The **Australian Acupuncture and Chinese Medicine Association Ltd (AACMA)** is the leading national professional association of acupuncture and Traditional Chinese Medicine (TCM) practitioners. High standards of education and practice are maintained by AACMA accredited practitioners due to the profession's determination to provide excellence in acupuncture and TCM health care. AACMA members are bound to a high standard of ethical and professional conduct through adherence to our national practitioner accreditation standards, Code of Ethics and Standards of Practice. All AACMA practitioner members are accredited with the Australian Traditional Chinese Medicine Practitioner Accreditation Board, established by AACMA in 2003 with the support of the Commonwealth Complementary Therapies Funding Program. AACMA provides a clear point of contact for the public, government 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 and is clearly the peak national body for the profession in Australia.

AACMA

AUSTRALIAN ACUPUNCTURE
& CHINESE MEDICINE
ASSOCIATION LTD

ACN 010 020 390

2006
Annual Report

Australian Acupuncture and Chinese Medicine Association Ltd
ACN 010 020 390

Acupuncture Ethics and Standards Organisation Ltd
ACN 065 533 762

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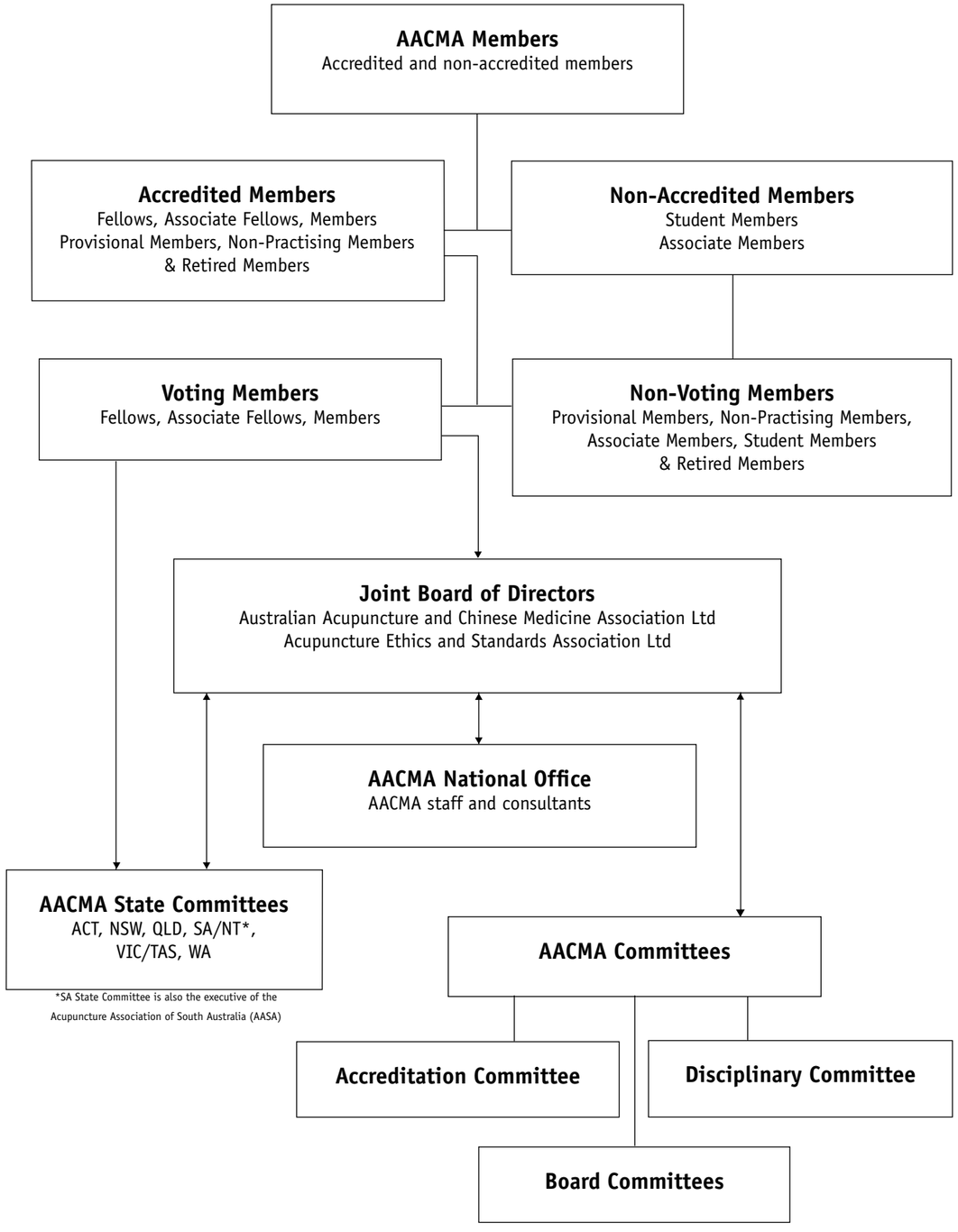
AACMA Organisational Structure



President's Report

Promoting Excellence in Acupuncture and Chinese Medicine Health Care

THE PRESIDENT'S PERSPECTIVE

Undoubtedly the most momentous event in 2006 was the contract for purchase of our own premises. This step had been discussed and planned for some time and 2006 saw the decision to put it into operation. The move to the new office is taking place as I write. I am aware of all the hard work and long hours put in by the staff that has made this possible.

There are still people who insist that there is no peak body for the Chinese medicine profession. The reference is usually the 1996 Report, *Towards a Safer Choice*, by Alan Bensoussan and Stephen Myers. This was an excellent report which paved the way for registration in Victoria and by implication made it possible for other states to follow. But I put the case that no other Chinese medicine association in Australia comes close to AACMA in terms of membership numbers, organisation, financial clout and prestige. The purchase of our own premises is a manifestation of this process. To say that AACMA is not the peak body is to be pedantic at the least or perhaps to indulge in wishful thinking.

Claiming AACMA as the peak association for the profession in Australia is justifiable for a number of reasons, some of which I will outline in this report.

One factor, an important one, is that we have the support of the members. Practitioners do feel that AACMA membership provides some benefit, whether it be remunerative or in terms of status in the community.

Another factor, I believe, has been the relative stability of our organisation. In overall terms, the AACMA Board has had a good working relationship with the CEO, Judy James, and her team. This has enabled the association to concentrate on the work that needs to be done rather than indulging in distractions. The Board thanks Judy James, Jazz Tyrril-Smart and the team for running the operations of AACMA in a manner that shows commitment and a seriousness of which we can be proud.

Another key factor has been AACMA's insistence on standards. This is sometimes a fraught issue and one that has been the subject of criticism by many who are unable to obtain membership. However, by insisting on standards in the face of criticism, a certain standing in the community has been maintained. Most practitioners feel happy to proclaim their AACMA membership to the public.

Meanwhile, let us not forget that the inherent elegance and effectiveness of Chinese Medicine and the real benefits it offers to the community are the real reasons we are doing what we are doing.

This is to not to boast about our achievements but to say to our members that it was by no means certain that we would reach the stage of being able to buy our own premises. Ten years ago it could be argued that AACMA was just one of several associations. Tough and difficult decisions were made to ensure our future. As a result, AACMA's growth in the past ten years has been steady and sure.

We can be confident, while being circumspect; proud while never succumbing to hubris.

Undoubtedly, no organisation is perfect. Most of our problems arise from being an organisation that has increasing demands with limited resources and AACMA has areas where we need to improve.

