



# 2015 Annual Report & Summary Financial Report

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## **MIGA**

**Medical Defence Association  
of South Australia Ltd**  
ABN 41 007 547 588

**Medical Insurance Australia Pty Ltd**  
ABN 99 092 709 629

## **MDASA Limited**

**(Board as at September 2015)**

Dr John O'Loughlin AO – Chairman  
Dr Martin Altmann – Deputy Chairman  
Ms Amanda Anderson – CEO and Managing  
Director  
Mr Henry Botha  
Associate Professor Peter Cundy  
Mr David Henderson  
Dr Andrew Pesce  
Dr Roger Sexton

## **Medical Insurance Australia Pty Ltd (Board as at September 2015)**

Dr John O'Loughlin AO – Chairman  
Dr Martin Altmann – Deputy Chairman  
Ms Amanda Anderson – CEO and  
Managing Director  
Mr Henry Botha  
Associate Professor Peter Cundy  
Mr David Henderson  
Dr Andrew Pesce  
Dr Roger Sexton  
Ms Juliet Brown OAM  
Professor Owen Ung

## **Chief Executive Officer and Managing Director**

Ms Amanda Anderson

## **Key professional advisers**

### **Actuaries**

Finity Consulting Pty Ltd, Sydney and  
Melbourne

### **Auditors and Tax Advisors**

KPMG, Adelaide

### **Corporate Legal Advisors**

DibbsBarker, Sydney and Iles Selley Lawyers,  
Adelaide

### **Principal Medico-legal Advisors**

DibbsBarker, Sydney and Wallmans Lawyers,  
Adelaide

### **Reinsurance Brokers**

Guy Carpenter Pty Ltd, Sydney and London

### **Graphic Designer and Advisor**

de.co Pty Ltd, Adelaide

### **Investment Advisors**

Morgan Stanley Wealth Management, Adelaide

### **Internal Auditor**

PricewaterhouseCoopers, Adelaide

## Annual Report and Summary Financial Report

### Reducing Our Environmental Impact

Making the Annual Report (including Summary Financial Report) only available via the website and printing a shorter Annual Review supports the Group's Environmental Policy. It helps reduce our environmental impact and the costs of running our business whilst still providing easy access to important information via the MIGA website.

To help reduce MIGA's operating costs and environmental impact, for the year ended June 2015 the Group has produced the following:

**An Annual Review which:**

- Has been provided to all members, policyholders and key stakeholders
- Incorporates an overview of the Group's financial results and key developments in the last year
- Is much shorter than the full Annual Report and Summary Financial Report
- We believe is a more valuable method of communicating key information about MIGA

**An Annual Report and Summary Financial Report which:**

- Is available on our website, unless members specifically ask for a printed copy
- Includes a summary of the Group's Directors' Report, the Summary Financial Report and the external auditor's report.

The information in this Report is to be read in conjunction with the MIGA 2015 Annual Review which is also available on our website.

## Report by Directors

The Directors present this report which is a summary of the statutory 'Directors' Report' of Medical Defence Association of South Australia Limited (MDASA) for the financial year ended 30 June 2015.

The Group comprises two operating companies, MDASA and Medical Insurance Australia, which are collectively referred to as MIGA (Medical Insurance Group Australia).

References to the Group and MIGA throughout this Report mean the Consolidated Entity Medical Defence Association of South Australia Limited and its subsidiaries

### Principal activities

The principal activities of MDASA during the financial year were to provide:

- A range of membership benefits and services to members
- Discretionary indemnity assistance to members in relation to indemnity granted on or before 30 June 2003.

The principal activities of MDASA's insurance subsidiary, Medical Insurance Australia, were to provide:

- Medical indemnity insurance to doctors and medical students
- Medical indemnity insurance to corporate entities involved in the provision of healthcare services
- Professional indemnity insurance to midwives, under the Federal Government's Midwives Insurance Scheme; and
- Medical indemnity insurance to MDASA, to cover its liabilities where it is required to indemnify its members for prior claims incurred as per its Constitution. The indemnity provided to MDASA is via an insurance contract which is underwritten on a claims made basis with full retroactive indemnity.

The Group provides claims management and insurance advice services on behalf of QBE, under the terms of an Authorised Representative Agreement, in relation to medical indemnity insurance policies issued by QBE to Invivo clients prior to MIGA's acquisition of Invivo.

Membership of MDASA is governed by the terms and conditions of the Constitution of MDASA and doctors and medical students must maintain membership of MDASA in order to access the insurance cover provided by Medical Insurance Australia. No membership requirements apply to corporate entities or midwives.

There were no significant changes in the nature of the activities of the Company during the year.

### Operating Result

The Consolidated Entity reported a net profit of \$4.647m for the financial year ended 30 June 2015, after providing for income tax.

The Consolidated Entity has a surplus in net assets of \$112.643m as at 30 June 2015.

(Amounts shown as \$m)	2015 Actual
Premium Revenue	45.958
Net Incurred Claims	(31.591)
Underwriting Expenses	(7.682)
Operating Expenses	(19.112)
<b>Underwriting Result</b>	<b>(12.427)</b>
Subscription Revenue	8.194
Other Income	1.367
Net Loss on Sale of Property, Plant and Equipment	(0.097)
Net Finance Income	7.639
<b>Profit before tax</b>	<b>4.676</b>
Tax	(0.029)
<b>Net profit</b>	<b>4.647</b>

As a not for profit mutual, financial performance of the Group is measured each year against budget which is developed having regard to the capital position of the Group. Once the target capital level is reached, the Group needs to generate a level of profit which sustains the capital level each year. It does not need to generate a consistent year on year profit to pay dividends to shareholders. Financial performance each year is therefore measured by the Boards against budget (which is driven by capital adequacy) as opposed to prior year results, as this is a more accurate assessment of how well the Group has performed for the year.

Key drivers to the result for the year were:

- Claims costs were slightly above budget as a result of the following offsetting factors:
  - The cost of claims from the 2013/2014 year and prior years being less than budgeted as a result of reserve releases across most years being higher than expected
  - The cost of claims for the 2014/2015 year being less than budgeted reflecting a lower claims frequency than expected partially offset by a higher average claim size
  - Higher claims costs in the 2014/2015 year as a result of an increase in the per claim retention for reinsurance

- Operating expenses were in line with budget notwithstanding the inclusion of costs associated with the non-merger. Without this, operating costs would have been below budget as the costs of running the business were well contained and carefully managed, notwithstanding the Group's significant growth in recent years
- Reinsurance for the 2014/2015 year was negotiated at a cost below what was expected, predominantly as a result of an increase in the per claim retention.

