Mission Statement

NZMA provides leadership of the medical profession and promotes:

- professional unity and values
- health for all New Zealanders

NZMA:

- advocates on behalf of members and their patients
- develops and maintains the medical profession’s Code of Ethics
- provides support and services to its members
- publishes the New Zealand Medical Journal
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Chair’s Report

First of all I would like to express my thanks to all the senior management team and particularly Lesley, our CEO, for what has been a challenging year with the rebuild of NZMA House. I want to acknowledge their commitment and dedication to NZMA and the members.

Thank you also to the NZMA Board who has shown they are a highly functioning cohesive group with passion, understanding, and a strong desire to improve the health of all New Zealanders through a combination of advocacy, position statements and role modelling.

Thank you to the advisory councils and the senate who make sound recommendations to the board based upon robust discussion and thoughtful comment. They also make a sterling contribution to the many submissions we make, drawn artfully together by our policy writer Sanji Gunasekara.

Thank you to our members without whom we would not exist. We appreciate your responses to the Vital Signs straw polls, your very thoughtful comments when we have asked for your thoughts on various topics, and your contributions on email, both solicited and unsolicited. Without your engagement we are leading without followship; your voices give the NZMA power.

2017 has been a very busy year. Since becoming Chair at the end of May, I have been involved in developing relationships, pre and post-election, with the politicians who are involved and vested in health.

The Minister of Health, David Clark who previously was the

The Opposition Spokesman on Health, who was previously the opposition spokesperson on health, spoke at both GPCME Conferences in Rotorua and Christchurch. Many of the election promises are now being progressed with the tripartite government with the assistance of organisations like the NZMA.

Funding of the health system and in particular our capitation system that, in part, funds primary health care, has basic flaws that are compounded by a lack of (new) investment in health. It is not enough to simply reduce co-payments and make it easier to access care – there needs to be new investment in the way care is delivered both in the community and in hospitals. The Minister of Health has acknowledged the weaknesses in the current system and has indicated a desire for change.

The social determinants of health continue to be a strong area of advocacy for the NZMA, particularly child poverty. It is pleasing that the Government has introduced the Child Poverty Reduction Bill as it is self-evident that improving the conditions in which children grow and live, will result in better health outcomes. Obesity and alcohol consumption are important determinants of health and the NZMA has been vocal in its support for a sugar tax and for reducing the availability of cheap alcohol, along with a suite of other measures as outlined in our policy briefings.

Climate change and the impacts on health, both directly and indirectly, is an important part of our advocacy. We have continued to endorse, support and advocate for a reduction in the use of fossil fuels, amongst other measures, to affect the rate of climate change.

We have been engaged, along with many other organisations, in calling for independent health assessments of any trade agreements to which the government may sign up. The provisions in these agreements regarding the protection of the governments’ health policies need to be rigorously assessed by an independent party in order that the health of New Zealanders is protected into the future.
The Medicinal Cannabis Bill is another area where we have been advocating strongly throughout the year. The medicinal uses to which derivatives of cannabis may be used for legal therapeutic purposes is a far cry from individuals being able to grow and consume their own cannabis for dubious therapeutic reasons.

NZMA plays an active part in the health workforce strategy for New Zealand through its membership of a strategic advisory group that advises the HWNZ Board. It also works closely with Pharmac to look strategically at the future of medicines delivery to patients particularly in the community setting.

Other areas of advocacy have included the Choosing Wisely campaign and supporting its rollout from hospitals to the community.

The final area of advocacy I wish to mention is that of euthanasia and the End of Life Choice Bill also known as the Seymour bill. The NZMA decided on an engagement strategy with you the members in December, starting with circulating the Gillett report to all members and interested stakeholders.

We then proceeded to seek comment on the NZMA position statement and the Seymour Bill, and then finally we undertook a short survey seeking support for the NZMA’s position on this issue and the Seymour Bill. I would like to say thank you to all of you for the overwhelming responses we had – to the short survey and to the request for comment. Your answers will inform and support our hearing to the Select Committee later in 2018.

We will continue in 2018 to advocate strongly on matters of concern to our doctors and to New Zealanders. The health and wellbeing of our members and that of all New Zealanders will always be our reason for being.

Kate Baddock
Chair
Chief Executive’s Report

The New Zealand Medical Association is the voice of the profession advocating for the health of New Zealanders. National Office supports a robust advocacy programme and leadership activities on behalf of our members and the medical profession. We are fulfilling our mission by having strong and effective presence in the sector and in the media, and by engaging with members and stakeholders on the things that matter for the profession and patients.

Advocacy

NZMA has continued its advocacy in policy areas affecting the profession and the health and wellbeing of all New Zealanders. We developed 38 formal submissions in response to policy proposals on matters such as workforce issues, primary care investment, suicide and complementary medicines. The new Government has also generated a flurry of Bills introduced to the House and we have made submissions to Select Committees on medicinal cannabis, euthanasia, child poverty, CPTTP, new-born enrolment and changes to the Heath Practitioner Competence Assurance Act.

We published our Policy Briefing on Improving Health Literacy and we successfully proposed a policy statement on bullying to the World Health Association which was adopted at the WMA General Assembly in Chicago in October. In addition to the Health Literacy briefing we developed and published three position statements: Medicinal Cannabis; Health as an Investment; and Smoke Free New Zealand.

We continue to work with other like-minded organisations to raise awareness of issues of national concern that affect the medical profession and adding our voice to the Royal Australasian College of Physicians consensus statement on climate change and the NZ College of Public Health Medicine policy statement on antimicrobial stewardship and infection control.

We have entered into a formal Memorandum of Understanding with the Nurses Organisation to record a commitment of both organisations to work cooperatively on common issues and unite the professions to strengthen our advocacy. We have also signed a Memorandum of Understanding with Medicines New Zealand for purpose of working together on transparency guidelines.

The NZMA also continues to participate in several working groups and committees including:
- Medical Workforce Taskforce Governance Group – Health Workforce New Zealand
- Professional Behaviour Group – Ministry of Health
- General Practice Leaders Forum
- Health Literacy Sharing Group – Ministry of Health
- Working group on medical issues – ACC

Membership engagement

We continue to engage with our members using our established publications, weekly e-newsletter Vital Signs and regular e-magazine NZMJ Digest as the regular communication channels. The two GPCME conferences are also important engagement opportunities for us to highlight what NZMA offers and bring in membership.
Our social media presence is increasing with an active Facebook for doctors in training and increasing followers in Twitter, all raising awareness of NZMA as a thought leader.

The membership survey conducted last year confirmed again, that the main reason for being a member for a third of our members is to show commitment to the profession. Another third state the main reason is to support the advocacy work NZMA does on issues for the profession and another 15% to support our work to improve the health of New Zealanders.

We will therefore continue to focus resources and expertise on advocacy as the core function of the Association. We will also explore ways to enhance engagement with members in as part of our advocacy activity and seek to promote this work to prospective members and wider audiences.

**Resource management and organisational performance**

In addition to our advocacy services the NZMA offers an array of advice to members covering a range of issues including employment issues, legislative guidance and practice matters. Members value this highly; especially general practice owners and is a well utilised service. NZMA is also the employer representative for the Primary Health Care Multi-Employer Collective Agreement (MECA) that is negotiated with the NZ Nurses Organisation every two years. Many of the requests for assistance from our members relate to employer / employee obligations and entitlements under the MECA.

After several years of low staff turnover, three vacancies arose during the last 12 months: Operations Manager, Communications Manager and Marketing Coordinator. Existing team member Robyn Fell, was able to step up into the Operations Manager role with Tessa O’Brien joining us in June to fill Robyn’s vacancy. More recently Diana Wolken joined us as Communications Manager and Ines McBride as Marketing Coordinator.

Financial performance for NZMA business operations has been positive with an end of year result significantly better than budgeted. We also achieved a positive result for the group - NZMA and our subsidiary companies NZMA Services and NZMA Properties.

**NZMA House**

As noted in recent annual reports, the decision to rebuild NZMA House was made at the end of 2011 and this has continued to be a significant focus for the NZMA Board, me, and staff. This workstream escalated dramatically over the last 24 months and has not diminished post project completion.

We were pleased to finally move to our new offices and officially open our building on 27 February. The ground floor has been leased to La Cloche café who have been doing very good business there since November and we have leased Level 3 to law firm Izard Weston. The two remaining floors are being actively marketed and we are pushing to have them leased in the next couple of months.

In conclusion, I believe the NZMA is well positioned in terms of talent and capability to be effective in the sector and provide value to our membership. Current constraints and non-core business priorities are a limiting factor now but future benefits that will accrue from the investments we have made will resolve this in the longer term.
I would like to record my thanks to the NZMA team for their unflagging commitment to the organisation and our mission. I also would like to express my gratitude to the NZMA Board and Advisory Councils for the important work they do in representing their colleagues and leading the work of our organisation.

