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AACMA Organisational Structure

**AACMA Members**
Accredited and non-accredited members

**Accredited Members**
Fellows, Associate Fellows, Members
Provisional Members, Non-Practising Members

**Non-Accredited Members**
Student Members
Associate Members

**Voting Members**
Fellows, Associate Fellows, Members

**Non-Voting Members**
Provisional Members, Non-Practising Members,
Associate Members, Student Members

**Joint Board of Directors**
Australian Acupuncture and Chinese Medicine Association Ltd
Acupuncture Ethics and Standards Association Ltd

**AACMA National Office**
AACMA staff and consultants

**AACMA State Committees**
ACT, NSW, QLD, SA/NT*, VIC/TAS, WA

*SA State Committee is also the executive of the Acupuncture Association of South Australia (AASA)

**AACMA Committees**
Accreditation Committee
Disciplinary Committee
Board Committees
President's Report

Promoting Excellence in Acupuncture and Chinese Medicine Health Care

THE PRESIDENT'S PERSPECTIVE

2004 was a year in which AACMA moved up another level in terms of participation and organisation in Australia and internationally. During a busy year in terms of day to day issues, the Association organised and hosted the largest ever gathering of acupuncture and Chinese medicine practitioners in Australia. The hosting of the 6th World Conference of the World Federation of Acupuncture and Moxibustion Societies was significant in creating a focus around which our profession could more palpably unify, by physically gathering together in one place and building friendships and connections, many extending globally. It was an event that saw the profession pulling in one direction, while consolidating a sense that this would portend greater things to come. The success of the World Conference would not have been possible without the support from the members. I was proud of our Association and was pleased that our staff headed up by Judy James, along with our Board and our team of volunteers delivered well under pressure. We declared that the profession in this country had come of age. The international links built are important in terms of Australia influencing the development of Chinese Medicine on an international scale.

The heightened level of participation in the life of the Association in 2004 also saw the continuing development of the State Committees, with the local members in some states learning the ropes of organisation by putting their hands up and developing a sense of self reliance while being conscious of the larger picture. An organisation is only effective when its members see themselves as part of the main body. I believe that more members are seeing themselves as contributing to the greater whole by becoming active and understanding that the effectiveness of the Association is a team effort.

This sea change in consciousness among many of the members provides us with a platform to move on to the main stage in the future. The seeds were planted by our pioneer practitioners; the saplings were buffeted and tossed about through storms and fierce winds in the 1980s and 1990s and the early years of this decade. As we prepare to move onto the main stage of primary health care, the plants are maturing, becoming more sturdy, and able to take strong root. The hardy plants will provide more seedlings and offshoots, some seeds being blown across distant shores to international climes. We look forward to seeing the eventual emergence of a distinctively Australian style of acupuncture and Chinese medicine, which can then have an influence regionally and globally.

In 2004, I was happy with the re-development of the AACMA website, an important medium of communication and news. This tool is an area where members can have ongoing news from the Association, as well as being an area of linking in with other colleagues.

Board

I would like to thank all the AACMA Board Members who held positions on the Board in 2004 for providing their services to your Association.

I thank past Board Member, Jacqueline Corner, from Western Australia, who did not stand for re-election at the 2004 elections held in May. We welcomed new Board Member, Wade James, who was elected to a 2 year position for WA at the 2004 AGM. Board members re-elected at the 2004 AGM were John Deare (QLD), Ke Li (VIC) and Hoc Ku Huynh (NSW), all of whom were elected to two year positions, and Yifan Yang (NSW) who was elected to the one year position.

State Committees

The State Committees continued to be a great success in 2004. The State Committees have resulted in more and better low cost seminars for members in most States and more opportunities for members to be involved at a grass roots level in the Association.

Staff

Besides the big ticket issues, a mountain of day to day administrative work is carried out by the Association. The challenge of running a growing organisation with limited resources, with no outside funding, was ever more evident in 2004. The staff soldiered on courageously knowing that most of what they do is often unrecognised by many.

On behalf of the Board I would once again like to thank Judy James and the team for the enormous effort in 2004, going far beyond the call of duty in terms of hours and adverse effects on rest and relaxation. I wish I could convey to the members how much we owe to the fact that we have a CEO who has put in the long multitudinous hours, the hard grind, and the hard yards. In this sense we have been very lucky.

The year ahead

Your Board in 2005 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. A vision must be to see our members in the future more and more working in hospitals. This is a goal of AACMA.

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

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

2004 HIGHLIGHTS

The major issues from 2004 are highlighted below.