### Directors

The names of Directors in office at any time during or since the end of the financial year are outlined in the Section entitled "Directors' Information".

### Board Committees

The Committees established to assist the Boards of MDASA and Medical Insurance Australia with discharging their responsibilities are outlined in the section entitled "The Boards and Board Committees".

### Review of Operations

The Review of Operations is outlined throughout this Report and in the MIGA 2015 Annual Review.

### Non-merger

In March 2014, the Boards of MIGA and MDA National Limited entered into a Merger Implementation Agreement. This proposal was voted on by members of each organisation on 11 October 2014.

MDASA members who voted on the proposed Merger were resoundingly in favour of it, supporting the unanimous recommendation of the Directors of MDASA. The merger did not proceed because a majority of MDAN members who voted on the proposed Merger did not support it, despite the recommendation of their Board.

The reasons the MDASA Directors recommended the proposed Merger and the outcomes it would have delivered to the Group's members and policyholders were sound and valid. They were assessed and verified by independent experts. In the 2014/2015 financial year, \$2.587m in costs were incurred by the Group in relation to the non-merger.

MIGA remains a strong, financially secure and capable national organisation with a reputation for excellent financial management, caring for its members and policyholders, transparency and professionalism.

# Annual Report and Summary Financial Report

## Report by Directors

### **Acquisition of Invivo Medical Pty Ltd**

In late March 2013, MIGA announced it had entered into an agreement with QBE and Invivo for MIGA to acquire Invivo's business.

The transaction was completed on 24 April 2013 and from this date renewal of Invivo business has been transacted by MIGA as QBE policies expired.

The retention rate of Invivo clients has been in excess of the rate assumed in the acquisition analysis.

The 2014/2015 year was the first year that MIGA was on risk for a full year for the Invivo portfolio.

### **Overview**

As at the date of this Report, there are no proceedings which have been brought, or which are pending, against the Consolidated Entity or its Directors.

During the financial year, the Directors have sought assistance from actuaries, lawyers, accountants, auditors, reinsurance brokers and other key advisors. The degree of consultation was an essential component of the ongoing implementation of the Group's Strategic Plan.

### **Significant changes in state of affairs**

In the opinion of the Directors, there were no significant changes in the state of affairs of the Consolidated Entity during the financial year, as disclosed under Review of Operations.

### **Events subsequent to balance date**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in subsequent financial years, other than as disclosed under Review of Operations above.

### **Future developments**

The Directors are not aware of any other matters or circumstances which may significantly affect the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in subsequent financial years, other than as disclosed under Review of Operations.

### **Company secretary**

Mrs Natalie Simmons (National Manager - Corporate Services) is the Company Secretary for MIGA.

Her qualifications are that she has a Professional Certificate in Management from Adelaide University Graduate School of Management (2002), has been a CPA since 1996 and holds a Bachelor of Economics (Accounting) from Flinders University of South Australia.

### **Audit independence**

Copies of the auditor's independence declaration as required under Section 307C of the Corporations Act are included on page 21 of this Annual Report.

### **Indemnifying officers**

During or since the end of the financial year the Consolidated Entity has given an indemnity or entered an agreement to indemnify, or paid or agreed to pay insurance premiums to insure its Directors against liability for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in their capacity as Directors of the Consolidated Entity other than conduct involving a wilful breach of duty to the Consolidated Entity. The premium covers all Directors and officers of the Consolidated Entity. The premium paid for this cover for the Group in the year was \$44,132.

### **Environmental issues**

The Consolidated Entity's operations are not regulated by any significant environmental regulation under a law of the Commonwealth, a State or a Territory.

Signed in accordance with a resolution of the Board of Directors.



Director  
Dr J O'Loughlin



Director  
Mr H Botha

Adelaide  
Dated this 29th day of September 2015

### Role of the Boards

The Boards are responsible for the overall corporate governance of MIGA including formulating its strategic direction, approving and monitoring capital expenditure, setting remuneration, appointing, removing and creating succession policies for Directors and senior executives, establishing and monitoring the achievement of management's goals and ensuring the integrity of internal control and management information systems.

They are also responsible for approving and monitoring financial and other reporting.

The Boards have delegated responsibility for operation and administration of the Group to the CEO and management. Responsibilities are delineated by formal delegations of authority.

### Director education

The Group has a process to educate new Directors about the nature of the business, current issues, the corporate strategy and the expectations of the Group concerning performance of Directors. Directors also have the opportunity to meet with management to gain a better understanding of business operations. Directors can access continuing education opportunities to update and enhance their skills and knowledge.

The Boards have agreed that it is important that Directors have completed or are committed to completing the Company Directors Course through the Australian Institute of Company Directors.

### Independent professional advice and access to company information

Each Director has the right of access to all relevant Group information and to the Group's key staff and, subject to prior consultation with the Chairman, may seek independent professional advice from a suitably qualified advisor at the Group's expense. The Director must consult with an advisor suitably qualified in the relevant field, and obtain the Chairman's approval of the fee payable for the advice before proceeding with the consultation. If this occurs, a copy of the advice received by the Director is to be made available to all other members of the Boards.

### Risk management

#### *Oversight of the risk management system*

The Boards oversee the establishment, implementation, and annual review of the Group's Risk Management Strategy. Management has established and implemented the Risk Management Strategy for assessing, monitoring and managing operational reporting, financial reporting, and compliance risks for the Group. The CEO and the National Manager - Corporate Services have declared in writing to the Boards that the financial reporting, risk management and associated compliance and controls have been assessed and found to be operating efficiently and effectively. The operational and other risk management compliance and controls have also been assessed and found to be operating efficiently and effectively. All risk assessments covered the whole financial year and the period up to the signing of the Annual Financial Report for all material operations in the Group.

#### *Risk profile*

Each business unit is responsible and accountable for implementing, monitoring and ensuring compliance with the Group's Risk Management Strategy and Business Continuity Framework.

Major risks arise from matters such as actions by competitors, government policy changes, environment, occupational health and safety, property, financial reporting, and the purchase, development and use of information systems.

### *Risk management and compliance and control*

The Boards are responsible for the overall internal control framework, but recognise that no cost effective internal control system will preclude all errors and irregularities. The Group's policies on internal control are comprehensive.

The Group has a Risk Management Strategy (RMS) which documents the strategies adopted by the Boards for managing risk. The RMS defines and outlines the processes implemented by the Group to identify and manage risks that may affect the operations of the organisation. It recognises the importance of corporate governance and provides the basis by which the Group proactively manages both strategic and operational risks.

