

ANNUAL REPORT 2022



Contents

Foreword	3
Who We Are & Membership	4
Association Finances.....	5
National Executive & Branch Officers	5
<i>National Executive</i>	5
<i>Sub Committees</i>	6
<i>Te Roopū</i>	6
<i>Branch Officers</i>	6
External Relationships	7
<i>Health Coalition Aotearoa</i>	8
Health Sector Advocacy	8
<i>Dental</i>	8
Member Engagement – JCCs	9
Industrial and Organising Activity	10
<i>MECA</i>	10
<i>Winter Rates</i>	10
<i>Holidays Act</i>	10
<i>Job Sizing</i>	10
<i>Job Offers</i>	10
<i>Gender Pay</i>	11
<i>Consequences of a single employer</i>	11
<i>Employee welfare</i>	11
<i>Single employer collective agreements (SECAs)</i>	11
Policy and Research.....	12
<i>Surveys</i>	12
<i>Publications</i>	12
<i>Submissions</i>	13
Communications	13
<i>Media</i>	13
<i>Social Media</i>	14
<i>Website</i>	14
<i>Direct Member Communications</i>	14
<i>Publications</i>	15
Support Services	15
Looking Ahead	16
Appendix 1 - Financials	17

Foreword

Tēnā koutou katoa

2022 has proved to be another exhausting year for the health system. We saw our DHB MECA settled after 18 months of hard work. At the same time the Government imposed the biggest reorganisation of the health system in a generation. The settlement left significant unfinished business (that we are already working to address with Te Whatu Ora), while the long history of under-investment in the health workforce has reached crisis levels in the face of Covid and winter surges.

We will have our work cut out for us when we begin bargaining with Te Whatu Ora in 2023. The Government continues to send mixed messages over public sector pay restraint. While acknowledging the cost pressures experienced by our lowest paid workers (and rightly so), they remain blind to the significant local and international medical workforce pressures. We remain concerned that their preferred “solutions” will be inadequate and lack any vision for the longer term.

Notwithstanding these challenges, your union is in great heart, with increased membership and a committed staff and elected officers. We look forward to a “sold out” conference; and an improved focus on linking our industrial and policy work through investment in more focused investigative and campaigning activity.

I am pleased to present this report to members.

Me mahi tahi tātou mo te oranga o te katoa.

Ngā mihi nui



*Dr Nathalie de Vries
National Secretary*

Who We Are & Membership

The Association of Salaried Medical Specialists - Toi Mata Hauora is the union for salaried senior doctors and dentists. We advocate for the interests of members in all aspects of their working lives, while working for a better and more equitable public health system.

On 18 October we had 5,592 members. The split remains the same as last year – 95 per cent employed by Te Whatu Ora (formerly District Health Boards) and 5 per cent with other employers.

Looking at year-on-year membership, we had 5,393 members on the 31st of March 2022, compared with 5,294 at the same time in 2021. This increase of 99 members represents 1.9 per cent growth.

We had 1,440 members in our first year of existence (1989-90). The following table shows annual membership increases over the past 22 years, since 2000-01.

Financial year	Total members	Increase	% Increase
2000-01	1,974	118	6.4%
2001-02	2,072	98	5.0%
2002-03	2,218	146	7.0%
2003-04	2,335	117	5.0%
2004-05	2,574	239	10.2%
2005-06	2,738	164	6.4%
2006-07	2,833	95	3.5%
2007-08	2,995	162	5.7%
2008-09	3,481	486	16.2%
2009-10	3,496	15	0.4%
2010-11	3,572	76	2.2%
2011-12	3,878	306	8.6%
2012-13	3,901	23	0.6%
2013-14	4,167	266	6.8%
2014-15	4,271	104	2.5%
2015-16	4,351	80	1.9%
2016-17	4,416	65	1.5%
2017-18	4,763	347	7.9%
2018-19	4,825	62	1.3%
2019-20	4,942	117	2.4%
2020-21	5,294	352	7.1%
2021-22	5,393	99	1.9%

The membership numbers from 2000-01 – 2017-18 have been recorded showing the total membership count. This includes members who work at more than one employer and are counted in each of their employer totals. From the start of the 2018-19 financial year we have started to calculate the total individual members based on their predominant employer. This is reflected in the figures for the 2018-19 to 2021-22 period.

Membership growth is generally offset by factors such as cessation of employment, retirement, moving overseas and in some cases non-renewals (members whose subscriptions lapse). The combination of actively recruiting new members and strong membership loyalty continues to be key to our effective representation in both collective and individual matters.

Association Finances

The result for the year to 31 March 2022 was a surplus (before tax) of \$1,203,836. This is compared to the re-forecasted budget surplus of \$905,699 presented at the November 2021 Annual Conference.

The main reasons for the deviation from the re-forecasted budget for 2022 include:

- Collective bargaining costs were \$42,491 lower than expected due to reduced travel and settlement of the MECA.
- Communications team costs were \$39,319 lower than the re-forecasted budget, due to overall reduced expenditure.
- Executive expenses were \$34,479 under budget mainly due to reduced travel/travel restrictions and more meetings being held virtually.
- Office expenses were \$31,772 lower than expected due to an underspend in external IT support and IT hardware costs.
- Joint Consultation Committee was under budget by \$21,526 due to travel restrictions and more meetings being held virtually.
- Policy & Research team costs were \$14,769 lower than expected with a savings from contracted research being moved in house as well as reduced travel for the year.