AACMA Website Development

2004 saw a major re-development of the AACMA website, including:

- a whole new look and approach to the web-site;
- practitioner search facility, to enable on-line identification of AACMA accredited practitioners;
- members-only section of the web-site; and
- WFAS and AAMCAC conference pages.

![2004 Website Hits](image)

July saw the introduction of the on-line practitioner search engine and in August the members area, accounting for the peaks in those months. The peak hits in October related to the WFAS 2004 conference. Website hits in 2005 have exceed 125,000 in January and February and over 247,000 in March.

In the first 6 months of 2004, the most popular pages viewed on the website were:

- home page (21,429 page views);
- acupuncture (8,435 page views);
- contacting AACMA (6,499 page views);
- TCM (4,989 page views);
- WFAS 2004 (4,581 page views); and
- Chinese herbal medicine (3,849 page views).

In the second half of 2004, this focus shifted to:

- Practitioner referral search (34,994 page views);
- home page (24,281 page views);
- member log-in (9,525 page views);
- acupuncture (8,474 page views);
- TCM (4,952 page views).
President’s Report (continued)

- WFAS 2004 (6,761 page views);
- TCM (5,390 page views);
- Chinese herbal medicine (4,534 page views).

The overall top ten AACMA website pages in 2004 are highlighted in the following chart.

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

Product regulation issues

On January 2004, AACMA lodged two submissions on the report of the Federal Government’s Expert Committee on Complementary Medicines in the Health System. This committee was established following the Pan Pharmaceutical debacle.

The first AACMA submission focused on the report’s recommendations related to health care practitioners. The second submission was a joint submission with 11 TCM industry bodies, focussing on the regulatory controls related to health care practitioners.

GST Matters

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

Registration/Regulation issues

In 2004, the most progress towards statutory registration was again made in NSW and WA. With Victoria, these states will set the pattern for the other States and Territories.

New South Wales

In 2004, the NSW Minister for Health established an Expert Advisory Committee to advise him on options for regulation of TCM in NSW. AACMA Fellow, Prof Alan Bensoussan, was appointed to the Committee. AACMA President, James Flowers, and AACMA Director and Chair of our NSW State Committee, Hoc Ku Huynh OAM, were officially appointed by the Minister as liaison officers between the Expert Committee and the TCM profession. At the time of printing this document, we were still awaiting the release of the Expert Committee’s Report by the Minister’s office.

Western Australia

The WA Minister for Health confirmed to AACMA in 2004 that his department will be releasing a Discussion Paper on options for regulation of acupuncture and Chinese medicine practitioners in WA. At the time of printing, the discussion paper was still in the development stage.

WFAS 2004 6th World Conference on Acupuncture – Gold Coast, Australia

The WFAS 2004 6th World Conference on Acupuncture, held at the Gold Coast Convention and Exhibition Centre, was the professional development and social highlight of 2004, and requires special attention in this report.

The conference was the largest gathering of the profession in its history in this country, with 822 participants, including over 765 conference delegates, over 150 oral/workshop/poster presentations, and over 450 people at Gala Dinner.

It was not only the first time in its 17 year history that a WFAS conference has been held in Australia, but also the first time the World Health Organization has co-sponsored a conference on traditional medicine in Australia.

Approximately 45% of delegates were from overseas, representing 24 countries, but mainly from the Asia-Pacific region. The largest single overseas delegation was from China, with 65 delegates (greatly reduced from more than 80 due to visa problems). Other large national groups included Japan (55), China Taibei (23), Indonesia (22), New Zealand (21), South Korea (18), Vietnam (18), Canada (16), Italy (15) and the US (13). Special mention should be given to the Norwegians, WFAS 2003 hosts, who totalled 8 in number, for travelling the farthest distance to attend.

The WFAS 2004 conference surely was a turning point and evidence that we have now “Come of Age” as a primary healthcare profession in Australia. In the words of Prof Wang Xuetai, WFAS Honorary President: “It was the best WFAS, ever”.

WFAS Background

The World Federation of Acupuncture-Moxibustion Societies (WFAS) was formed in Beijing in 1987. AACMA, in its earlier forms (Australian Acupuncture Association Ltd (AaA) and the Acupuncture Ethics and Standard Organisation (AESO)), was a founding member of WFAS and AACMA has continued as the leading representative for Australia on the WFAS Executive Committee.

WFAS is the official Non-Government Organisation (NGO) adviser on acupuncture to the World Health Organization (WHO), the health arm of the United Nations. WHO operates a traditional medicine program via its central office in Geneva and its various regional offices. Australia is covered by the WHO Western Pacific Regional Office, located in the Philippines. Co-sponsorship of the conference by WHO certainly added greatly to its prestige and thus to the ultimate success of the conference.