Lesley Clarke  
Chief Executive
NZMA Office Bearers 2017

<table>
<thead>
<tr>
<th>Role</th>
<th>Name</th>
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<tbody>
<tr>
<td>Board Chair</td>
<td>Dr Kate Baddock</td>
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<td>Immediate Past Chair</td>
<td>Dr Stephen Child</td>
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<td>President</td>
<td>Dr Pippa Mackay</td>
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<td>Deputy Chair</td>
<td>Professor Harvey White</td>
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<td>Board Members</td>
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<td>Dr Kate Baddock</td>
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<td>Dr Buzz Burrell</td>
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<td>Dr Magnus Cheesman</td>
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<td>Dr Ruth Spearing</td>
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<td>Lesley Clark NZMA CEO, ex officio</td>
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<td>General Practitioner Council Chair</td>
<td>Dr Kate Baddock</td>
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<tr>
<td>Specialist Council Chair</td>
<td>Professor Harvey White</td>
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<tr>
<td>Doctors in Training Council Chair</td>
<td>Dr Magnus Cheesman</td>
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<td>New Zealand Medical Journal Editor</td>
<td>Professor Frank Frizelle</td>
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General Practitioner Council - Dr Jan White (Chair)
Dr Kate Baddock (NZMA chair, ex officio), Dr Buzz Burrell, Dr Anne-Marie Cullen, Dr Bill Douglas, Dr Nina Sawicki, Dr Jocelyn Wood, Lesley Clarke NZMA CEO, ex officio

Specialist Council - Professor Harvey White (Chair)
Dr Kate Baddock (NZMA chair, ex officio), Dr Susanna Every-Palmer (RANZCP), Dr Cathy Ferguson (RACS), Dr Joshua Freeman (NZSA), Dr Sheila Hart (NZSA), Dr Alistair Humphrey, Dr Ian Page RANZCOG, Dr Andrew Tie, Lesley Clarke NZMA CEO, ex officio

Doctors in Training Council - Dr Magnus Cheesman (Chair)
Dr Magnus Cheesman (Chair), Dr Reuben Bennett, Dr Joshua Chamberlain, Jibi Kunnethedam, Dr Rathirajasekaran, Dr Kathryn Rollo, Dr Hazel Wilks

Ethics Committee - Dr Tricia Briscoe (Chair)
Dr Liz Conner, Dr Sinéad Donnelly, Prof Grant Gillett, Dr Wayne Miles, Dr Katharine Wallis, Dr Kate Baddock (Ex Officio), Ms Lesley Clarke (Ex Officio)

NZMA Services Limited Board - Dr Stephen Child (Chair)
Dr Don Simmers, Dr Sam Hazeldine, Lesley Clarke NZMA CEO, ex officio

NZMA Staff 2017
Chief Executive Officer       Lesley Clarke
Communications Manager       Sharon Cuzens
Operations Manager           Robyn Fell
Policy Manager                Dr Sanji Gunasekara
Membership & Database Administrator Julie Hare
Personal Assistant/Administrator Tessa O’Brien
Marketing Co-ordinator        Megan Thomas
NZMJ Production Editor        Rory Stewart
General Practitioner Council

The last 12 months has been a time of transition for the General Practitioner’s Council. I took over the role of chair, two new members were elected and there was a change of government with a Primary Care review on its agenda.

In the first instance I would like to say thank you to the members of the council: Buzz Burrell, Jocy Woods, Bill Douglas, Nina Sawicki and Anne-Marie Cullen who have worked hard and are passionate about general practice and equity for our patients.

Thank you also to the Chair of the NZMA and the NZMA management team who provide support.

For more than the past year, the equity issue, equitable access lack of uniformity across the country and sustainability of general practice have all been concerning. The election year was a good time to air these concerns vociferously. It is with some relief that we seem to have a Minister of Health who is listening and is concerned about the same issues. However, the detail and implementation of the changes necessary to address these issues is bringing its own angst to the sector. It is with some relief that an interim agreement has been reached that in the short term will benefit the patients who need it most and not disadvantage practices.

The next years are uncertain as we face a full review of primary care, so GPC must be vigilant and contribute to any dialogue, via the Board and via our presence in other fora like the GP Leaders Forum.

We have had regular contribution to our meetings from Dr Bryan Betty (Deputy Medical Director Primary Care PHARMAC) and Graham Dyer (Head of Provider services Accident Compensation Corporation). We have continued to lobby ACC with our concerns re its funding of non-evidence-based alternative providers as well as the inequitable funding with rural doctors, urban doctors and accident and medical doctors receiving different amounts for the same job. Currently, we are assured that contracting for GPS is being looked at and that ACC is doing a review of acupuncture treatments.

We have spent some time discussing workforce issues and GP training as well as the large mental health issues in our population. A significant interaction with our members was a straw poll on a name change for GPs. This arose because of the lack of distinction between a GP who has done training through the College (vocationally registered) and those who have not. There was appetite for change, but no clarity on what change was preferred so further information was sought by a second straw poll but the results are not yet to hand. Of course, to change our name is not something we can do on our own, but it would enable us to have open informed dialogue with the College.

Nationally, there has been a significant recent change with the formation of The Federation of Primary Health Care New Zealand, with inaugural and interim chair Dame Annette King. The hope is that this will unite Primary Care Organisations and advocate for best models of care. NZMA was represented at the Federation’s formative meeting on 16 February.

The existing organisations—General Practice New Zealand and Primary Health Alliance—will stay intact for the next six months but it is anticipated they will then be wound down and replaced by the Federation.
NZMA has no representation on the Federation but a Federation member will now sit at GPLF and that is where we will continue to have influence.

Jan White
GPC Chair
Specialist Council

I am pleased to give this report and to express my thanks to the members of the council. The Specialist Council met on 8 March and 6 December in Wellington and on 3 August via video conference in 2017.

It is terrific to see the opening of the new building and it was gratifying to see a Specialist, Dr Innes Asher receive the Chair’s award and Wayne Miles receive a Fellowship.

There are a number of issues facing specialists. These issues include an under-funded health service and, in relation to need, a diminishing workforce. We are also faced with important issues such as bullying and sexual harassment.

On a pan-professional framework, we have supported strong advocacy on public health issues such as equity, obesity, the need for a sugar tax, climate change and antibiotic resistance. In respect of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) we have also strongly supported the need for an independent health enquiry and limitation on Investor State Dispute Settlement (ISDS) provisions for health.

Specialists have been very active with input to the numerous submissions that the NZMA has made. It is gratifying to see the Specialist Council continues to have an important role within the NZMA. This enables the NZMA to represent the views of specialists and to provide a strong political voice for specialists.

We are extremely grateful for the NZMA office and their outstanding work.

I would like to thank the members of the Specialist Council for their on-going support and contribution. I am honoured to be the Chair and look forward to continuing the progress the Specialist Council has made in representing specialists.

Professor Harvey White
Chair Specialist Council
Doctors-in-Training Council

Since our last AGM the Doctor’s in Training Council (DiTC) we have met twice through video-conferencing, and twice in face-to-face meetings. This is apart from our attendance at the Trainee Forum, NZMA annual functions and the Chair’s attendance at the Combined GPC/SCC Council meeting in December. We continue to meet regularly in both face to face meetings, but moved towards videoconferencing for ease of logistics.

Our key focuses for action and advocacy are based on direct input from members, invitations from external groups, historical responsibilities and information gleaned from our membership surveys. Please do remember to complete your membership survey and contribute to our focus for 2018. We welcome your comments and feedback.

Trainee Forum 2017
After the success of the Trainee Summit in 2016, Council was approved by the NZMA Board to proceed with a reboot of the formerly annual event: The DiTC Trainee Forum. This event was held in November, and was well attended by representatives from 13 of the specialty training colleges. It allowed useful discussion and comparison of what was working well, and what challenges were faced by different specialty schemes.

The event has promoted stronger networking between the colleges, as well as with the DiTC to promote stronger representation and collaboration. Representative speakers attended from groups including the Ministry of Health, the Health Quality and Safety Commission, the Professional Behaviours Taskforce and Health Workforce New Zealand. Professor Papaarangi Reid also attended as the keynote speaker.

Feedback from the event was positive, and Council looks forward to facilitating future similar events for the College representatives.

Teaching Awards
2017 saw the successful launch of the Teaching Awards proposed by Council in 2016. These awards were founded to recognise the innovation, leadership, and commitment to professionalism displayed by a group engaging in what is often an unrecognised role.

The awards recognise one Resident Medical Officer and one Senior Medical Officer/ General Practitioner Fellow as having worked in an exemplary fashion to promote better teaching for their Junior colleagues. From the over 150 nominees this year the award winners were: RMO award: Dr Aaron Ooi and GP Fellow award: Dr Helen Pike. Council looks forward to a continued excellent number of worthy nominations for the awards again this year.

New Zealand Medical Students Association Board Membership:
DiTC supported an NZMSA bid for a permanent student representative to sit on the NZMA Board. This is in addition to existing student input indirectly through permanent membership on the DiTC. We look forward to the impact this stronger link with the future members of our profession may afford.

Handover of DiTC Roles:
Some months after the last annual general meeting in August of last year, the then Council Chair, Dr Deborah Lambie, stepped down to pursue other goals with Dr Magnus Cheesman Deputy Chair selected by Council as her successor.
Dr Reuben Bennet, our former Post Graduate Year 1 (PGY1) representative for 2017 reached the end of his term, and is succeeded by Dr Hazel Wilks, our representative for 2018. The election results this year will serve to elect members to replace the expired terms of Dr Joshua Chamberlain, and Dr Emma Powell.