My experience over many years on the AACMA Board has been that the Directors on your Board desire the best for the Association and the profession. Perhaps it is the nature of the profession, being a caring one. Perhaps it is the recognition that we started on the margins.

As we moved closer to the mainstream we have been conscious that it could be easy to be severely marginalised and hurt in ways that we would not really like to consider. A burning passion to protect and cherish Chinese medicine has driven us. To be united and strong is in our own interests. To be divided into a number of disparate small organizations would have been suicidal and we could have been picked off and marginalised and not many people would have noticed.

One area that deserves attention is the building of an identifiable culture. That is to say building a sense of belonging, a sense of pride and identity in the profession. Most of our members are sole practitioners and I believe that there are many members who have only occasional contact with colleagues. The human condition is one that requires a sense of community. I believe that this possible sense of isolation will change as our profession matures, being aware that Chinese medicine has only recently been so popular in the community.

AACMA's commitment to research and higher education is recognition that scholarly excellence is our inheritance and must be our legacy for succeeding generations of practitioners. Academic and scholarly studies are our bedrock. Sharp and critical intellectual skills inform, support and nourish any area that demands deep and broad knowledge. This is to be acutely aware that Chinese medicine is an area dealing with saving people's lives and profoundly enhancing the quality of people's lives in deep and profound ways. This demands efforts beyond the ordinary in pushing ourselves in the search for knowledge.

In pursuit of this academic excellence, we started the AACMA Journal under the editorial leadership of Zhen Zheng. We hope this will be the start of encouraging even more research and intellectual inquiry in our profession.

In last year's report, I said that registration in New South Wales was imminent. I am reminded that one should not announce good news until it actually happens. We had been promised this and it has not happened. Our understanding is that moves to look at some form of national registration has caused a hiatus. However, the Board is committed to pursuing this matter with persistent lobbying.

On behalf of the Board, I would like to thank Ke Li, who was AACMA Vice President and did not stand for re-election in 2006. She had given years of service to the Association. She has kept her hand in by remaining on the AACMA Disciplinary and Course Accreditation Committees as well as the Victorian State Committee.

In addition to thanking Judy James and her staff for their exceedingly committed work, I would like to thank my colleagues on the Board for their contributions and services. Congratulations also to the newly appointed office bearers in 2006, Vice President John Deare, Secretary Hoc Ku Huynh and Treasurer Wally Simpson.

The year ahead

Your Board in 2007, 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.

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

I look forward to another exciting year for Chinese Medicine and for the members of AACMA.

President's Report (continued)

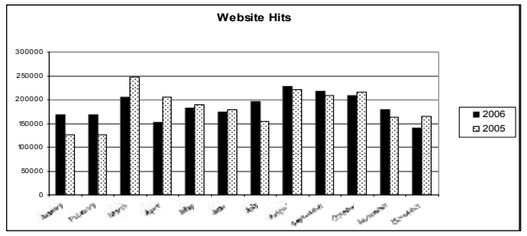
2006 HIGHLIGHTS

The major issues from 2006 are highlighted below.

AACMA Website Development

2006 saw further development of the AACMA website.

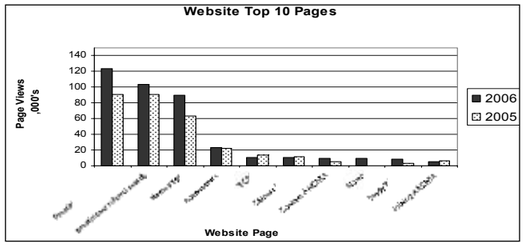
Website hits in 2006 are outlined in the following chart. Website hits so far in 2007 have exceeded 191,000 in January, 165,000 in February and over 205,000 in March.



In 2006, the most popular pages viewed on the website were:

- practitioner search (123,107 page views);
- home page (89,468 page views);
- member log-in (25,094 page views)
- acupuncture (23,041 page views);
- TCM (11,082 page views);
- Chinese herbal medicine (10,609 page views).

The overall top ten AACMA website pages in 2006 are highlighted in the following chart.



Developments on the website in 2006 on the website included a members forum/chat room.

Research Grants

AACMA awarded the following research grants in 2006:

Chinese Medicine Clinical Research Centre, Sydney South West Area Health Service, (Liverpool Hospital, Sydney) – Xiao Shu Zhu ($4,500) 'Chinese herbal medicine in the management of primary dysmenorrhea'

RMIT University institutional application ($5,000) 'The effect of acupuncture on temporal summation of pain in healthy humans: a randomised, single-blind, controlled-study'

The University of Adelaide – A/Prof Caroline Smith ($5,000) – 'Does acupuncture improve the endometrium for women undergoing a embryo transfer: a pilot randomized controlled trial'

University of Technology, Sydney– Bobbie Sodarak ($1,900) 'Retrospective Joint Cost Analysis of Acupuncture Treatment Claims involved in Workers Compensation Claims'

University of Technology, Sydney– Christine Berle ($3,100) 'A Controlled Trial of Acupuncture for the Treatment for people who are Hepatitis C antibody positive: A Pilot Study' [this is in addition to the $2,500 awarded in 2005]

University of Western Sydney ($5,000) Post-graduate scholarship; $5000 per year x 3 yrs (2005-2007) [awarded to Suzanne Grant in 2005]

There were 6 applications in total, all which were meritorious and received funding.

Health insurance matters

2006 saw the introduction of HICAPS, one of the key targets set by the Board for last year. Work will continue on other health insurance targets during 2007.

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.

Queensland Influenza-Like Illness Sentinel Surveillance Program

Each year the Communicable Diseases Unit in Queensland Health collects information on Influenza Like Illness (ILI) in the community, in collaboration with Health Practitioners. In 2006, AACMA was approached by Queensland Health seeking participation by members in the surveillance program. This was the first time that Queensland Health has sought the involvement of non-medicos in this particular program and the first time that acupuncturists have been invited to participate in an epidemiological data collection program in Queensland.

Participation involved the completion of a weekly tally sheet on patients with ILI and sending these sheets into Queensland Health by fax or post. Only de-identified data was reported and members were not required to supply any identifiable information about patients.

Journal

AACMA published the first issue of the Australian Journal of Acupuncture and Chinese Medicine (AJACM), the official journal of the AACMA.

I express my thanks and appreciation to the members of AJACM Editorial Board for their hard work, professionalism and hard work in making the first issue a success. Dr Chris Zaslawski was appointed Deputy Editor in 2006. The Editorial Board represents a good cross section of skills and expertise from the profession and academia. All are members of AACMA. The Editorial Board's members are:

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

AACMAC Adelaide 2006

AACMAC Adelaide 2006 was held at the University of Adelaide from 19- 21 May 2006 and was by far the best AACMA conference held to date.