The WFAS Executive Committee is elected every four years at the WFAS General Assembly and is made up of one or more Vice-Presidents from each international region (Australia is part of Oceania which includes New Zealand) and one or more Executive Committee members. AACMA representatives have held all Vice-President positions for Oceania on this international body ever since its establishment.

WFAS World Conference are held every four years, with International Symposia in intervening years.

6th WFAS General Assembly – Thursday 28 October

This event is equivalent to an Annual General Meeting, except that it is held once every four years and not annually. The current Vice-President for Oceania is Richard Keyuan Li who has held the position since 2000. Current Executive Committee Members for Oceania are Kevin Plaisted (NZRA President) and T Chiang Lin (FCMA President).

WFAS 2004 Conference – Friday 29 October to Sunday 31 October

Opening Ceremony Program The WFAS 2004 Opening Ceremony was a spectacular introduction to the conference and showcased the diverse and multicultural nature of Australia.

Delegates were drawn to the ceremony by a Lion Dance by the International Wushu Association started in the pre-conference area and then moved through the exhibition hall into the main arena. The opening bars of Ice House’s ‘Great Southern Land’ introduced Marri Dancers, a local indigenous dance troupe, whose performance was no doubt the highlight for many. A serene and graceful performance of Kaimai Taiji by Liu Xin, from the University of Queensland and the Chinese Wushu Association led us into the formal speeches.

Formal welcome speeches (in order) were:
- James Flowers, AACMA & WFAS 2004 Conference President
**President’s Report (continued)**

- Mr Peter Lawlor, MP for Southport, representing the Premier of Queensland and the Queensland Minister for Health who formally opened the conference
- Welcome speech by Prof Zhenji Li, Vice Director-General of the State Administration of Traditional Chinese Medicine, People's Republic of China
- Dr Seung Hoon Choi, World Health Organization, Western Pacific Regional Office
- Prof Liangyue Choi, President of WFAS
- Mr Ron Clarke MBE, Mayor of the Gold Coast
- Mr Hai Xu, Science and Technology Counsellor, Embassy of the People's Republic of China, Canberra
- James Flowers, AACMA & WFAS 2004 Conference President.

The opening ceremony ended with a performance of bagua style martial arts by the Gold Coast Branch of World Taiji Boxing Association, ably led by internationally renowned martial arts exponent and teacher, and AACMA Secretary, Walter Simpson.

The Opening ceremony MCs were WFAS Vice-President Richard Li and AACMA CEO Judy James.

**Academic Program** With 251 abstracts submitted for presentation at the conference, it was a gruelling task for the Academic Committee to decide on which presentations should be accepted for oral, poster or workshop presentation and, unfortunately, which abstracts had to be rejected. In total, 145 papers, 8 workshops and 56 poster presentations were included in the final program. Although there were some minor last minutes changes mainly due to non-attendance resulting from illness and visa problems, the program proceeded largely as planned.

Overall, the standard of the academic papers was very high. The biggest problem facing the delegates was “which one to choose”. We wholeheartedly thank all the speakers for their contribution in time, money, courage and intellectual endeavour to the success of the conference – without quality and diversity of papers, there would be no conference.

Details of the program can be obtained from the WFAS website. As remaining copies of the Book of Abstracts are limited in number, a copy can be downloaded from the Members Login Section of the AACMA website.

**Closing ceremony** Although slightly scaled down compared with the opening ceremony, the WFAS 2004 closing ceremony was a fitting end to what had been, for many, a stimulating and inspiring and at times emotional few days. WFAS Treasurer, Prof Li Weiheng, provided closing comments on behalf of the WFAS Executive and James Flowers gave a passionate speech on behalf of the organiser, AACMA, a sense of which can be seen in his President’s Report in this newsletter.

The Australians farewelled our international guests with a rendition of “Land Down Under” from a group of AACMA Past Presidents, Members and partners.

Not many from Australia were quite prepared for the full onslaught of the Gala Dinner. After the formal speeches, we were entertained by a series of impromptu performances from the various national groups, including conducted choirs from many of our regional neighbours, and a somewhat poetic rendition of “Land Down Under” from a group of AACMA Past Presidents, Members and partners.

**Post-conference Workshop**

The Post-Conference Workshop presented by Volker Scheid was well attended with 83 registered delegates. Those who attended can attest to the quality and standard of the workshop with calls for more of the same at future conferences.

**Professional and Trade Sponsorship**

Our first thanks must go to Helio who came in as Silver Sponsors for the conference as well as providing materials for the workshops and the Gala Dinner Door Prize. Thanks and appreciation go to Tony Chianese and Penny Manini from Helio Supply Co Pty Ltd (Australia) and Richard Koo and Sheridyn Dumapias from Helio Medical Supplies (USA) for their generous support.