We are grateful for the contributions of our former councillors and wish them all the best in their future endeavours.

Magnus Cheesman  
DiTC Chair

Interaction/ Representation with Governance and Working Groups:

**ACE RMO Placement Scheme Reference Group**: As collaborators in the establishment of this scheme DiTC continues to enjoy representation in the supervision of this project.

**Australian Medical Association DiTC**: DiTC was pleased to collaborate with our contacts in the AMA when working through the difficulties faced by Physician Trainees in the fallout of the recent failure of electronic examination software.

**DiTC input into NZMA submission/ contributions to NZMJ Digest**: DiTC has enjoyed regular contributions to all submissions put forward for comment prior to final editing and release from the NZMA Board. We also have continued input to NZMJ Digest, through our monthly “Frontlines” articles.

**Health Workforce New Zealand (HWFNZ) Workforce Planning Group**: DiTC is pleased to remain active members of this group, advocating on behalf of trainees for training opportunities and clear communication of the expected landscape for training in future.

**HQSC Deteriorating Patient Taskforce**: DiTC remains connected to this project as the main RMO point of contact for feedback on this project which is overseeing the implementation of our new national Early Warning Score systems.

**MCNZ Working Groups**: Specifically this year we have had input into groups reviewing process for Multisource Feedback, and into the final meeting of the first review of prevocational training changes. We look forward to having input into the new project this year established to review the specifics of the prevocational e-port assessment criteria.
MPS Auckland Workshops Trial: NZMA organised and promoted a series of workshops in collaboration with MPS in Auckland Central DHB. This was to promote greater awareness of how to deal with complaints and what risk of indemnity means to a doctor in training.

Professional Behaviours Taskforce: a group that will now report to the leadership of the HWFNZ advisory group. DiTC is pleased to have continued input into this group that was formed to address bullying and unprofessional behaviours in the workplace.

World Junior Doctors Network: DiTC remains the key point of contact for our local representation to the JDN.
New Zealand Medical Journal and Digest

2017 marked 130 years of publication of the NZMJ. Though the content and form have changed, the role has been maintained. The New Zealand Medical Journal continues to be a focus for presentation of medical research and opinions that help shape the New Zealand health landscape.

In 2017 we again published 20 editions of the NZMJ and 10 editions of the Digest. We had 468 new submissions in 2015 (355 in 2012, 558 in 2013, 498 in 2014, and 544 in 2015, 473 in 2016) and several hundred resubmissions. Most submissions came from New Zealand (343), however a considerable number came from a wide variety of countries: Australia (16), Canada (12), India (43), Japan (3), Iran (3), China (4), Pakistan (2), Singapore (2), Saudi Arabia (92), Turkey (3), United Kingdom (9) and US (16). Most months we have about 40 submissions, however May was the peak month with 61 submissions.

Following peer review, we published 123 original articles, 27 viewpoints and 47 letters, supported by 33 editorials, as well as the usual other items such as clinical correspondence, obituaries and notices etc.

Manuscript handling times continue to be a focus of attention with 666 manuscripts handled in 2017 (new and resubmitted) taking an average of 36 days to review with an average manuscript handling time of 44 days.

Staff changes
There were no major staff changes during 2017, and Rory Stewart (production editor) settled into what is a busy role with the NZMJ and Digest production.

Editorial board changes
The editorial board consists of Dr Kiki Maoate (Associate Dean Pacific University of Otago, Christchurch), Professor Lutz Beckett (Physician Christchurch), Professor Mark Weatherall (Physician Wellington) Professor Roger Mulder (Psychiatry Christchurch) and Professor Jenny Connor (Public Health, Dunedin). Professor Connor has asked that she be replaced his year and plans are afoot for such. She has done an excellent job with the NZMJ over a long period and I am sorry to see her move on.

Impact factor
Impact factors are used to rank journals and are based on counting how often a published article is cited. It is a controversial measure and claimed to be open to manipulation by big journals influencing the numerator/denominator factors. When we changed to the e-journal we lost the impact factor of the print journal and it has taken some time to get this sorted (this was a topic of an editorial in NZMJ a few years ago).

RG Journal Impact: 0.48*

*This value is calculated using ResearchGate data and is based on average citation counts from work published in this journal. The data used in the calculation may not be exhaustive.

RG Journal impact history

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<tr>
<td>2002 RG Journal impact</td>
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We appear have disappeared yet again from the Thomson-Reuters system despite positive comments from them a year ago and some initial statistics. This has been a recurring problem that I have not managed to resolve.

Richard Robinson award
This is an award we give most years, and this year we would recommend it be awarded to a clinically relevant manuscript: *Psychosocial enhancement of the Green Prescription for obesity recovery: a randomised controlled trial* by Doug Sellman, Ria Schroder, Daryle Deering, Jane Elmslie, James Foulds, Chris Frampton published in the NZMJ on 17th February 2017, Volume 130 Number 1450.

ICMJE
The ICMJE meeting was in Copenhagen in November 2017. As usual the uniform requirements for medical publishing were revised. The ICMJE reviewed progress on data sharing and discussed the obstacles to progressing this. Further progress on this pressing topic was made and a further statement can be expected from the ICMJE on this topic within a couple of months. The meeting for 2018 will be in England in October.

The NZMJ continues to publish quality New Zealand-focused health care research. It is pleasing also to see the local media interested and engaged with the journal in their regular reporting of what we publish.

Frank Frizelle
*Editor-in-Chief*
*New Zealand Medical Journal*
NZMA Ethics Committee

March – April 2017
The Ethics Committee (Committee) gave comment to the NZMA Board on the Medical Council of New Zealand’s Consultation for Research on Patients Who are Unable to Provide Consent. The Committee recommended that New Zealand should follow international standards, well expressed in The Declaration of Helsinki - Ethical Principles for Medical Research Involving Human Subjects. Incompetent patients “should not be included in research unless the research is necessary to promote the health of the population represented and this research cannot instead be performed on legally competent persons.” Researchers must have good reason to believe that any risks to individual participants are negligible, will not significantly impact their freedom or privacy, and will not be unduly invasive or restrictive.

May 2017
Committee provided feedback to the Board about the World Medical Association’s proposed changes to the Declaration of Geneva.

I spoke at the NZMA May 2017 AGM on proposed amendments to the Constitution of the NZMA and their relationship to the NZMA’s Code of Ethics and advice from the World Medical Association. I discussed the importance of maintaining and strongly protecting the ability of the New Zealand Medical Association to speak out in support of what is best for our patients and our community. Medical Ethics must never be bound by legislation, government action or any other administration.

In 2017, Grant Gillett Professor of Biomedical Ethics, Otago University completed “A Report on Euthanasia for the NZMA”, which was commissioned to update the NZMA on the ethical arguments and other relevant matters that affect the medical profession. The Committee met by teleconference to discuss the report on 31 July 2017 and believes this independent report is an excellent resource for both the profession and the public. It will aid doctors and others to understand the position the NZMA has on euthanasia.

July 2017
Committee provided comment to the NZMA Board regarding the Pharmacy Council’s proposed amendments to their Code of Ethics on the provisions on complementary and alternative medicine. The Committee’s opinion was that pharmacists should adhere to the same standards that we expect of doctors when considering recommending CAM.

Ethics Committee of the New Zealand Dental Association

I have continued to act as an advisor for the Ethics Committee of the New Zealand Dental Association. This committee gave opinions to the Dental Association’s executive regarding dentists undertaking tongue tie release procedures where the diagnosis of a lactation problem was outside the general dental scope of practice, concern about proper informed consent, and the ethical use of social media.

My thanks to my fellow committee members for their valued input to these diverse topics, and to the NZMA National Office staff, particularly Sanji Gunasekara and Lesley Clarke, for their indispensable help.
Submissions in 2017

April 2018
Government Tax Working Group Secretariat
*Submission to Tax Working Group as it considers proposals to improve the tax system.*

New Zealand Parliament - Foreign Affairs, Defence and Trade Select Committee
*International treaty examination of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership*

New Zealand Parliament Health Select Committee
- *Health (National Cervical Screening Programme) Amendment Bill*
- *Health Practitioners Competence Assurance Amendment Bill*

New Zealand Parliament – Justice Select Committee
*Psychoactive Substances (Increasing Penalty for Supply and Distribution) Amendment Bill*

PHARMAC
- *Proposal to remove the funding restrictions for candesartan*
- *Proposal to fund rivaroxaban*

World Health Organisation
*WHO draft declaration on primary health care*

TAS - an organisation that provides expertise and services to District Health Boards
*Proposed Integrated Pharmacist Services in the Community Agreement*

March 2018
New Zealand Parliament Health Select Committee
- *Misuse of Drugs (Medicinal Cannabis) Amendment Bill*
- *Health Practitioners Competence Assurance Amendment Bill*

New Zealand Parliament Social Services and Community Committee
*Child Poverty Reduction Bill*

The Royal Australian and New Zealand College of Radiologists
*Position Statement on Image Interpretation by Radiographers*

The Royal Australasian College of Physicians
*RACP position statement and evidence review on obesity*

February 2018
New Zealand Parliament – Justice Select Committee
*End of Life Choice Bill*