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

AACMAC 2006 Presenters

Bruce Bentley (VIC, AUSTRALIA)
Christine Berle, UTS (NSW, AUSTRALIA)
Katherine Berry, UTS (NSW, AUSTRALIA)
Debra Betts (NEW ZEALAND)
Simin Chen (NSW, AUSTRALIA)
Dr Seung-Hoon Choi, WHO WPRO (PHILIPPINES)
Giles Clark, Australia Zoo (QLD, AUSTRALIA)
John Deare, AACMA Treasurer (QLD, AUSTRALIA)
Daniel Deng (NSW, AUSTRALIA)
Dr Jerzy Dyczynski (GERMANY)
Peter Ferrigno, VU (VIC, AUSTRALIA)
James Flowers, AACMA President (NSW, AUSTRALIA)
Sarah Fogarty (VIC, AUSTRALIA)
Dr Ellen Franklin (USA)
Mary Garvey, UTS (NSW, AUSTRALIA)
Dr Tomi Hardjatno (INDONESIA)

President's Report (continued)

David Hartman (QLD, AUSTRALIA)
Marie Hopkinson (WA, AUSTRALIA)
Chin-Liang Huang (QLD, AUSTRALIA)
Hoc Ku Huynh, AACMA Director (NSW, AUSTRALIA)
Judy James, AACMA CEO (QLD, AUSTRALIA)
Stephen Janz (QLD, AUSTRALIA)
Dr George Lenon, RMIT (VIC, AUSTRALIA)
Ke Li, AACMA Vice-President (VIC, AUSTRALIA)
Richard Li, WFAS Vice-President (NSW, AUSTRALIA)
Dr Henry Li Ming Liang, UWS (NSW, AUSTRALIA)
Anne Lloyd-Jones, Animals Asia (SA, AUSTRALIA)
Robin Marchment (VIC, AUSTRALIA)
John McDonald, ACCME (QLD, AUSTRALIA)
Paul McLeod (QLD, AUSTRALIA)
Dr Wendy Morrow, SACNM (SA, AUSTRALIA)
Dr Barry Nester, VU (VIC, AUSTRALIA)
Anh Phung (SA, AUSTRALIA)
Clive Powell (QLD, AUSTRALIA)
Tony Reid (NSW, AUSTRALIA)
Angela Rudhart-Dyczynski (GERMANY)
Dr Damien Ryan, VU (VIC, AUSTRALIA)
Dr Koosnadi Saputra (INDONESIA)
Walter Simpson, AACMA Secretary (QLD, AUSTRALIA)
A/Prof Caroline Smith, Adelaide Uni (SA, AUSTRALIA)
Dr Mark Strudwick, UQ (QLD, AUSTRALIA)
John Terry, ACNM (VIC, AUSTRALIA)
Vicki Wooller (QLD, AUSTRALIA)
Dr Hong Xu, VU (VIC, AUSTRALIA)
Prof Charlie Changli Xue, RMIT (VIC, AUSTRALIA)
Congxing Yang, UTS NSW, AUSTRALIA)
Yifan Yang, SITCM (NSW, AUSTRALIA)
Dr Chris Zaslawski, 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	***Other Supporters & Advertisers***
Acu-Needs Australia	Adelaide City Council
Acupuncture Australia Pty Ltd	Adelaide Convention & Tourism Authority
Acutonics® Healing	Australian College of Tactile Therapies
Bamboo Software Limited	Brisbane Marketing
China Books (Melbourne)	Budget Car and Truck Rental
Health World Ltd/Sun-Ten	Neil Reynolds (massage couches)
Helio Supply Co Pty Ltd	SA College of Natural Medicine
Koda international	Tourism Queensland
Sun Herbal Pty Ltd	Tourism South Australia

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

VIPS

Ms Lindsay Simmons, MP, representing the SA Minister for Health;
Dr Seung-Hoon Choi, Regional Adviser to the World Health Organization, Western Pacific Regional Office;
Mr Richard Li, Vice-President (Oceania), World Federation of Acupuncture Societies;
Mr John McDonald, President of the Australian Council for Chinese Medicine Education;
Prof Charlie Xue, representing the Chinese Medicine Registration Board of Victoria;
Ms Paddy McBride, Vice-President of the New Zealand Register of Acupuncturists; and
James Flowers, AACMA President

Social Program

Pre-conference drinks To get delegates in the mood, pre-conference drinks were held on the Friday evening. As this event was well-attended by delegates, we are planning a similar event next year.

Gala Dinner Held in historic Ayer's House on Saturday evening, the venue was outstanding, the food divine and the company – just sublime. As with the last time the Gala Dinner was held in Adelaide, AACMA hosted a TCM book launch. This time it was the world launch of *The Essential Guide to Acupuncture in Pregnancy & Childbirth* by New Zealand author and practitioner, Debra Betts, edited by Peter Deadman & Inga Heese, published by Journal of Chinese Medicine. Debra kindly donated a copy of her book to AACMA.

Conference Awards & Prizes

AACMA thanks the panel of judges for advising on the academic awards:

John Deare	Stephen Janz	Dr Henry Liang
Ke Li	Richard Li	A/Prof Caroline Smith
Dr Mark Strudwick	Prof Charlie Xue	Dr Zhen Zheng

Academic Awards

Overall Best Paper ($100 Sun Ten Gift Voucher) was awarded to Katherine Berry for her paper on Integration of CAM in Public Health Care Services- A Reflection on Some of the Experiences from the UTS Alcohol and Other Drugs Clinical Placement Program at Rozelle Hospital.

Best Research/Scientific Paper ($100 Helio Gift Voucher) was jointly awarded to John Deare and Dr Sean Scott for their paper on Acupuncture for Migraine Headache: A Systematic Review

Best Paper on Clinical Practice ($100 Sun Herbal Gift Voucher) was awarded to Debra Betts for her paper on Review of Research in the Application of Acupuncture Use in Pregnancy and Its Relevance to Clinical Practice.

AACMA also awarded an **Honourable Mention for first presentation at a conference** to Sarah Fogarty for her paper on Stroke, Acupuncture, Referrals and Neurologists.

Door Prizes

Conference Door Prizes ($100 China Books Gift Voucher & $100 Acupuncture Australia Gift Voucher) were won by Dr Mark Strudwick (Queensland) and Dr Tomi Hardjatno (Indonesia) respectively.

The Gala Dinner Door Prize ($100 Acuneeds Gift Voucher) was won by Christine Berle (NSW).

International Issues

New Zealand Register of Acupuncturists

Trans-Tasman cooperation will become increasingly important with the phasing in of the joint therapeutic goods agency. In 2006, AACMA and the New Zealand Register of Acupuncturists (NZRA) sent representatives to each other's annual conferences with a view to developing closer cooperation on matters of common interest. AACMA CEO, Judy James, and Vice-President. John Deare, attended the NZRA conference in May 2006.

World Federation of Acupuncture-Moxibustion Societies (WFAS)

AACMA sent two delegates, WFAS Vice-President Richard Li and AACMA CEO Judy James, to the WFAS 2006 International Symposium held in Bali, Indonesia in November 2006.

I represented AACMA at the WFAS International Symposium held in Kuala Lumpur, Malaysia, in April 2006.

World Federation of Chinese Medicine Societies (WFCMS)

AACMAC Secretary, Hoc Ku Huynh, represented AACMA at the WFCMS congress held in Toronto, Canada in September 2006. WFCMS has its headquarters in Beijing and is the organisation that is the chief adviser to the China State Administration of TCM on Chinese medicine international affairs.

World Health Organization (WHO)

I was the Chinese Medicine delegate representing WFAS and AACMA at the WHO Western Pacific Regional meeting held in Auckland, New Zealand in September 2006.

James Flowers

James Flowers, National President
2 April 2007

Secretary's Report

AACMA – 33 GOING ON 34 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 equivalent to the entry-level standard 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.