See Appendix 1 on Page 17 for the full financial accounts for 2021-22.

National Executive & Branch Officers

National Executive

ASMS is governed by a National Executive made up of ten members elected every three years. The President and Vice-President are elected by national ballot, while the other eight representatives are elected by members within their region. The immediate past-President has the right to sit on Executive as an appointed 11th member.

The National Executive focusses on setting objectives and strategies to guide ASMS' work.

The current National Executive were elected at the beginning of 2021. In May 2022 Mark Lawrence joined the Executive, as one of the two Region 2 representatives, in place of Annette van Zeist-Jongman who returned to The Netherlands.

A key focus for the National Executive in the last year has been the ASMS-DHB MECA negotiations, with Executive members forming a core part of the negotiating team.



Julian Vyas



Andrew Ewens



Nathalie de Vries



Andrew Robinson



Katie Ben



Julian Fuller

The National Executive has also dedicated time to developing a 5-year strategy.

In November 2021 the National Executive approved setting up a Māori advisory committee and established a budget line to support its work.

Following the lifting of most Covid restrictions – the 2022 Annual Conference will return to being an in-person event in Wellington across two days.

Sub Committees

The National Executive's subcommittees support the National Executive in its governance role. They were formed to enable a more focused look at some of the organisation's key functions and to help ensure that National Executive meetings run efficiently. Currently there are two subcommittees appointed under Clause 11.7 (a (ii)) of the ASMS Constitution.

The Risk, Reserves and Investment sub-committee provides information and advice regarding our organisational risk profile, financial reserves, and investment policies. It has an external advisor and two National Executive members. This year the Committee focused on developing a reserves policy and evaluating the approach to honorarium.

The Research sub-committee has been developing a research strategy to align ongoing research with strategic objectives.



Sylvia Boys



Kai Haidekker

Te Roopū

This year saw the inaugural meeting of Te Roopū Māori. It is great to see the beginnings of a tangible commitment to building our equity kaupapa. We look forward to building on this small start over the next several years.

Branch Officers

Branch officers are key representatives for ASMS members in their local workplaces. Each District (formerly DHB) is represented by a President and a Vice-President. Elections for these roles were last held in 2021.

The annual branch officers' hui was held in Wellington on Friday 1 July, providing a useful forum for branch officers to meet, mingle and discuss ASMS' priorities. This year there was an evaluation of the MECA negotiations from senior industrial officer Steve Hurring, a "bus-stop" exercise (with stops covering speaking out, the "Will we get better?" campaign, building a strong branch, the future of JCCs, best practice for working with your industrial officer, the Health and Safety at Work Act, job sizing, and how to negotiate a local agreement) and a summary of ASMS' oral health research from Sarah Dalton.



Seton Henderson



Mark Lawrence

Branch Officers 1 July 2021 – 30 June 2024		
Region	President	Vice-President
Northland	Erna Meyer	Anand Gangji
Waitematā	Keat Lee	Annemarie Mitchell
Auckland	Elsbeth Frascatore	Arend Merrie Deralie Flower – Women's Health
Counties Manukau	Vacant	Marnie Cox
Waikato	Dara de las Heras	Marlize Alberts
Tauranga	Deborah Moore	Vacant
Taranaki	Ed Leung	Dirken Krahn
Rotorua	Frances Colquhoun – Co Pres	Waheedah Athaullah – Co Pres
Whakatane	Sumeshni Jairam	Nigel Giles
Tairāwhiti	William Weiderman	Carol Chan
Hawke's Bay	Gavin King	Bethany Jones
Whanganui	Bernd Kraus	Mark Van De Vyver
Palmerston North	Thomas Carter	John Bourke
Wairarapa	Norman Gray	Clare French
Hutt Valley	Tanya Wilton	Brent Waldron
Wellington	Alain Marcuse	Amanda Tristram
Marlborough	Jeremy Stevens	Prieur du Plessis
Nelson	Sean Chan	Katie Ben
West Coast	Ceri Hutchinson – Co Pres	Reuben Hoyte – Co Pres
Canterbury	Geoff Shaw	Siobhan Cross
South Canterbury	Peter Doran	Matthew Hills
Otago	Chris Wisely	Liza Edmonds
Southland	Roger Wandless	Vacant

External Relationships

We continue to meet regularly with the Minister of Health, the Director-General of Health and, now, the chief executives of Te Whatu Ora (TWO) and Te Aka Whai Ora (TAWO), along with senior leaders such as the Director of the Public Health Agency.

The many health sector union and employer engagement groups are in the process of being rethought, given our new health system. However, we continued to attend Health Sector Relationship Agreement (HSRA), National Bilateral Action Group (NBAG) and the Union Leaders Engagement Group (ULEG) meetings (the latter established during Covid and continuing as needed, for example responding to winter surge).

We have established more regular meetings with the Medical Council of New Zealand (MCNZ) – with a plan to build on this with more focused discussions in 2023.



We have also met with the New Zealand Dental Association and are looking at areas of common interest.

