

AACMA

AUSTRALIAN ACUPUNCTURE

& CHINESE MEDICINE

ASSOCIATION LTD

ACN 010 020 390

Australian Acupuncture and
Chinese Medicine Association Ltd
ACN 010 020 390

Acupuncture Ethics and Standards
Organisation Ltd
ACN 065 533 762

2005 Annual Report

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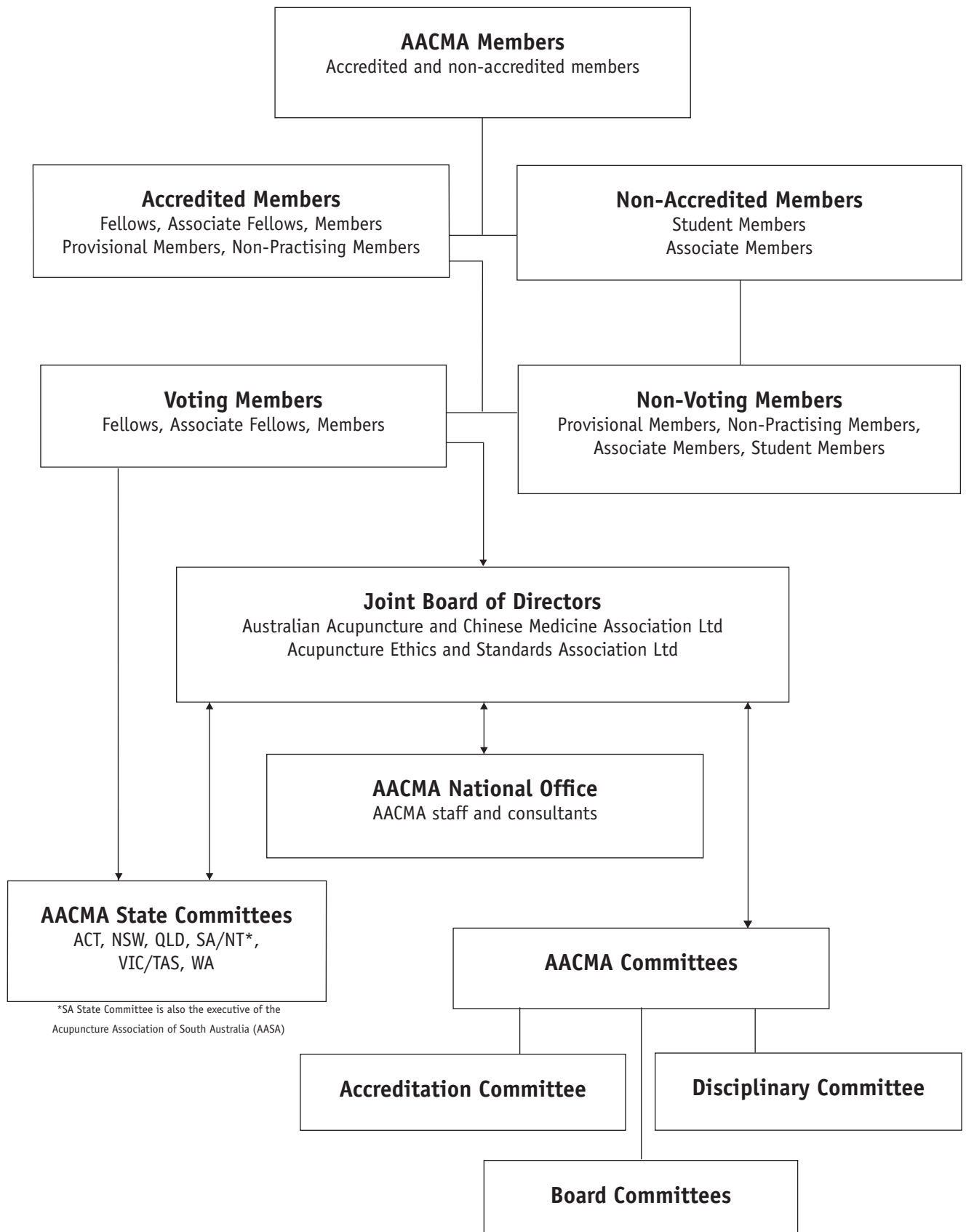
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AACMA Organisational Structure



President's Report

Promoting Excellence in Acupuncture and Chinese Medicine Health Care

THE PRESIDENT'S PERSPECTIVE

2005 was another year that saw the continued steady development of Chinese Medicine in Australia.

The number of practitioners continues to grow as does the number of people who use Chinese Medicine. The number of students enrolling in accredited courses of Chinese Medicine is increasing.

Registration in New South Wales and Western Australia moved closer to fruition. In this regard, Judy James and I gave evidence before the NSW Parliamentary Health Care Complaints Committee enquiry into the regulation of Traditional Chinese Medicine. Judy James and Ke Li also paid a visit to Perth to move the case for registration forward in that state.

With registration appearing to be imminent in New South Wales, more than half the practitioners in Australia will be practising in a regulated environment. With registration being the norm rather than the exception, registration should soon be in place nationwide. In this regard, our focus in 2006 will be on Queensland, South Australia and the ACT.

With the changes in the practice environment associated with statutory registration, the challenges will be not to work out how to enter the mainstream, but rather how to best meet higher community expectations. The responsibility resting with our practitioners as a whole will be to meet the highest standards of excellence in practice and the highest level of professional ethics. The expectation will be that as professionals practising the art of Chinese medicine we will be not only proficient in our own particular field but be able to provide leadership in the community to speak out on matters affecting the common interest. The role of the Association will continue to be important in this regard.

Our Journal moved closer to fruition in 2005. AACMA appointed the Editorial Board led by Editor-in-Chief Zhen Zheng. The Journal is important in that it fills a need for scholarly and academic research to be published in Australia. The Journal will pave the way for more of our practitioners to research, to think about the deeper issues, and to write meaningfully about Chinese Medicine.

On matters academic, two of our members are now full Professors of Chinese Medicine, Alan Bensoussan from the University of Western Sydney and Charlie Xue from RMIT University in Melbourne. If we think about this in perspective, we have come a fair way in a relatively short time.

AACMAC (Australasian Acupuncture and Chinese Medicine Annual Conference) was successfully held in Melbourne in conjunction with the 2005 Annual General Meeting. We successfully made the transition to three concurrent sessions at AACMAC, which we hope to continue for the Adelaide conference in 2006.

Board

I would like to thank all the AACMA Board Members who held positions on the Board in 2005 for providing their services during the year.

Thanks to Yifan Yang who resigned during the course of the year to pursue other interests and Brendon Supple who did not re-stand at the 2005 elections.

We also welcomed Michael Porter (SA) who was appointed for another stint on the Board, as well as two new Board members Zhen Zheng (VIC) and Yun-Fei Lu (WA).

Board members re-elected at the 2005 AGM were Walter Simpson (QLD), Marina Christov (VIC) and myself (NSW), all of whom were elected to two year positions expiring in 2007, and Yifan Yang (NSW) who was elected to the one year position.

State Committees

The State Committees continued to be a great success in 2005.

The State Committees continued to provide more and better low cost seminars for members in most States and more opportunities for members to be involved at a grass roots level in the Association.

Staff

On behalf of the Board, I would like to thank the staff, led by Judy James, for their hard work in running the organisation in 2005. As always, the staff performed beyond the call of duty, working many unpaid hours. In any organisation worth its salt, it is well known that CEO's never really knock off. Judy James in 2005 lived up to that tradition and more. I believe that many members may not be really aware how much work goes into running the organisation. It is the case that AACMA is the largest and most well organised association in Chinese Medicine in Australia. In my travels to international conferences I have not been made aware of an organization outside of North East Asia that can rival AACMA in the breadth of complexity of activity and organisation. If we did not have the staff we have this would not have been possible. On behalf of all the members, thanks to Judy James, Jazz Tyrril and the team. Judy James, Jazz Tyrril and the staff are worthy of praise for their commitment, enthusiasm and sense of urgency in performing tasks.

The year ahead

Your Board in 2006, as in the past, can not afford to rest on its laurels for a single minute. The issues facing the profession and the Association are complex, the tasks are ongoing.

An increased media profile is another committed aim towards which much attention will be focussed in future years.

Imminent registration in New South Wales demands careful, clear and persistent focus with regard to the formulation of policy and direction. Our goal is that the other states will soon follow.

Our aim will be to steadily and consistently work for the establishment of Chinese Medicine in its proper place in society. Registration on a larger scale nationwide is not an end, but the beginning, of our journey. If we look at in perspective, what is taking place is historically significant, impacting markedly on health care in Australia. This will have an impact internationally and will impact on how people look at Chinese Medicine.

We envisage that it will not be all smooth sailing and we are ready to face the challenge of speed bumps as they loom. The positive benefits we expect, will outweigh the problems.

These efforts will coincide with fighting for the interests of our members.

2005 HIGHLIGHTS

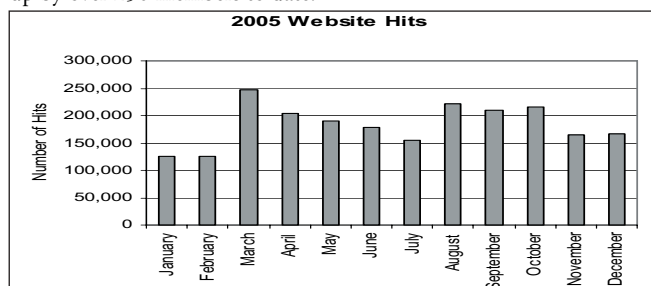
The major issues from 2005 are highlighted below.

AACMA Website Development

2005 saw further development of the AACMA website.

Website hits in 2005 are outlined in the following chart. Website hits so far in 2006 have exceeded 168,000 in January and February and over 205,000 in March.

August saw the introduction of free member pages on the website, taken up by over 250 members to date.

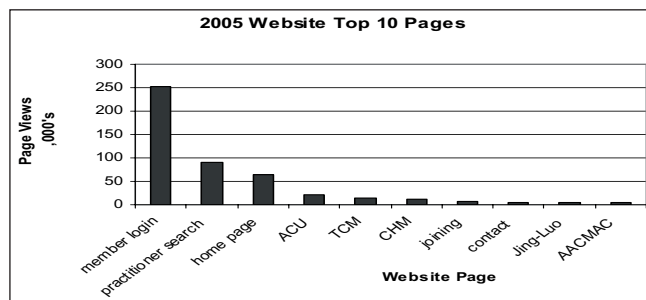


President's Report (continued)

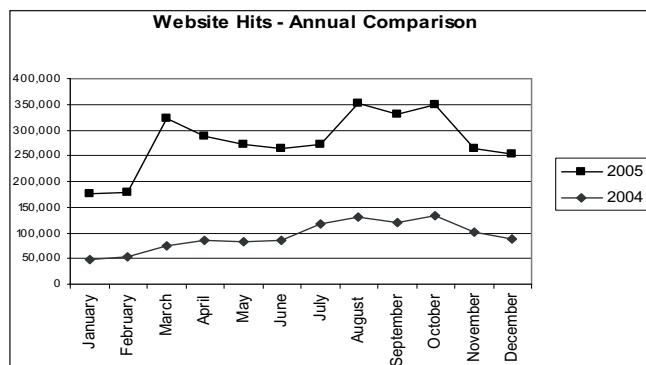
In 2005, the most popular pages viewed on the website were:

- Member log-in (251,981 page views);
- Practitioner search (91,293 views);
- home page (63,730 page views);
- acupuncture (22,204 page views);
- TCM (13,417 page views);
- Chinese herbal medicine (11,656 page views).