Comprehensive policies have been established to ensure:

- That capital is appropriately managed and monitored under the Internal Capital Adequacy Assessment Process (ICAAP) approved by the Board
- Investments, capital expenditure and other commitments above a certain size require prior Board approval
- Investments are controlled and monitored by means of a comprehensive Investment Strategy
- Occupational health and safety standards and management systems are monitored and reviewed to achieve high standards of performance and compliance with regulations
- Business transactions are properly authorised and executed
- The quality and integrity of personnel
- Financial reporting accuracy and compliance with the financial reporting regulatory framework
- Environmental regulation compliance.

# Annual Report and Summary Financial Report

## Corporate Governance

### **Quality and integrity of personnel**

Formal appraisals are conducted annually for all employees. Training and development and appropriate remuneration and incentives with regular performance reviews create an environment of cooperation and constructive dialogue with employees and management. A Succession Policy is in place for the Boards and the CEO, and all Directors and managers are required to comply with the Group's Fit and Proper Policy. In addition, the Group has a Board Performance Review Policy which requires regular reviews of Board and Director performance. The Group's recruitment strategies ensure that competent and knowledgeable employees fill senior positions when retirements or resignations occur.

### **Financial reporting**

The CEO and the National Manager - Corporate Services have declared in writing to the Boards that the Group's financial reports are founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Boards.

Monthly actual results are reported against budgets approved by the Directors and revised forecasts for the year are prepared regularly.

### **Internal audit**

The Internal Auditors assist the Boards in ensuring compliance with internal controls and risk management programs by regularly reviewing the effectiveness of the Group's compliance and control systems.

The Audit Committee is responsible for approving the program of internal audits to be conducted each financial year and for the scope of the work to be performed. An independent review to assess and evaluate the quality of the internal audit function is undertaken once every year. The Audit Committee has the authority delegated to it to appoint and dismiss the Internal Auditors.

### **MIGA's commitment to quality**

MIGA has a Service Commitment which underpins the service standards provided to its members and policyholders and includes measurable service standards in support of the Group's goal to provide outstanding service.

Adoption of the Service Commitment reflects the Group's genuine desire to be open, caring and honest in its relationships and communications with members and policyholders and a commitment to be transparent and accountable.

### **Ethical standards**

All Directors, managers and employees are expected to act with the utmost integrity and objectivity, striving at all times to enhance the reputation and performance of the Group. Every employee has a nominated supervisor to whom they may refer any issues arising from their employment.

### **Conflict of interest**

Directors must keep the Boards advised, on an ongoing basis, of any interest that could potentially conflict with those of the Group. The Boards have developed procedures to assist Directors to disclose potential conflicts of interest.

Where the Boards believe that a significant conflict exists for a Director on a Board matter, the Director concerned does not receive the relevant Board Papers and is not present at the meeting whilst the item is considered.

# Annual Report and Summary Financial Report

## The Boards and Board Committees

### Meetings of Directors

During the financial year, 10 meetings of Directors of MDASA and Medical Insurance Australia were held. In addition, 30 Committee meetings and a number of strategy meetings were held.

The MDASA Board meetings are run in conjunction with the Medical Insurance Australia Pty Ltd Board meetings.

The agenda for meetings of the Boards are prepared by the Chairman and the CEO. Standing items included financial reports, strategic matters, governance and compliance. Information and Papers are circulated in advance of meetings and Directors have a number of opportunities for contact with a wider group of employees.

The number of meetings held during the time in which the Directors held office during the year and their attendance were as follows:

2015						
	Directors' Meetings				Committee Meetings	
	MDASA		Medical Insurance Australia		Number of meetings held	Number attended
	Number of meetings held	Number attended	Number of meetings held	Number attended		
Dr John O'Loughlin AO - Chairman	10	9	10	9	30	26
Dr Martin Altmann – Deputy Chairman	10	10	10	10	10	10
Ms Amanda Anderson	10	10	10	10	18	18
Mr Henry Botha	10	10	10	10	8	8
Ms Juliet Brown OAM	N/A	N/A	10	9	8	7
Associate Professor Peter Cundy	10	10	10	10	3	1
Mr David Goodsall	N/A	N/A	8	6	5	2
Mr David Henderson	10	9	10	9	15	15
Dr Andrew Pesce	10	10	10	10	3	2
Dr Roger Sexton	10	9	10	9	15	14

#### Note:

- Professor Owen Ung was appointed as Director of Medical Insurance Australia effective 1 August 2015 and will join the Board of MDASA from 1 October 2015
- Mr David Goodsall resigned as a Director of Medical Insurance Australia on 19 May 2015.



# Annual Report and Summary Financial Report

## The Boards and Board Committees

### Board Committees

To assist in the execution of their responsibilities, the Boards of Medical Insurance Australia and MDASA have established the following Committees:

#### Claims Committee

Chairman, Dr J O'Loughlin

#### Clinical Risk Management Committee

Chairman, Dr R Sexton

#### Audit Committee

Chairman, Mr H Botha

#### Risk Committee

Chairman, Mr H Botha

#### Governance and Remuneration Committee

Chairman, Dr M Altmann

The Committees are governed by individual Terms of Reference which clarify their membership, responsibilities and authorities. The Terms of Reference are reviewed on a regular basis.

### The purpose of each Committee

The purpose of each Committee is as follows:

#### Claims Committee

To monitor and continually review claims developments for the Group, to review and agree estimates for and the classification of certain matters which are either claims for compensation or deemed likely to develop into claims for compensation against the Group and to consider any issues arising in relation to large claims in particular.

**Meetings:** At least monthly

#### Clinical Risk Management Committee

To review and assess the progress and effectiveness of the Group's Risk Management Program and consider and agree risk management strategies for issues of significant concern for the Group in relation to individual members and trends identified within the portfolio.

Issues of significant concern are those that have the potential to have a significant financial, legal or reputational impact on the Group and which are identified through the Group's High Risk Members Protocol.

**Meetings:** At least four times a year

#### Audit Committee

To monitor, review and make recommendations to the Boards of MDASA and Medical Insurance Australia on the Group's financial affairs, balance sheet risk and legal/regulatory compliance.

**Meetings:** At least five times a year

#### Risk Committee

To monitor, review and make recommendations to the Boards of MDASA and Medical insurance Australia on the Group's strategic and operational risk and legal/regulatory compliance.

**Meetings:** At least five times a year

#### Governance and Remuneration Committee

To consider and agree remuneration for Directors and the CEO, to monitor the Group's compliance with the Board Performance and Review Policy and to consider the Group's succession plan and compliance with APRA's Fit and Proper requirements.