We also thank the 21 Australian and New Zealand participating organisations for their support and encouragement for the conference.

Finally, to all the trade exhibitors, we extend our thanks and appreciation for their support. Without the support that comes from trade exhibitors and co-sponsorship, these types of events would be unaffordable.

**International Issues**

In 2004, AACMA continued to build its international profile.

**World Federation of Acupuncture-Moxibustion Societies (WFAS)**

Refer to the WFAS report above on the 2004 World Conference. The 2005 WFAS International Symposium will be held in Lisbon, Portugal from 4 – 6 November.

**World Federation of Chinese Medicine Societies (WFCMS)**

AACMA sent a small delegation to attend conference of the World Federation of Chinese Medicine Societies (WFCMS), held in Beijing in November 2004, following the WFAS Gold Coast conference. The AACMA delegation consisted of Ke Li (AACMA Vice-President) and myself.

WFCMS was founded in 2003 with the purpose of bringing Chinese Medicine associations together internationally to work on establishing some kind of international standard. The rationale is that having an agreed upon international standard will raise the status and social standing of Chinese Medicine on a world scale. This is still a work in progress, meaning there is quite a way to go in bringing the many parties together.
Presdent’s Report (continued)

The host for this Congress was the China State Administration of TCM, with the main organiser being the China Academy of TCM. There were over a thousand people in attendance, the vast majority being practitioners from China.

In 2003, I was elected as Deputy Chair of the Supervision Committee of Council of WFCMS and Ke Li and Hoc Ku Huynh were elected Members of the Council of WFCMS. Therefore, aside from the academic aspect of the Congress, Ke Li and I continued the political work, building even closer relationships with both the China State Administration of TCM and other fraternal organisations as well as with the World Health Organisation Western Pacific Regional Office.

For a full report, please refer to the December 2004 Jing-Luo. The next WFCMS Congress will be held in Paris in 2005.

James Flowers, National President
13 April 2005

Secretary’s Report

AACMA – 31 GOING ON 32 YEARS

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

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

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

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

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

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

At the 2003 Annual General Meeting, new membership categories were passed to provide for entry-level non-voting 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
Secretary’s Report (continued)

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 Types

Fellow: This is open to Members and Associate Fellows who have ten years full-time clinical practice (or equivalent in part-time practice) as a practitioner of acupuncture or TCM OR eight years full-time clinical experience (or part-time equivalent) as a practitioner of acupuncture or TCM and have substantial publications/research or a post-graduate qualification in a field deemed relevant by the Board. Admission as a Fellow is subject to unanimous agreement of the Board. Applications for Fellow status must also meet 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 Fellow or Associate Fellow status is subject to continued safe and ethical practice and must be approved by a unanimous 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 dispencer’ 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. 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 2004, AACMA membership numbers were:

<table>
<thead>
<tr>
<th>Member Type</th>
<th>Accredited</th>
<th>Non-accredited</th>
</tr>
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<tbody>
<tr>
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<td>Associate Fellow</td>
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<tr>
<td>Member</td>
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<td><strong>163</strong></td>
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<tr>
<td><strong>Percentage of totals</strong></td>
<td><strong>89%</strong></td>
<td><strong>11%</strong></td>
</tr>
</tbody>
</table>

TOTAL MEMBERS as at 31 December 2004: 1504

Annual Membership Growth Rates

The average annual growth rate in AACMA membership over the past five years has been 5%. In 2004 the net annual increase in accredited membership was 3%.
AACMA is continuing to target an annual increase of 10-15% over the next five years, based on a combination of membership drives, and an increase in the number of graduates from recognised Australian programs, and the activation of new membership types to broaden the association’s base in the profession.

**Acceptance Ratio**

AACMA has recorded an average 70% ratio of Acceptances to Applications over the past five years. In 2004, the acceptance ratio was 62%, which reflected an increase in the proportion of overseas-trained applicants and applications from graduates of non-recognised programs.

AACMA admitted 105 accredited members in 2004.

**Membership Attrition Rate**

The membership attrition rate (e.g. through death, retirement, resignation, or lapsed memberships) in 2004 was 4.9%. In 2004, AACMA suffered a loss of 64 accredited members, with an overall net increase of 41 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.

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, 99.3% of members were accredited in acupuncture, 50.0% in Chinese herbal medicine (including 0.7% accredited in Chinese herbal medicine and not acupuncture). Based on member surveys, the number of members actually practising Chinese herbal medicine approximates 80%, 1.6 times the number formally accredited. This discrepancy exists because not all members practising Chinese herbal medicine actually have applied for accreditation since the time when the option was introduced.