The overall top ten AACMA website pages in 2005 are highlighted in the following chart.



Comparing the number of hits on the website in 2004 and 2005 (refer to chart below), it is clear that the AACMA website has been a great success and of benefit to the members as a whole.



Future developments on the website include a members forum/chat room, research snap-shots, and improved layout for better access to information.

Code of Ethics

In 2005, the AACMA board launched a formal review of the association's Code of Ethics. Draft new Code of Ethics and Code of Conduct were released for consultation and feedback in March 2005 and tabled for discussion at the 2005 Annual General Meeting.

Following consideration of matters raised in the consultation process, the two new Codes have been finalised and are to be put to the members for approval at the 2006 Annual General Meeting. Although approval of the new Codes is not required under the Association rules, a Code that has been directly approved by the members has a much greater force than one which has been simply passed by the Board.

The AACMA Board wishes to acknowledge the contribution of AACMA Past President, Stephen Janz, to the new Codes. Stephen was commissioned by the AACMA Board to undertake a review of the current AACMA Code of Ethics. The Draft Revised Code of Ethics, Draft Code of Practice and the Draft Policy on Reasonably Necessary Treatment (The Peer Review Panel) were the result of that project.

New Information Brochures

New AACMA brochures were released in April 2005. Three new general information brochures are included in the initial set:

- Traditional Chinese Medicine
- Acupuncture
- Chinese Herbal Medicine

Practitioner Directory

The first AACMA Practitioner Directory was published in April 2005. The purpose of the Practitioner Directory is to assist members in networking and cross-referrals.

Research Grants

AACMA awarded the following research grants in 2005:

University of Western Sydney (\$5,000) Post-graduate scholarship; \$5000 per year x 3 yrs (2005-2007)

University of Technology Sydney (\$2,500) Research on Practitioner Referrals (joint project with AACMA)

Dr Mark Strudwick, University of Queensland (\$5,000) To demonstrate acupuncture effects in the central nervous system using resonance magnetic technology Acupuncture effects in the CNS using fMRI

A/Prof Charlie Xue, RMIT (\$2,500) A national population-based study of complementary and alternative medicine usage in Australia

Dr Damien Ryan, Victoria University (\$5,000) The Effectiveness of Acupuncture in Drug and Alcohol Withdrawal: Western Hospital Footscray Withdrawal Unit

Christine Berle, University of Technology Sydney (\$2,500) A Controlled Trial of Acupuncture for the Treatment for people who are Hepatitis C antibody positive: A Pilot Study

Run Xiang Jessica Guo, RMIT University (\$1,250) The effect of electro-acupuncture on reducing opioid consumption in patients with chronic pain

Yanyi Wang, RMIT (\$1,250) Evaluation of effectiveness and safety of acupuncture in the treatment of migraine: a randomised, single blind and sham controlled trial

There were 12 applications in total. Unfortunately, it was not possible to award all meritorious applicants a grant in 2005. Applicants who were unsuccessful in the 2005 round are encouraged to re-apply for 2006 grants.

GST Matters

AACMA continues to be a *recognised professional association* for the purposes of member's services being GST-free. Members accredited by AACMA in acupuncture and/or Chinese herbal medicine are *recognised professionals* and therefore eligible to supply those services GST-free.

Registration/Regulation issues

In 2005, the most progress towards statutory registration was again made in NSW and WA.

With Victoria, these states will set the pattern for the other States and Territories.

New South Wales In June 2005, the NSW Parliamentary Committee on the Health Care Complaints Commission (HCCC) announced an inquiry in the Possible Regulation or Registration of the Practice of Traditional Chinese Medicine.

The AACMA CEO (Judy James) and I met with the Parliamentary Committee and engaged in a detailed discussion with the Committee on a wide range of issues relevant to the inquiry's terms of reference.

From its meeting with Committee, AACMA understood that key issues for the Committee included:

- Criteria and process for grandparenting existing practitioners;
- Standards for overseas trained practitioners;
- Complaints handling.

The HCCC Committee also held public hearings on Wednesday 31 October 2005. AACMA representatives, Judy James (CEO) and I, made an oral presentation as well as a written submission.

A written submission was lodged by AACMA with the Committee and tabled at the Public Hearings on 31 August.

President's Report (continued)

Victoria The three year transition (grandparenting) period for Chinese medicine registration in Victoria ended on 31 December 2004. From 1 January 2005, practitioners seeking registration in Victoria must have either completed an approved course or undertake the Board examinations. This primarily affects members who move to Victoria from interstate as most interstate courses have not been submitted for approval in Victoria.

Western Australia 2005 saw the release of the long-promised Discussion Paper on the Regulation of Practitioners of Chinese Medicine in Western Australia. AACMA lodged a detailed written submission on the Discussion paper and AACMA representatives, CEO Judy James and Vice-President Ke Li, met with departmental officers to discuss a range of issues pertinent to the review.

AACMA Journal

AACMA announced the following appointments to the Editorial Board of the inaugural Journal of the AACMA:

- Dr Zhen Zheng, Editor-in-Chief (VIC)
- John Deare (QLD)
- Peter Ferrigno (VIC)
- Dr Damien Ryan (VIC)
- A/Prof Caroline Smith (SA)
- Dr Chris Zaslowski (NSW)

The Editorial Board represents a good cross section of skills and expertise from the profession and academia.

AACMAC Melbourne 2005

AACMAC Melbourne 2005 was held at the Rydges Melbourne Hotel from 13 – 15 May 2005 and was by far the best AACMA conference held to date. While WFAS 2004 cannot be held up in comparison due to its sheer size and scope, AACMA was able to learn from the experience of the WFAS 2004 6th World Conference on Acupuncture in the planning and delivery of AACMAC Melbourne 2005.

Firstly, a conference cannot proceed without quality presenters. Our heartfelt thanks go to all the speakers:

AACMAC 2005 Presenters

Gye Bennetts, NSW, AUSTRALIA
 Prof Alan Bensoussan, UWS, NSW, AUSTRALIA
 Katherine Berry, UTS, NSW, AUSTRALIA
 Paul Coburn, TAC, VIC, AUSTRALIA
 Warren Cochran, UTS, NSW, AUSTRALIA
 Christine Yan Cui, VIC, AUSTRALIA
 John Deare, QLD, AUSTRALIA
 Jerzy Dyczynski, GERMANY
 James Flowers, NSW, AUSTRALIA
 Ms Run Xiang Jessica Guo, RMIT, VIC, AUSTRALIA
 Dr Peter Harcourt, TAC, VIC, AUSTRALIA
 Hoc Ku Huynh, NSW, AUSTRALIA
 Stephen Janz, QLD, AUSTRALIA
 Dr Masaaki Jin, JAPAN
 A/Prof Lixing Lao, UNITED STATES
 George Lenon, RMIT, VIC, AUSTRALIA
 Ke Li, VIC, AUSTRALIA
 Richard Keyuan Li, NSW, AUSTRALIA
 Dr Chi Eung Danform Lim, UWS, NSW, AUSTRALIA
 Prof Vivian Lin, CMRB, VIC, AUSTRALIA
 John McDonald, ACCME, QLD, AUSTRALIA
 Paul McLeod, QLD, AUSTRALIA
 Edwin Yong Miao, VIC, AUSTRALIA
 Clive Powell, QLD, AUSTRALIA
 Dr Xiao Yan Ren, CHINA
 Zhen Ye Rong, VIC, AUSTRALIA
 Angela Rudhardt-Dyczynski, GERMANY
 Dr Koosnadi Saputra, INDONESIA
 Dr Anik Shawdon, VWA, VIC, AUSTRALIA
 Walter Simpson, QLD, AUSTRALIA
 A/Prof Caroline Smith, UniSA, SA, AUSTRALIA
 Dr Mark Strudwick, UQ, QLD, AUSTRALIA
 John Terry, ACNM, VIC, AUSTRALIA
 Dr Sean Walsh, UTS, NSW, AUSTRALIA

Yanyi Wang, RMIT, VIC, AUSTRALIA
 Prof Lun Wong, ATCMA, VIC, AUSTRALIA
 Tracy Worrall, CSHISC, QLD, AUSTRALIA
 Dr Hong Xu, VU, VIC, AUSTRALIA
 A/Prof Charlie Changli Xue, RMIT, VIC, AUSTRALIA
 Yifan Yang, NSW, AUSTRALIA
 Chris Zaslowski, UTS, NSW, AUSTRALIA
 Dr Zhen Zheng, RMIT, VIC, AUSTRALIA

Thanks and appreciation is also extended to out sponsors without whom we could not afford the run the conference.

Trade Exhibitors

101 Skin and Hair Pty Ltd
 Active eBase Pty Ltd
 AQIS
 China Books (Melbourne)
 Health World Ltd
 Helio Supply Co Pty Ltd
 Sun Herbal Pty Ltd

Advertisers

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 Cathay Herbal Laboratories
 Concord International Trading
 Hong Long Trade Development Council
 Permalife Pty Ltd
 Victoria University

We also thank our VIP guests who add status to these events through their gracious attendance:

VIPS

Mr Daniel Andrews MP, Parliamentary Secretary for Health, who represented the Hon Bronwyn Pike MP, Victorian Minister for Health
 Lord Mayor John So, Lord Mayor of Melbourne
 Deputy Lord Mayor Gary Singer, Deputy Lord Mayor of Melbourne
 Prof Vivian Lin, President of the Chinese Medicine Registration Board of Victoria
 Mr David Halstead, Vice-President of the Chinese Medicine Registration Board of Victoria
 Mr Gao Wei, Cultural Consul, Consulate-General of the People's Republic of China in Melbourne
 Mr Richard Li, Vice-President (Oceania), World Federation of Acupuncture Societies
 Mr Stephen Janz, Chair National Academic Standards Committee for TCM
 Mr John McDonald, President of the Australian Council for Chinese Medicine Education

AACMAC Gala Dinner

While not as large and diverse as the WFAS 2004 dinner, the AACMAC Melbourne 2005 Gala Dinner was enjoyed by all.

Door Prizes

George Lenon was the successful winner of the AACMAC Melbourne 2005 Door Prize (China Books Gift Voucher for \$100) was. The Dinner Door Prize (a bottle of Victorian wine and an AACMA cup) was won by Yifan Yang.