New Zealand Parliament Health Select Committee
*Newborn Enrolment with General Practice Bill*
Medsafe
- How to change the legal classification of a medicine in New Zealand
- Observers at Ministerial Advisory Committee Meetings

January 2018
World Medical Association
*Feedback on WMA working documents*

September 2017
PHARMAC
*Proposal to fund zoster vaccine*

Medical Council of New Zealand
*Review of statement on complementary and alternative medicine*

Australian Medical Council
*Standards review for primary medical programmes*

August 2017
PHARMAC
- Proposal to widen access to ciprofloxacin eye drops
- Diabetes management products
- *Change of access to funded Nicotine Replacement Therapy and the Emergency Contraceptive Pill*
- Code of Ethics Review
- Proposal to change aripiprazole access and brand

July 2017
PHARMAC
*Changes to the presentation of the Pharmaceutical Schedule*

Medsafe
- Proposed reclassification of fentanyl and the scheduling of specified precursor substances for fentanyl
- Proposed scheduling of flubromazolam as a Class C1 controlled drug

General Practice New Zealand
*EOI for National Primary Care Data Warehouse*

June 2017
Health Workforce New Zealand
*Regulating the paramedic workforce under the Health Practitioners Competence Assurance (HPCA) Act 2003*

Ministry of Health
*A Strategy to Prevent Suicide in New Zealand*

PHARMAC
*Iron infusions in the community*
May 2017
Word Health Organisation
Draft revised version of the Declaration of Geneva

New Zealand Parliament - Minister of Trade
Health Impact Assessment for Trans Pacific Partnership Agreement

Health Workforce New Zealand
- Post-Entry Training of New Zealand’s future health workforce: proposed investment approach
- Proposal for oral health therapy to be a profession under the HPCA Act

Ministry of Business Innovation and Employment
New practitioners for registered health professional and treatment provider definitions
Obituaries

We acknowledge each of the following doctors and members of the New Zealand Medical Association for the work they have done and record with regret their passing.

Dr Duncan Dartrey Adams
Dr Archibald John Campbell
Dr Herbert Bramwell Cook
Dr Simon Cotton
Dr Ransford George Kerr De Castro
Dr Judith Dawn Donnell
Dr Ronald William Ensor
Dr Keith Edward Debney Eyre
Dr Herbert George Feltham
Dr Campbell Munro Hockin
Dr John Samuel Hopkirk
Dr Patrick Robert Kelleher
Dr Nagalingam Rasalingam
Dr William Murray Sare
Dr John Joseph Valentine
Dr Milton Walters
Dr John Bruce Russell Wells
Dr Judy Ann David Wilson.
NZMA Affiliates 2017

American Medical Association
Association of Catholic Doctors
Australasian College for Emergency Medicine
Australian and New Zealand Association of Urological Surgeons
Australian and New Zealand College of Anaesthetists
Australian Medical Association
Aviation Medical Society of New Zealand
British Medical Association
Cardiac Society of Australia and New Zealand
Confederation of Medical Associations of Asia and Oceania (CMAAO)
Doctors for Sexual Abuse Care
Health Improvement and Innovation Resource Centre
Health Quality and Safety Commission
Institute of Australasian Psychiatrists
Medical Acupuncture Society of New Zealand
New Zealand Association of Musculoskeletal Medicine
New Zealand College of Appearance Medicine
New Zealand Dermatological Society
New Zealand Doctors for Life
Family Planning
New Zealand Orthopaedic Association
New Zealand Pain Society
New Zealand Rheumatology Association
New Zealand Sexual Health Society
New Zealand Society of Anaesthetists
New Zealand Society of Gastroenterology
New Zealand Society of Otolaryngology/Head and Neck Surgery
Pasifika Medical Association
Royal Australasian College of Physicians
Royal Australasian College of Surgeons
Royal Australian and New Zealand College of Obstetricians and Gynaecologists
Royal Australian and New Zealand College of Psychiatrists
Royal Australian and New Zealand College of Radiologists
Royal Australian and New Zealand College of Ophthalmologists
Royal College of Pathologists of Australasia
Royal New Zealand College of General Practitioners
Rural General Practice Network
Sports Medicine New Zealand
World Medical Association
Confederation of Medical Associations of Asia and Oceania (CMAAO)
NZMA Members Services and Benefits

**Advisory Service**
NZMA offers comprehensive advice to members on a variety of issues, ranging from staff employment to running a general practice.

More information on the NZMA Advisory Service, and copies of our publications are available in the members only section on the NZMA website.

**Membership Benefits**
Following is the list of current NZMA financial membership benefits - updated on a regular basis and correct at date of publication:

- **Accor Plus** offers NZMA members a minimum discount of $56 on Accor Plus Membership
- **Accuro Health Insurance** offers 5% discount on SmartCare and SmartCare+ plans for current NZMA members and 12 months FreeStart health benefits at no cost for new doctor members and trainee intern members
- **Air New Zealand Koru Club** offers corporate rates for Koru Club individual membership
- **Avis Rent a Car** offers corporate rates on car rental at locations throughout NZ and earn points towards your choice of a range of reward programmes
- **Beaurepaires** – gives up to 20% off Michelin, Dunlop and Good Year tyres and 10% off Wheel Alignments
- **Cherrytree** gives new members and their family a $200 gift voucher when joining, as well as a reduced annual renewal fee
- **FearFree security and safety management** offers support and assistance on risk mitigation, security reviews and conflict awareness workshops
- **Jetts** offer a reduced joining fee and weekly fee at any Jetts fitness centre nationwide
- **KeepItSafe Data Security** offers a 10% discount off the normal subscription rates for secure online backup of your medical practice.
- **Medical Financial Advisory Services Ltd – MFAS** offers a free review to members and a financial plan worth $1,500 for members
- **Medicus Indemnity New Zealand Inc** offers members a 10% discount on annual premium charges for medical indemnity insurance.
- **MSIG Pre-employment Screening and Theft Investigation** provides a comprehensive pre-employment screening service at an exclusive discount rate for members
- **Noel Leeming** gives members exclusive prices on everything in store
- **NRC Debt Collecting Package** Offer a competitive rate to members per debtor and easy online access service
- **New Zealand Office Supplies and members** Receive discounts on stationary and office supplies, and free shipping on all orders regardless of destination/value
- **NZForex** where members can receive and transfer funds internationally with no transaction fees and at a more competitive rate than banks
- **NZMA GP CME Conferences** offers a $150 discount on full registration to the GP CME conferences in Rotorua and Christchurch
NZMA Wine Club with Discounts on selected quality NZ and imported wines through the NZMA online wine club

Petals Florist Online with NZMA members receiving a 10% discount on flower and gift orders

Rothbury Wilkinson Legal Expenses Insurance offers a 15% discount off premiums for legal expenses insurance (policy underwritten by Lumley’s)

Volvo offers exclusive discounts for members of 8-12% on most models

Westpac’s long partnership with the NZMA supports the financial wellbeing of New Zealand’s medical professionals and provides our members with a range of benefits, aimed at giving value across your business, merchant and personal banking needs.
Independent Auditor’s Report

To the Members of New Zealand Medical Association Incorporated

Report on the Consolidated Performance Report

Opinion

We have audited the consolidated performance report of New Zealand Medical Association Incorporated ("Association") on pages 6 to 20, which comprises the entity information, the statement of service performance, the consolidated statement of financial performance and consolidated cash flow statement for the year ended 30 September 2017, the consolidated statement of financial position as at 30 September 2017, and notes to the consolidated performance report, including statement of accounting policies and other explanatory information.

In our opinion:

a) the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable;

b) the accompanying consolidated performance report presents fairly, in all material respects:

- the entity information for the year then ended;
- the statement of service performance for the year then ended; and
- the consolidated financial position of the Association as at 30 September 2017 and its financial performance, and cash flows for the year then ended

in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board.
Basis for Opinion
We conducted our audit of the consolidated statement of financial performance, consolidated statement of financial position, consolidated cash flow statement, consolidated statement of accounting policies and notes to the consolidated performance report in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)), and the audit of the entity information and statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Performance Report section of our report. We are independent of the Association in accordance with Professional and Ethical Standard 1 (Revised) Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Association.

Material Uncertainty Related to Going Concern
We draw attention to Note 12 in the consolidated performance report, which indicates that the Association made a surplus of $66,339 during the year ended 30 September 2017 but, as of that date, the Association’s current liabilities exceeded its current assets by $4,027,454. These events or conditions, along with other matters as set forth in Note 12, indicate a material uncertainty exists that may cast significant doubt on the Association’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Responsibilities of the Board Members for the Consolidated Performance Report
The Board Members are responsible for:

(a) identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance;

(b) the preparation and fair presentation of the consolidated performance report on behalf of the entity which comprises:

- the entity information;
- the statement of service performance; and
- the consolidated statement of financial performance, consolidated statement of financial position, consolidated cash flow statement, statement of accounting policies and notes to the consolidated performance report

in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board, and
(c) for such internal control as the Board Members determine is necessary to enable
the preparation of the performance report that is free from material misstatement,
whether due to fraud or error.

In preparing the consolidated performance report, the Board Members are responsible on
behalf of the Association for assessing the Association’s ability to continue as a going
concern, disclosing, as applicable, matters related to going concern and using the going
concern basis of accounting unless the Board Members either intend to liquidate the
association or to cease operations, or have no realistic alternative but to do so.