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

Secretary's Report (continued)

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 2006, AACMA membership numbers were:

Member Type	Accredited	Non-accredited
Fellow	144	N/A
Associate Fellow	8	N/A
Member	1079	N/A
Provisional Member	113	N/A
Non-Practising Member	178	N/A
Associate Member	0	N/A
Retired Member	3	N/A
Life Member	0	N/A
Honorary Member	N/A	1
Suspended Member	2	0
Student Member	N/A	177
Sub-totals	**1527**	**178**
Percentage of totals	89.6%	10.4%

TOTAL MEMBERS as at 31 December 2006: 1705

Annual Membership Growth Rates

The average annual growth rate in AACMA accredited membership over the past five years has been 5.6%. In 2006 the net annual increase in accredited membership was 8.0%.

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. While this rate of increase has not yet been reached, the rate of increase in 2006 was 3.0% more than in 2005.

Acceptance Ratio

AACMA has recorded an average 74.3% ratio of Acceptances to Applications over the past five years. In 2006, the acceptance ratio was 84.8%, which reflected an increase in the proportion of graduates of recognised programs.

AACMA admitted 167 accredited members in 2006.

Membership Attrition Rate

The membership attrition rate (e.g. through death, retirement, resignation, or lapsed memberships) in 2006 was 3.8%, 1% less than in 2005. In 2006, AACMA suffered a loss of 56 accredited members (compared with 65 in 2005), with an overall net increase of 113 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.

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.

Secretary's Report (continued)

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, 99.6% of members were accredited in acupuncture, 52.1% in Chinese herbal medicine (including 0.3% accredited in Chinese herbal medicine and not acupuncture). Based on past member surveys, the number of members actually practising Chinese herbal medicine approximates 80%, 1.5 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 have been required to 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, 11.6% 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 have been required to meet a standard equivalent to the Diploma of TCM Remedial Massage (Anmo-Tuina) under the Health Training Package.

Deceased members

In 2006, we sadly saw the passing of three members.

- Elisabeth (Betty) Bally (QLD)
- John Flissinger (NSW)
- Susanne Girault (QLD)

The AACMA Board and staff extend their condolences to the family friends and colleagues our members who passed away in 2006. They will be sadly missed.

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 2006, the AACMA Disciplinary Committee received fifteen (15) formal complaints, of which 12 were against members and 3 against non-members.

Nature of complaint	Number
Advertising	2
Sexual assault/indecent assault	1
Unprofessional conduct	5
Standard of care provided	1
Infection control standards	3
Charging practices	3
False completion of receipts	4

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.

Complaints alleging unprofessional conduct included rude and inconsiderate behaviour, inappropriate comments, inappropriate physical contact, and breach of food standards in the supply of mixed product. Complaints alleging poor infection control standards included failure to clean/swab the skin before needle insertion, premises non-compliant, placing needles in a tray after use and re-inserting into the same patient.

Complaints about advertising, charging and receipting practices included about allegations of offering an inducement to obtain treatment, charges being inconsistent with advertised fees, fees too high, failure to issue receipts.

Allegations relating to the false completion of receipts included the use of the member's name and member number on receipts for services provided by another person at the member's practice, reference to AACMA membership and use of past AACMA member number on receipts issued by past members. In relation to the latter, two complaints about receipting practices by non-members registered in Victoria were submitted to the Chinese Medicine Registration Board of Victoria.

One complaint involved a pneumothorax.

At the beginning of 2006, there were eleven (11) ongoing investigations carried over from 2005, of which six (6) were finalised in 2006. This resulted in the Disciplinary Committee dealing with a total of twenty-six complaints in 2006. Eighteen (18) complaints were not fully resolved at the end of 2006, but nine (9) of these were finalised by the date of this report.

Disciplinary Committee action imposed in 2006 included:

- expulsion from membership (student member in practice);
- suspension of membership (1 on-going and 2 new suspensions);

Secretary's Report (continued)

- loss of Fellow status (1);
- fine (1 fine of $500.00); and
- counselling, warning and undertaking as to future conduct (13).

The primary focus of disciplinary action is to end or change inappropriate conduct. To this end, increased use was made of counselling members, issuing warnings and obtaining undertakings as to future conduct. Severe penalties such as loss of Fellow or Associate Fellow status, fine, suspension or expulsion are imposed in relation to findings of misconduct of a serious nature, such as health fund fraud, false completion of receipts, contacting a complainant in against the express written direction of the Disciplinary Committee, indecent assault, etc.

It must be stressed that the rate of complaints is very low, and represent only a very small percentage (less than 1%) of the membership as a whole.

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 the necessary 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 four full-time & two part-time staff by the end of 2007 plus one vacant position that was not filled until 2007.

Staff changes in 2006 included the following:

- Emily Smith was appointed to the position of Receptionist in March 2006;
- Tim Chandler was appointed to a new part-time position of Assistant Publications Officer in June 2006
- Mary Chen was appointed to a new part-time position of Accounts Clerk in July 2006;
- Zoe Hughes resigned as Administration Assistant in order to undertake full-time study, and returned on a casual basis at the end of the academic year;
- Karen Forbes resigned as Membership Administrator in order to move to interstate.

Other short-term appointments were made to assist with finance, administration and membership functions during periods of need in 2006. Judy James (Chief Executive Officer) and Jazz Tyrril-Smart (Marketing and Events Administrator) continued in their designated positions throughout 2006.

On behalf of the Board and the members, I welcome our new staff to the team and wish departing staff and casual employees the best of success in their post-AACMA endeavours.

I thank all current staff for their diligence, commitment and hard work for the Board and the members over 2006.

Hoc Ku Huynh, AACMA Secretary
2 April 2007

Treasurer's Report

GENERAL

It is with pleasure that I present to members my first financial report as AACMA Treasurer, being the accounts for year ended 31 December 2006. The Board continued its policy of good financial management in 2006 and is pleased to present an on-going stable fiscal situation to members, returning an annual net surplus of $7,131.10.

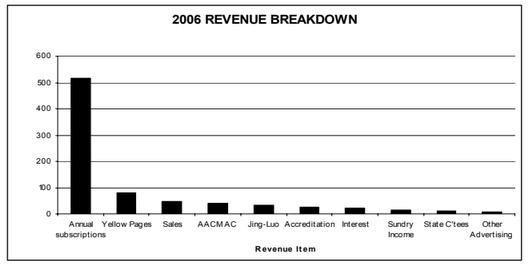
In 2005, AACMA introduced a new accounts reporting system. For the 2006 auditor's report, expenditure is broken down according to the new system for comparison purposes.

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 2006 included income related to AACMAC Adelaide 2006 conference and State Committee functions.

Total revenue in 2006 from all sources (excluding GST) was $791,714.99, of which $742,430.21 was normal operating income and $49,384.78 was income from AACMAC and State Committee functions. This represented an increase of $45,324.02 over 2005 income (or 6.1%).

Significant revenue items for 2006 are itemised.



Subscriptions

The increase of $7,547.12 in income from membership subscriptions to $514,672 resulted from an increase in overall membership numbers. There was no increase in the base membership fees from 2005 to 2006, compared with an annual CPI increase of 2.8% at December 2005 and a further 3.3% at December 2006. 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 2006 fees, providing considerable incentives for members to pay on time or to enter into an instalment payment plan.