Conference Awards

Best Research Paper was awarded to AACMA Fellow, Dr Mark Strudwick, for his three interlocking papers:

- Acupuncture Mediated Brain Activity Demonstrated with Functional Magnetic Resonance Imaging at 4 Tesla
- Physiological Effects of Acupuncture Measured with Heart Rate Variability
- Physiological Correlates of Point Injection and Traditional Acupuncture

The award was a \$100 gift voucher from Sun Herbal.

Best Paper on Clinical Applications was awarded to Paul McLeod for his practical workshop:

- Fundamentals of Direct Rice Grain Moxibustion

The award was a \$100 Gift Voucher from Helio.

International Issues

World Federation of Acupuncture-Moxibustion Societies (WFAS)

AACMA sent one delegate, WFAS Vice-President Richard Li, to the WFAS 2005 International Symposium held in Lisbon, Portugal from 4 – 6 November 2005.

President's Report (continued)

World Federation of Chinese Medicine Societies (WFCMS)

I was honoured to be able to represent AACMA at the WFCMS congress, held in Paris in October 2005. WFCMS has its headquarters in Beijing and is the organisation that is the chief adviser to the China State Administration of TCM.

International Society of Oriental Medicine (ISOM)

I was additionally honoured to be invited as a keynote speaker in Daegu, Korea, representing AACMA at the Conference of the International Society of Oriental Medicine. It was an important meeting as many associations and government bodies worldwide were present. It was possible to make links and to present AACMA to the world.

While in Daegu, I was also a temporary adviser to the World Health Organization in a meeting on English terminology in Chinese Medicine. This meeting again enhanced the profile of AACMA.



James Flowers, National President
5 April 2006

Secretary's Report

AACMA – 32 GOING ON 33 YEARS

The Australian Acupuncture and Chinese Medicine Association Ltd (AACMA) is the leading national professional association for qualified practitioners of Traditional Chinese Medicine (TCM) and the primary national mechanism for regulating and representing acupuncture and Chinese medicine practitioners in Australia. It was formed out of the amalgamation between the Australian Acupuncture Association Ltd (AAcA), the Acupuncture Ethics and Standards Organisation Ltd (AESO) and the Acupuncture Association of South Australia (AASA).

The Australian Acupuncture Association Ltd (AAcA) was established in 1973 as the first association in Australia formed by acupuncture practitioners to represent and promote the profession of acupuncture. Originally called the Queensland Acupuncture Society, it changed its name to the Australian Acupuncture Association in 1973 and in 1998 changed to its current name, AACMA.

The Acupuncture Ethics and Standards Organisation Ltd (AESO) was formed in NSW in 1977 to provide a mechanism to identify and accredit bona fide acupuncture practitioners for health fund rebates.

On 1 March 1995, AAcA and AESO formally completed an amalgamation resulting in the vast majority of qualified TCM practitioners in Australia becoming united under one national association, the Australian Acupuncture Association Ltd. In 1996, AAcA merged with the Acupuncture Association of South Australia (AASA), the largest TCM body in South Australia.

At the 1998 Annual General Meeting in Adelaide, the members resolved by an overwhelming majority to change the name of the Association (AAcA) to the Australian Acupuncture and Chinese Medicine Association Ltd (AACMA) and to conduct all joint operations of AACMA and AESO under the AACMA name.

Until 1996, AACMA provided accreditation in acupuncture only. In 1996, AACMA introduced accreditation standards in Chinese herbal medicine for its practitioner members and in 1998 introduced entry-level accreditation standards in Chinese herbal medicine in addition to the existing entry-level standards in acupuncture. In 2002, standards of accreditation in TCM Remedial Massage were also introduced in line with the new Health Training Package in TCM Remedial Massage (Anmo-Tuina).

At the 2003 Annual General Meeting, new membership categories were passed to provide for entry-level non-voting stand-alone memberships categories in TCM Remedial Massage and Chinese herbal dispensing, as well as various Associate Member categories and a Retired Member category.

These amalgamations and subsequent organisational developments have provided genuine national standards and representation for acupuncture and Chinese herbal medicine practitioners in Australia, independent of any commercial interest, factional alliance, or ethnic bias.

AACMA provides a clear point of contact for governments and other bodies seeking to identify and communicate with the majority of the profession. AACMA is widely acknowledged as the preferred destination of graduates of Australian TCM programs and qualified overseas-trained entrants to the profession. It is clearly the peak national body for the Traditional Chinese Medicine (TCM) profession in Australia.

AACMA mission statement

To promote a professional identity assisting accredited practitioners to offer excellence in acupuncture and Chinese herbal medicine health care.

Listed below are a set of Key AACMA Goals and Objectives to give effect to the Mission Statement.

AACMA - Key goals and objectives

1. To identify acupuncture, Chinese herbal medicine and traditional Chinese medicine as profession(s) providing primary health care based on the TCM body of knowledge which is able to evolve and adapt as appropriate to the Australian context.
2. To be the peak body representing the profession in Australia and be recognised as such by all sectors of government, industry, the profession, and the public.
3. To promote the Association and its accredited practitioners such that the Association is readily recognised by all facets of the community, government and the health industry as being synonymous with excellence and professionalism in the practice of TCM.
4. To develop and administer policies and standards, implement programs and provide a cost effective infrastructure to support and assist accredited practitioners to succeed as primary contact practitioners in the health care system.
5. To set minimum standards of education and training and assist education providers so as to ensure that education remains relevant to the needs and requirements of the association, its members, and the public.
6. To promote community awareness of acupuncture, Chinese herbal medicine, and traditional Chinese medicine so as to increase informed health care choice and to encourage self-empowerment of patients.

Organisational structure

A diagram of the AACMA organisational structure is on page 3.

The Board The joint AACMA and AESO Board of Directors is elected directly by the voting membership. Executive Board positions, including President/Chair, are decided by majority vote of the elected Board. Once elected, the joint Board has the responsibility to set and implement the goals, objectives and policies of the Association in accordance with its Memoranda and Articles of Association. The Board also supervises the operations of the national office and the employment of consultants as required.

Secretary's Report (continued)

State Committees Articles 74 and 75 outline the roles of AACMA State Committees which are primarily to provide local continuing education activities and social events, thereby enabling the development of local professional networks and increased grassroots participation by members. The State Committees also play an advisory role, identifying local issues that need the attention of the Board. As part of the process of linking State and national structures, each year the State Committees provide nominees to sit on relevant national Board Committees.

Board Committees As the range of functions and duties of the Board is extensive, ad hoc and standing committees are formed to examine and address specific areas of activity and report back to the Board with recommendations. The Board considers the recommendations and accepts them or, if there is disagreement, refers the matter back to the Committees for further consideration.

Accreditation Committee The AACMA Accreditation Committee, made up of external consultants, provides independent assessment of all applications for membership against the AACMA Accreditation Policy.

Disciplinary Committee The AACMA Disciplinary Committee investigates and makes determinations on written complaints against members.

MEMBERSHIP

Member Types

Fellow: This is open to Members and Associate Fellows who have ten years full-time clinical practice (or equivalent in part-time practice) as a practitioner of acupuncture or TCM OR eight years full-time clinical experience (or part-time equivalent) as a practitioner of acupuncture or TCM and have substantial publications/research or a post-graduate qualification in a field deemed relevant by the Board. Admission as a Fellow is subject to unanimous agreement of the Board. Applications for Fellow status must also meet other requirements as to duration of continuous membership and ethical standards.

Associate Fellow: This is open to Members who have five years full-time clinical practice (or part-time equivalent) as a practitioner of acupuncture or TCM OR three years full-time clinical experience (or part-time equivalent) as a practitioner of acupuncture or TCM and have a recognised degree (bachelor) qualification in acupuncture or TCM. Acceptance to Associate Fellow status is subject to continued safe and ethical practice and must be approved by a majority resolution of the AACMA Board.

Member (also called Full Member): This is the standard AACMA accredited membership category.

Non-Practising Member (previously called Graduate Member): This membership type is available when a member has met all the requirements for accredited membership but is not in practice.

Provisional Member: This membership type is provided when an applicant meets all the requirements for Full Membership but has a minor aspect of their documentation outstanding (for example, they may have met the requirements for graduation from a recognised program but as the ceremony has not yet been held they have not yet received their award). Provisional Membership is awarded until the member provides certified copies of outstanding documentation.

Associate Member (Transitional): This non-voting membership category is intended for practitioners who meet the AACMA accreditation standard and who are members of a designated organisation that AACMA deems to have comparable standards. For all practical purposes, a designated organisation is an organisation with which AACMA has a formal agreement to amalgamate. Members of the designated association are placed in this membership category until the process of amalgamation has been finalised, after which they would become fully accredited members of AACMA.

Associate Member (Dispenser – Registered): This membership category is designed for persons who are registered as Chinese herbal dispensers with a statutory registration board in an Australian state or territory.

Associate Member (Dispenser – General): This membership category is designed for persons who are Chinese herbal dispensers in a state or territory of Australia where the title 'registered Chinese herbal medicine dispenser' or similar title is not protected under an Act of Parliament.

Associate Member (Provisional): This category of membership is intended for persons who have been in full-time acupuncture or Chinese medicine practice for at least 10 years, who do not fully satisfy AACMA's qualifications requirements, who have enrolled in an AACMA recognised course in order to upgrade their qualifications and who have progressed through at least 50% of the course. Amongst other requirements, the AACMA board must be satisfied that the practitioner is able to complete the course within a prescribed time and that they of a sufficient standard for safe practice, etc. On completion of the recognised course, they may be admitted as fully accredited members of AACMA.

Associate Member (Anmo-Tuina): This membership category is open to persons who have completed an AACMA recognised course in TCM Remedial Massage (Anmo-Tuina). The current requirement is a Diploma recognised under the Health Training Package.

Retired Member: Practitioners who permanently retire from professional practice after at least 20 years membership may move to the Retired Member category.

Student Member: This is open to students enrolled in primary qualifying programs in Traditional Chinese Medicine. Acceptance as a Student Member does not necessarily imply acceptance as an accredited member on course completion.

Honorary and Life Members: Life Membership is awarded to persons of distinction who have made an outstanding contribution to the TCM profession and/or the Association. Honorary Membership is awarded to persons of merit and distinction in Traditional Chinese Medicine practice, education, and/or administration and upon whom the Association wishes to confer special distinction and honour. Honorary Members are usually resident overseas.

Membership numbers

As at 31 December 2005, AACMA membership numbers were:

Member Type	Accredited	Non-accredited
Fellow	143	N/A
Associate Fellow	9	N/A
Member	988	N/A
Provisional Member	109	N/A
Non-Practising Member	162	N/A
Associate Member	0	N/A
Retired Member	2	N/A
Life Member	0	N/A
Honorary Member	N/A	1
Student Member	N/A	205
Sub-totals	1413	206
Percentage of totals	87%	13%

TOTAL MEMBERS as at 31 December 2005: 1619

Annual Membership Growth Rates

The average annual growth rate in AACMA accredited membership over the past five years has been 5%. In 2005 the net annual increase in accredited membership was 5%.

Secretary's Report (continued)

AACMA is continuing to target an annual increase of 10-15% over the next five years, based on a combination of membership drives, and an increase in the number of graduates from recognised Australian programs, and the activation of new membership types to broaden the association's base in the profession.