Auditor’s Responsibilities for the Audit of the Consolidated Performance Report
Our objectives are to obtain reasonable assurance about whether the consolidated
performance report is free from material misstatement, whether due to fraud or error, and
to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of
assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and
ISAE (NZ) 3000 (Revised) will always detect a material misstatement when it exists.
Misstatements can arise from fraud or error and are considered material if, individually or in
the aggregate, they could reasonably be expected to influence the economic decisions of
users taken on the basis of this consolidated performance report.

As part of an audit in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised), we
exercise professional judgement and maintain professional scepticism throughout the audit.
We also:

- Identify and assess the risks of material misstatement of the consolidated
  performance report, whether due to fraud or error, design and perform audit
  procedures responsive to those risks, and obtain audit evidence that is sufficient
  and appropriate to provide a basis for our opinion. The risk of not detecting a
  material misstatement resulting from fraud is higher than for one resulting from
  error, as fraud may involve collusion, forgery, intentional omissions,
  misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design
  audit procedures that are appropriate in the circumstances, but not for the purpose
  of expressing an opinion on the effectiveness of the Association’s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of
  accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of the use of the going concern basis of
  accounting by the Board Members and, based on the audit evidence obtained,
  whether a material uncertainty exists related to events or conditions that may cast
  significant doubt on the Association’s ability to continue as a going concern. If we
  conclude that a material uncertainty exists, we are required to draw attention in our
  auditor’s report to the related disclosures in the consolidated performance report
  or, if such disclosures are inadequate, to modify our opinion. Our conclusions are
  based on the audit evidence obtained up to the date of our auditor’s report.
However, future events or conditions may cause the Association to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated performance report, including the disclosures, and whether the consolidated performance report represents the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures to obtain evidence about and evaluate whether the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable.

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

**Restriction on use of our report**

This report is made solely to the Association’s Members, as a body. Our audit work has been undertaken so that we might state to the Association’s Members, as a body, those matters which we are required to state to them in our audit report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Association and its Members, as a body, for our audit work, for this report or for the opinion we have formed.

Grant Thornton New Zealand Audit Partnership

Grant Thornton

N Keddie
Wellington
14 March 2018
Consolidated Performance Report
New Zealand Medical Association Incorporated
For the Year Ended 30 September 2017

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<td>Approval of Performance Report</td>
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<td>Statement of Service Performance</td>
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<td>Consolidated Statement of Financial Performance</td>
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<td>Consolidated Statement of Financial Position</td>
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<td>Consolidated Cash Flow Statement</td>
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<td>Statement of Accounting Policies</td>
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<td>Consolidated Notes to the Performance Report</td>
<td>14</td>
</tr>
</tbody>
</table>
Entity Information
New Zealand Medical Association Incorporated
For the year ended 30 September 2017

Legal Name of Entity
New Zealand Medical Association Incorporated

Entity Type and Legal Basis
Registered Charity and Incorporated Society

Registration Number
CC37908 Charity Registration
646924 Incorporated Societies

Entity's Purpose or Mission
The NZMA promotes leadership of the medical profession, and promotes:
• professional unity and values, and;
• the health of all New Zealanders.

The key roles of the NZMA are: to provide advocacy on behalf of doctors and their patients.
• to provide support and services to members and their practices,
• to publish and maintain the Code of Ethics for the profession,
• to publish the New Zealand Medical Journal.

Entity's Structure
New Zealand Medical Association Incorporated - parent.
NZMA Services Limited - subsidiary.
NZMA Properties Limited - subsidiary.
Governed by Board members.

Main Sources of Entity's Cash and Resources
Membership subscriptions.

Main Methods Used by Entity to Raise Funds
Recruiting and retaining members.

Entity's Reliance on Volunteers and Donated Goods or Services
There are no volunteers or donated goods or services.

Physical Address
Lt 13, Greenock House, 39 The Terrace, Wellington Central, Wellington 6011

Postal Address
PO BOX 156, Wellington, New Zealand, 6140
Approval of Consolidated Performance Report
New Zealand Medical Association Consolidated Incorporated
For the year ended 30 September 2017

The Board are pleased to present the approved consolidated performance report including the historical consolidated performance report of New Zealand Medical Association Incorporated for year ended 30 September 2017.

APPROVED

K. Baddock
Chairperson

Date: 14 March 2018

Ms L Clarke
Chief Executive Officer

Date: 14 March 2018
Statement of Service Performance
New Zealand Medical Association Incorporated
For the year ended 30 September 2017

The NZMA is the country's foremost pan-professional medical organisation. It is the largest medical organisation in New Zealand, and our members come from all disciplines within the medical profession, and include specialists, general practitioners, doctors-in-training and medical students. Membership is voluntary.

The Role of NZMA

The NZMA exists to promote the profession of medicine, and the health of New Zealanders. This is reflected in the Association's Mission Statement which reads:

The New Zealand Medical Association provides leadership of the medical profession and promotes:

- Professional unity and values, and
- The health of all New Zealanders.

Description and Quantification of Entity's Outcomes

Advocacy

NZMA has a role in the development of health policy, including matters of public health. The NZMA frequently makes submissions on health policy and is often called on by the media to comment on proposed health care strategies such as those relating to obesity/diabetes, reducing alcohol consumption and care of the aged. We see advising on general health issues as one of our key responsibilities and have developed strong policy position statements on such matters in order to better inform the public of the medical issues surrounding these matters. The NZMA also champions health equity and the need to address social determinants to better support vulnerable people and communities.

In the last year we have:

- Made 55 formal submissions. The submissions were across a wide range of topics and made in response to the Ministry of Health and other health agency discussion documents and Government bills.
- Developed a public health position statement: 'Taxes on Sugar-Sweetened Beverages'.
- Developed a resource for doctors and medical students: 'Medical Images and the use of personal mobile devices'.

The NZMA is a member of many working groups and committees including:

- Primary Care Sector Leadership - social investment.
- Community Based Attachments Management Group.
- Children's Action Plan - workforce advisory group.
Statement of Service Performance

- Children’s Action Plan - workforce advisory group
- Health Workforce New Zealand Bullying taskforce
- Medical workforce taskforce governance group
- Preclinical training implementation review
- Ageing Senior Medical Officers working group
- Medicines Classification Committee.

Education

The NZMA advances the education of the medical profession through:

The publication of the New Zealand Medical Journal (NZMJ). The NZMJ is essential in educating the medical profession in respect of current research in medical issues.

- 20 issues were published last year, containing over 110 original articles.

The publication of the Code of Ethics for the Medical Profession. This Code sets out the ethical standards required by doctors practising in New Zealand. The Code is recognised by the Medical Council of New Zealand and the Health and Disability Commission.

- The Code is sent to all doctors when they receive their Medical Council registration for the first time and all medical students. We sent over 1500 copies of the Code of Ethics to newly registered doctors and medical students last year.

The Doctors in Training Council Trainee Summit was held in 2016 with over 50 trainee interns and resident medical officers attending.

The publication of the NZMJ Digest.

Financial Support and Donations

In the last year:

$67,000 was donated from the NZMA Benevolent fund to doctors and their families in financial need or

Six doctors and medical students received financial support from the NZMA Leadership Fund.
Consolidated Statement of Financial Performance

New Zealand Medical Association Incorporated
For the year ended 30 September 2017

'How was it funded?' and 'What did it cost?'

<table>
<thead>
<tr>
<th>Account</th>
<th>Notes</th>
<th>2017 $</th>
<th>2016 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Donations, fundraising and other similar revenue</td>
<td>1</td>
<td>168,468</td>
<td>129,541</td>
</tr>
<tr>
<td>Fees, subscriptions and other revenue from members</td>
<td>1</td>
<td>1,288,822</td>
<td>1,315,227</td>
</tr>
<tr>
<td>Revenue from providing goods or services</td>
<td>1</td>
<td>153,462</td>
<td>249,664</td>
</tr>
<tr>
<td>Interest, dividends and other investment revenue</td>
<td>1</td>
<td>10,976</td>
<td>28,661</td>
</tr>
<tr>
<td>Benevolent Fund Income</td>
<td>1</td>
<td>51,049</td>
<td>49,864</td>
</tr>
<tr>
<td>Total Revenue</td>
<td></td>
<td>1,672,790</td>
<td>1,763,657</td>
</tr>
<tr>
<td>Expenses</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Volunteer and employee related costs</td>
<td>2</td>
<td>1,022,602</td>
<td>1,025,067</td>
</tr>
<tr>
<td>Costs related to providing goods or service</td>
<td>2</td>
<td>363,740</td>
<td>420,026</td>
</tr>
<tr>
<td>Other Expenses</td>
<td>2</td>
<td>156,901</td>
<td>417,741</td>
</tr>
<tr>
<td>Benevolent Fund Expenses</td>
<td>2</td>
<td>63,257</td>
<td>61,078</td>
</tr>
<tr>
<td>Total Expenses</td>
<td></td>
<td>1,605,910</td>
<td>1,924,924</td>
</tr>
<tr>
<td>Surplus/(Deficit) for the Year</td>
<td></td>
<td>66,639</td>
<td>(191,787)</td>
</tr>
</tbody>
</table>

This statement has been subject to audit and must be read in conjunction with the attached Audit Report and Notes to the Consolidated Performance Report.
# Consolidated Statement of Financial Position

New Zealand Medical Association Incorporated  
As at 30 September 2017  

"What the entity owns?" and "What the entity owes?"