We are proud of the work we continue to undertake with MAS – with emerging themes focused on equitable dental access and superannuation options for those of you unable to access KiwiSaver.

We have benefited from our close working relationship with MPS, enjoying shared access to GP conferences, and supporting several webinars held over the course of the year. Our industrial team continues to meet on a semi-regular basis with the MPS medical advisors – and we look forward to building this further over the next year.

We are very pleased to be focusing more on active partnership with other organisations and highly value the nature and quality of these relationships – as well as the benefits they bring to our members.



Health Coalition Aotearoa

ASMS is affiliated to the Coalition, whose focus on preventing harm from unhealthy food, alcohol and tobacco aligns well with ASMS' strategic focus on health equity. ASMS provided in-kind support for HCA's Conference this year and was a signatory to the *Pass the Bill – Don't Drop the Ball on Alcohol Harm* petition in support of Chöle Swarbrick's Sale and Supply of Alcohol (Harm Minimisation) Amendment [Private Members] Bill.

Health Sector Advocacy

This year Sarah Dalton spoke at the community and hospital dentists' conference, held in Dunedin; and contributed to a panel at the Medical Students' Association's meeting in Christchurch. She was also invited to speak about health system inequities at the Selwyn College community education programme – an unexpected but valuable chance to speak directly to an interested group from the wider community.

We continue to produce high quality survey, research and policy submissions. Over the last year we have developed our focus on linking this important work to the industrial advocacy work that is ongoing, and to ensure that publications and releases are linked to campaigns. A great example of this was our "Will We Get Better?" campaign – which is also this year's conference theme.



Dental

Along with our *Tooth be told* publication we have worked hard to engage with other stakeholders through a campaign to support improved access to free dental care. This year we have established a relationship with the Auckland City Mission, who have been trying to fund a dental service for their clients. The shared media launch of our publication on 14th November was the culmination of this work over the last few months – and we look forward to building on this foundation over the coming year.

Member Engagement – JCCs

We held the first National JCC under the new system in early November and feel confident that this forum will provide a useful information exchange, and an opportunity to highlight priorities for further work.

Local JCCs continue as a hybrid of zoom and in-person meetings – with significant increases in participation due to the ongoing provision of virtual access. It is likely that, under TWO, most branches will run two meetings each year, with more formal bi-monthly follow up discussions led by the local industrial officer, to ensure that action items agreed at the JCC are followed through.

You may have noticed the reformatted and refocused local directs (newsletters) which we hope will reflect this very focused local approach.

Under the developing national health system it is important that we ensure that local issues don't get lost in the mix and, as the regional and nationally-led parts of the new system are established, that we have appropriate engagement meetings in place where needed. Currently we continue with local and national meetings – and will see what the new year brings as far as the regions are concerned.

An issue of major concern across many hospitals is the lack (or inadequacy) of overnight sleeping accommodation. This is an increasing problem for many services, particularly obstetrics, ICU, ED, and anaesthesia. Along with audits and inspections that reveal a critical failure to provide anywhere for SMOs to sleep, we have gathered troubling stories of surgeons sleeping on operating tables, obstetric consultants borrowing empty patient beds, futons and couches in shared office spaces, cupboards with camp beds, toilets shared with hospital visitors, or nothing at all. As hospital rebuilds continue to be stripped back due to cost saving and “value management” processes, we must keep a close eye on non-clinical workspaces and sleeping accommodation. These crucial areas, that support safe, sustainable work, must be put back into our hospitals.

We continue to work hard to ensure that additional duties arrangements are in place and observed as needed around the country. We have experienced some difficulties following the end of the national winter surge payments, and continue to remind the employer that local agreements enabled through MECA Clause 47 apply. Industrial staff have worked hard – particularly across acute services – to embed and improve local arrangements to support members where there are ongoing gaps in rosters and across other workforce groups. Although we rely to some extent on members asking for assistance, our data mapping projects mean that we are building a picture that is helping us to work more proactively on these shared issues.



Industrial and Organising Activity



MECA

As already mentioned above, we settled the DHBs MECA in June, and return to bargaining in February. We hope that the positive change in ER tone that has been a feature of TWO's first few months will hold when we meet in bargaining. There remains significant unfinished business from the recent settlement, not least decent consideration of shift work terms and conditions, including a decent national "floor", as a first step to building sufficient and shared conditions in support of safe, sustainable and well-rewarded work.

Winter Rates

Winter rates were a mixed blessing – with good uptake at the centre, but uneven application locally. We remain of the view that the winter rates effectively established a national benchmark for Clause 47 arrangements (covering roster gaps and vacancies). As TWO establishes the new health system, it is critical that these remain the bottom line, where national mechanisms are sought, so that existing local arrangements are protected.

Holidays Act

ASMS has been participating in discussions, both across health and the wider union movement, on resolving problems with the Holidays Act and its application, including assessing the amount of holiday pay owed to members. This work has taken hundreds of hours and is not yet complete. It is another example of the mess that payroll systems are in – estimates from TWO are that it will take 8-10 years before they are in a position to move to any kind of national or shared payroll system.