Acceptance Ratio

AACMA has recorded an average 72% ratio of Acceptances to Applications over the past five years. In 2005, the acceptance ratio was 79%, which reflected an increase in the proportion of graduates of recognised programs.

AACMA admitted 138 accredited members in 2005.

Membership Attrition Rate

The membership attrition rate (e.g. through death, retirement, resignation, or lapsed memberships) in 2005 was 4.8%. In 2005, AACMA suffered a loss of 65 accredited members, with an overall net increase of 73 members.

As increasing numbers of long-term members head into retirement, it is unlikely that this membership attrition rate will be significantly reduced in coming years. Focus will need to be placed on attracting and retaining more graduates of recognised Australian programs and qualified non-member practitioners.

Deceased members

In 2005, we sadly saw the passing of four members:

- William Wu, WA, June 2005
- Mary Couse, QLD, July 2005
- Robert Downs, QLD, October 2005
- Il Woo Nam, QLD, October 2005

The AACMA Board and staff extend their condolences to the family friends and colleagues of our members who passed away in 2005. They will be sadly missed.

Accredited modalities

Since its inception in 1973, AACMA has accredited practitioners in acupuncture. Similarly, AESO began accrediting acupuncturists in 1977. As acupuncture has been the spearhead of the introduction of TCM in Australia, it is not unexpected that the vast majority of members are accredited in acupuncture.

In 1995, AACMA introduced an accreditation standard in Chinese herbal medicine for its existing members, and introduced entry-level accreditation in Chinese herbal medicine in 1998. This provided opportunities for qualified Chinese herbal medicine practitioners to be admitted to membership where they did not meet the requirements for acupuncture accreditation. As of the date of this report, 99.1% of members were accredited in acupuncture, 51.5% in Chinese herbal medicine (including 0.8% accredited in Chinese herbal medicine and not acupuncture). Based on past member surveys, the number of members actually practising Chinese herbal medicine approximates 80%, 1.6 times the number formally accredited. This discrepancy exists because not all members practising Chinese herbal medicine actually have applied for accreditation since the time when the option was introduced.

As from 30 June 2004, AACMA ceased accepting new applications from acupuncture members for Chinese herbal medicine accreditation at the prepared herbs standard. From 1 July 2004, all persons seeking accreditation with AACMA in Chinese herbal medicine must meet the entry-level "raw herbs" standard for Chinese herbal medicine accreditation.

In 2001, the Board sought applications for accreditation from members qualified in TCM Remedial Massage and in 2002 issued its first accreditation certificates for TCM Remedial Massage. A small number of members have also been awarded accreditation in Non-TCM Remedial Massage where they meet an equivalent standard in that practice. As of the date of this report, 12% of members were accredited in TCM Remedial Massage.

As from 31 March 2004, AACMA ceased accepting further applications for non-TCM Remedial Massage, and new applications for TCM Remedial massage were required to meet standard equivalent to the Diploma of TCM Remedial Massage (Anmo-Tuina) under the Health Training Package.

Complaints handling

AACMA operates a formal complaints handling process. Complaints against members are referred to the AACMA Disciplinary Committee which investigates and makes determinations on those complaints. The complaint must be in writing and signed by the complainant.

The process followed by the Disciplinary Committee is outlined below:

The Disciplinary Committee advises the member in writing outlining the substance of the complaint and a copy of the original letter of complaint may be attached. The member is then required to respond to the allegations within 14 – 21 days (depending on the nature of the complaint). The member is directed not to contact the complainant in relation to the matters under investigation.

If necessary, the Disciplinary Committee may seek further information from the complainant or the member if it believes it does not have all relevant facts before it. Where the Disciplinary Committee deems it appropriate, expert advice may also be sought in order to determine whether acceptable standards of practice were followed. Should expert advice be sought, only de-identified information is provided in order to protect the identity of both the complainant and the member.

The AACMA Disciplinary Committee then considers the following questions as part of its investigation of the complaint:

- Did the matters alleged in the complaint occur in full or in part?
- If Yes, were they a breach of the AACMA Code of Ethics?
- If Yes, is disciplinary action warranted?
- If Yes, what disciplinary action should be applied (this can range from a warning, counselling or fine to suspension or expulsion, depending on the nature of the complaint). The Disciplinary Committee may also set conditions on the practitioner regarding professional development should it deem that necessary.
- If a No answer results from any of the above questions, the Disciplinary Committee may consider whether any other action is required in order to prevent further complaints alleging similar conduct.

The complainant is advised of the outcome of the complaint.

In 2005, the AACMA Disciplinary Committee received 18 new complaints against members and 5 complaints against non-members. The breakdown of complaints is as follows:

Nature of complaint	Number
Advertising	3
Sexual assault	6
Unprofessional conduct	2
Standard of practice	2
Infection control standards	4
Charging practices	4
False completion of receipts	4

Disciplinary action will result where a member fails or refuses to answer the allegations by the Disciplinary Committee.

Where a formal complaint is received against a non-member, all efforts are taken to refer the matter to another suitable body, such as a statutory health complaints body or registration board or in some cases the police. If the practitioner is known to be a member of another society, the complainant is also referred to that other society.

For legal reasons, verbal complaints are not actioned unless poor infection control and hygiene standards are alleged, in which case independent verification can be obtained through a local council inspection of the premises.

Secretary's Report (continued)

THE AACMA NATIONAL OFFICE

The AACMA national office was established in Brisbane in 1996.

Previously, the Association had contracted to an external organisation to operate a Secretariat for the Australian Acupuncture Association Ltd (AAcA) and later the Acupuncture Ethics and Standards Organisation Ltd (AESO). Following the amalgamation between AAcA and AESO in 1995, the size of the joint organisation made it necessary to move from an external Secretariat to a dedicated full-time national office for the Association.

In June 2002, the national office was moved to larger premises in the inner city Brisbane suburb of Highgate Hill after four years at its West End location. At the end of 2003, the Association took a short-term lease over additional office space next to its existing premises. The move to larger and expanded premises was necessitated by increased need for storage and staff expansion associated with the WFAS 2004 conference.

The AACMA national office has grown from a two person team in 1996 to a complement of 4.5 full-time staff by the end of 2005 plus two vacant positions that were not filled until 2006.

Staff changes in 2004 included the following:

- Kim Medcalf was promoted from Membership Administrator to Office Administrator, and departed the association in August;
- Karen Forbes was appointed Membership Administrator in August 2005.

- Kathleen Burrell resigned from the position of Receptionist after two years employment, and this position was filled in an acting capacity by Zoe Hughes for the remainder of 2005.

Other short-term appointments were made to assist with finance and administration functions during periods of need in 2005. In early 2006, Jeanette Summers and Emily Smith were appointed to the new of Assistant Membership Administrator and Executive Assistant positions, respectively.

Judy James (Chief Executive Officer), Jazz Tyrril (Marketing and Events Administrator) and Zoe Hughes (Administration Assistant) continued in their designated positions throughout 2005.

On behalf of the Board and the members, I welcome Karen, Emily and Jeanette to the team. I also wish Kim, Kathleen and all our short-term and casual employees the best of success in their post-AACMA endeavours.

I thank all current staff for their diligence and hard work for the Board and the members over 2005.



**Walter Simpson, AACMA Secretary
5 April 2006**

Treasurer's Report

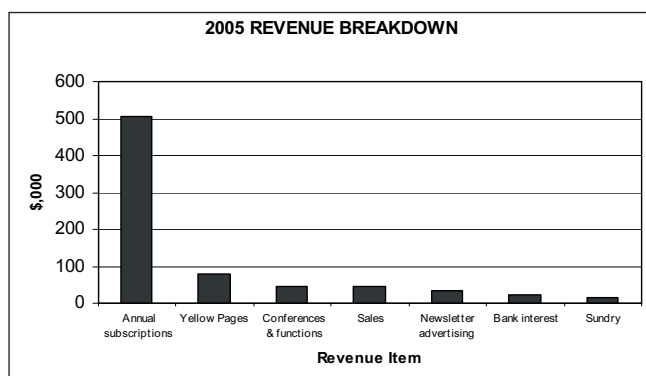
GENERAL

It is with pleasure that I present to members the financial accounts for year ended 31 December 2005. The Board continued its policy of good financial management in 2005 and is pleased present an on-going stable fiscal situation to members, returning an annual net surplus of \$21,634, an increase of \$17,513.57 on the surplus of \$4,120 in 2004.

REVENUE

The revenue streams of the Association should be viewed as revenue from normal operations and revenue from other sources. Revenue from normal operations includes membership subscriptions, yellow pages advertising, sale of AACMA brand products, videos and literature, seminars, and interest received from investments. Other sources of revenue for 2005 included income related to AACMAC Melbourne 2005 conference and State Committee functions.

Total revenue in 2005 from all sources (excluding GST) was \$746,390.97, of which \$700,147.48 was normal operating income and \$46,243.49 was AACMAC and State Committee income.



Significant revenue items for 2005 are itemised below.

Subscriptions

The increase of \$27,369 in income from membership subscriptions to \$507,125 resulted from an increase in overall membership numbers. There was no increase in the base membership fees from 2004 to 2005, compared with a CPI increase of 3%. This means that the AACMA Board has continued to fulfil its commitment to limit any increase in fees for members who pay on time to under 5% above the increase in the CPI index.

The AACMA Board is dedicated to keeping fees to the minimum required to provide services to members and still maintain the financial security and continued viability of this peak professional body for TCM practitioners. Members were offered six options for paying 2005 fees, providing considerable incentives for members to pay on time or to enter into an instalment payment plan. Using the Member fee as an example, these options were (rates include GST):

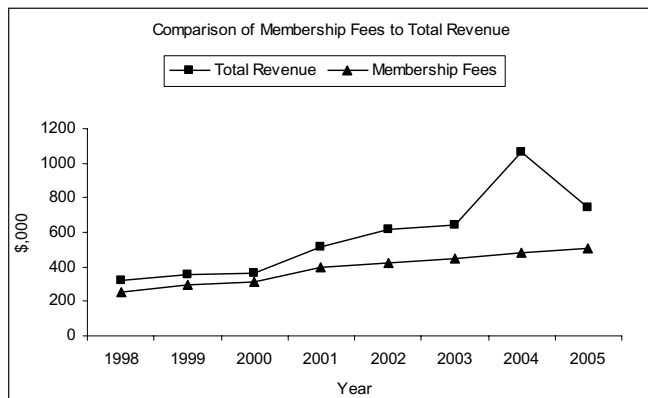
- Pre-payment of 2005 fees during 2004 (\$435)
- Pay fees in full by due date (\$435)
- Payment by Annual Direct Debit (ADD) authority (\$420)
- Pay fees in January (\$480)*
- Pay fees in February or March (\$600)*
- Pay fees after March (\$600 – includes \$70 reinstatement fee)

* Also includes rates for members entering into a payment plan.