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

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

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

**Complaints handling**

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

The process followed by the Disciplinary Committee is outlined below:

- 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.

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?
- 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.

The complainant is advised of the outcome of the complaint.

In 2004, the AACMA Disciplinary Committee received 18 new complaints against members. The breakdown of complaints is as follows:

<table>
<thead>
<tr>
<th>Nature of complaint</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advertising</td>
<td>5</td>
</tr>
<tr>
<td>Sexual assault</td>
<td>4</td>
</tr>
<tr>
<td>Unprofessional conduct</td>
<td>3</td>
</tr>
<tr>
<td>Standard of practice</td>
<td>3</td>
</tr>
<tr>
<td>Infection control standards</td>
<td>1</td>
</tr>
<tr>
<td>Inappropriate physical contact</td>
<td>1</td>
</tr>
<tr>
<td>Charging practices</td>
<td>1</td>
</tr>
</tbody>
</table>

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 acted on 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.

**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 Australian Acupuncture and Chinese Medicine Association Limited ACN 010 020 390

Acupuncture Ethics and Standards Organisation Ltd ACN 065 533 762
Secretary's Report (continued)

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 five full-time staff by the end of 2004 plus one vacant position that was not filled until 2005.

Staff changes in 2004 included the following:
- Jazz Tyrril was appointed to the position of Marketing & Events Administrator in May 2004, replacing the previous incumbent Stuart Myerscough;
- Kim Medcalf was appointed to the position of Membership Administrator in March 2004, following the departure of long-term employee Justin Frost. Kim has since been promoted to the new position of Office Administrator (see below). The Membership Administrator position was not filled until April 2005 with the appointment of Louise Hurst;
- The position of Operations Manager was abolished in September 2004, following the overseas departure of the incumbent Julie Tierney;
- The position of Finance Administrator was abolished, following the departure of Sarah Brown to a new position;
- At the end of 2004, the above two positions were replaced by a full-time Office Administrator position and a part-time Office Assistant position.
- Zoe Hughes was originally employed on a contract basis during 2004 to assist with the WFAS conference and was subsequently appointed to the part-time Office Assistant position.

Other short-term appointments were made to assist with finance and administration functions during periods of need in 2004.
- Judy James (Chief Executive Officer) and Kathleen Burrell (Receptionist) continued in their designated positions throughout 2004.
- On behalf of the Board and the members, I welcome Jazz, Kim and Zoe as additions to the team in 2004, and Louise in 2005. I also wish Julie, Stewart, Justin, Sarah and all our short-term and casual employees the best of success in their post-AACMA endeavours.
- I thank all current staff for their diligence and hard work for the Board and the members over 2004.

Walter Simpson, AACMA Secretary
13 April 2005

Financial Report

GENERAL

It is with pleasure that I present to members the financial accounts for year ended 31 December 2004. The Board continued its policy of good financial management in 2004 and is pleased present a stable fiscal situation to members, turning around the loss of $20,526 in 2003 to a net surplus of $4,120 in 2004.

REVENUE

The revenue streams of the Association should be viewed as revenue from normal operations and revenue from other sources. Revenue from normal operations includes membership subscriptions, sales of videos, yellow pages advertising, AACMA brand products, seminars, and interest received from investments. Other sources of revenue for 2004 included income related to the WFAS 2004 6th World Conference on Acupuncture.

Total revenue in 2004 from all sources (excluding GST) was $1,062,699, of which $654,862 was normal operating income and $407,837 was WFAS related income.

Subscriptions

The increase of $32,068 in income from membership subscriptions resulted primarily from an increase in overall membership numbers and partially from the small increase in fees from 2003 to 2004.

The subscription fee for a standard membership paid on time rose by 2.27% from 2003 to 2004, compared with the increase in the CPI of 2.6% for the corresponding September quarter. That is, the increase in fees in 2004 was less than the increase in the CPI index. This means that the AACMA Board fulfilled its commitment in 2004 to limit any increase in fees for members who pay on time to under 5% above the increase in the CPI index.