<table>
<thead>
<tr>
<th>Account</th>
<th>Notes</th>
<th>2017 $</th>
<th>2016 $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank accounts and cash</td>
<td>3</td>
<td>513,285</td>
<td>1,012,593</td>
</tr>
<tr>
<td>Debtors and prepayment</td>
<td>3</td>
<td>82,623</td>
<td>214,286</td>
</tr>
<tr>
<td>Total Current Assets</td>
<td></td>
<td>595,908</td>
<td>1,226,879</td>
</tr>
<tr>
<td><strong>Non-Current Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, Plant and Equipment</td>
<td>5</td>
<td>6,805,209</td>
<td>3,118,396</td>
</tr>
<tr>
<td>Investments</td>
<td>3</td>
<td>925,219</td>
<td>305,519</td>
</tr>
<tr>
<td>Total Non-Current Assets</td>
<td></td>
<td>7,730,428</td>
<td>3,423,915</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td></td>
<td>8,326,436</td>
<td>4,670,803</td>
</tr>
</tbody>
</table>

| Liabilities                                  |       |          |          |
| **Current Liabilities**                      |       |          |          |
| Creditors and accrued expenses               | 4     | 96,944   | 352,029  |
| Employee costs payable                      | 4     | 110,138  | 85,085   |
| Consolidated Statement of Accounting Policies| 4     | 4,426,276|          |
| Total Current Liabilities                    |       | 4,633,362| 438,024  |
| **Non-Current Liabilities**                  |       |          |          |
| Building Loan                                | 4     |          | 596,044  |
| Total Non-Current Liabilities                |       |          | 596,044  |
| **Total Liabilities**                        |       | 4,633,362| 1,034,068|

| **Total Assets Less Total Liabilities (Net Assets)** |       | 3,702,074| 3,636,735|

**Accumulated Funds**                             |       |          |          |
| Accumulated surpluses                         | 6     | 2,699,822| 2,751,076|
| Reserves                                      | 6     | 87,052   | 685,403  |
| Total Accumulated Funds                       |       | 3,786,874| 3,436,479|

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This statement has been subject to audit and must be read in conjunction with the attached Audit Report and Notes to the Consolidated Performance Report.

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Page 11 of 20
Consolidated Statement of Cash Flows  
New Zealand Medical Association Incorporated  
As at 30 September 2017

<table>
<thead>
<tr>
<th>Account</th>
<th>2017 $</th>
<th>2016 $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash Flows from Operating Activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Donations, fundraising and other similar receipts</td>
<td>258,525</td>
<td>29,185</td>
</tr>
<tr>
<td>Fees, subscriptions and other receipts from members</td>
<td>1,289,622</td>
<td>1,315,227</td>
</tr>
<tr>
<td>Receipts from providing goods or services</td>
<td>153,402</td>
<td>254,818</td>
</tr>
<tr>
<td>Interest, dividends and other investment receipts</td>
<td>10,916</td>
<td>29,661</td>
</tr>
<tr>
<td>Cash received from other operating activities</td>
<td>51,049</td>
<td>49,864</td>
</tr>
<tr>
<td>Payments to suppliers and employees</td>
<td>(1,624,412)</td>
<td>(1,383,206)</td>
</tr>
<tr>
<td><strong>Total Cash Flows from Operating Activities</strong></td>
<td>238,424</td>
<td>285,240</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Cash Flows from Investing and Financing Activities</strong></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Payments to acquire property, plant and equipment</td>
<td>(3,387,964)</td>
<td>(1,894,376)</td>
</tr>
<tr>
<td>Payments to purchase investments</td>
<td>(600,000)</td>
<td>1,332,567</td>
</tr>
<tr>
<td>Bequest Fund</td>
<td>-</td>
<td>422,825</td>
</tr>
<tr>
<td>Cash Flows from Other Investing and Financing Activities</td>
<td>3,830,233</td>
<td>666,044</td>
</tr>
<tr>
<td><strong>Total Cash Flows from Investing and Financing Activities</strong></td>
<td>(737,732)</td>
<td>457,188</td>
</tr>
</tbody>
</table>

| **Net Increase (Decrease) in Cash**                   | (499,308) | 742,420 |

<table>
<thead>
<tr>
<th><strong>Cash Balances</strong></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents at beginning of period</td>
<td>1,012,593</td>
<td>276,173</td>
</tr>
<tr>
<td>Cash and cash equivalents at end of period</td>
<td>513,285</td>
<td>1,012,593</td>
</tr>
</tbody>
</table>

| **Net change in cash for period**                     | (499,308) | 742,420 |

---

This statement has been subject to audit and must be read in conjunction with the attached Audit Report and Notes in the Consolidated Performance Report.
Consolidated Statement of Accounting Policies
New Zealand Medical Association Incorporated
For the year ended 30 September 2017

Nature of Entity
The consolidated performance report presented here is for New Zealand Medical Association Incorporated and subsidiaries, NZMA Services Ltd and NZMA Properties Ltd (the group is herein referred to as the “Association”). The New Zealand Medical Association is an Incorporated Society registered under the Incorporated Societies Act 1908 and is also a Registered Charity under the Charities Act 2005 as from 30 June 2008.

Basis of Preparation
The Association has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Net-Fin-Profit) on the basis that it does not have public accountability and has total annual expenses equal to or less than $2,000,000. All transactions in the Consolidated Performance Report are reported using the accrual basis of accounting. The Consolidated Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future. The performance report is presented in New Zealand Dollars and has been rounded to the nearest dollar.

Goods and Services Tax (GST)
The Association is registered for GST. All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

Income Tax
New Zealand Medical Association Incorporated and subsidiaries are wholly exempt from New Zealand income tax as a Registered Charity.

Bank Accounts and Cash
Bank account and cash in the Consolidated Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less and which are subject to insignificant risk of changes in value.

Changes in Accounting Policies
There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period.

Depreciation
Depreciation is provided on a straight-line basis on all property, plant and equipment, at rates that will write off the cost of the assets to their estimated residual values over their useful lives. The depreciation rates and useful lives associated with major classes of assets have been estimated as follows:
Furniture, fittings and office equipment 20%
Computer equipment and website 20%

Building work-in-progress are not depreciated until they are substantially completed and used. This is revisited annually.

Property, Plant and Equipment
Property, plant and equipment are shown at cost less any accumulated depreciation and impairment losses. Work in progress is recognised at cost less any impairment losses.
Consolidated Statement of Accounting Policies
New Zealand Medical Association Incorporated
For the year ended 30 September 2017

Interest Income
Interest income is recognised on an accrual basis using effective interest method.

Donations and Grants
Donations and Grants are recognised when the risk and rewards associated with the income pass to the Association, this is upon receipt of funds.

Membership Fees
Revenue from membership fees are initially recorded as income in advance and recognised in revenue evenly over the membership period.

Revenue from Sale of Goods or Rending Services and Other Revenue
All revenue from sale of goods or services and other revenue is recognised on an accrual basis.

Investments
Investments are stated at cost less any impairment. When applicable, impairment expense is recognised in the Consolidated Statement of Financial Performance.

Operating Lease
Operating leases are those which all the risks and benefits are substantially retained by the lessor. Operating lease payments are expensed in the periods the amounts are payable.

Receivables
Receivables are stated at their estimated realisable value after providing for debts where collection is doubtful. Bad debts are written off in the year in which they are identified.

Employee entitlements
Employee entitlements are measured at undiscounted nominal values based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned but not taken at balance date and long service leave.

The Association recognises a liability and an expense for any bonuses it is contractually obliged to pay, or where a past event has created a constructive obligation.

Provisions
The Association recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, from which the probability that an outflow of future economic benefits will be required to settle the obligation and the ability to determine a reliable estimate of the amount of the obligation both exist.