Since 1998, total subscriptions received from members has increased by \$256,6867 to the 2005 level. Despite this increase, subscriptions as a proportion of gross revenue have decreased by 4% to 68%, representing a gradual but progressive shift toward increased income from other sources.

The AACMA Board is dedicated to keeping fees to the minimum required to provide services to members and still maintain the financial security and continued viability of this peak professional body for TCM practitioners.

Treasurer's Report (continued)



Yellow Pages

Yellow Pages income represents income from members listing under the AACMA banner in the metropolitan and selected regional directories. Income for Yellow Pages listings represented 10.5% of total income.

Sales

Sales of member badge products and other items amounted 5.9% of total income in 2005, compared with 4.9% in 2004. The increase of \$11,727 over 2004 income to \$44,385 in 2005 primarily resulted from the introduction of new information brochures for acupuncture, Chinese herbal medicine, and TCM. This income was offset by printing, production and purchase costs of \$38,039.

Newsletter Advertising

Since 2004, this expenditure has been reported separately from other sources of income as it is now a significant revenue source. The income from newsletter advertising is off-set against printing and posting costs, resulting in a net surplus of \$7,285.

Other income

This relates to income from accreditation fees and examinations plus miscellaneous income.

EXPENDITURE

As with any sound organisation, staffing & administration expenses constituted the highest proportion of total expenditure in 2005. These costs amounted to \$356,619 or 49%, compared with 57% in 2004. Administration expenses were made up of \$247,433 staffing costs (salary component \$217,817) and \$109,187 in administration and related expenses. Salaries and wages decreased by \$54,723 (20%) compared with an increase of 16% in 2004. As some positions were not filled during 2005, it is expected that staffing costs will increase in 2006.

Board and Committee expenses totalled \$46,938 in 2005, representing 6% of total expenditure. This is made up \$19,625 in Directors fees, \$16,851 in travel and accommodation, \$5,811 in teleconference costs, \$2,750 for phone and fax expenses and \$1,901 in miscellaneous expenses. The AACMA Board held one face to face Board meeting (May 2005). This face to face meeting is essential for organising the new Board of Directors, advising them of their corporate responsibilities, obligations, and duties, establishing the direction of AACMA for the coming year, and appointing members to Board Executive and Committee positions. This meeting is always held in conjunction with the AGM/Symposium to minimise costs.

Conference and function expenses amounted to \$50,242, made up of \$48,609 in AACMAC expenses and \$1,633 in other meeting expenses.

Printing, postage and stationery expenditure was made up of \$19,332 for brochures, \$15,810 for receipt books, \$4,838 in photocopying costs, \$3,511 for corporate stationery, \$23,184 for general postage and couriers, \$5,542 for AGM postage, \$3,884 for the Annual Report, and \$4,594 in miscellaneous member products, including the 2005 members directory and the 2006 wall planner.

The following additional items of expenditure in 2005 are noted.

Research grants

In the current environment, being able to substantiate our claims to efficacy through published research is becoming more and more a criterion when negotiating new or improved benefits for practitioners and the practice of acupuncture and Chinese medicine. To this end, AACMA allocated \$25,000 in 2005 in support of suitable research. The figure of \$24,739.55 stated in the report resulted from some funded items including the GST and only GST-exclusive figures are reported in the audit.

Yellow Pages

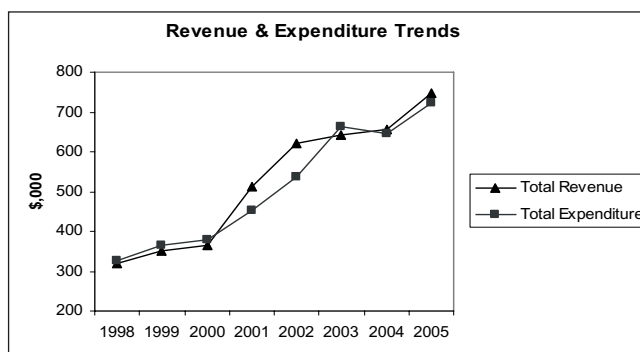
The additional costs in Yellow Pages expenditure results from:

- Including a line listing for AACMA in every Yellow Pages book
- including a small IHS advertisement for Chinese herbal medicine in the Herbalists section of metropolitan directories;
- advertising in Yellow Pages on-line;
- partial subsidy of the AACMA banner listings of members.

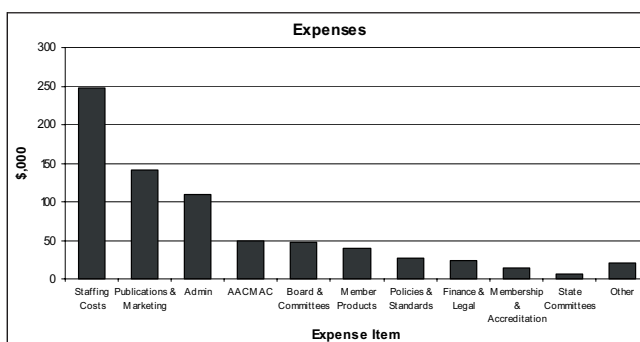
In relation to on-line advertising, the Board did agree to list AACMA in every on-line post-code so that the AACMA referral service would show at or near the top of every on-line search for an acupuncturist, no matter which locality was entered. However, Yellow Pages then changed the criteria for locality searches which would have made national listing redundant, so this cost was not incurred. The alternative offered - a flashing banner - was considered less effective and was cost prohibitive in the long-term.

REVENUE AND EXPENDITURE TRENDS

A progressive comparison of revenue and expenditure trends is outlined in the following graph.



In 2005, AACMA introduced a new accounts reporting system. For the 2005 auditor's report, expenditure is broken down according to the 2004 report for comparison purposes. From 2006, the breakdown will be according to the new accounts reporting system. A summary of 2005 expenses according to the new cost centres is outlined in the following table.



Treasurer's Report (continued)

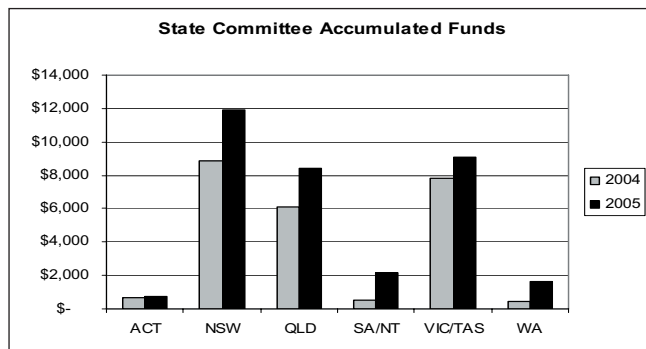
STATE COMMITTEES

In 2005, the State Committees have continued to excel in providing professional development and social activities within their states. For logistical reasons the larger states were most active, conducting more functions at the local level.

Again, AACMA has contributed funds to each State Committee on the basis of \$2 for each member residing in the state.

As at 31 December 2005, the combined allocation for State Committees was \$33,931.

Funds accumulated by the individual State Committees as at 31 December 2005 are outlined in the following chart.



INTERNAL PROCESSES

The Association is committed to sound financial practices which entail the distribution of monthly financial reports to the Board of Directors. These monthly reports include:

- profit and loss statements;
- statement of financial position;
- bank account statements and reconciliation reports;
- monthly reports on membership renewals;
- financial comparisons to the previous year.

The reports are reviewed by the Board to ensure any problem areas are identified and appropriate remedial action is taken. Budgetary restraint has been applied at all times in the decision-making process and, whenever possible, available funds are invested for a period of time in secure higher interest bearing deposits such as cash management accounts and term deposits to obtain maximum benefit without risk to members' funds.

THE YEAR AHEAD

2006 will see a continuation of the Board's commitment to sound financial policies and the exercise of caution in relation to the use of members' funds. Surplus funds will be reinvested into term deposits with major banking institutions to gain a reasonable return for members while minimising risk.

Considerable effort was unsuccessfully expended in 2005 seeking a suitable property for housing the national office. The purchase of association property is considered a significant step in long-term cost savings so that outgoings related to office premises are effectively reinvested back into assets for the association rather than in unrecoverable rental outgoings.

Benefits paid to Board Members and Staff will remain within the ranges considered reasonable by the Not-For-Profit Sector and the capacity of the Association to pay.

The 2006 budget provides for a progressive increase in expenditure on member services and brand products, continued professional development and the promotion of AACMA and its members to the public and mainstream health care system.

John Deare, Treasurer
5 April 2006

Financial Statements

Australian Acupuncture and Chinese Medicine Association Limited

Director's Report

General

The Australian Acupuncture & Chinese Medicine Association Limited is a company limited by guarantee (to the extent of \$100 per member), incorporated under the Corporations Act 2001.

Statutory Requirements

The directors present their report on the company for the financial year ended 31 December 2005.

The names of the Directors in office at the date of this report are:

Marina Christov	Walter Simpson
John Dear	Michael Porter (Appointed 14/5/05)
James Flowers	Yun-Fei Lu (Appointed 1/11/05)
Hoc Ku Huynh OAM	Brendon Supple (Resigned 14/05/05)
Wade James	Yifan Yang (Resigned 22/07/05)
Ke Li	Zhen Zheng (Appointed 1/11/05)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

The net profit for the company for the financial year amounted to \$21634.26.

No significant changes in the company's state of affairs occurred during the financial year.

The principal activity of the Company is to regulate, represent and promote the profession of acupuncture and traditional Chinese Medicine.

No significant change in the nature of these activities occurred during the year.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in future financial years.

No dividends have been paid or declared by the company during the year ended 31 December 2005.