Job Sizing

Job sizing continues to be an important tool for supporting members and departments, ensuring members' workloads are sustainable, genuinely reflect the requirements of the job and have sufficient clinical administration and non-clinical time built in, and to meet the growing health needs of the public. We are challenging the new TWO management to address blockages at a local level to implementing the agreed outcomes of job size processes, and the increasing use of third-party contractors in this area.

Job Offers

The service to assess the quality of job offers - which we provide to all job applicants - continues to get significant uptake, particularly from IMGs unfamiliar with New Zealand's health system and employment context. We are engaged with TWO to address the quality and consistency of the whole recruitment process, including identifying vacancies, comprehensive job descriptions, advertising, recruitment, remuneration and relocation support. Workplace culture is another area



we are discussing with TWO, as it is a significant factor in the decision by an SMO to accept an offer.

Gender Pay

We now have a commitment to address the gender pay gap within the MECA. We have discussed how TWO plans to meet this commitment, and we will continue to work with them to ensure regular audits are a feature of the new system – and to ensure that while this happens no further SMOs are subjected to gender pay discrimination.

Consequences of a single employer

The amalgamation of 20 DHBs under a single employer gives rise to a wide range of issues which we are working through with TWO. These include locum usage, geographical scope of employment, transferring of conditions and CME leave balances between districts.

Employee welfare

Employment welfare remains a high priority across all our industrial and advocacy work. While TWO is aware of the need to be a better employer than they currently are, it remains to be seen whether they can overcome systems and funding obstacles currently in their way. We are pleased that they have appointed two SMOs to wellbeing roles – and we are advocating for a significant investment in occupational health medicine across the country alongside these wellbeing roles.

Single employer collective agreements (SECAs)

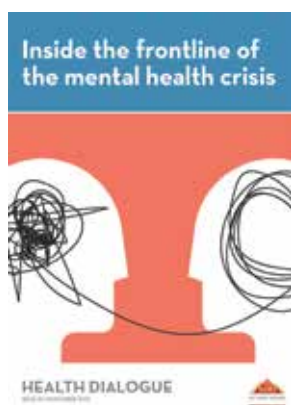
The last year has seen a lot of work in this area, spread across several of the industrial officers. It is focused on attaining better conditions of employment doctors in the wider health sector via collective employment agreements. We are very grateful to the various members who are representatives for the ASMS and often involved at the negotiating table. The industrial officers cannot do this work without this membership input.

Outside of Te Whatu Ora, we now have 22 collective agreements (including two multi-employer collectives). This year we ratified three new collectives, welcoming new members from North Haven Hospice, Nelson Marlborough Hospice and ESR. There are three further collectives well underway, and we expect to bring the number of completed collectives up to at least 25 by then end of 2023.

There are 314 members in this area and they bring a different perspective on work within the health sector. This perspective is particularly important as the role of the primary health sector becomes a greater focus of efforts to improve health outcomes overall.

Kris Smith is taking over responsibility for these SECAs from the retiring Lloyd Woods and we can expect to see membership and the number of collectives continue to grow under her leadership.





Policy and Research

Harriet Wild became the new Director of Policy and Research after ASMS farewellled Dr Charlotte Chambers in July. The rest of the team comprises Mary Harvey, Policy Advisor, and Lyndon Keene who is contracted to ASMS as Policy and Research Advisor.

The team ensures ASMS continues to have a strong evidence-based voice in the wider health space, providing analysis and commentary on core health matters, including key policy developments, workforce pressures, wellbeing of members, and wider socioeconomic determinants of health. The team also maintains active connections with health unions, professional associations, medical colleges and other health organisations.

With the 'once-in-a-generation' restructure of the health system this year, the team has kept a close watch on developments, including the launch of the new entities, key appointments, the three taskforces (Workforce, Planned Care and Immunisation), and other announcements.

Surveys

- Survey for the fatigue management working group
- Surveys of clinical directors in 15 DHBs
- National survey of ASMS members' future intentions and experiences of IMGs
- The annual Salary Survey for 2022



Publications

- *Health Dialogue: Inside the frontline of the mental health crisis*
- *Tooth be told: The case for universal dental care in Aotearoa New Zealand*
- Medical workforce paper for conference: The medical workforce crisis and how to address it
- Articles for *The Specialist* covering a range of topics, including the health Budget, workforce shortages, mental health, health system restructuring, and Te Tiriti.

External publications include:

- Article in *BMC Psychiatry* (open access)
- Opinion piece on the 2022 health budget, published on the *Stuff* website
- Letter to *NZMJ* in response to an editorial proposing more rationing of health care

Submissions

- Productivity Commission: Issues Paper - Immigration, productivity and wellbeing
- Medical Council: What to do when you have concerns about another doctor
- Pae Ora Legislation Committee: Pae Ora (Healthy Futures) Bill - Written and oral submissions
- Mental Health and Wellbeing Commission: He Ara Āwhina (Pathways to Support)
- Health Committee: Smokefree Environments & Regulated Products (Smoked Tobacco) Amendment Bill
- Telehealth Forum: Patient Anywhere, Specialist Elsewhere white paper
- Medical Council: Doctors and health-related commercial organisations

Other work includes:

- Analysis of DHB SMO workforce data.
- Background paper prepared on the pathways to registration for doctors and dentists with overseas qualifications and immigration visas.
- A report on key indicators on health need, the health system's response, projected hospital patient volumes, and projected medical workforce capacity, with the material used to produce infographics for a social media campaign.
- Rheumatology case study: A project in partnership with the NZ Rheumatology Association to promote the work and value of rheumatologists.