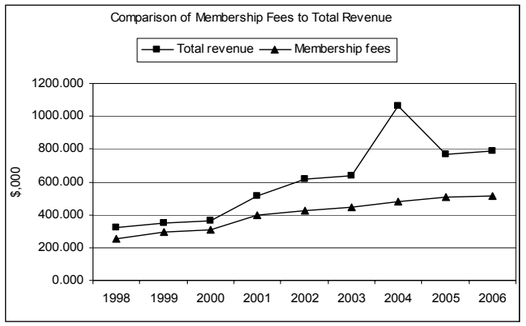
Treasurer's Report (continued)

Using the Member fee as an example, these options were (rates include GST):

- Pre-payment of 2006 fees during 2005 ($435 fee)
- Pay fees in full by due date ($435 fee)
- Payment by Annual Direct Debit (ADD) authority ($420)
- Pay fees in January 2006 ($480)*
- Pay fees in February or March ($600)*
- Pay fees after March ($670 – includes $70 reinstatement fee)

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

Since 1998, total subscriptions received from members has increased by $264,233 to the 2006 level. Despite this increase, subscriptions as a proportion of gross revenue have decreased by 13% from 78% in 1998 and 66% in 2005 to 65% in 2006, representing a gradual but progressive shift toward increased income from other sources.



Yellow Pages

Yellow Pages income represents income from members listing under the AACMA banner in the metropolitan and selected regional directories. Income from Yellow Pages listings represented 10.2% of total income in 2006, compared with 10.5% in 2005.

Sales

Sales of member badge products and other items amounted to 6% of total income in 2006, compared with 5.9% in 2005. The increase of $2,733 over 2005 income to $47,117 in 2006 resulted mainly from increased video/DVD sales. Income from sales was offset by cost of sales (printing, production and purchase costs) of $24,484.

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 ($33,001) is off-set against newsletter ($31,513) printing and postage costs, resulting in a net surplus of $1,488.

Other income

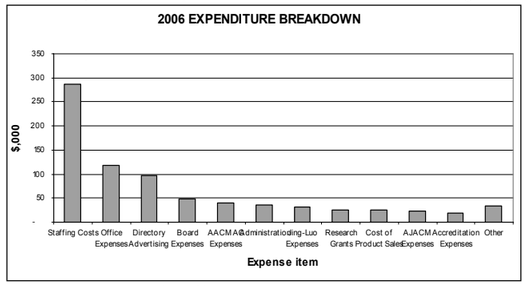
This relates to income from accreditation fees and examinations plus miscellaneous income.

EXPENDITURE

Total expenditure in 2006 amounted to $784,583.89, an increase of $59,827.18 over 2005 expenditure (or 8.25%).

As with any sound organisation, staffing & administration expenses constituted the highest proportion of total expenditure in 2006. These costs amounted to $441,372 or 56% of total expenditure, compared with an adjusted rate of 55% in 2005.

A summary of major expense items is outlined in the following chart.



Administration and staffing

Administration expenses were made up of $287,536 staffing costs (salary and superannuation component of $257,167) and $153,836 in office and administration related expenses.

Salaries and wages increased by $37,182 (14.9%) compared with a decrease of 20% in 2005. This increase was predicted in the 2005 report as some positions had not been filled during 2005.

Office expenses ($118,736) were made up of rent ($38,000), postage and couriers ($20,578), service contracts, repairs and maintenance, cleaning, power, and software licensing and support, ($16,945), phone, fax and internet expense ($13,806), office supplies ($10,421), photocopy charges ($7,704), corporate stationery ($2,780), general insurance $2,578 and $5,924 in miscellaneous expenses.

Administration expenses ($35,099) included printing of annual report and AGM ballot envelopes ($4,687), AGM postage ($4,619), bank charges including merchant fees ($9,874), directors insurance ($4,084), audit ($3,910), website maintenance and development ($2,359), mailout expenses ($1,088), and $4,478 in miscellaneous expenses.

Board and Committees

Board and Committee expenses totalled $56,794 in 2006, representing 7% of total expenditure. This was made up $24,375 in Directors fees, $18,864 in travel and accommodation, $8,279 in meeting expenses, $4,175 for phone and fax expenses, and $1,101 in miscellaneous expenses.

The AACMA Board held one face to face Board meeting (May 2006). 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.

Directory expenses

Directory advertising of $97,200 was made up of $81,563 in members' group listing.

The additional costs in Yellow Pages expenditure resulted from:

- Including a line listing for AACMA in every Yellow Pages book
- including a small 1HS 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 (less than $700).

Member products

Cost of sales of $24,494 was made up of $10,516 for brochures, $5,270 for receipt books, $6,700 for videos/DVDs and $2,008 in miscellaneous costs.

Treasurer's Report (continued)

Research grants

AACMA continued with an allocation of $25,000 in 2006 in support of suitable research.

The figure of $24,500 stated in the report indicates actual research funds awarded in 2006.

AACMAC

Conference and function expenses amounted to $40,331.59, with $31,052.01 attributable to the cost of AACMAC Adelaide 2006 and $9279.58 to AACMAC Brisbane 2007. These figures are offset against conference income of $39,038.57, of which, $32,107.98 is attributable to AACMAC Adelaide 2006 and $6,930.59 to AACMAC Brisbane 2007. Taking into account monies received and expended in 2005 & 2007, the total income attributable to the 2006 conference was $33,180.70, offset by $32,459.05 in expenses, resulting in a net surplus of $721.65.

AJACM

The launch of our new academic journal, the Australian Journal of Acupuncture and Chinese Medicine, in 2006 was a major new expenditure item for the association. The majority of the costs incurred in 2006 related the costs of design and printing of the first issue. The Board is viewing investment in the Journal as a long-term project with returns expected to increase over the next five years.

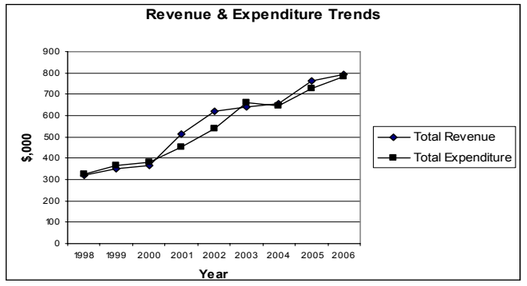
Property purchase

In 2006, AACMA entered into a contract for purchase of premises for the national office. The contract price was $495,000. AACMA is contributing 30% of the sale price ($148,500) out of our accrued surplus, with the remaining 70% ($346,500) being funded by a Westpac bank loan.

Significant expenditure on the property in 2006 was $49,500 deposit and $15,800 stamp duty, plus the cost of searches and some legal expenses. The balance of the sale price and the majority of legal expenses were payable in 2007.

REVENUE AND EXPENDITURE TRENDS

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

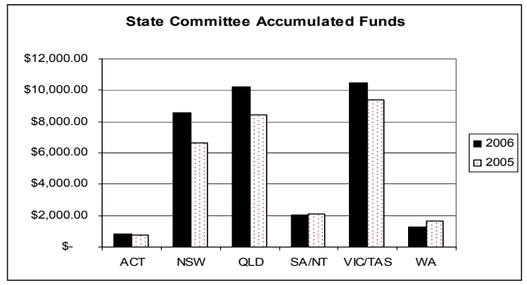


STATE COMMITTEES

In 2006, the State Committees have continued to provide professional development and social activities within their states. The larger states were the 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 2006, the combined allocation for State Committees was $33,342.14.

Funds accumulated by the individual State Committees as at 31 December 2006 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

2007 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.

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. The monthly repayment on the bank loan is $3,311 compared with $3,800 in monthly rent. Excluding rates and body corporate charges, this represents a saving of $489.00 per month. Taking into account estimated body corporate fees, council charges, routine maintenance expense and miscellaneous costs, it is expected that annual savings will still result compared with current rental expenditure. With rising rental costs, the differential savings will accumulate over the next 5 years.