**Meetings:** At least six times a year

### Medical Advisory Panels

MIGA has Medical Advisory Panels in South Australia, New South Wales, Victoria and Queensland.

The aim of these Panels is to better canvass the views of the Group's national doctor membership and to facilitate engagement with a larger group of doctors nationally, which keeps MIGA better informed of the views of our members and clients.

Details of representatives on each Panel are available via MIGA's website.

# Annual Report and Summary Financial Report

## Directors' Information

The Boards comprise directors with an excellent diversity of skill and knowledge with an important mix of medical and non-medical expertise, together with good representation of our national membership.



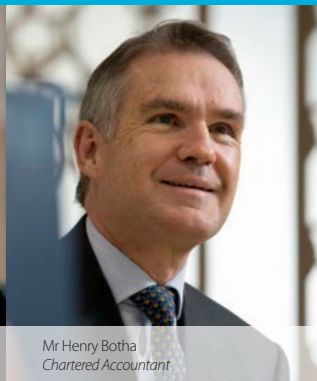
Dr John O'Loughlin AO  
Chairman, Obstetrician and Gynaecologist



Dr Martin Altmann Deputy  
Chairman, Rural Procedure GP



Ms Amanda Anderson  
CEO and Managing Director



Mr Henry Botha  
Chartered Accountant



Ms Juliet Brown OAM  
Company Director

Director	Background	Medical Insurance Australia Board	MDASA Board
Dr John Augustine O'Loughlin AO	Obstetrician and Gynaecologist	Chair	Chair
Dr Martin Frank Altmann	GP Rural Obstetrics	Deputy Chairman	Deputy Chairman
Ms Amanda Jayne Anderson	CEO – MDASA Managing Director – Medical Insurance Australia	Director	Director
Mr Henry Albertyn Botha	Chartered Accountant	Director	Director
Ms Juliet Brown OAM	Company Director	Director	
Assoc Professor Peter John Cundy	Orthopaedic Surgeon	Director	Director
Mr David Charles Henderson	General Insurance	Director	Director
Dr Andrew Francesco Pesce	Obstetrician and Gynaecologist	Director	Director
Dr Roger Allen Sexton	GP – Urban and Rural	Director	Director
Professor Owen Allan Ung	General Surgeon (Breast & Endocrine)	Director	

# Annual Report and Summary Financial Report

## Directors' Information

### MDASA

The Constitution of MDASA requires that:

- The majority of the Directors must be medical members of MDASA
- Three of the Directors are non-medical Directors who are appointed by the Board and whose appointment is subject to review every three years (or such shorter period as the Directors may determine).

The medical Directors are elected by the membership and are subject to re-election by rotation in accordance with the Constitution.

The Board of MDASA comprises seven members, four of whom are medical Directors. The non-medical representation on the MDASA Board

ensures that we maintain an important broad blend of expertise, given the corporate and insurance related issues that the organisation must consider.

### Medical Insurance Australia

The Board of Medical Insurance Australia comprises 10 Directors, five of whom are generally non-medical with expertise in the following areas:

- Professional indemnity, insurance and risk management
- Actuarial
- Legal and corporate governance
- Accounting.

All medical Directors on the Board of Medical Insurance Australia are also Directors of MDASA.



### 2014 AGM

The Annual General Meeting was held on 25 November 2014 and included the election of Directors to the Board of MDASA.

As per Article 46 of the Constitution, Dr Martin Altmann and Associate Professor Peter Cundy retired and, in accordance with Article 48 of the Constitution, offered themselves for re-election.

As there were no other nominations for the two vacancies, no election was required and Dr Martin Altmann and Associate Professor Peter Cundy were declared by the Chairman of the AGM to be elected (under Article 48A(b) of the Constitution).

### Board appointments

The Directors of MDASA and Medical Insurance Australia made the following appointments during the year:

#### **Professor Owen Ung**

Professor Owen Ung was appointed as a Director of Medical Insurance Australia effective 1 August 2015 and will join the Board of MDASA from 1 October 2015.

#### **Mr David Goodsall**

Mr David Goodsall resigned as a Director of Medical Insurance Australia on 19 May 2015.

# Annual Report and Summary Financial Report

## Directors' Information

Details of Directors in office as at 30 June 2015 or appointed since then.

<b>Dr John Augustine O'Loughlin AO</b>	<b>Obstetrician and Gynaecologist</b>
<b>MIGA Board and Committee appointments</b>	<ul style="list-style-type: none"> <li>– MIGA Boards               <ul style="list-style-type: none"> <li>• Chairman, MDASA Limited</li> <li>• Chairman, Medical Insurance Australia Pty Ltd</li> <li>• Chairman, Medical Insurance Group Australia Pty Ltd</li> <li>• Chairman, Invivo Medical Pty Ltd</li> </ul> </li> <li>– MIGA Committees               <ul style="list-style-type: none"> <li>• Chairman, Claims Committee</li> <li>• Member, Clinical Risk Management Committee</li> <li>• Member, Governance and Remuneration Committee</li> <li>• Member, Audit Committee</li> <li>• Member, Risk Committee</li> </ul> </li> <li>– Member, Medical Advisory Panel</li> </ul>
<b>Qualifications</b>	<ul style="list-style-type: none"> <li>– MS, MB BS, FRCOG, FRANZCOG, FRNZCOG (Hon), FACOG (Hon)</li> <li>– Fellow, Australian Institute of Company Directors (FAICD)</li> </ul>
<b>Industry and sector experience</b>	<p>Dr O'Loughlin was a consultant Obstetrician and Gynaecologist in private practice in Adelaide for over 30 years. He has held teaching hospital appointments at the Queen Victoria Hospital, the Women's and Children's Hospital and the Royal Adelaide Hospital. He has retired from clinical practice, but continues his associations as emeritus consultant Obstetrician and Gynaecologist at the Women's and Children's Hospital and emeritus consultant Gynaecologist at the Royal Adelaide Hospital.</p>
<b>Dr Martin Frank Altmann</b>	<b>GP Rural Obstetrics</b>
<b>MIGA Board and Committee appointments</b>	<ul style="list-style-type: none"> <li>– MIGA Boards               <ul style="list-style-type: none"> <li>• Deputy Chairman, MDASA Limited</li> <li>• Deputy Chairman, Medical Insurance Australia Pty Ltd</li> </ul> </li> <li>– MIGA Committees               <ul style="list-style-type: none"> <li>• Chairman, Governance and Remuneration Committee</li> <li>• Member, Clinical Risk Management Committee (former Chairman)</li> <li>• Member, Audit Committee (by invitation)</li> <li>• Member, Risk Committee (by invitation)</li> </ul> </li> <li>– Member, Medical Advisory Panel</li> </ul>
<b>Qualifications</b>	<ul style="list-style-type: none"> <li>– MB BS (Adelaide), DIP RANZCOG (Advanced), MRCGP(UK), FACRRM</li> <li>– Fellow, Australian Institute of Company Directors (FAICD)</li> </ul>
<b>Industry and sector experience</b>	<p>Dr Martin Altmann has been a practising Rural Procedural General Practitioner in Murray Bridge for over 20 years with special interests in obstetrics, paediatrics and surgery. He maintains a strong commitment to medical training and education at both undergraduate and postgraduate levels.</p>
<b>Ms Amanda Jayne Anderson</b>	<b>CEO and Managing Director</b>
<b>MIGA Board and Committee appointments</b>	<ul style="list-style-type: none"> <li>– MIGA Boards               <ul style="list-style-type: none"> <li>• Director and CEO, MDASA Limited</li> <li>• Managing Director, Medical Insurance Australia Pty Ltd</li> <li>• Director, Medical Insurance Group Australia Pty Ltd</li> <li>• Director, Invivo Medical Pty Ltd</li> </ul> </li> <li>– MIGA Committees               <ul style="list-style-type: none"> <li>• Member, Clinical Risk Management Committee</li> <li>• Member, Governance and Remuneration Committee (by invitation)</li> <li>• Member, Audit Committee (by invitation)</li> <li>• Member, Risk Committee (by invitation)</li> </ul> </li> </ul>
<b>Qualifications</b>	<ul style="list-style-type: none"> <li>– Bachelor of Arts, Social Sciences – majoring in psychology and biology</li> <li>– Senior Associate, Australian and New Zealand Institute of Insurance and Finance (ANZIIF)</li> <li>– Business Certificate in Insurance</li> <li>– Member, Australian Institute of Company Directors (MAICD)</li> </ul>
<b>Industry and sector experience</b>	<p>Ms Anderson has in excess of 25 years' experience in insurance, reinsurance, risk management, general business management and strategic planning with a specific emphasis on professional indemnity, general liability and medical malpractice insurance.</p>