<table>
<thead>
<tr>
<th>Year</th>
<th>AACMA Fee ($ excl GST)</th>
<th>ADD Fee ($ excl GST)</th>
<th>CPI Prec Sept Qtr (index)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1995</td>
<td>300</td>
<td>N/A</td>
<td>111.9</td>
</tr>
<tr>
<td>1996</td>
<td>300</td>
<td>N/A</td>
<td>117.6</td>
</tr>
<tr>
<td>1997</td>
<td>310</td>
<td>N/A</td>
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<tr>
<td>1998</td>
<td>310</td>
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<tr>
<td>1999</td>
<td>335</td>
<td>N/A</td>
<td>121.3</td>
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<td>2000</td>
<td>335</td>
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<td>124.0</td>
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<tr>
<td>2001</td>
<td>350</td>
<td>N/A</td>
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</tr>
<tr>
<td>2002</td>
<td>370</td>
<td>364</td>
<td>134.2</td>
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<tr>
<td>2004</td>
<td>395</td>
<td>382</td>
<td>142.1</td>
</tr>
</tbody>
</table>

Increase 31.7% 27.3% 27.0%

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.

Since 1998, total subscriptions received from members has increased by $229,317 to the 2004 level of $479,756. Despite this increase,
Financial Report (continued)

subscriptions have declined 5% as a proportion of gross revenue (excluding WFAS income), representing a gradual shift toward increased income from other sources.

Newsletter Advertising
This expenditure is now reported separately from other sources of income as it is now a significant revenue source. The income from newsletter advertising is offset against printing and posting costs.

WFAS Income
Income related to the World Federation of Acupuncture-Moxibustion 6th World Conference on Acupuncture can be allocated into three main areas: Delegate Fees (which accounted for 79% of WFAS income), Gala Dinner, and Advertising (includes trade exhibition income).

Other income
Gross income from sales such AACMA brand product (brochures, receipt books, window decals, sickness certificates), videos, books, etc have remained relatively stable but are now shown in the gross income rather than net income as in previous years. Sundry income included income from examinations, Disciplinary Committee fines, Yellow Pages income, postage and handling related to sales, mailouts and newsletter inserts, and State Committee functions. Yellow Pages income is money paid by members for listing under the AACMA banner in the metropolitan and selected regional directories. Interest on bank deposits increased by 15.7% in 2004. As the GST project ceased in 2003, there is nil income shown in 2004 for that item.

EXPENDITURE
It should be noted from the start that, with the running of the WFAS conference in 2004, our expense accounts are distorted in relation to previous years. Items allocated to ‘Meeting Expenses’ in previous years have been reallocated to other expense headers for the 2004 report and this has resulted in some further distortions in year to year comparisons.

As with any sound organisation, office & administration expenses constituted the highest proportion of total expenditure in 2004. These costs amounted to $396,798 or 37% of total expenditure, which is adjusted to 61% if WFAS expenses are excluded.

Wages increased by 16% in 2004 due to both State award increases, additional human resources to cater for WFAS 2004 requirements and to further enhance the quality of our services. This has resulted in a related increase in salary on-costs such as superannuation and workers compensation. It is noted that $60,000 of salary expense was notionally allocated to WFAS. With the restructure and rationalisation staff positions, it is expected that salary and wages expenses will be reduced in 2005.

Board expenses totalled $23,789 in 2004, representing 2% of total expenditure, or 3% if adjusted for WFAS. In 2004 the honorarium paid to Board Members amounted to $22,410. This was made up of an increase in calculation of honoraria, as well as back-payment of 2003 honoraria not paid in 2003. Board teleconferencing expenses have been allocated to Telephone in the 2004 report.

The increase in computer expenses is largely a result of new activities by the association and the re-allocation of expenses from other expense headers. This expense is made up of new computer hardware/software, software licensing agreements, website development and maintenance, IT support and internet/email costs.

Travel and accommodation costs for 2004 included the mandatory attendance of the Board at the Annual General Meeting, domestic and international board travel, CEO travel, and costs for State Committee functions. The AACMA Board held one face to face Board meeting (May 2004). 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 to minimise costs.

Rent increased in 2004 due to two factors: additional office accommodation was taken to address the expanded needs of the association, and a portion of 2005 rent was pre-paid in 2004 in order to free up funds in 2005 for a possible property purchase. In the event that office premises are not purchased by June 2005, a review of current requirements will be undertaken with a view to downsizing the amount of office accommodation.

Telephone expenses are made up of board and committee teleconference expenses (32%), 1300/1800 numbers (15%), office phone/fax & white pages (53%).