Loans
Loans are recognised when the amount borrowed has been received. The loan is recognised at the principal value plus accrued interest less repayments made.
Consolidated Statement of Accounting Policies
New Zealand Medical Association Incorporated
For the year ended 30 September 2017

Basis of Consolidation
Controlled entities are all those entities over which the controlling entity has the power to govern the financial and operating policies so as to benefit from its activities. The controlled entities are consolidated from the date on which control is transferred and are de-consolidated from the date that control ceases. In preparing the Consolidated Performance Report, all inter-entity balances and transactions, and unrealised gains and losses arising within the consolidated entity are eliminated in full. The accounting policies of the controlled entities are consistent with the policies adopted in the consolidated performance report and have a 30 September reporting date. For the purpose of consolidation, the Association has opted to use Public Benefit Entity International Public Sector Accounting Standards 6 Consolidate and Separate Financial Statements from the framework applied to Tier 2 entities. The Association has applied the standards that take advantage of reduced disclosure requirements.
## Consolidated Notes to the Performance Report

**New Zealand Medical Association Incorporated**

**For the year ended 30 September 2017**

### 1. Analysis of Revenue

<table>
<thead>
<tr>
<th>Account</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donations, fundraising, and other similar revenue</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building Donations/Fundraising</td>
<td>5,264</td>
<td>27,091</td>
</tr>
<tr>
<td>WCC Building Heritage Grant</td>
<td>100,000</td>
<td></td>
</tr>
<tr>
<td>GPOH Conference</td>
<td>58,224</td>
<td>77,160</td>
</tr>
<tr>
<td>Sponsorship - Trainee Summit</td>
<td>5,000</td>
<td>16,300</td>
</tr>
<tr>
<td>Total Donations, fundraising and other similar revenue</td>
<td>168,488</td>
<td>120,541</td>
</tr>
<tr>
<td>Fees, subscriptions and other revenue from members</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subscriptions</td>
<td>1,288,822</td>
<td>1,315,227</td>
</tr>
<tr>
<td>Total Fees, subscriptions and other revenue from members</td>
<td>1,288,822</td>
<td>1,315,227</td>
</tr>
<tr>
<td>Revenue from providing goods or services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EMA Project</td>
<td>40,100</td>
<td></td>
</tr>
<tr>
<td>Media Negotiations</td>
<td>24,160</td>
<td>106,450</td>
</tr>
<tr>
<td>Member Benefit Income</td>
<td>17,389</td>
<td>15,164</td>
</tr>
<tr>
<td>NZMJ Advertising</td>
<td>33,891</td>
<td>44,897</td>
</tr>
<tr>
<td>Other Income</td>
<td>12,059</td>
<td>23,100</td>
</tr>
<tr>
<td>Sales and Licences</td>
<td>25,894</td>
<td></td>
</tr>
<tr>
<td>Total Revenue from providing goods or services</td>
<td>183,462</td>
<td>249,554</td>
</tr>
<tr>
<td>Interest, dividends and other investment revenue</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest Income</td>
<td>10,978</td>
<td>28,961</td>
</tr>
<tr>
<td>Total Interest, dividends and other investment revenue</td>
<td>10,978</td>
<td>28,961</td>
</tr>
<tr>
<td>Benevolent Fund Income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Benevolent Fund Contributions</td>
<td>30,786</td>
<td>32,668</td>
</tr>
<tr>
<td>Benevolent fund interest</td>
<td>20,263</td>
<td>17,485</td>
</tr>
<tr>
<td>Total Benevolent Fund Income</td>
<td>51,049</td>
<td>49,765</td>
</tr>
</tbody>
</table>

### 2. Analysis of Expenses

<table>
<thead>
<tr>
<th>Account</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volunteer and employees related costs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wages and Salaries</td>
<td>1,067</td>
<td>2,162</td>
</tr>
<tr>
<td>ACC</td>
<td>839,949</td>
<td>841,031</td>
</tr>
<tr>
<td>Total Wages and Salaries</td>
<td>841,016</td>
<td>843,193</td>
</tr>
<tr>
<td>Board and Council Fees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Honorarium</td>
<td>164,177</td>
<td>105,383</td>
</tr>
<tr>
<td>Practice Allowances</td>
<td>17,406</td>
<td>17,261</td>
</tr>
<tr>
<td>Total Board and Council Fees</td>
<td>181,583</td>
<td>122,644</td>
</tr>
<tr>
<td>Total Volunteer and employee related costs</td>
<td>1,022,602</td>
<td>1,025,907</td>
</tr>
<tr>
<td>Costs related to providing goods or services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administration expenses</td>
<td>82,027</td>
<td>93,799</td>
</tr>
<tr>
<td>Building Maintenance &amp; Service</td>
<td>64,707</td>
<td>97,245</td>
</tr>
<tr>
<td>Computer &amp; Website Expenses</td>
<td>41,224</td>
<td>43,342</td>
</tr>
<tr>
<td>Board &amp; Advisory Councils Expenses</td>
<td>73,262</td>
<td>159,819</td>
</tr>
<tr>
<td>Professional Relations, Advocacy &amp; Policy</td>
<td>36,508</td>
<td>49,765</td>
</tr>
<tr>
<td>Membership Services &amp; Marketing</td>
<td>33,032</td>
<td>45,968</td>
</tr>
<tr>
<td>Total Costs related to providing goods or services</td>
<td>363,740</td>
<td>430,828</td>
</tr>
<tr>
<td>Other expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounting Services</td>
<td>21,031</td>
<td>27,702</td>
</tr>
<tr>
<td>Audit Fee</td>
<td>15,525</td>
<td>16,000</td>
</tr>
<tr>
<td>Depreciation</td>
<td>17,944</td>
<td>22,446</td>
</tr>
</tbody>
</table>

Page 16 of 20
### Consolidated Notes to the Performance Report

**New Zealand Medical Association Incorporated**

**For the year ended 30 September 2017**

<table>
<thead>
<tr>
<th>Interest</th>
<th>98,374</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legal expenses</td>
<td>3,767</td>
</tr>
<tr>
<td>Loss on disposal of Assets</td>
<td>352,096</td>
</tr>
<tr>
<td><strong>Total Other expenses</strong></td>
<td><strong>156,661</strong></td>
</tr>
<tr>
<td><strong>Benevolent Fund Expenses</strong></td>
<td><strong>417,781</strong></td>
</tr>
<tr>
<td>Benevolent Fund Payments to Members</td>
<td>57,287</td>
</tr>
<tr>
<td>Management Fee</td>
<td>5,000</td>
</tr>
<tr>
<td><strong>Total Benevolent Fund Expenses</strong></td>
<td><strong>62,287</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Account</strong></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank accounts and cash</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank Accounts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>NZ Medical Assoc 00 Account</td>
<td>43,476</td>
<td>37,342</td>
</tr>
<tr>
<td>NZ Medical Assoc 01 Account</td>
<td>291,434</td>
<td>183,070</td>
</tr>
<tr>
<td>NZ Medical Assoc 02 Account</td>
<td>25,244</td>
<td>25,515</td>
</tr>
<tr>
<td>NZMA Properties Bank Accounts</td>
<td>(4,330)</td>
<td>1,978</td>
</tr>
<tr>
<td>NZMA Services Bank Account</td>
<td>6,181</td>
<td>8,916</td>
</tr>
<tr>
<td>Cash on hand</td>
<td>206</td>
<td>200</td>
</tr>
<tr>
<td><strong>Total Bank Accounts</strong></td>
<td><strong>363,208</strong></td>
<td><strong>258,624</strong></td>
</tr>
<tr>
<td>Benevolent Fund Bank Accounts</td>
<td>35,000</td>
<td>44,236</td>
</tr>
<tr>
<td>Benevolent Fund Term Deposits</td>
<td>115,000</td>
<td>709,733</td>
</tr>
<tr>
<td><strong>Total Benevolent Fund Accounts</strong></td>
<td><strong>150,000</strong></td>
<td><strong>753,969</strong></td>
</tr>
<tr>
<td><strong>Total Bank accounts and cash equivalents</strong></td>
<td><strong>513,285</strong></td>
<td><strong>1,012,593</strong></td>
</tr>
<tr>
<td>Debtor and prepayments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts Receivable</td>
<td>6,026</td>
<td>103,525</td>
</tr>
<tr>
<td>GST Refund Due</td>
<td>69,627</td>
<td>101,282</td>
</tr>
<tr>
<td>Prepayments</td>
<td>10,795</td>
<td>5,064</td>
</tr>
<tr>
<td>Trade Debtors</td>
<td>5,275</td>
<td>4,434</td>
</tr>
<tr>
<td><strong>Total Debtors and prepayments</strong></td>
<td><strong>92,623</strong></td>
<td><strong>214,285</strong></td>
</tr>
<tr>
<td>Investments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Term Deposit NZMA Properties Ltd</td>
<td>250,000</td>
<td>250,000</td>
</tr>
<tr>
<td>Westpac Investment Fund</td>
<td>650,000</td>
<td></td>
</tr>
<tr>
<td>Rabobank Capital Securities - Benevolent Fund</td>
<td>50,319</td>
<td>50,319</td>
</tr>
<tr>
<td>Z Energy Ltd Fixed Note - Benevolent Fund</td>
<td>25,000</td>
<td>25,000</td>
</tr>
<tr>
<td><strong>Total Investments</strong></td>
<td><strong>325,319</strong></td>
<td><strong>325,319</strong></td>
</tr>
<tr>
<td>Other non-current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixed Assets</td>
<td>6,805,209</td>
<td>3,118,306</td>
</tr>
<tr>
<td><strong>Total Other non-current assets</strong></td>
<td><strong>6,805,209</strong></td>
<td><strong>3,118,306</strong></td>
</tr>
</tbody>
</table>

The term deposit of $250,000 is required as security against the Loan advance for the purpose of completion of the new building.