Information on Directors and Meetings

The following information and number of meetings attended is provided on Directors of the Company during the year:

Marina Christov

Director

Qualifications:

- Bachelor of Health Science in TCM (Acupuncture), VU
- Bachelor of Health Science in TCM (Chinese Herbal Medicine), VU
- Diploma in Energetic Medicine Berelife Healthcare Institute

Experience:

- Member of AACMA (7 years)
- 7 years Clinical Practice in Australia
- Lecturer at Victoria University (2 years)

John Deare

Director & Treasurer

Qualifications:

- Master of Applied Sciences (Acupuncture) RMIT
- Bachelor of Health Sciences (Complementary Medicine)
- Advanced Diploma of Applied Science (Acupuncture)

Experience:

- Lecturer (Casual)
- 7 years Clinical Practice in Australia
- Member of AACMA (7 years)
- Member of Australian Pain Society
- Member of Gold Coast Health & Medical Association

James Flowers

Director & President

Qualifications:

- Diploma of TCM

Experience:

- 11 years Clinical Practice in Australia
- Member of AACMA (11 years)
- Lecturer at Sydney Institute of TCM
- Lecturer at the University of Western Sydney
- President of the Australia China Friendship Society NSW Inc (since 1998)

Hoc Ku Huynh OAM

Director

Qualifications:

- Master of Health Science in TCM
- Bachelor of Acupuncture
- Certificate of Chinese Medicine

Experience:

- Member of AACMA (26 years), AACMA Fellow
- 29 years Clinical Practice in Australia
- Honorary Clinical Associate UTS
- Honorary Clinical Supervisor UWS
- Awarded Order of Australia Medal
- Life Member of the Order of Australia Association

Wade James

Director

Qualifications:

- Master of Health Science in TCM (UTS)
- Diploma of TCM
- Certificate of TCM (China)
- Certificate of Chinese Herbal Medicine (China)
- Certificate of Tui Na (China)

Experience:

- Member of AACMA (5 years)
- 20 years Clinical Practice in Australia
- Course Advisor, Sen. Lecturer, Clinic Supervisor PANT
- Director of Chinawest Pty Ltd

Ke Li

Director & Vice President

Qualifications:

- Bachelor of Medicine (TCM)
- Master of Health Science
- Certificate IV Workplace Training and Assessment

Experience:

- 18 years Clinical Practice in Australia
- 5 years Clinical Practice overseas
- Member of AACMA (16 years) AACMA Fellow
- Sessional Lecturer at Victoria University (4 years)
- St John Ambulance Voluntary First Aid Officer (12 years)

Yun-Fei Lu

Director

Qualifications:

- Bachelor of Medicine (TCM), China
- Master of Medicine (TCM), China
- PhD (Neuroscience), Japan

Experience:

- Member of AACMA (6 years)
- 4 years Clinical Practice in Australia
- 10 years Clinical Practice overseas
- Lecturer at China Academy of TCM (3 years)
- Assistant Professor Okayama Univ Medical School (7 Years)
- Research Fellow at Columbia University (4 years)
- Research Fellow at University of Western Australia (4 years)

Financial Statements

Australian Acupuncture and Chinese Medicine Association Limited

Michael Porter

Director

Qualifications:

- Bachelor of Acupuncture
- Diploma of Acupuncture
- Certificate of Chinese Herbal Medicine

Experience:

- Member of AACMA (21 years)
- AACMA Fellow (10 years)
- Director of Academy of Oriental Therapies (1993-2003)

Walter Simpson

Director & Secretary

Qualifications:

- Bachelor of Acupuncture
- Diploma of Chinese Herbal Medicine
- Certificate IV Workplace Training and Assessment

Experience:

- Member of AACMA (18 years), AACMA Fellow
- 18 years Clinical Practice in Australia
- QLD Representative of World TaiJi Boxing Association
- QLD Member of Toyo Hari Association

Brendon Supple

Director

Qualifications:

- Bachelor of Applied Science (Chinese Medicine) RMIT
- Bachelor of Science, University of Adelaide
- Bachelor of Physiotherapy, University of Adelaide

Experience:

- Member of AACMA (4 years)
- 5 years Clinical Practice in Australia

Yifan Yang

Director

Qualifications:

- Bachelor of Medicine (TCM)
- Master of Medicine (TCM)

Experience:

- Member of AACMA (10 years)
- 15 years Clinical Practice in Australia
- 8 years Clinical Practice overseas
- 15 years Lecturer at Sydney Institute of TCM
- Director of Herbal International Pty Ltd

Zhen Zheng

Director

Qualifications:

- Bachelor of Medicine (Acupuncture), China
- PhD, University of Melbourne

Experience:

- Member of AACMA (5 years)
- 5 years Clinical Practice in Australia
- 7 years Clinical Practice overseas
- Lecturer at RMIT University
- Registered with the CMRBV
- Member of the CMRBV Hearings Panel

Meetings attended by Directors

Name	Meetings eligible to attend	Number attended
Marina Christov	14	10
John Deare	14	13
James Flowers	14	14
Hoc Ku Huynh OAM	14	12
Wade James	14	13
Ke Li	14	14
Yun-Fei Lu	2	2
Michael Porter	9	9
Walter Simpson	14	12
Brendon Supple	5	0
Yifan Yang	8	6
Zhen Zheng	2	2

No director has received or become entitled to receive a benefit by reason of a contract made by the company or a related company with the director or with a firm of which he is a member or with a company in which he has a substantial financial interest.

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

James Flowers

DIRECTOR

5 APRIL 2006

BRISBANE, QLD

DIRECTOR

Independent Auditor's Report to the

Members of Australian Acupuncture and Chinese Medicine Association Ltd

Scope

We have audited the financial report, being a special purpose report of, Australian Acupuncture & Chinese Medicine Association Limited for the year ended 31 December 2005 as set out on pages 8 to 15. The company's directors are responsible for the financial report and have determined that the accounting policies used and described in Note 1 to the financial statements which form part of the financial report are appropriate to meet the requirements of the Corporations Act 2001 and are appropriate to meet the needs of the members. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the company. No opinion is expressed as to whether the accounting policies used, and described in Note 1, are appropriate to the needs of the members.

The financial report has been prepared for distribution to members for the purpose of fulfilling the directors' financial reporting requirements under the Corporations Act 2001. We disclaim any assumption of responsibility for any reliance on this audit report or on the financial report to which it relates to any

person other than the members, or for any purpose other than that for which it was prepared.

Our audit has been conducted in accordance with Australian Auditing Standards. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with the accounting policies described in Note 1, so as to present a view which is consistent with our understanding of the company's financial position, and performance as represented by the results of its operations and cash flows. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia.

The audit opinion expressed in this report has been formed on the above basis.

Financial Statements

Australian Acupuncture and Chinese Medicine Association Limited

Audit Opinion

In our opinion, the financial report of Australian Acupuncture & Chinese Medicine Association Limited is in accordance with:

- (a) the Corporations Act 2001, including:
 - (i) giving a true and fair view of the company's financial position as at 31 December 2005 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1; and
 - (ii) complying with Accounting Standards in Australia to the extent described in Note 1 and the Corporations Regulations 2001; and
- (b) other mandatory professional reporting requirements to the extent described in Note 1.

(signed)

HAYWARDS CHARTERED ACCOUNTANTS

5 APRIL 2006

(signed)

BRISBANE, QLD Philip Fitzgerald FCA
REGISTERED COMPANY AUDITOR

Directors Declaration

The directors have determined that the company is not a reporting entity. The directors have determined that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 16 to 21 are in accordance with the Corporations Act 2001 and:
 - (a) comply with Accounting Standards as described in Note 1 to the financial statements and the Corporations Regulations 2001; and
 - b) give a true and fair view of the company's financial position as at 31 December 2005 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by:

James Howes

DIRECTOR



5 APRIL 2006
BRISBANE, QLD

DIRECTOR

Statement of Financial Performance for the Year ended 31 December 2005

	NOTES	2005	2004
Annual Subscriptions		507125.63	479756.18
Other Income		239265.34	582943.72
Administration Expenses		(90188.34)	(94299.29)
Conference Expenses		(50242.36)	(351228.51)
Other Expenses from Ordinary Activities		(584326.01)	(613051.41)
Profit/(Deficit) from Ordinary Activities Before Income Tax	3	\$21634.26	\$4120.69
Income Tax Expense Relating to Ordinary Activities		-	-
Profit/(Deficit from Ordinary Activities After Related Income Tax Expense		\$21634.26	\$4120.69

The accompanying notes form part of these financial statements.

Financial Statements

Australian Acupuncture and Chinese Medicine Association Limited

Statement of Financial Position as at 31 December 2005

	NOTES	2005	2004
CURRENT ASSETS	4		
Cash		639508.46	576071.11
Debtors		17472.69	23842.95
Bond		3750.00	3750.00
TOTAL CURRENT ASSETS		660731.15	603664.06
NON-CURRENT ASSETS			
Plant & Equipment	5	22697.18	42261.28
TOTAL NON-CURRENT ASSETS		22697.18	42261.28
TOTAL ASSETS		683428.33	645925.34
CURRENT LIABILITIES			
Creditors		12643.75	33978.18
Fees Received in Advance		380710.99	345936.82
Provision for Holiday Pay		53793.60	51364.61
TOTAL CURRENT LIABILITIES		447148.34	431279.61
TOTAL LIABILITIES		447148.34	431279.61
NET ASSETS		\$236279.99	\$214645.73
MEMBER'S FUND			
Accumulated Funds		236279.99	214645.73
TOTAL MEMBER'S FUND		\$236279.99	\$214645.73

The accompanying notes form part of these financial statements.

Statement of Cash Flows for the Year Ended 31 December 2005

	NOTES	2005	2004
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Subscriptions		541899.80	466201.92
Other Income		284348.12	585229.24
Payment for Operating Expenses		(773052.67)	(1053612.75)
NET CASH FROM OPERATING ACTIVITIES	11	\$53195.25	\$(2181.59)
CASH FLOWS FROM INVESTING ACTIVITIES			
Net Transfers of Plant & Equipment		10242.10	(4918.18)
NET CASH FROM INVESTING ACTIVITIES		\$10242.10	\$(4918.18)
NET INCREASE/(DECREASE) IN CASH HELD		63437.35	(7099.77)
CASH AT THE BEGINNING OF THE YEAR		576071.11	583170.88
CASH AT THE END OF THE YEAR	11	\$639508.46	\$576071.11

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

Financial Statements

Australian Acupuncture and Chinese Medicine Association Limited

Notes to and Forming Part of the Financial Statements for the Year Ended 31 December 2005

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirement of the Corporations Act 2001. The directors have determined that the company is not a reporting entity.

Australian Acupuncture & Chinese Medicine Association Limited is a company limited by guarantee.

The report has been prepared in accordance with the requirements of the Corporations Act 2001, and the following applicable Accounting Standards and Urgent Issues Group Consensus Views:

AASB 1002:	Events Occurring After Reporting Date
AASB 1018:	Statement of Financial Performance
AASB 1025:	Application of the Reporting Entity Concept and Other Amendments
AASB 1031:	Materiality
AASB 1034:	Financial Report Presentation and Disclosures
AASB 1040:	Statement of Financial Position
UIG Abstract 35:	Disclosure of Contingent Liabilities

No other applicable Accounting Standards, Urgent Issues Group Consensus Views or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The report is also prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following is a summary of the material accounting policies adopted by the economic entity in the preparation of the financial statements.

(a) Depreciation

Plant & Equipment

Depreciation on the abovementioned items of property has been provided in accordance with AASB 1021 "Depreciation of Non-Current Assets".

All fixed assets are written off in accordance with their estimated useful lives. Depreciation is calculated by adopting the diminishing value method.

(b) Income Tax

Income Tax has not been provided for in the company's accounts.

(c) Comparative Figures

Comparative figures, where necessary, have been reclassified in order to comply with the presentation adopted in the figures reported for the 2005 financial year.

(d) Employee Entitlements

Liabilities for Wages & Salaries and Annual Leave are recognised and are measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date. Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those entitlements.

Contributions are made by the association to an employee superannuation fund and are charged as expenses when incurred.