STATE COMMITTEES
In 2004, the State Committees have continued to excel in providing professional development and social activities within their states. For logistical reasons the larger states were most active, conducting more professional development and social activities within their states. For logistical reasons the larger states were most active, conducting more
Financial Report (continued)

<table>
<thead>
<tr>
<th>ACT</th>
<th>$ 704</th>
</tr>
</thead>
<tbody>
<tr>
<td>NSW</td>
<td>$8,861</td>
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<tr>
<td>QLD</td>
<td>$8,452</td>
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<tr>
<td>SA/NT</td>
<td>$ 494</td>
</tr>
<tr>
<td>VIC/TAS</td>
<td>$7,795</td>
</tr>
<tr>
<td>WA</td>
<td>$ 460</td>
</tr>
</tbody>
</table>

WFAS 2004 WORLD CONFERENCE
Total income from WFAS in 2004 was $407,837 (excl. GST). WFAS expenditure in 2004 was $351,228 (excl. GST). This resulted in a cash surplus of $56,609. A notional allocation of $60,000 was made to account for staff time spent on conference matters, which resulted in a notional deficit of $3,391.

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 (balance sheet);
- cheque approval lists;
- purchase order lists;
- bank accounts 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 higher interest bearing areas such as cash management accounts and term deposits to obtain maximum benefit without risk to members' funds.

THE YEAR AHEAD
2005 will see a continuation of the Board’s commitment to sound financial policies and the exercise of caution in relation to the use of members’ funds. Surplus funds will be reinvested into term deposits with major banking institutions to gain a reasonable return for members while minimising risk. The feasibility of purchasing a property for housing the national office is also being examined so that outgoings in this area can be effectively reinvested back into assets for the association rather in unrecoverable rental outgoings.

Benefits paid to Board Members and Staff will remain within the ranges considered reasonable by the Not-For-Profit Sector and the capacity of the Association to pay. The 2005 budget provides for increased expenditure on member services and brand products, continued professional development and the promotion of AACMA and its members to the public and mainstream health care system. Budget information provided to the Board in 2005 will be simplified in order to minimise costs and improve meaningful reporting.

John Deare, Treasurer
13 April 2004
Annual Report 2004

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 2004.

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

Marina Christov Wade James John Dear
James Flowers Hoc Ku Huynh OAM Ke Li
Brendon Supple Walter Simpson Yifan Yang

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 $4120.69.

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 2004.

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 (6 years)
• 6 years Clinical Practice in Australia

Jacqueline Corner Director
Qualifications:
• Advanced Diploma of Applied Science (ACU)
Experience
• Member of AACMA (6 years)
• Member of Sports Medicine Australia
• Candidate Bachelor Science (Biology)
• 6 years Clinical Practice in Australia

Wade James Director
Qualifications:
• Master of Health Science in TCM (UTS)
• Diploma of TCM
• Certificate of Chinese Medicine

Ke Li Director & Vice President
Qualifications:
• Bachelor of Medicine (TCM)
• Master of Health Science
• Certificate IV Workplace Training and Assessment

John Deare Director & Treasurer
Qualifications:
• Master of Applied Sciences (Acupuncture) RMIT
• Bachelor of Health Sciences (Complementary Medicine)
• Advanced Diploma of Applied Science (Acupuncture)

Experience:
• Lecturer (Casual)
• 6 years Clinical Practice in Australia
• Member of AACMA (6 years)
• Member of Australian Pain Society
• Member of Gold Coast Health & Medical Association

Jocelyn Corner Director
Qualifications:
• Diploma of TCM

Experience
• 10 years Clinical Practice in Australia
• Member of AACMA (6 years)
• Lecturer at Sydney Institute of TCM
• President of the Australia China Friendship Society NSW Inc (since 1998)

Hoc Ku Huynh OAM Director
Qualifications:
• Master of Health Science in TCM
• Bachelor of Acupuncture
• Certificate of Chinese Medicine

Experience:
• Member of AACMA (25 years), AACMA Fellow
• 28 years Clinical Practice in Australia
• Honorary Clinical Associate UTS
• Honorary Clinical Supervisor UWS
• Awarded Order of Australia Medal
• Life Member of the Order of Australia Association

Wade James Director
Qualifications:
• Master of Health Science in TCM (UTS)
• Diploma of TCM
• Certificate of Chinese Medicine

Experience:
• Member of AACMA (4 years)
• 19 years Clinical Practice in Australia
• Course Advisor, Sen. Lecturer, Clinic Supervisor PANT
• Director of Chinawest Pty Ltd

Ke Li Director & Vice President
Qualifications:
• Bachelor of Medicine (TCM)
• Master of Health Science
• Certificate IV Workplace Training and Assessment

Experience:
• 17 years Clinical Practice in Australia
• 5 years Clinical Practice overseas
• Member of AACMA (15 years) AACMA Fellow
• Sessional Lecturer at Victoria University (3 years)
• St John Ambulance Voluntary First Aid Officer (11 years)
Financial Statements
Australian Acupuncture and Chinese Medicine Association Limited