However, members need to be aware that there will be a significant one-off cost incurred in re-fitting the premises to suit our current and foreseeable needs. This will be fully reported in the 2007 annual report and will mean that any end-of-year surplus is unlikely to be significant. However, AACMA will be working hard to re-build a substantial surplus over the next few years in order to cushion against unexpected future costs.

As in previous years, AACMA will be reinvesting funds in term deposits with major banking institutions to maximise returns on membership fees.

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 2007 budget provides for a progressive increase in expenditure on member services and brand products, continued professional development, new projects to benefits the profession and members projects, and the targeted media and promotion of AACMA and its members to the public and mainstream health care system.

Walter Simpson, Treasurer
2 April 2007

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 2006.

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

Marina Christov	Ke Li (Resigned 14/05/06)
John Deare	Walter Simpson
James Flowers	Michael Porter
Hoc Ku Huynh OAM	Yun-Fei Lu
Wade James	Zhen Zheng

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 $7131.10

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 2006.

No indemnities have been give or insurance premium paid, during or since the end of the financial year, for any person who is or has been an official or auditor of the company.

Auditors Independence

The Directors have received an Independence Declaration from the auditor of Australian Acupuncture & Chinese Medicine Association Limited which is attached on the following page. Signed in accordance with a resolution of the board of Directors.

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 (8 years)
- 8 years Clinical Practice in Australia
- Lecturer at Victoria University (3 years)
- Registered with the CMRBV

John Deare — Director & Vice President

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

Experience:
- Lecturer (Casual)
- 8 years Clinical Practice in Australia
- Member of AACMA (8 years)
- Member of Australian Pain Society
- Member of Gold Coast Health & Medical Association

James Flowers — Director & President

Qualifications:
- Diploma of TCM

Experience:
- 12 years Clinical Practice in Australia
- Member of AACMA (12 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)
- Deputy Chair, Supervision Committee, World Federation of Chinese Medicine Societies (WFCMS)
- Council Member, International Society of Oriental Medicine

Hoc Ku Huynh OAM — Director & Secretary

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

Experience:
- Member of AACMA (27 years), AACMA Fellow
- 30 years Clinical Practice in Australia
- Honorary Clinical Associate UTS
- Honorary Clinical Supervisor UWS
- Honorary External Clinical Supervisor RMIT
- Honorary Clinical Supervisor SITCM
- 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)
- Associateship in Electronics Engineering (Curtin University WA)

Experience:
- Member of AACMA (7 years)
- 21 years Clinical Practice in Australia
- Senior Lecturer, Clinic Supervisor PANT (1992 - June 2006)
- Director of Chinawest Pty Ltd
- Director of Shanghai International TCM Seminars

Ke Li — Director & Vice President

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

Experience:
- 19 years Clinical Practice in Australia
- 5 years Clinical Practice overseas
- Member of AACMA (18 years) AACMA Fellow

Financial Statements

Australian Acupuncture and Chinese Medicine Association Limited

- Sessional Lecturer at Victoria University (6 years)
- St John Ambulance Voluntary First Aid Officer (13 years)
- Registered with the CMRBV

Yun-Fei Lu — Director

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

Experience:
- Member of AACMA (7 years)
- 5 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)

Michael Porter — Director

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

Experience:
- Member of AACMA (20 years)
- AACMA Fellow (11 years)
- Director of Academy of Oriental Therapies (1993-2003)

Walter Simpson — Director & Treasurer

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

Experience:
- Member of AACMA (19 years), AACMA Fellow
- 19 years Clinical Practice in Australia
- QLD Representative of World TaiJi Boxing Association
- QLD Member of Toyo Hari Association
- Director of Herbal International Pty Ltd

Zhen Zheng — Director

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

Experience:
- Member of AACMA (6 years)
- 7 years Clinical Practice in Australia
- 2 years Clinical Practice overseas
- Lecturer at RMIT University
- Registered with the CMRBV
- Member of the CMRBV Hearings Panel
- Editor-in-Chief of the Australian Journal of Acupuncture and Chinese Medicine

Meetings attended by Directors

Name	Meetings eligible to attend	Number attended
Marina Christov	15	10
John Deare	15	14
James Flowers	15	14
Hoc Ku Huynh OAM	15	13
Wade James	15	12
Ke Li	7	6 (resigned 14/05/06)
Yun-Fei Lu	15	15
Michael Porter	15	15
Walter Simpson	15	15
Zhen Zheng	15	10

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

17 APRIL 2007
BRISBANE, QLD

DIRECTOR

Independent Auditor's Report to the Members of Australian Acupuncture and Chinese Medicine Association Ltd

Scope

The financial report and directors' responsibility

The Financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, and the directors' declaration for (the company), for the year ended 31 December 2006.

The directors of the company are responsible for the preparation and true and fair presentation of the financial report in accordance with the *Corporations Act 2001*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

We have conducted an independent audit in order to express an opinion to the members of the company. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influence by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Corporations Act 2001*, including compliance with Accounting Standards and other mandatory financial reporting requirement in Australia, a view which is consistent with our understanding of the company's financial position, and of its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:
- Examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- Assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

While we consider the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Financial Statements

Australian Acupuncture and Chinese Medicine Association Limited

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

We declare that to the best of our knowledge and belief that the auditor's independence declaration, set out on page 6 of the financial report, has not changed as at the date of providing our audit opinion.

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 2006 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

21 MARCH 2007
BRISBANE, QLD

(signed)
Philip Fitzgerald FCA
REGISTERED COMPANY AUDITOR

Auditor's Independence Declaration

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2006 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

(signed)
HAYWARDS CHARTERED ACCOUNTANTS

21 MARCH 2007
BRISBANE, QLD

(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 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 2006 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 Flowes
DIRECTOR

17 APRIL 2007
BRISBANE, QLD

DIRECTOR

Statement of Financial Performance for the Year ended 31 December 2006

	NOTES	2006	2005
Annual Subscriptions		514672.75	507125.63
Other Income		277042.24	239265.34
Administration Expenses		(147014.53)	(133578.57)
Salary Expenses		(287291.07)	(247433.39)
Conference Expenses		(40331.59)	(50242.36)
Other Expenses from Ordinary Activities		(309946.70)	(293502.39)
Profit/(Deficit) from Ordinary Activities Before Income Tax	4	$7131.10	$21634.26
Income Tax Expense Relating to Ordinary Activities		-	-
Profit /(Deficit from Ordinary Activities After Related Income Tax Expense		$7131.10	$21634.26

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 2006

	NOTES	2006	2005
CURRENT ASSETS	5		
Cash		607883.93	639508.46
Debtors		27522.26	17472.69
Bond		3750.00	3750.00
TOTAL CURRENT ASSETS		639156.19	660731.15
NON-CURRENT ASSETS			
Land & Buildings		65300.00	
Plant & Equipment	6	18150.91	22697.18
TOTAL NON-CURRENT ASSETS		83450.91	22697.18
TOTAL ASSETS		722607.10	683428.33
CURRENT LIABILITIES			
Creditors		16677.47	12643.75
Fees Received in Advance		402410.70	380710.99
Provision for Employee Entitlements		60107.84	53793.60
TOTAL CURRENT LIABILITIES		479196.01	447148.34
TOTAL LIABILITIES		479196.01	447148.34
NET ASSETS		$243411.09	$236279.99
MEMBER'S FUND			
Accumulated Funds		243411.09	236279.99
TOTAL MEMBER'S FUND		$243411.09	$236279.99

The accompanying notes form part of these financial statements.