	2005	2004
2. OPERATING REVENUE		
Annual Subscriptions	507125.63	479756.18
Other Revenue	239265.34	582943.72
	\$746390.97	\$1062699.90

Financial Statements

Australian Acupuncture and Chinese Medicine Association Limited

Notes to and Forming Part of the Financial Statements for the Year Ended 31 December 2005

3. OPERATING PROFIT

The operating profit before income tax is arrived at after crediting as revenue and after charging as expenses the following items: -

(a) REVENUE	2005	2004
Annual Subscriptions	507125.63	479756.18
Conference & Function Fees	46243.49	361749.71
Interest	22189.79	23238.03
Newsletter Advertising	32463.17	22523.64
Sales	44385.06	32658.26
Sundry Income	15554.67	18120.53
WFAS Advertisement	-	46088.03-
Yellow Pages	78429.16	78565.52
	\$746390.97	\$1062699.90
(b) EXPENSES		
Accounting & Audit	3840.00	3240.00
Accreditation Expenses	14261.42	6184.39
Advertising & Promotion	11424.06	4448.51
Bank Charges	7619.27	11081.35
Board Expenses	46938.14	23789.65
Cleaning	3925.65	2911.32
Computer Expenses	9504.98	24766.46
Conference Expenses	50242.36	351228.51
Consultants Fees	600.00	6120.05
Depreciation	9322.00	12910.18
Electricity	3262.69	3183.82
Fees	3640.00	734.54
Insurance	7201.64	7170.06
Lease Plant & Equipment	5897.60	6191.76
Newsletter and Journal Expenses	25178.49	16352.49
Printing, Postage & Stationery	80695.93	79117.04
Rent	41354.57	38265.00
Repairs & Maintenance	4722.49	5932.18
Research Expenses	24739.55	-
Seminar, Conferences & Travel	16502.20	26241.26
Staff Amenities	1537.83	3057.71
Subscriptions & Memberships	1065.91	1077.59
Sundry Expenses	3877.44	3918.68
Superannuation	18870.17	22287.60
Telephone	14575.87	40029.67
Wages & Salaries	217817.29	272540.40
Workers' Compensation	406.16	673.40
Yellow Pages Advertising	95733.00	85109.02
	724756.71	1058579.21
OPERATING PROFIT/(LOSS) FOR YEAR	\$21634.26	\$4120.69

Financial Statements

Australian Acupuncture and Chinese Medicine Association Limited

Notes to and Forming Part of the Financial Statements for the Year Ended 31 December 2005

4. CASH	2005	2004
Cash Management Account	364090.99	19053.04
Cheque Account - Westpac	86215.43	269923.00
Term Deposit	189202.04	283682.19
Cheque Account - WFAS	-	3412.88-
	\$639508.46	\$576071.11
5. PLANT & EQUIPMENT		
Office Equipment - At Cost	126799.97	137042.07
Less Accumulated Depreciation	104102.79	94780.79
	\$22697.18	42261.28
6. OPERATING LEASE COMMITMENT		
Non-cancellable Operating Leases contracted for but not capitalized in the financial statements.		
Not longer than 1 year	5475.04	15441.75
Longer than 1 year but not longer than 5 years	1829.52	5848.00
	\$7304.56	\$21289.75
7. RELATED PARTY DICLOSURE		
(a) Directors who held office during the year ended 31 December 2005 are:		
Marina Christov	John Deare	James Flowers
Hoc Ku Huynh OAM	Wade James	Ke Li
Yun-Fei Lu (Appointed)	Michael Porter (Appointed)	Walter Simpson
Brendon Supple (Resigned)	Yifan Yang (Resigned)	Zhen Zheng (Appointed)
8. DIRECTOR'S INCOME		
Aggregate income received or due and receivable by the directors	\$19625.00	\$22410.00
The number of directors whose total income falls within the following band:		
NIL - \$9999	12	10

Financial Statements

Australian Acupuncture and Chinese Medicine Association Limited

9. AUDITOR'S REMUNERATION	2005	2004
Amounts received or due and received by the auditors for:		
Auditing the Accounts	\$3840.00	\$3240.00

No other benefits were received by the auditors.

10 MEMBER'S GUARANTEE

The company is limited by guarantee. If the company is wound up, the Articles of Association state that each member is required to contribute a maximum of \$100 each towards meeting any outstanding obligations of the company

11. NOTES TO STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

For the purpose of the Statement of Cash Flows, cash includes cash on hand and in Financial Institutions net of bank overdrafts. Cash at the end of the financial year, as shown in the Statement of Cash Flows, is reconciled to the related items in the balance sheet as follows:-

	NOTE	2005	2004
Cash	4	\$639508.46	\$576071.11

(b) Reconciliation of Net Cash provided by Operating Activities to Operating Profit After Income Tax

Operating Profit/(Loss) after income tax	21634.26	4120.69
Depreciation	9322.00	12910.18
Changes in Assets & Liabilities		
Increase/(Decrease) in fees received in advance	34774.17	(13554.26)
Increase/(Decrease) in Debtors	6370.26	2285.52
Increase/(Decrease) in Creditors	(21334.43)	(16999.17)
Increase/(Decrease) for Employee Entitlements	2428.99	9055.45
Net Cash Provided by Operating Activities	\$53195.25	(\$2181.59)

12. ACCUMULATED PROFITS

Accumulated Profits at the Beginning of the Financial Year	214645.73	210525.04
Net Profit/(Deficit) Attributable to Members of the Company	21634.26	4120.69
	\$236279.99	\$214645.73

Financial Statements

Acupuncture Ethics and Standards Organisation Limited

Director's Report

General

The Acupuncture Ethics and Standards Organisation Limited is a company limited by guarantee (to the extent of \$2 per member), incorporated under the Corporations Act 2001.

Statutory Requirements

The directors present their report on the company for the financial year ended 31 December 2005

The names of the Directors in office at the date of this report are:

Marina Christov	Walter Simpson
John Dear	Michael Porter (Appointed 14/5/05)
James Flowers	Yun-Fei Lu (Appointed 1/11/05)
Hoc Ku Huynh OAM	Brendon Supple (Resigned 14/05/05)
Wade James	Yifan Yang (Resigned 22/07/05)
Ke Li	Zhen Zheng (Appointed 1/11/05)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

The net profit for the company for the financial year amounted to \$nil.

No significant changes in the company's state of affairs occurred during the financial year.

The principal activity of the Company is to regulate, represent and promote the profession of acupuncture and traditional Chinese Medicine.

No significant change in the nature of these activities occurred during the year.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in future financial years.

No dividends have been paid or declared by the company during the year ended 31 December 2005.

Information on Directors and Meetings

The following information and number of meetings attended is provided on Directors of the Company during the year:

Marina Christov Director

Qualifications:

- Bachelor of Health Science in TCM (Acupuncture), VU
- Bachelor of Health Science in TCM (Chinese Herbal Medicine), VU
- Diploma in Energetic Medicine Berelife Healthcare Institute

Experience:

- Member of AACMA (7 years)
- 7 years Clinical Practice in Australia
- Lecturer at Victoria University (2 years)

John Deare Director & Treasurer

Qualifications:

- Master of Applied Sciences (Acupuncture) RMIT
- Bachelor of Health Sciences (Complementary Medicine)
- Advanced Diploma of Applied Science (Acupuncture)

Experience:

- Lecturer (Casual)
- 7 years Clinical Practice in Australia
- Member of AACMA (7 years)
- Member of Australian Pain Society
- Member of Gold Coast Health & Medical Association

James Flowers

Director & President

Qualifications:

- Diploma of TCM

Experience:

- 11 years Clinical Practice in Australia
- Member of AACMA (11 years)
- Lecturer at Sydney Institute of TCM
- Lecturer at the University of Western Sydney
- President of the Australia China Friendship Society NSW Inc (since 1998)

Hoc Ku Huynh OAM

Director

Qualifications:

- Master of Health Science in TCM
- Bachelor of Acupuncture
- Certificate of Chinese Medicine

Experience:

- Member of AACMA (26 years), AACMA Fellow
- 29 years Clinical Practice in Australia
- Honorary Clinical Associate UTS
- Honorary Clinical Supervisor UWS
- Awarded Order of Australia Medal
- Life Member of the Order of Australia Association

Wade James

Director

Qualifications:

- Master of Health Science in TCM (UTS)
- Diploma of TCM
- Certificate of TCM (China)
- Certificate of Chinese Herbal Medicine (China)
- Certificate of Tui Na (China)

Experience:

- Member of AACMA (5 years)
- 20 years Clinical Practice in Australia
- Course Advisor, Sen. Lecturer, Clinic Supervisor PANT
- Director of Chinawest Pty Ltd

Ke Li

Director & Vice President

Qualifications:

- Bachelor of Medicine (TCM)
- Master of Health Science
- Certificate IV Workplace Training and Assessment

Experience:

- 18 years Clinical Practice in Australia
- 5 years Clinical Practice overseas
- Member of AACMA (16 years) AACMA Fellow
- Sessional Lecturer at Victoria University (4 years)
- St John Ambulance Voluntary First Aid Officer (12 years)

Yun-Fei Lu

Director

Qualifications:

- Bachelor of Medicine (TCM), China
- Master of Medicine (TCM), China
- PhD (Neuroscience), Japan

Experience:

- Member of AACMA (6 years)
- 4 years Clinical Practice in Australia
- 10 years Clinical Practice overseas
- Lecturer at China Academy of TCM (3 years)
- Assistant Professor Okayama Univ Medical School (7 Years)
- Research Fellow at Columbia University (4 years)
- Research Fellow at University of Western Australia (4 years)

Financial Statements

Acupuncture Ethics and Standards Organisation Limited

Michael Porter

Director

Qualifications:

- Bachelor of Acupuncture
- Diploma of Acupuncture
- Certificate of Chinese Herbal Medicine

Experience:

- Member of AACMA (21 years)
- AACMA Fellow (10 years)
- Director of Academy of Oriental Therapies (1993-2003)

Walter Simpson

Director & Secretary

Qualifications:

- Bachelor of Acupuncture
- Diploma of Chinese Herbal Medicine
- Certificate IV Workplace Training and Assessment

Experience:

- Member of AACMA (18 years), AACMA Fellow
- 18 years Clinical Practice in Australia
- QLD Representative of World TaiJi Boxing Association
- QLD Member of Toyo Hari Association

Brendon Supple

Director

Qualifications:

- Bachelor of Applied Science (Chinese Medicine) RMIT
- Bachelor of Science, University of Adelaide
- Bachelor of Physiotherapy, University of Adelaide

Experience:

- Member of AACMA (4 years)
- 5 years Clinical Practice in Australia

Yifan Yang

Director

Qualifications:

- Bachelor of Medicine (TCM)
- Master of Medicine (TCM)

Experience:

- Member of AACMA (10 years)
- 15 years Clinical Practice in Australia
- 8 years Clinical Practice overseas
- 15 years Lecturer at Sydney Institute of TCM
- Director of Herbal International Pty Ltd

Zhen Zheng

Director

Qualifications:

- Bachelor of Medicine (Acupuncture)
- Doctor of Philosophy

Experience:

- Member of AACMA (5 years)
- 5 years Clinical Practice in Australia
- 7 years Clinical Practice overseas
- Lecturer at RMIT University
- Registered with the CMRBV
- Member of the CMRBV Hearings Panel

Meetings attended by Directors

Name	Meetings eligible to attend	Number attended
Marina Christov	14	10
John Deare	14	13
James Flowers	14	14
Hoc Ku Huynh OAM	14	12
Wade James	14	13
Ke Li	14	14
Yun-Fei Lu	2	2
Michael Porter	9	9
Walter Simpson	14	12
Brendon Supple	5	0
Yifan Yang	8	6
Zhen Zheng	2	2

No director has received or become entitled to receive a benefit by reason of a contract made by the company or a related company with the director or with a firm of which he is a member or with a company in which he has a substantial financial interest.