Communications

The Communications and Campaigns Team is responsible for delivering the key information and messaging about ASMS's work to its key audiences including members, potential members, decision-makers and the media. In a campaigning context we amplify the leverage from our industrial organisation, leadership work and research capacity to achieve policy change. The Team has two staff members - Andrew Chick and Matt Shand – who report to the Executive Director.



Media

ASMS has sustained an active media presence across the mainstream media which supports, reinforces, and optimises member and health sector advocacy.

Some key points:

- We receive approximately 30 media inquiries a month.
- Between 1 October 2021 and 30 September 2022 ASMS published 25 media releases.
- Over that period, ASMS featured in an average 52 media articles per

month (621 in total), peaking in May with 89.

- The Executive Director continues to have a very strong media profile and is increasingly asked to comment on issues across the health workforce.
- We continue to have a quarterly column in NZ Doctor.
- We gained good coverage from our substantive report “Inside the frontline of the mental health crisis” published towards the end of 2021.

Social Media

ASMS continues to have an active Facebook page and Twitter account

In a relative innovation in the last year, we used both platforms to distribute social-media friendly content as part of the “Will We Get Better?” campaign.



Association of Salaried Medical Specialists @ASMSNZ

Standing in solidarity with New Zealand firefighters. Fires feel understaffed, under resourced and undervalued. The strike saw 2000 union members walk off the job for an hour across the country.

[#firecrisisnz pic.twitter.com/EXB8ZuEAKS](https://twitter.com/EXB8ZuEAKS)

On Twitter we have 978 followers - up 237 on the same time last year. Our most viewed tweet for the year (promoting our March media release “Red flags over return-to-work rules”) achieved 19,127 impressions. Our most engaging tweet (“We’re Spent”, from the Will We Get Better series) got 201 engagements.

The ASMS Facebook page has 1,224 followers – a net gain of 84 followers since last year. Over the year our posts reached 34,064 people. Our most successful post (“DHB’s and the Government must realise that taking a black letter approach...” from May) reached 8668 people and generated 222 reactions. Four of our 12 Will We Get Better posts reached over 2,000 people each.

Website

A redesigned ASMS website was launched to coincide with Branch Officers’ Day in June.

In the year 1 October 2021 and 30 September 2022, the ASMS website had 127,225 unique page views with the home page the most viewed at 26,583 views. This compares with 138,331 unique views and 33,373 views for the home page in the year before that.

The ASMS job vacancies website – also redesigned last year and “relaunched” in March to provide a better user experience and to visually complement the new ASMS general website - saw 60,715 unique views from 1 October 2021 to 30 September 2022. This represents a massive 245% increase on views compared with the last year. Over the period the site listed 409 jobs across most of the former DHBs (now districts of Te Whatu Ora).

Direct Member Communications

In the year 1 October 2021 to 30 September 2022 ASMS sent 117,677 mass email messages as part of 79 separate email blasts. For all these emails the average open rate was a healthy 67 per cent.

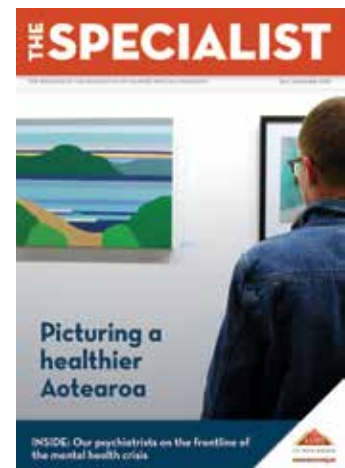
The arrival of Te Whatu Ora has prompted a refresh of what was previously called the DHB News, and - following some better integration of our membership database with the Campaign Monitor software we use to send blast emails - we have done more targeted email by specialty as well as by geographical location.

Publications

The Communications team edits and manages the design, printing, and publicity for the reports produced by ASMS's Policy & Research team.

There have been several significant reports released during this reporting period (see Policy section). In particular, the *Tooth be told* dental report saw a particular emphasis on graphic design and use of infographics and is now the cornerstone for a series of campaign tactics in the dental space. The *Will We Get Better* infographic series represented the most radical departure from our traditional approach, where a health sector benchmark report was deconstructed as a branded series of 12 visuals and facebook posts.

Quarterly production of The Specialist continues with the generous help of MAS.



Support Services

The Association's support services team reports to the Executive Director Sarah Dalton and comprises Manager Support Services Sharlene Lawrence, Finance & Technical Advisor Vanessa Wratt, Membership Officer Saasha Manson and Support Services Administrator Cassey van Riel.

The support services team provides organisational and financial management support for the Association. The team is often the first point of contact for our members. Among other things, it manages our membership database, ensures the day-to-day smooth running of the national office, and provides support for the Executive Director as well as the industrial, policy and research and communication teams.

