgeons Gardens
Spring Street, Melbourne 3000
Telephone: +61 3 9249 1200
Facsimile: +61 3 9249 1219
Email: college.sec@surgeons.org