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

James Flowers

DIRECTOR

6 APRIL 2006
BRISBANE, QLD

[Signature]

DIRECTOR

Independent Auditor's Report to the Members of Acupuncture Ethics and Standards Organisation Limited

Scope

We have audited the financial report, being a special purpose report of, Acupuncture Ethics and Standards Organisation Limited for the year ended 31 December 2005 as set out on pages 21-26. The company's directors are responsible for the financial report and have determined that the accounting policies used and described in Note 1 to the financial statements which form part of the financial report are appropriate to meet the requirements of the Corporations Act 2001 and are appropriate to meet the needs of the members. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the company. No opinion is expressed as to whether the accounting policies used, and described in Note 1, are appropriate to the needs of the members.

The financial report has been prepared for distribution to members for the purpose of fulfilling the directors' financial reporting requirements under the Corporations Act 2001. We disclaim any assumption of responsibility for any reliance on this audit report or on the financial

report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

Our audit has been conducted in accordance with Australian Auditing Standards. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with the accounting policies described in Note 1, so as to present a view which is consistent with our understanding of the company's financial position, and performance as represented by the results of its operations and cash flows. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia.

The audit opinion expressed in this report has been formed on the above basis.

Financial Statements

Acupuncture Ethics and Standards Organisation Limited

Audit Opinion

In our opinion, the financial report of Acupuncture Ethics & Standards Organisation Limited is in accordance with:

- (a) the Corporations Act 2001, including:
 - (i) giving a true and fair view of the company's financial position as at 31 December 2005 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1; and
 - (ii) complying with Accounting Standards in Australia to the extent described in Note 1 and the Corporations Act 2001; and
- (b) other mandatory professional reporting requirements to the extent described in Note 1.

(signed)

HAYWARDS CHARTERED ACCOUNTANTS

6 APRIL 2006
BRISBANE

(signed)

Philip Fitzgerald FCA
REGISTERED COMPANY AUDITOR

Directors Declaration

The directors have determined that the company is not a reporting entity. The directors have determined that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 24 to 27:
 - (a) comply with Accounting Standards as described in Note 1 to the financial statements and the Corporations Regulations 2001; and
 - b) give a true and fair view of the company's financial position as at 31 December 2005 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by:

James Howes

DIRECTOR



6 APRIL 2006
BRISBANE, QLD

DIRECTOR

Statement of Financial Performance for the Year ended 31 December 2005

	NOTES	2005	2004
Rental Income		-	-
Other Income		-	-
Administration Expenses		-	-
Other Expenses from Ordinary Activities		-	-
Profit/(Deficit) from Ordinary Activities Before Income Tax Expense	2	0.00	0.00
Income Tax Expense Relating to Ordinary Activities		-	-
Profit/(Deficit) from Ordinary Activities After Related Income Tax Expense		0.00	0.00

The accompanying notes form part of these financial

Financial Statements

Acupuncture Ethics and Standards Organisation Limited

Statement of Financial Position as at 31 December 2005

	NOTES	2005	2004
CURRENT ASSETS	4		
Cash		10.00	10.00
TFN Tax Paid		-	-
TOTAL CURRENT ASSETS		10.00	10.00
TOTAL ASSETS		10.00	10.00
NET ASSETS		\$10.00	\$10.00
MEMBER'S FUND			
Accumulated Funds		10.00	10.00
TOTAL MEMBER'S FUND		\$10.00	\$10.00

The accompanying notes form part of these financial

Statement of Cash Flows for the Year Ended 31 December 2005

	NOTES	2005	2004
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Subscriptions		-	-
Other Income		-	-
Payment for Operating Expenses		-	-
NET CASH FROM INVESTING ACTIVITIES		\$0.00	\$0.00
NET INCREASE/(DECREASE) IN CASH HELD		-	-
CASH AT THE BEGINNING OF THE YEAR		10.00	10.00
CASH AT THE END OF THE YEAR	11	\$10.00	\$10.00

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

Financial Statements

Acupuncture Ethics and Standards Organisation Limited

Notes to and Forming Part of the Financial Statements for the Year Ended 31 December 2005

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirement of the Corporations Act 2001. The directors have determined that the company is not a reporting entity.

Acupuncture Ethics & Standards Organisation Limited is a company limited by guarantee.

The report has been prepared in accordance with the requirements of the Corporations Act 2001, and the following applicable Accounting Standards and Urgent Issues Group Consensus Views:

AASB 1002:	Events Occurring After Reporting Date
AASB 1018:	Statement of Financial Performance
AASB 1025:	Application of the Reporting Entity Concept and Other Amendments
AASB 1031:	Materiality
AASB 1034:	Financial Report Presentation and Disclosures
AASB 1040:	Statement of Financial Position
UIG Abstract 35:	Disclosure of Contingent Liabilities

No other applicable Accounting Standards, Urgent Issues Group Consensus Views or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The report is also prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

(a) The Company ceased Trading

	2005	2004
2. OPERATING REVENUE	\$NIL	\$NIL

3. RELATED PARTY DISCLOSURE

(a) (a) Directors who held office during the year ended 31 December 2005 are:

Marina Christov	John Deare	James Flowers
Hoc Ku Huynh OAM	Wade James	Ke Li
Yun-Fei Lu (Appointed)	Michael Porter (Appointed)	Walter Simpson
Brendon Supple (Resigned)	Yifan Yang (Resigned)	Zhen Zheng (Appointed)

4. MEMBER'S GUARANTEE

The company is limited by guarantee. If the company is wound up, the Articles of Association state that each member is required to contribute a maximum of \$2 each towards meeting any outstanding obligations of the company

Financial Statements

Acupuncture Ethics and Standards Organisation Limited

Notes to and Forming Part of the Financial Statements for the Year Ended 31 December 2005

5. NOTES TO STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

For the purpose of the Statement of Cash Flows, cash includes cash on hand and in Financial Institutions net of bank overdrafts. Cash at the end of the financial year, as shown in the Statement of Cash Flows, is reconciled to the related items in the balance sheet as follows:-

	2005	2004
Cash	\$10.00	\$10.00
(b) Reconciliation of Net Cash provided by Operating Activities to Operating Profit After Income Tax		
Operating Profit/(Loss) after income tax	-	-
Depreciation	-	-
Changes in Assets & Liabilities		
Increase/(Decrease) in fees received in advance	-	-
Increase/(Decrease) in Creditors	-	-
Net Cash Provided by Operating Activities	\$-	\$-

6. ACCUMULATED PROFITS

Accumulated Profits at the Beginning of the Financial Year	10.00	10.00
Net Profit/(Deficit) Attributable to Members of the Company	-	-
	\$10.00	\$10.00

Board of Directors

As at 31 December 2005

James Flowers (Chair)	NSW/ACT
Ke Li (Deputy Chair)	VIC/TAS
Walter Simpson (Secretary)	QLD
John Deare (Treasurer)	QLD
Marina Christov	VIC/TAS
Hoc Ku Huynh OAM	NSW/ACT
Wade James	WA
Yun-Fei Lu	WA
Michael Porter	SA/NT
Zhen Zheng	VIC/TAS

Company Secretary

Walter Simpson

Committee Chairs**Continuing Education Committee**

Wade James (Chair)

Course Accreditation Committee

James Flowers/Ke Li (Chair)

Disciplinary Committee

John Deare (Chair)

Membership Officer

Hoc Ku Huynh OAM

Research Committee

John Deare (Chair)

WorkCover Committee

Ke Li (Chair)

Consultants

Mary Herbison (Accreditation)
 Yanping Wang (Accreditation)
 Sean Walsh (WorkCover)

AUDITORS Haywards Chartered Accountants**BANKERS** Westpac**BROKERS** PI Direct Insurance Brokers P/L**REGISTERED OFFICE**

Suite 5, 28 Gladstone Road
 Highgate Hill Qld 4101

POSTAL ADDRESS

PO Box 5142

WEST END QLD 4101

Telephone 07 3846 5866
 1300 725 334

Facsimile 07 3846 5276

Email aacma@acupuncture.org.au

Website www.acupuncture.org.au

STAFF

(As at 31 December 2005)
 Karen Forbes- Membership Administrator
 Zoe Hughes - Receptionist

Judy James - Chief Executive Officer
 Jazz Tyrill - Marketing & Events Administrator

State Committees**Australian Capital Territory**

Nil appointed

New South Wales

Quentin Chen (Committee Member)
 Simin Chen (Committee Member)
 James Flowers (Committee Member)
 Nicole Hope-Allan (Minutes Secretary)
 Hoc Ku Huynh (Chair)
 Mei-Kin Li Rees (Deputy Chair)
 Rodrigo Sanchez (Deputy Chair & Social Secretary)
 Bouavirone (Bobbie) Sodarak (WorkCover Rep)
 Dae Kyeong (David) Suh (Committee Member)
 David White (Deputy Chair & Continuing Education Rep)
 Yifan Yang (Committee Member)
 Xiao Shu Zhu (Committee Member)

Queensland

Helga Del Mundo (Finance Secretary)
 Paul McLeod (Chair)
 Brett Montgomery (Deputy Chair)
 Matt O'Hara (Deputy Chair)
 Walter Simpson (Committee Member)
 Phillip Strong (WorkCover Rep)
 Tracey Winter (Minutes Secretary)
 Linda Tedd (Social Secretary)
 Vicki Wooller (Deputy Chair & Continuing Education)

South Australia/Northern Territory

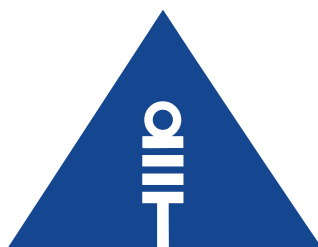
Ute Hribar (Minutes Secretary)
 Michael Porter (Chair, Continuing Education Rep & WorkCover Rep)
 Neil Reynolds (Finance Secretary)
 Brendon Supple (Committee Member)

Victoria/Tasmania

Luzviminda Agosta (Minutes Secretary)
 Marina Christov (Chair)
 Victor Lam (Committee Member)
 Ke Li (Deputy Chair & Finance Secretary)
 Warwick Poon (WorkCover Rep)
 Zhen Zheng (Committee Member)

Western Australia

Wade James (Chair, Finance Secretary, WorkCover Rep & Continuing Education Rep)
 Suzanne McDonald (Committee Member)
 Fransetta (Sono) Michetti (Committee Member)



AACMA

AUSTRALIAN ACUPUNCTURE

& CHINESE MEDICINE

ASSOCIATION LTD

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