Statement of Cash Flows for the Year Ended 31 December 2006

	NOTES	2006	2005
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Subscriptions		536372.46	541899.80
Other Income		279721.55	284348.12
Payment for Operating Expenses		(779245.81)	(773052.67)
NET CASH FROM OPERATING ACTIVITIES	12	$36848.20	$53195.25
CASH FLOWS FROM INVESTING ACTIVITIES			
Net Transfers of Plant & Equipment		68472.73	10242.10
NET CASH FROM INVESTING ACTIVITIES		$68472.73	$10242.10
NET INCREASE/(DECREASE) IN CASH HELD		(31624.53)	63437.35
CASH AT THE BEGINNING OF THE YEAR		639508.46	576071.11
CASH AT THE END OF THE YEAR	12	$607883.93	$639508.46

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 2006

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, and the following applicable Accounting Standards and Urgent Issues Group Consensus Views:

AASB 101: Presentation of Financial Statements
AASB 107: Cash Flow Statements
AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors
AASB 1002: Events Occurring after Reporting Date
AASB 1031: Materiality

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

The financial report complies with all Australian Equivalents to International Financial Reporting Standards (AIFRS) in their Entirety.

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 adopting by the company in the preparation of the Financial Report. The accounting policies have been consistently applied, unless otherwise stated.

(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.

2. FIRST TIME ADOPTION FOR AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (AIFRS)

The directors have assessed the impact of the first – time adoption of Australian Equivalents to International Financial Reporting Standards.

There was no effect on either the 30 June 2006 or the prior year results or the first time adoption of AIFRS on the Australian Acupuncture & Chinese Medicine Association Limited.

Financial Statements

Australian Acupuncture and Chinese Medicine Association Limited

Notes to and Forming Part of the Financial Statements for the Year Ended 31 December 2006

	2006	2005
3. OPERATING REVENUE		
Annual Subscriptions	514672.75	507125.63
Other Revenue	277042.24	239265.34
	$791714.99	**$746390.97**

4. OPERATING PROFIT

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

		2006	2005
(a)	**REVENUE**		
	Annual Subscriptions/Membership Fees	514672.75	507125.63
	Accreditation	26143.62	23361.35
	Interest	20398.47	22189.79
	AACMAC Income	39038.57	32073.66
	Sales	47118.50	44385.06
	Sundry Income	13446.50	10847.41
	Jing-Luo Newsletter Income	33001.28	28647.69
	Other Advertising Income	6728.17	3815.48
	State Committee Functions	10246.21	14169.83-
	Yellow Pages	80920.92	78429.16
		$791714.99	**$746390.97**
(b)	**EXPENSES**		
	Accreditation Expenses	19283.54	14261.42
	Cost of Product Sales	24484.09	38039.87
	AACMAC Expenses	40331.59	48609.17
	National Seminars	-	1175.46
	Member Meetings & Functions	-	457.73
	Jing-Luo Expenses	31513.79	23028.07
	AJACM Expenses	23941.50	2151.15
	Directory Advertising	97200.81	100881.69
	Publications and Marketing	10331.62	14666.92
	State Committees	8235.55	7056.85
	Policy Development	-	671.82
	Research Grants	24500.00	24739.55
	Consultants Fees	1883.20	600.00
	Journal Subscriptions & Memberships	838.51	675.91
	Board Expenses	48515.05	41127.45
	Meetings & Committees	8279.22	5810.69
	ACCME Expenses	3173.72	3874.36
	ATPAB Expenses	699.28	105.00
	Administration	35099.52	37078.22
	Office Expenses	118736.42	109391.11
	Staffing Costs	287536.48	250354.27
		784583.89	724756.71
	OPERATING PROFIT FOR YEAR	**$7131.10**	**$21634.26**

The accompanying notes form part of these financial statements.

Financial Statements

Australian Acupuncture and Chinese Medicine Association Limited

Notes to and Forming Part of the Financial Statements for the Year Ended 31 December 2006

5. CASH

	2006	2005
Cash Management Account	281197.86	364090.99
Cheque Account - Westpac	326686.07	86215.43
Term Deposit	-	189202.04
Cheque Account - WFAS		-
	$607883.93	**$639508.46**

6. PLANT & EQUIPMENT

Office Equipment - At Cost	129972.70	126799.97
Less Accumulated Depreciation	111821.79	104102.79
	$18150.91	**$22697.18**
Land & Buildings - (Deposit)	$65300.00	-

The organization entered into a contract to purchase an office building for $495000. This property was settled on 23 January 2007

7. OPERATING LEASE COMMITTMENT

Non-cancellable Operating Leases contracted for but not capitalized in the financial statements.

Not longer than 1 year	6934.20	5475.04
Longer than 1 year but not longer than 5 years	16590.21	1829.52
	$23524.41	**$7304.56**

8. RELATED PARTY DICLOSURE

(a) Directors who held office during the year ended 31 December 2006 are:

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

9. DIRECTOR'S INCOME

Aggregate income received or due and receivable by the directors	$24375.00	$19625.00
The number of directors whose total income falls within the following band:		
NIL - $9999	10	12

Financial Statements

Australian Acupuncture and Chinese Medicine Association Limited

10. AUDITOR'S REMUNERATION

	2006	2005
Amounts received or due and received by the auditors for:		
Auditing the Accounts	3910.00	$3840.00

No other benefits were received by the auditors.

11 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

12. 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	2006	2005
Cash	5	**$607883.93**	**$639508.46**

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

Operating Profit/(Loss) after income tax	7131.10	21634.26
Depreciation	7719.00	9322.00
Changes in Assets & Liabilities		
Increase/(Decrease) in fees received in advance	21699.71	34774.17
Increase/(Decrease) in Debtors	(10049.57)	6370.26
Increase/(Decrease) in Creditors	4033.72	(21334.43)
Increase/(Decrease) for Employee Entitlements	6314.24	2428.99
Net Cash Provided by Operating Activities	$36848.20	$53195.25

13. ACCUMULATED PROFITS

Accumulated Profits at the Beginning of the Financial Year	236279.99	214645.73
Net Profit/(Deficit) Attributable to Members of the Company	7131.10	21634.26
	$243411.09	$236279.99

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 2006

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

Marina Christov	Ke Li (Resigned 14/05/06)
John Deare	Walter Simpson
James Flowers	Michael Porter
Hoc Ku Huynh OAM	Yun-Fei Lu
Wade James	Zhen Zheng

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 2006.

Auditors Independence

The Directors have received an Independence Declaration from the auditor of Australian Acupuncture & Chinese Medicine Association Limited which is attached on the following page. Signed in accordance with a resolution of the board of Directors.