Specific projects in the past year have included:

- coordination and implementation of the new ASMS website.
- organising the 2022 Conference and Branch officer's workshop
- managing the administrative processes around recruiting new members including non-DHB.
- managing the election process for branch officer vacancies
- support for ongoing work on collection of member ethnicity data



Looking Ahead



We know that the creation of Te Whatu Ora has potential to address many of our industrial and professional concerns about the way in which the New Zealand health system is run. Whether it actually will, will be down to a proper resourcing of the new system and changing the management culture to allow the new system to flourish.

We are continuing with national and local JCCs under Te Whatu Ora. As regional structures are developed, we will make sure we have appropriate engagement there too. But, when what we might have thought of as teething problems start to feel more like perennial weaknesses, we are going to need to adapt and work harder to incite the sort of real change we – and the whole system – needs.

Since its launch on the 1st of July, TWO's more positive tone on employment relations matters has been refreshing. But the negotiation of the Te Whatu Ora national collective will be an excellent test of the depth of that change. And their willingness and capacity to deliver around minimum provisions for shift work will be a great measure of their capacity.

Beyond bargaining, issues like the follow through on gender pay audits – both gathering the data and standardising the methodology – will require greater national-level direction from TWO. In that vein, the ideas about recruitment and retention – particularly for IMGs. The challenge there will be ensuring they don't overlook regular input from members on the ground.

Lastly, 2023 will see a general election. Health is an evergreen topic of electoral interest. Between Covid, Te Whatu Ora and the unrelenting workforce crises across the public health system, the present Government's terms has provided a lot to talk about. The National Party opposition has committed to maintain the Te Whatu Ora reforms – for now – but is giving no similar commitment to Te Aka Whai Ora. It is also ramping up its promotion of health targets. Amidst the back and forth it will be our job to maintain the voice of the public health system and the dedicated professionals who make it work.

Financial Report

Association of Salaried Medical Specialists Incorporated
For the year ended 31 March 2021

Contents

19	Entity Information
20	Approval of Financial Report
21	Statement of Financial Performance
23	Statement of Financial Position
24	Statement of Accounting Policies
26	Notes to the Performance Report
27	Audit Report

Entity Information

Association of Salaried Medical Specialists Incorporated For the year ended 31 March 2021

Legal Name of Entity

Association of Salaried Medical Specialists Incorporated

Nature of Business

Union of Health Professionals

Incorporation Number

509077

Date of Incorporation

15th May 1991

Entity Structure

Incorporated Society

Accountants

Grant Thornton New Zealand Limited

Auditors

BDO Wellington Audit Limited

Bankers

ASB Bank Limited
Kiwibank Limited

Physical Address

Level 9, The Bayleys Building, 36 Brandon Street, Wellington, 6011

Postal Address

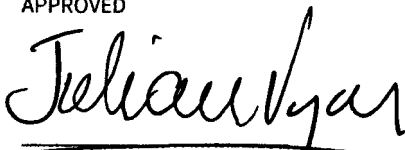
PO Box 10763, The Terrace, Wellington, New Zealand, 6143

Approval of Financial Report

Association of Salaried Medical Specialists Incorporated For the year ended 31 March 2021

The National Executive are pleased to present the approved financial report including the financial statements of Association of Salaried Medical Specialists Incorporated for year ended 31 March 2021.

APPROVED



Julian Vyas
National President

Date 13/7/21

✓



Sarah Dalton
Executive Director

Date 13 July 2021

Statement of Financial Performance

Association of Salaried Medical Specialists Incorporated For the year ended 31 March 2021

	NOTES	2021	2020
Income			
Advertising			
Job Vacancies Advertising		24,000	37,100
Total Advertising		24,000	37,100
Advisory			
MAS Advisory Fees		55,000	55,000
Total Advisory		55,000	55,000
Other Income			
Interest Received		87,844	118,339
Sovereign Commission		10,833	8,347
Sundry Income		-	33,832
Total Other Income		98,678	160,518
Sponsorships			
Annual Conference Sponsorship		51,739	50,000
Specialist Sponsorship		60,000	60,000
Total Sponsorships		111,739	110,000
Subscriptions			
Subscription Fees		5,040,337	4,492,307
Bargaining Fees		-	203,805
Total Subscriptions		5,040,337	4,696,112
Total Income		5,329,754	5,058,730
Expenses			
Operating Expenses			
30th Anniversary Conference		-	86,294
Annual Conference		227,538	242,818
Branch Officer Workshops		20,776	16,935
Other Association Events		138	-
Collective Bargaining		27,480	108,019
Communications		129,428	176,987
Engagement Workshops		3,481	5,544
Executive Director, Deputy Executive Director		3,920	19,601
Industrial Team		349,867	369,724
Joint Consultation Committee		25,705	76,995
Policy & Research Team		20,340	28,343
Support Services Team		27,815	26,311
Total Operating Expenses		836,489	1,157,570
Overhead Expenses			
Affiliation		30,241	32,568
Amortisation/Depreciation		74,658	76,158

This statement has been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

	NOTES	2021	2020
Audit Fee		12,230	11,720
Executive Expenses		188,301	205,832
Loss on Disposal of Fixed Assets		-	2,591
Office Expenses		184,405	155,555
Office Occupancy		319,466	262,580
Professional Support - Financial and Project		115,616	100,238
Sponsorship		9,744	-
Staff Expenses		2,537,020	2,667,201
Total Overhead Expenses		3,471,680	3,514,442
Total Expenses		4,308,169	4,672,012
Surplus/(Deficit) before Tax		1,021,586	386,719
Taxation			
Tax Expense	2	32,298	34,136
Total Taxation		32,298	34,136
Surplus/(Deficit) after Tax		989,287	352,582