# Annual Report and Summary Financial Report

## Directors' Information

Directors Details of Directors in office as at 30 June 2013 or appointed since then.

<b>Mr Henry Albertyn Botha</b>	<b>Chartered Accountant</b>
<b>MIGA Board and Committee appointments</b>	<ul style="list-style-type: none"> <li>– MIGA Boards               <ul style="list-style-type: none"> <li>• Director, MDASA Limited</li> <li>• Director, Medical Insurance Australia Pty Ltd</li> </ul> </li> <li>– MIGA Committees               <ul style="list-style-type: none"> <li>• Chairman, Audit Committee</li> <li>• Chairman, Risk Committee</li> </ul> </li> </ul>
<b>Qualifications</b>	<ul style="list-style-type: none"> <li>– Bachelor of Commerce, University of Natal, South Africa</li> <li>– MBA, University of Cape Town, South Africa</li> <li>– Member, Australian Institute of Company Directors (MAICD)</li> </ul>
<b>Industry and sector experience</b>	Mr Botha is a Chartered Accountant specialising in accountancy, finance and management consulting. He also lectures extensively across Australia for the Australian Institute of Company Directors on the finance modules of their Company Directors Course.
<b>Ms Juliet Brown OAM</b>	<b>Company Director</b>
<b>MIGA Board and Committee appointments</b>	<ul style="list-style-type: none"> <li>– MIGA Boards               <ul style="list-style-type: none"> <li>• Director, Medical Insurance Australia Pty Ltd</li> </ul> </li> <li>– MIGA Committees               <ul style="list-style-type: none"> <li>• Member, Governance and Remuneration Committee</li> <li>• Member, Audit Committee</li> <li>• Member, Risk Committee</li> </ul> </li> </ul>
<b>Qualifications</b>	<ul style="list-style-type: none"> <li>– Bachelor of Laws (University of Adelaide)</li> <li>– Fellow, Australian Institute of Company Directors (FAICD)</li> </ul>
<b>Industry and sector experience</b>	Ms Brown has significant experience in business and the law extending over various industries including insurance, health, transport and superannuation in both the public and private sectors.
<b>Associate Professor Peter John Cundy</b>	<b>Orthopaedic Surgeon</b>
<b>MIGA Board and Committee appointments</b>	<ul style="list-style-type: none"> <li>– MIGA Boards               <ul style="list-style-type: none"> <li>• Director, MDASA Limited</li> <li>• Director, Medical Insurance Australia Pty Ltd</li> </ul> </li> <li>– MIGA Committees               <ul style="list-style-type: none"> <li>• Member, Clinical Risk Management Committee</li> </ul> </li> <li>– Member, Medical Advisory Panel</li> </ul>
<b>Qualifications</b>	<ul style="list-style-type: none"> <li>– MB BS (University of Adelaide), FRACS</li> <li>– Fellow, Australian Institute of Company Directors (FAICD)</li> </ul>
<b>Industry and sector experience</b>	Associate Professor Peter Cundy is a well known Orthopaedic Surgeon in Australia specialising in paediatric orthopaedic surgery and general adult orthopaedics. He is active in research (University of Adelaide) and on the Editorial Board of several peer-reviewed Journals. Associate Professor Cundy is also a Senior Examiner for the Royal Australasian College of Surgeons.
<b>Mr David Charles Henderson</b>	<b>General Insurance</b>
<b>MIGA Board and Committee appointments</b>	<ul style="list-style-type: none"> <li>– MIGA Boards               <ul style="list-style-type: none"> <li>• Director, MDASA Limited</li> <li>• Director, Medical Insurance Australia Pty Ltd</li> </ul> </li> <li>– MIGA Committees               <ul style="list-style-type: none"> <li>• Member, Audit Committee</li> <li>• Member, Risk Committee</li> <li>• Member, Governance and Remuneration Committee</li> </ul> </li> </ul>
<b>Qualifications</b>	<ul style="list-style-type: none"> <li>– Senior Associate, Australian and New Zealand Institute of Insurance and Finance (ANZIIF)</li> <li>– Fellow, Australian Institute of Company Directors (FAICD)</li> </ul>
<b>Industry and sector experience</b>	Mr Henderson has over 40 years' experience in the general insurance industry, including seven years as General Manager Commercial Insurance at SGIC and four years as CEO of RAA Insurance

# Annual Report and Summary Financial Report

## Directors' Information

Directors Details of Directors in office as at 30 June 2015 or appointed since then.