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 (8 years)
- 8 years Clinical Practice in Australia
- Lecturer at Victoria University (3 years)
- Registered with the CMRBV

John Deare — Director & Vice President

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

Experience:
- Lecturer (Casual)
- 8 years Clinical Practice in Australia
- Member of AACMA (8 years)
- Member of Australian Pain Society
- Member of Gold Coast Health & Medical Association

James Flowers — Director & President

Qualifications:
- Diploma of TCM

Experience:
- 12 years Clinical Practice in Australia
- Member of AACMA (12 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)
- Deputy Chair, Supervision Committee, World Federation of Chinese Medicine Societies (WFCMS)
- Council Member, International Society of Oriental Medicine

Hoc Ku Huynh OAM — Director & Secretary

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

Experience:
- Member of AACMA (27 years), AACMA Fellow
- 30 years Clinical Practice in Australia
- Honorary Clinical Associate UTS
- Honorary Clinical Supervisor UWS
- Honorary External Clinical Supervisor RMIT
- Honorary Clinical Supervisor SITCM
- 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)
- Associateship in Electronics Engineering (Curtin University WA)

Experience:
- Member of AACMA (7 years)
- 21 years Clinical Practice in Australia
- Senior Lecturer, Clinic Supervisor PANT (1992 - June 2006)
- Director of Chinawest Pty Ltd
- Director of Shanghai International TCM Seminars

Ke Li — Director & Vice President

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

Experience:
- 19 years Clinical Practice in Australia
- 5 years Clinical Practice overseas
- Member of AACMA (18 years) AACMA Fellow
- Sessional Lecturer at Victoria University (6 years)
- St John Ambulance Voluntary First Aid Officer (13 years)
- Registered with the CMRBV

Financial Statements

Acupuncture Ethics and Standards Organisation Limited

Yun-Fei Lu — Director

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

Experience:
- Member of AACMA (7 years)
- 5 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)

Michael Porter — Director

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

Experience:
- Member of AACMA (20 years)
- AACMA Fellow (11 years)
- Director of Academy of Oriental Therapies (1993-2003)

Walter Simpson — Director & Treasurer

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

Experience:
- Member of AACMA (19 years), AACMA Fellow
- 19 years Clinical Practice in Australia
- QLD Representative of World TaiJi Boxing Association
- QLD Member of Toyo Hari Association
- Director of Herbal International Pty Ltd

Zhen Zheng — Director

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

Experience:
- Member of AACMA (6 years)
- 7 years Clinical Practice in Australia
- 2 years Clinical Practice overseas
- Lecturer at RMIT University
- Registered with the CMRBV
- Member of the CMRBV Hearings Panel
- Editor-in-Chief of the Australian Journal of Acupuncture and Chinese Medicine

Meetings attended by Directors

Name	Meetings eligible to attend	Number attended
Marina Christov	15	10
John Deare	15	14
James Flowers	15	14
Hoc Ku Huynh OAM	15	12
Wade James	15	13
Ke Li	7	6 (Resigned 14/05/06)
Yun-Fei Lu	15	15
Michael Porter	15	15
Walter Simpson	15	15
Zhen Zheng	15	10

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

17 APRIL 2007
BRISBANE, QLD

DIRECTOR

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

Scope

The financial report and directors' responsibility

The Financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, and the directors' declaration for (the company), for the year ended 31 December 2006.

The directors of the company are responsible for the preparation and true and fair presentation of the financial report in accordance with the *Corporations Act 2001*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

We have conducted an independent audit in order to express an opinion to the members of the company. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influence by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Corporations Act 2001*, including compliance with Accounting Standards and other mandatory financial reporting requirement in Australia, a view which is consistent with our understanding of the company's financial position, and of its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:
- Examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- Assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

While we consider the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Financial Statements

Acupuncture Ethics and Standards Organisation Limited

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

We declare that to the best of our knowledge and belief that the auditor's independence declaration, set out on page 6 of the financial report, has not changed as at the date of providing our audit opinion.

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 2006 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

21 MARCH 2007
BRISBANE, QLD

(signed)
Philip Fitzgerald FCA
REGISTERED COMPANY AUDITOR

Auditor's Independence Declaration

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2006 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

(signed)
HAYWARDS CHARTERED ACCOUNTANTS

21 MARCH 2007
BRISBANE, QLD

(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 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 2006 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 Flowes
DIRECTOR

17 APRIL 2007
BRISBANE, QLD

DIRECTOR

Statement of Financial Performance for the Year ended 31 December 2006

	NOTES	2006	2005
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 2006

	NOTES	2006	2005
CURRENT ASSETS			
Cash		10.00	10.00
TOTAL CURRENT ASSETS		10.00	10.00
TOTAL ASSETS		10.00	10.00
NET ASSETS		$10.00	$10.00
MEMBER'S FUNDS			
Accumulated Funds		10.00	10.00
TOTAL MEMBER'S FUNDS		$10.00	$10.00

The accompanying notes form part of these financial

Statement of Cash Flows for the Year Ended 31 December 2006

	NOTES	2006	2005
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		$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 2006

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

	2006	2005
2. OPERATING REVENUE	$NIL	$NIL

3. RELATED PARTY DISCLOSURE

(a) Directors who held office during the year ended 31 December 2006 are:

Marina Christov	John Deare	James Flowers
Hoc Ku Huynh OAM	Wade James	Ke Li (resigned)
Yun-Fei Lu	Michael Porter	Walter Simpson
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 2006

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:-

	2006	2005
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	-	-
(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 2006

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

Company Secretary
Hoc Ku Huynh OAM

Membership Officer
Michael Porter

Committee Chairs
Continuing Education Committee
Wade James (Chair)

Course Accreditation Committee
John Deare (Chair)

Disciplinary Committee
Walter Simpson (Chair)

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
Unit 1, 55 Clarence Street
COORPAROO QLD 4151

POSTAL ADDRESS
PO Box 1635
COORPAROO DC QLD 4151

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1300 Number 1300 725 334
Facsimile 07 3394 2399
Email aacma@acupuncture.org.au
Website www.acupuncture.org.au

State Committees

Australian Capital Territory
Nil appointed

New South Wales
Quentin Chen (Committee Member)
James Flowers (Continuing Education Rep)
Hoc Ku Huynh OAM (Chair)
Hong Hoon (Tina) Ko (Committee Member)
Young Sook Kong (Minutes Secretary)
Joseph Xijian Li (Committee Member)
Richard Li (Committee Member)
Mei-Kin Li Rees (Deputy Chair & WorkCover Rep)
Rodrigo Sanchez (Deputy Chair & Finance Secretary)
Peter Scarselletti (Social Secretary)
David White (Deputy Chair)
Yifan Yang (Committee Member)

Queensland
Helga Del Mundo (Social Secretary)
Paul McLeod (Chair & Continuing Education)
Brett Montgomery (Committee Member)
Matt O'Hara (Finance Secretary)
Robert Reilly (Student Representative)
Walter Simpson (WorkCover Rep)
Tracey Winter (Minutes Secretary)
Vicki Wooller (Deputy Chair)

South Australia/Northern Territory
Michael Porter (Chair, Minutes Secretary, Continuing Education Rep & WorkCover Rep)
Neil Reynolds (Finance Secretary)
Brendon Supple (Committee Member)

Victoria/Tasmania
Luzviminda Agosta (Minutes Secretary)
Marina Christov (Deputy Chair)
Victor Lam (Deputy Chair & Finance Secretary)
George Lenon (WorkCover Rep)
Ke Li (Chair)
Zhen Zheng (Continuing Education Rep)

Western Australia
Marie Hopkinson (Committee Member)
Wade James (Chair, Finance Secretary, WorkCover Rep & Continuing Education Rep)
Yun-Fei Lu (Committee Member)

STAFF (As at 31 December 2006)
Jazz Tyrril-Smart - Marketing & Events Administrator
Emily Smith - Receptionist
Adrianne Jones - Administration Assistant
Judy James - Chief Executive Officer
TBA- Membership Administrator
Mary Chen - Accounts Clerk
Tim Chandler - Assistant Publications Officer

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