This statement has been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

Statement of Financial Position

Association of Salaried Medical Specialists Incorporated As at 31 March 2021

	NOTES	2021	2020
Assets			
Current Assets			
Accounts Receivable		114,833	160,156
Accrued Interest		31,576	30,186
Cash and Bank Balances		701,518	306,485
Prepayments		9,872	4,886
Taxation Refundable	2	(12,453)	3,753
Term Deposits and Bonds	4	3,762,398	3,325,940
Work In Progress (Software and Fitout)	6	-	30,493
Total Current Assets		4,607,744	3,861,900
Non-Current Assets			
Fixed Assets	3	589,557	296,175
Intangibles		51,825	14,297
Total Non-Current Assets		641,382	310,472
Total Assets		5,249,127	4,172,371
Liabilities			
Current Liabilities			
Accrued Employee Entitlements		255,725	194,904
Accounts Payable		167,374	163,942
Goods and Services Tax		63,714	40,499
Total Current Liabilities		486,813	399,345
Total Liabilities		486,813	399,345
Total Assets less Total Liabilities (Net Assets)		4,762,314	3,773,026
Accumulated Funds			
Current Year Earnings		989,287	352,582
Retained Earnings	1	3,773,026	3,420,444
Total Accumulated Funds		4,762,314	3,773,026

This statement has been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

Statement of Accounting Policies

Association of Salaried Medical Specialists Incorporated For the year ended 31 March 2021

Reporting Entity

Association of Salaried Medical Specialists Incorporated is a Society incorporated under the Incorporated Societies Act 1908. Association of Salaried Medical Specialists Incorporated is engaged in the business of Union of Health professionals.

This special purpose financial report was authorised for issue in accordance with a resolution of the Board.

Basis of Preparation

These financial statements have been prepared in accordance with a Special Purpose Framework based on the requirements of PBE SFR-A (NFP) framework without the requirements of a Statement of Cash flows or a Statement of Service Performance, as the Association of Salaried Medical Specialists is not required to prepare NZ GAAP compliant accounts.

These Special Purpose financial statements have been prepared for taxation purposes and the entities members.

Historical Cost

These financial statements have been prepared on a historical cost basis. The financial statements are presented in New Zealand dollars (NZ\$) and all values are rounded to the nearest NZ\$, except when otherwise indicated.

Goods and Services Tax (GST)

The Society 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.

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.

Revenue

Goods and Services

Revenue comprises the amounts received and receivable for the goods and services supplied to members in the ordinary course of business.

Subscriptions

Subscription Income is accounted for on an accrual basis.

Investment Income

Interest income is accounted for on an accrual basis and is recorded gross including any tax credits.

Accounts Receivable

Accounts Receivable are stated at their estimated realisable value.

Property, Plant, Equipment & Depreciation

Property, plant and equipment are included at cost less accumulated depreciation calculated at rates as allowed by the Inland Revenue. Property, plant and equipment that are leased under a specified lease for the purposes of the Income Tax Legislation are capitalised and depreciated. The depreciation rates used are shown in the Schedule of Property, Plant and Equipment. Gains

and losses on disposal of property, plant and equipment are taken into account in determining the financial performance of the year.

Investments

Investments are stated at cost.

Intangible Assets

Intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is recognised in the profit or loss in the year in which the expenditure is incurred.

Leases

Finance Leases

Assets under finance leases are recognised as non current assets in the statement of financial position. Leased assets are recognised initially at the lower of the net present value of the minimum lease payments or their fair value. A corresponding liability is established and each lease payments allocated between the liability and the interest expense. Leased assets are depreciated on the same basis as equivalent property, plant and equipment.

Operating Leases

Leases that are not finance leases are classified as operating leases. Operating lease payments are recognised as an expense in the periods the amounts are payable.

Notes to the Performance Report

Association of Salaried Medical Specialists Incorporated For the year ended 31 March 2021

	2021	2020
1. Accumulated Funds		
Accumulated Surpluses or (Deficits)		
Opening Balance	3,773,026	3,420,444
Current year earnings	989,287	352,582
Total Accumulated Surpluses or (Deficits)	4,762,314	3,773,026
Total Accumulated Funds	4,762,314	3,773,026
	2021	2020

2. Taxation

Taxable Revenue		
Taxable Revenue	289,417	566,423
Total Taxable Revenue	289,417	566,423
Deductible Expenses		
Deductible Expenses	(173,066)	(443,508)
Exemption	(1,000)	(1,000)
Total Deductible Expenses	(174,066)	(444,508)
Total Assessable Surplus/ (Deficit)	115,351	121,915
Tax Effect	32,298	34,136
Less		
Balance Carried Forward	3,753	2,704
RWT Paid	13,884	35,185
Withholding Tax Paid	2,209	-
Terminal Tax Due/ (Refund Due)	12,453	(3,753)
Income Tax Payable (Refund) for Current Year	12,453	(3,753)
Total Income Tax Payable/ (Refund) per Statement of Financial Position	12,453	(3,753)

All non-member income including bargaining fee income is taxable for income tax purposes. The Association received a \$1,000 exemption from income. The Deductible expenses are a mix of the costs directly attributable to the production of taxable income and a portion of overheads.