<b>Dr Andrew Francesco Pesce</b>	<b>Obstetrician and Gynaecologist</b>
<b>MIGA Board and Committee appointments</b>	<ul style="list-style-type: none"> <li>– MIGA Boards               <ul style="list-style-type: none"> <li>• Director, MDASA Limited</li> <li>• Director, Medical Insurance Australia Pty Ltd</li> </ul> </li> <li>– MIGA Committees               <ul style="list-style-type: none"> <li>• Member, Clinical Risk Management Committee</li> </ul> </li> <li>– Member, Medical Advisory Panel (NSW)</li> </ul>
<b>Qualifications</b>	<ul style="list-style-type: none"> <li>– MBBS, FRANZCOG, FAMA</li> <li>– Member, Australian Institute of Company Directors (MAICD)</li> </ul>
<b>Industry and sector experience</b>	Dr Pesce is an Obstetrician and Gynaecologist in public and private practice in Sydney and is a former Federal President of the AMA. He has also worked on behalf of the profession over the last 15 years on issues concerning medical indemnity and national disability.
<b>Dr Roger Allen Sexton</b>	<b>GP – Urban and Rural</b>
<b>MIGA Board and Committee appointments</b>	<ul style="list-style-type: none"> <li>– MIGA Boards               <ul style="list-style-type: none"> <li>• Director, MDASA Limited</li> <li>• Director, Medical Insurance Australia Pty Ltd</li> </ul> </li> <li>– MIGA Committees               <ul style="list-style-type: none"> <li>• Chairman, Clinical Risk Management Committee</li> <li>• Member, Claims Committee</li> </ul> </li> <li>– Member, Medical Advisory Panel</li> </ul>
<b>Qualifications</b>	<ul style="list-style-type: none"> <li>– MB BS (Adelaide), DRCOG (UK), MBA (Adelaide), FRACGP, FACRRM</li> <li>– Graduate, Australian Institute of Company Directors (GAICD)</li> </ul>
<b>Industry and sector experience</b>	Dr Sexton has practised as a procedural rural general practitioner for over 30 years and is currently working in both urban and rural general practice, in executive health and as a medical school clinical skills tutor. He is a past Presiding Member of the Medical Board of SA and has a keen interest in undergraduate and post graduate education and has been a strong advocate for improving the health of doctors and medical students.
<b>Professor Owen Allan Ung</b>	<b>General Surgeon (Breast &amp; Endocrine)</b>
<b>MIGA Board and Committee appointments</b>	<ul style="list-style-type: none"> <li>– MIGA Boards               <ul style="list-style-type: none"> <li>• Director, Medical Insurance Australia Pty Ltd</li> </ul> </li> <li>– MIGA Committees               <ul style="list-style-type: none"> <li>• Member, Clinical Risk Management Committee</li> </ul> </li> <li>– Member, Medical Advisory Panel (Qld)</li> </ul>
<b>Qualifications</b>	<ul style="list-style-type: none"> <li>– MB BS (University of Queensland), FRACS</li> </ul>
<b>Industry and sector experience</b>	Professor Owen Ung is a well known General Surgeon in Australia specialising in breast and endocrine surgery. He is a committed clinician, researcher and teacher and lectures and publishes widely. He is also a principal investigator for a number of major Australian and New Zealand clinical trials. He has obtained extensive administrative and management experience through his various clinical leadership roles and is active on numerous State and National Committees. Through the Royal Australasian College of Surgeons, he plays an active role in surgical training, assessment and examination.

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### **Medical Defence Association of South Australia Ltd**

ABN 41 007 547 588

The Directors present their Summary Consolidated Financial Report of the Medical Defence Association of South Australia Ltd (MDASA) and the consolidated financial report of the entity (Consolidated Entity), being MDASA and its controlled entities Medical Insurance Australia Pty Ltd, Invivo Medical Pty Ltd and Medical Insurance Group Australia Pty Ltd for the financial year ended 30 June 2015 and the independent audit report thereon.

# Summary Financial Report 2015

Year ended 30 June 2015

## Summary Financial Report

### Statement of Profit or Loss and other Comprehensive Income

Medical Defence Association of South Australia Limited  
Summary Financial Report for the Year Ended 30 June 2015

	Consolidated Entity	
	2015 \$'000	2014 \$'000
Gross Written Premium	48,129	52,710
Movement in Unearned Premium	(2,171)	(8,046)
<b>Premium Revenue</b>	<b>45,958</b>	<b>44,664</b>
Gross Claims Expense - Risks borne in the Current Year	(63,445)	(58,482)
Gross Claims Expense - Risks borne in Prior Years	31,384	(16,075)
Reinsurance and Other Recoveries Undiscounted	(862)	42,267
Discount to Present Value	1,332	1,488
Net Claims Incurred	(31,591)	(30,802)
Outward Reinsurance and Medical Indemnity Insurance Expense	(7,164)	(8,324)
Professional Fees Expense	(3,199)	(4,137)
Employment Expenses	(9,717)	(9,698)
General and Administrative Expenses	(6,196)	(7,105)
Other Underwriting Expenses	(518)	(771)
<b>Underwriting Result</b>	<b>(12,427)</b>	<b>(16,173)</b>
Subscription Revenue	8,194	7,178
Other Income	1,367	1,390
Net Loss on the Sale of Property, Plant and Equipment	(97)	-
<b>Results from Operating Activities</b>	<b>(2,963)</b>	<b>(7,605)</b>
Finance Income	8,671	9,348
Finance Costs	(1,032)	(596)
<b>Net Finance Income</b>	<b>7,639</b>	<b>8,752</b>
<b>Profit Before Tax</b>	<b>4,676</b>	<b>1,147</b>
<b>Income Tax Benefit / (Expense)</b>	<b>(29)</b>	<b>1,020</b>
<b>Total Comprehensive Income Attributable to Members</b>	<b>4,647</b>	<b>2,167</b>

#### Discussion and Analysis of the Statement of Comprehensive Income

##### Consolidated Entity

Premium Revenue increased by \$1.294m as a result of growth and 2014/2015 being the first full year of exposure, and associated premium, for the Invivo portfolio. Growth in revenue was partially offset by the 10% renewal rebate provided to members in the 2014/2015 year.

Gross Claims Expense decreased by \$42.496m. Reinsurance and Other Recoveries decreased by \$43.129m and there was a favourable movement in the Discount to Present Value of \$0.156m. Net Claims Incurred has increased by \$0.789m. This increase is predominantly due to claim reserve releases for the 2013/2014 and prior years offset by the associated reduction in expected Reinsurance and Other Recoveries on large claims in those years.