<table>
<thead>
<tr>
<th><strong>Account</strong></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creditors and accrued expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts Payable</td>
<td>27,865</td>
<td>291,782</td>
</tr>
<tr>
<td>Accruals</td>
<td>24,612</td>
<td>37,697</td>
</tr>
<tr>
<td>PAYE Payable</td>
<td>27,619</td>
<td>21,106</td>
</tr>
<tr>
<td>Receivables in Advance</td>
<td>10,602</td>
<td>1,464</td>
</tr>
<tr>
<td><strong>Total Creditors and accrued expenses</strong></td>
<td><strong>95,648</strong></td>
<td><strong>302,029</strong></td>
</tr>
<tr>
<td><strong>Employee costs payable</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wage accrual</td>
<td>13,601</td>
<td></td>
</tr>
</tbody>
</table>
Consolidated Notes to the Performance Report  
New Zealand Medical Association Incorporated  
For the year ended 30 September 2017

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Holiday Pay Provisions</td>
<td>98,357</td>
<td>88,995</td>
</tr>
<tr>
<td>Total Employee costs payable</td>
<td>110,138</td>
<td>85,995</td>
</tr>
<tr>
<td>Building Loan</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Westpac Loan - Current Portion</td>
<td>4,428,276</td>
<td>-</td>
</tr>
<tr>
<td>Total Loan</td>
<td>4,428,276</td>
<td>-</td>
</tr>
<tr>
<td>Term Liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Westpac Loan</td>
<td>-</td>
<td>590,044</td>
</tr>
<tr>
<td>Total Term Liabilities</td>
<td>-</td>
<td>590,044</td>
</tr>
</tbody>
</table>

The Westpac Term Loan is secured with a general security agreement over the Association's assets and undertakings, a registered first mortgage over the commercial property situated at 25 The Terrace, Wellington, an inter-crediting debt and interest guarantee from and between NZMA Properties Ltd and New Zealand Medical Association Inc. and security over the credit funds in the term deposit of $250,000.

5. Property, Plant and Equipment

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building Work in Progress</td>
<td>6,766,260</td>
<td>3,067,658</td>
</tr>
<tr>
<td>Total Building Work in Progress</td>
<td>6,766,260</td>
<td>3,067,658</td>
</tr>
<tr>
<td>Office Equipment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Office Equipment</td>
<td>29,434</td>
<td>29,434</td>
</tr>
<tr>
<td>Less Accumulated Depreciation</td>
<td>(29,434)</td>
<td>(29,434)</td>
</tr>
<tr>
<td>Total Office Equipment</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Furniture and Fittings</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Furniture and fittings</td>
<td>34,510</td>
<td>34,510</td>
</tr>
<tr>
<td>Less Accumulated Depreciation</td>
<td>(32,258)</td>
<td>(31,412)</td>
</tr>
<tr>
<td>Total Furniture and Fittings</td>
<td>2,252</td>
<td>3,098</td>
</tr>
<tr>
<td>Computers &amp; Website</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Computer &amp; Website</td>
<td>232,496</td>
<td>228,149</td>
</tr>
<tr>
<td>Less Accumulated Depreciation</td>
<td>(107,057)</td>
<td>(180,650)</td>
</tr>
<tr>
<td>Total Computers &amp; Website</td>
<td>125,439</td>
<td>47,499</td>
</tr>
<tr>
<td>Total Property, Plant and Equipment</td>
<td>6,908,209</td>
<td>3,118,395</td>
</tr>
</tbody>
</table>

Depreciation

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office Equipment</td>
<td>-</td>
<td>612</td>
</tr>
<tr>
<td>Furniture and fittings</td>
<td>787</td>
<td>196</td>
</tr>
<tr>
<td>Computer and Website</td>
<td>17,157</td>
<td>21,646</td>
</tr>
<tr>
<td>Total Depreciation for the Year</td>
<td>17,944</td>
<td>22,466</td>
</tr>
</tbody>
</table>

NZMA House is in the process of redevelopment. Due to the heritage status of the building, the Wellington City Council want the façade of the existing building to remain. The building was partially demolished and resource consent was obtained for a new building, retaining the façade. As of 30 September 2017, the construction of the building is nearing completion and is expected to be completed in the next twelve months.
Consolidated Notes to the Performance Report  
New Zealand Medical Association Incorporated  
For the year ended 30 September 2017

<table>
<thead>
<tr>
<th>Account</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>6. Accumulated Funds</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accumulated Funds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opening Balance</td>
<td>2,791,076</td>
<td>2,911,658</td>
</tr>
<tr>
<td>Current year earnings</td>
<td>66,929</td>
<td>(191,797)</td>
</tr>
<tr>
<td>(Deficit)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfer from Benevolent Fund</td>
<td>12,206</td>
<td>31,214</td>
</tr>
<tr>
<td>Total Current year earnings/ (deficit)</td>
<td>79,145</td>
<td>(160,583)</td>
</tr>
<tr>
<td>Total Accumulated Funds</td>
<td>2,820,232</td>
<td>2,781,076</td>
</tr>
<tr>
<td>Reserves</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Benevolent Fund Reserves</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opening Balance</td>
<td>826,745</td>
<td>435,133</td>
</tr>
<tr>
<td>Funds Received</td>
<td>-</td>
<td>422,825</td>
</tr>
<tr>
<td>Benevolent fund surplus / (Deficit) for year</td>
<td>(12,206)</td>
<td>(35,214)</td>
</tr>
<tr>
<td>Total Benevolent Fund Reserves</td>
<td>814,537</td>
<td>826,745</td>
</tr>
<tr>
<td>General Reserves</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opening Balance</td>
<td>58,715</td>
<td>58,715</td>
</tr>
<tr>
<td>Interest Earned</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total General Reserves</td>
<td>58,715</td>
<td>58,715</td>
</tr>
<tr>
<td>Total Reserves</td>
<td>873,252</td>
<td>885,460</td>
</tr>
<tr>
<td>Total Accumulated Funds &amp; Reserves</td>
<td>3,703,038</td>
<td>3,636,536</td>
</tr>
</tbody>
</table>

The New Zealand Medical Benevolent Fund, a friendly society separate from the NZMA, was wound up in August 2016. The NZMA was given the funds to continue the work of the friendly society. The purpose of the fund is to provide financial assistance to NZMA members and families of members who are in a situation of financial hardship. During the financial year they received funds from the Auckland Medical Benevolent Fund of $422,825.

Settlement funds from the dissolution of New Zealand Medical Benevolent Fund have been brought to account as capital by NZMA and recognised within a separate reserve. This recognises NZMA assuming responsibility for the fund's purposes and the restricted nature of these funds. Income earned and assistance payments made are recognised in each reporting period in the Consolidated Statement of Financial Performance with the net surplus or deficit transferred to reserves.

<table>
<thead>
<tr>
<th>Account</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>7. Commitments</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commitments to lease or rent assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>F13 Greensock House, The Terrace. Lease extended until 31 May 2017</td>
<td>-</td>
<td>42,656</td>
</tr>
<tr>
<td>Photocopy Lease - current</td>
<td>8,253</td>
<td>14,148</td>
</tr>
<tr>
<td>- one year</td>
<td>-</td>
<td>9,293</td>
</tr>
<tr>
<td>- two years</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Total Photocopy Lease</td>
<td>8,253</td>
<td>22,401</td>
</tr>
<tr>
<td>Total Commitments to lease or rent assets</td>
<td>8,253</td>
<td>45,057</td>
</tr>
<tr>
<td>Commitments to complete construction</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Complete building of 26 The Terrace</td>
<td>550,624</td>
<td>4,602,000</td>
</tr>
<tr>
<td>Total Commitments to Building costs</td>
<td>550,624</td>
<td>4,602,000</td>
</tr>
</tbody>
</table>

**8. Contingent Liabilities and Guarantees**

There are no contingent liabilities or guarantees as at 30 September 2017 (2016 - Nil).
Consolidated Notes to the Performance Report
New Zealand Medical Association Incorporated
For the year ended 30 September 2017

9. Related Parties

<table>
<thead>
<tr>
<th>Expenses</th>
<th>Amount ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fees paid to Board and Council</td>
<td>185,586</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>185,586</td>
</tr>
<tr>
<td></td>
<td>182,774</td>
</tr>
</tbody>
</table>

10. Events After the Balance Date

There were no events that have occurred after the balance date that would have a material impact on the Consolidated Performance Report (Last year - nil).

11. Consolidation

These Consolidated Performance Report includes:

- NZMA Services Limited - 100% owned by NZ Medical Association - Medical Publications
- NZMA Properties Limited - 100% owned by NZ Medical Association - Property Investment Company

Both entities are governed by members of NZ Medical Association and are financially supported by NZ Medical Association.

12. Going Concern

During the year ended 30 September 2017 New Zealand Medical Association made a surplus for the year of $66,639 (2016: loss of $191,787), reported a working capital deficit of $4,027,564 (2016: surplus of $788,864), and had equity of $3,700,074 (2016: $3,636,555). The working capital deficit for 2017 arose following the reclassification of long-term borrowings to current liabilities during the period due to the building not been fully tenanted 12 months after the initial lending draw down as required by the lending covenant. This breach of the lending covenant could allow Westpac to call for repayment of its borrowings. While discussions with the bank have indicated that Westpac do not currently intend to take this course of action, a specific written waiver in respect to this matter is not held. Were this financial support to be withdrawn, there is a risk the Association would not be able to meet its obligations as they fall due. The Board are of the view that they will be able to remedy the covenant breach in due course and accordingly have concluded the Association remains a going concern. As a result, no adjustments have been made within the Consolidated Performance Report to reflect potential adjustments to carrying values of assets or recognition of liabilities that may arise in the event the Association ceases to be a going concern.