Income Tax expense charged to the Profit and Loss Statement recognises the current obligations for the period, calculated using the Taxes Payable method.

	2021	2020
3. Property, Plant and Equipment		
Improvements		
Improvements	815,984	473,734
Less Accumulated Depreciation on Improvements	(285,641)	(251,507)
Less Fit Out Contribution	(100,000)	(100,000)
Add Back Accumulated Depreciation on Fit Out Contribution	54,960	49,956
Total Improvements	485,303	172,182

	2021	2020
Furniture and Fittings		
Furniture & Fittings	188,051	169,680
Less Accumulated Depreciation on Furniture & Fittings	(121,626)	(112,206)
Total Furniture and Fittings	66,425	57,474
Computer Equipment		
Computer Equipment	236,608	236,605
Less Accumulated Depreciation on Computer Equipment	(198,779)	(170,086)
Total Computer Equipment	37,829	66,519
Total Property, Plant and Equipment	589,557	296,175
	2021	2020

4. Term Deposits and Bonds

Current		
ASB - 72 TD	250,000	256,362
ASB - 73 TD	200,000	-
ASB - 74 TD	210,622	207,749
ASB - 75 TD	300,000	300,013
ASB - 76 TD	300,000	135,360
ASB - 77 TD	123,543	121,730
ASB - 78 TD	319,479	315,120
ASB - 79 TD	300,000	130,000
ASB - 80 TD	500,000	500,000
ASB - 82 TD	250,000	-
ASB - 84 TD	108,754	106,000
ASB - 85 TD	300,000	-
ASB - 86 TD	250,000	-
Kiwibank - 05 TD	-	630,267
Kiwibank - 06 TD	-	485,324
Kiwibank - 07 TD	-	138,016
Kiwibank - 09 TD	350,000	-
Total Current	3,762,398	3,325,940
Total Term Deposits and Bonds	3,762,398	3,325,940

5. Operating Lease Commitments

There were no new operating leases entered into during the 2021 year (2020: During the year, the level 11, Bayleys Building lease was extended, and a new lease was entered into for part of level 9, Bayleys Building)

	2021	2020
Level 11 (Premises and Carparks)		
Lease Incentive	-	(35,136)
Not later than one year	233,696	233,696
Later than one year and not later than five years	759,512	934,784

Later than five years	-	58,424
Total Level 11 (Premises and Carparks)	993,208	1,191,768

2021 2020

Level 9 (Premises)

Not later than one year	90,750	90,750
Later than one year and not later than five years	340,313	363,000
Later than five years	-	68,063
Total Level 9 (Premises)	431,063	521,813

2021 2020

6. Breakdown of Work In Progress

WIP - Software assets	-	11,288
WIP - Building Fitout	-	19,206
Total Breakdown of Work In Progress	-	30,493

During the 2021 year, fitout of Level 9, Bayleys Building was completed and capitalised.

7. Audit

These financial statements have been subject to an audit, please refer to the Auditor's Report.

8. Ability to Continue Operating

As a result of the COVID-19 Pandemic, the ASMS office was closed for the duration of the alert level 3 and 4 lockdown with staff successfully working from home. The lockdown has had minimal impact on the operations of ASMS, and with the shift to alert level 2 most staff have returned to the offices.

As a result of the minimal impact on operations, healthy cash reserves, a strong equitable position and membership base, ASMS have determined that The Association will continue to operate for the foreseeable future, meaning no less than 12 months.

9. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 31 March 2021 (2020: \$nil).

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE ASSOCIATION OF SALARIED MEDICAL SPECIALISTS INCORPORATED**

Opinion

We have audited the financial statements of the Association of Salaried Medical Specialists Incorporated ("the Association"), which comprise the statement of financial position as at 31 March 2021, and the statement of financial performance for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Association for the year ended 31 March 2021 are prepared, in all material respects, in accordance with the accounting policies specified in the financial statements.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) ("ISAs (NZ)"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Association in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* 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.

Emphasis of Matter - Basis of Accounting and Restriction on Distribution and Use

We draw attention to the accounting policies in the financial statements, which describes the basis of accounting. The financial statements are prepared solely for the Association's members, as a body. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the Association and the Association's members, as a body, and should not be distributed to or used by parties other than the Association or the Association's members. Our opinion is not modified in respect of this matter.

National Executive's Responsibilities for the Financial Statements

The National Executive is responsible for the preparation of the financial statements in accordance with the accounting policies specified in the financial statements and for such internal control as the National Executive determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the National Executive are responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the National Executive either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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) 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 decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, 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 the National Executive.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the National Executive 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 financial statements 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.

We communicate with the National Executive 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.

Who we Report to

This report is made solely to the Association's members, as a body. Our audit work has been undertaken so that we might state those matters which we are required to state to them in an auditor's 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 the Association's members, as a body, for our audit work, for this report or for the opinions we have formed.

BDO Wellington Audit Limited

BDO WELLINGTON AUDIT LIMITED

Wellington
New Zealand
13 July 2021