Professional Fees, Employment and General and Administration Expenses are \$1.828m lower due to recognising the claims handling cost in Net Claims Incurred rather than Employment Expenses.

Net Finance Income has decreased by \$1.113m which is predominantly driven by the impact of lower market interest rates.

The accompanying discussion and analysis form part of the Summary Financial Report.



# Summary Financial Report

## Statement of Financial Position

Medical Defence Association of South Australia Limited  
Summary Financial Report for the Year Ended 30 June 2015

	Consolidated Entity	
	2015 \$'000	2014 \$'000
<b>Current Assets</b>		
Cash and Cash Equivalents	86,071	89,626
Trade and Other Receivables	3,977	2,833
Reinsurance and Other Recoveries Receivable	12,959	14,314
Investments	33,466	54,530
Income Tax Receivable	2,183	2,222
Other Assets	410	543
<b>Total Current Assets</b>	<b>139,066</b>	<b>164,068</b>
<b>Non-Current Assets</b>		
Reinsurance and Other Recoveries Receivable	88,622	91,115
Investments	137,430	81,071
Property, Plant and Equipment	2,789	2,536
Intangible Assets	14,862	15,469
<b>Total Non-Current Assets</b>	<b>243,703</b>	<b>190,191</b>
<b>Total Assets</b>	<b>382,769</b>	<b>354,259</b>
<b>Current Liabilities</b>		
Trade and Other Payables	17,345	7,243
Outstanding Claims Provision	32,571	33,854
Income Tax Payable	-	-
Employee Benefits	1,996	2,337
Other Liabilities	35,731	33,213
<b>Total Current Liabilities</b>	<b>87,643</b>	<b>76,647</b>
<b>Non-Current Liabilities</b>		
Outstanding Claims Provision	180,814	167,420
Deferred Tax Liabilities	36	1,135
Employee Benefits	30	55
Other Liabilities	1,603	1,006
<b>Total Non-Current Liabilities</b>	<b>182,483</b>	<b>169,616</b>
<b>Total Liabilities</b>	<b>270,126</b>	<b>246,263</b>
<b>Net Assets</b>	<b>112,643</b>	<b>107,996</b>
<b>Equity</b>		
Retained Profits	112,643	107,996
<b>Total Equity</b>	<b>112,643</b>	<b>107,996</b>

### Discussion and Analysis of the Statement of Financial Position

#### Consolidated Entity

Total Assets have increased in the Consolidated Entity by \$28.510m from 30 June 2014 to 30 June 2015. This movement is predominantly due to:

- A \$31.740m increase in the investment portfolio (including Cash and Cash Equivalents and Other Investments)
- A \$3.848m decrease in Reinsurance and Other Recoverables Receivable
- A \$1.144m increase in Trade and Other Receivables.

Total Liabilities have increased in the Consolidated Entity by \$23.863m from 30 June 2014 to 30 June 2015. This movement is predominantly due to:

- A \$10.102m increase in the Trade and Other Payables
- A \$12.111m increase in the Outstanding Claims Provision from policies issued by the Controlled Entity Insurance Company
- A \$3.115m increase in other liabilities which includes, Subscription Income received in advance, Premium received in advance, Other Income received in advance and Unexpired risk liability.

The movement in Total Equity of the Consolidated Entity of \$4.647m, from 30 June 2014 to 30 June 2015, reflects the Net Profit After Tax for the year.

The accompanying discussion and analysis form part of the Summary Financial Report.

# Summary Financial Report

## Statement of Cash Flows

Medical Defence Association of South Australia Limited  
Summary Financial Report for the Year Ended 30 June 2015

	Consolidated Entity	
	2015 \$'000 Inflows (Outflows)	2014 \$'000 Inflows (Outflows)
<b>Cash Flows From Operating Activities:</b>		
Subscriptions Received	8,393	8,536
Premium Received	48,730	52,436
Sundry Income Received	1,729	557
Reinsurance and Other Recoveries Received	19,061	5,663
Reinsurance Paid	(8,546)	(7,169)
Claims Paid	(32,519)	(19,627)
Payments to Suppliers and Employees	(21,556)	(19,305)
Cash Generated from Operations Before Tax	15,292	21,091
Income Tax Paid	(1,088)	(5,774)
<b>Net Cash from/(used in) Operating Activities</b>	<b>14,204</b>	<b>15,317</b>
<b>Cash Flows from Investing Activities:</b>		
Proceeds from Sale of Property, Plant and Equipment	-	-
Acquisition of Property, Plant and Equipment	(726)	(362)
Interest Received	9,569	10,187
Dividends Received	80	69
Proceeds from Sale or Maturity of Investments	131,361	70,733
Payment of Investments	(158,043)	(71,876)
Acquisition of subsidiary, net cash acquired	-	-
<b>Net Cash (used in)/from Investing Activities</b>	<b>(17,759)</b>	<b>8,751</b>
Net Increase (Decrease) in Cash and Cash Equivalents	(3,555)	24,068
Cash and Cash Equivalents at 1 July	89,626	65,558
<b>Cash and Cash Equivalents at 30 June</b>	<b>86,071</b>	<b>89,626</b>

### Discussion and Analysis of the Statement of Cash Flows

#### Consolidated Entity

Premium Received in 2014/2015 was \$3.706m lower than during 2013/2014. An increase in premiums received in 2014/2015 as a result of the the first full recognition of the Invivo portfolio was offset by an overall reduction in premium revenue due to the renewal rebate in 2014/2015. Cash received in June 2013 for Premium Received in Advance for 2013/2014 was lower than the Premium Received in Advance in June 2014 for the 2014/2015 year. This resulted in a higher proportion of premium received in the 2013/2014 year than in the 2014/2015 year.

Claims Paid in 2014/2015 were \$12.892m higher than during the 2013/2014 year reflecting more large claims settled in the period.

Reinsurance and Other Recoveries Received in 2014/2015 were \$13.398m higher than during the 2013/2014 year for recoveries from reinsurers and the Federal Government for large claim payments in 2014/2015.

Net Cash From Investing was \$26.510m higher in 2014/2015 than during the 2013/2014 year due to an increase in investments.

The accompanying discussion and analysis form part of the Summary Financial Report.

## Summary Financial Report

### Statement of Changes in Equity

Medical Defence Association of South Australia Limited  
Summary Financial Report for the Year Ended 30 June 2015

	Consolidated Entity	
	Retained Earnings \$'000	Total Equity \$'000
Balance at 1 July 2014	107,996	107,996
Total Comprehensive Income for the Period	4,647	4,647
<b>Balance at 30 June 2015</b>	<b>112,643</b>	<b>112,643</b>
Balance at 1 July 2013	105,829	105,829
Total Comprehensive Income for the Period	2,167	2,167
<b>Balance at 30 June 2014</b>	<b>107,996</b>	<b>107,996</b>

The accompanying discussion and analysis form part of the Summary Financial Report.

#### Discussion and Analysis of the Statement of Changes in Equity

The movement in Total Equity of the Consolidated Entity reflects the movement in Profit for the Period which is detailed in the discussion and analysis of the Statement of Profit or Loss and Other Comprehensive Income.

# Summary Financial Report

## Notes

Medical Defence Association of South Australia Limited  
Notes to and forming part of the Summary Financial  
Report for the Year Ended 30 June 2015

### Note 1. Basis of preparation of Summary Financial Report

The financial statements and specific disclosures have been derived from the Consolidated Entity's full Financial Report. The Summary Financial Report does not, and cannot be expected, to provide as full an understanding of the financial performance, financial position and financing and investing activities as the Consolidated Entity's full Financial Report. A copy of the Consolidated Entity's full Financial Report will be provided to members on request.

Medical Defence Association of South Australia Limited (the "Company") is a company limited by guarantee and is incorporated and domiciled in Australia. The Summary Financial Report of the Consolidated Entity for the year ended 30 June 2015 comprises the Company and its subsidiaries (together referred to as the "Consolidated Entity").

The Summary Financial Report is presented in Australian dollars, which is the Consolidated Entity's functional currency. The Consolidated Entity is of the kind referred to in ASIC class order 98/100 dated 10 July 1998 and in accordance with that class order, all financial information presented in Australian dollars has been rounded to the nearest thousand unless otherwise stated.

The Summary Financial Report is prepared on the historical cost basis except that financial instruments held for trading are stated at their fair value.

A full description of the accounting policies adopted by the Consolidated Entity is provided in the Consolidated Entity's full Financial Report. These accounting policies have been consistently applied by each entity in the Consolidated Entity and are consistent with those of the previous year.

### Note 2. Regulatory Capital Compliance

APRA's Prudential Standards set out the basis for calculating the Prudential Capital Requirement (PCR) of licensed insurers.

The PCR uses a risk-based approach for measuring the capital adequacy of the Consolidated Medical Insurance Australia Pty Ltd. ("Controlled Entity Insurance Company"). The PCR is intended to take into account the full range of risks to which the Controlled Entity Insurance Company is exposed.

The PCR for a regulated institution equals the prescribed capital amount (PCA) plus any supervisory adjustment determined by APRA. The PCA of the Controlled Entity Insurance Company is shown right:

	2015 \$'000	2014 \$'000
<b>Common Equity Tier 1 Capital</b>		
Paid up Capital	50,575	45,319
Retained Profit (APRA basis)	60,540	63,265
Current year's earnings (APRA basis)	(689)	(2,748)
Net surplus / (deficit) relating to insurance liabilities	515	(2,789)
<b>Tier 1 capital (before deductions)</b>	<b>110,941</b>	<b>103,047</b>
<b>Less deductions</b>		
Deferred tax assets (net of deferred tax liability)	2,724	2,004
Other deductions	11,075	11,682
<b>Total Tier 1 Capital</b>	<b>97,142</b>	<b>89,361</b>
<b>Prescribed Capital Amount (PCA)</b>		
Insurance risk charge	22,809	20,653
Insurance concentration risk charge	4,035	1,714
Asset risk charge	10,373	6,821
Asset concentration risk charge	-	-
Operational risk charge	3,614	3,506
Aggregation benefit	(6,564)	(4,534)
<b>Total PCA</b>	<b>34,267</b>	<b>28,160</b>
<b>Capital adequacy multiple</b>	<b>2.83</b>	<b>3.17</b>

## Summary Financial Report

### Independent Auditor's Report

The Directors present their Summary Consolidated Financial Report of the Medical Defence Association of South Australia Limited (MDASA) and the consolidated financial report of the entity (Consolidated Entity), being MDASA and its controlled entities Medical Insurance Australia Pty Ltd, Invivo Medical Pty Ltd and Medical Insurance Group Australia Pty Ltd for the financial year ended 30 June 2015 and the independent audit report thereon.

#### Report of the independent auditor on the summary consolidated financial statements to the members of Medical Defence Association of South Australia Limited

The accompanying summary consolidated financial statements which comprises the summary consolidated statement of financial position as at 30 June 2015, the summary consolidated statement of profit or loss and other comprehensive income, summary consolidated statement of changes in equity and summary consolidated statement of cash flows for the year then ended, and related notes 1 to 2, are derived from the audited financial report of Medical Defence Association of South Australia Limited for the year ended 30 June 2015. We expressed an unmodified auditors opinion on that financial report in our report dated 29 September 2015.

The summary consolidated financial statements do not contain all the disclosures required by Australian Accounting Standards. Reading the summary consolidated financial statements, therefore, is not a substitute for reading the audited financial report of Medical Defence Association of South Australia Limited.

#### Directors' responsibility for the summary consolidated financial statements

The directors are responsible for the preparation of a summary of the audited financial report, on the basis described in Note 1.

#### Auditor's responsibility

Our responsibility is to express an opinion on the summary consolidated financial statements derived from the audited financial report of Medical Defence Association of South Australia Limited based on our procedures, which were conducted in accordance with Auditing Standard ASA 810 *Engagements to Report on Summary Financial Statements*.

#### Auditor's opinion

In our opinion, the summary consolidated financial statements derived from the audited financial report of Medical Defence Association of South Australia Limited for the year ended 30 June 2015 are consistent, in all material respects, with that audited financial report.



Paul Cenko  
Partner



Adelaide  
29 September 2015

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Liability limited by a scheme approved under Professional Standards Legislation.

#### Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the Directors of Medical Defence Association of South Australia Limited

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2015 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Paul Cenko  
Partner



Adelaide  
29 September 2015

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Liability limited by a scheme approved under Professional Standards Legislation.

## MIGA

### Obituary

The deaths of the following members in the past year are recorded with regret

Dr Roger Murphy

Dr Barrie Patrick Marmion

Dr Douglas John McGill

Dr John Leslie Tunley

Dr Robert Tilney Cotton

Dr Robert John Brooks

Dr D'Arcy Edmond Hatwell

Dr Peter Kudelka

Dr Graham William Mussared

Dr Gabriella Margaret Berce

Members who passed away  
between July 2014 – June 2015



**General Enquiries  
and Client Service**

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Facsimile 1800 839 284

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(During Office hrs and 24hr emergency legal support)

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