Meetings attended by Directors

<table>
<thead>
<tr>
<th>Name</th>
<th>Meetings eligible to attend</th>
<th>Number attended</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marina Christov</td>
<td>15</td>
<td>12</td>
</tr>
<tr>
<td>Jacqueline Corner</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>John Deare</td>
<td>15</td>
<td>13</td>
</tr>
<tr>
<td>James Flowers</td>
<td>15</td>
<td>14</td>
</tr>
<tr>
<td>Hoc Ku Huynh OAM</td>
<td>15</td>
<td>14</td>
</tr>
<tr>
<td>Wade James</td>
<td>9</td>
<td>7</td>
</tr>
<tr>
<td>Ke Li</td>
<td>15</td>
<td>13</td>
</tr>
<tr>
<td>Walter Simpson</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td>Brendon Supple</td>
<td>15</td>
<td>10</td>
</tr>
<tr>
<td>Yifan Yang</td>
<td>15</td>
<td>13</td>
</tr>
</tbody>
</table>

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.

Brendon Supple  Director

Qualifications:
• Bachelor of Applied Science (Chinese Medicine) RMIT
• Bachelor of Science, University of Adelaide
• Bachelor of Physiotherapy, University of Adelaide

Experience:
• Member of AACMA (3 years)
• 4 years Clinical Practice in Australia

Yifan Yang  Director

Qualifications:
• Bachelor of Medicine (TCM)
• Master of Medicine (TCM)

Experience:
• Member of AACMA (10 years)
• 14 years Clinical Practice in Australia
• 8 years Clinical Practice overseas
• 14 years Lecturer at Sydney Institute of TCM
• Director of Herbal International Pty Ltd

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

Scope

We have audited the financial report, being a special purpose report of, Australian Acupuncture & Chinese Medicine Association Limited for the year ended 31 December 2004 as set out on pages 13 to 20. The company’s directors are responsible for the financial report and have determined that the accounting policies used and described in Note 1 to the financial statements which form part of the financial report are appropriate to meet the requirements of the Corporations Act 2001 and are appropriate to meet the needs of the members. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the company. No opinion is expressed as to whether the accounting policies used, and described in Note 1, are appropriate to the needs of the members.

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

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

The audit opinion expressed in this report has been formed on the above basis.
Annual Report 2004

Financial Statements
Australian Acupuncture and Chinese Medicine Association Limited

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

(a) the Corporations Act 2001, including:
   (i) giving a true and fair view of the company’s financial position as at 31 December 2004 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
13 APRIL 2005
BRISBANE

Philip Fitzgerald FCA
REGISTERED COMPANY AUDITOR
13 APRIL 2005
BRISBANE, QLD

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 of 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 of 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 2004 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 of 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:

(signed)
DIRECTOR
13 APRIL 2005
BRISBANE

(signed)
DIRECTOR

Statement of Financial Performance for the Year ended 31 December 2004

<table>
<thead>
<tr>
<th>Description</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grant Income</td>
<td>-</td>
<td>40,000.00</td>
</tr>
<tr>
<td>Annual Subscriptions</td>
<td>479,756.18</td>
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<tr>
<td>Other Income</td>
<td>582,943.72</td>
<td>153,259.22</td>
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<tr>
<td>Administration Expenses</td>
<td>(94,299.29)</td>
<td>(75,772.92)</td>
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<tr>
<td>Conference Expenses</td>
<td>(351,228.51)</td>
<td>-</td>
</tr>
<tr>
<td>Other Expenses from Ordinary Activities</td>
<td>(613,051.41)</td>
<td>(585,699.90)</td>
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<tr>
<td>Profit/(Deficit) from Ordinary Activities Before Income Tax</td>
<td>3 $4,120.69</td>
<td>$(20,526.25)</td>
</tr>
<tr>
<td>Income Tax Expense Relating to Ordinary Activities</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Profit/(Deficit) from Ordinary Activities After Related Income Tax Expense</td>
<td>$4,120.69</td>
<td>$(20,526.25)</td>
</tr>
</tbody>
</table>

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 2004

<table>
<thead>
<tr>
<th></th>
<th>NOTES</th>
<th>2004</th>
<th>2003</th>
</tr>
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<tbody>
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<tr>
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<td><strong>NON-CURRENT ASSETS</strong></td>
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</tr>
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<td>Plant &amp; Equipment</td>
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<td>50253.28</td>
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<tr>
<td><strong>TOTAL NON-CURRENT ASSETS</strong></td>
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<td>50253.28</td>
</tr>
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<td><strong>TOTAL ASSETS</strong></td>
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<td>663302.63</td>
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<td><strong>CURRENT LIABILITIES</strong></td>
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<tr>
<td>Creditors</td>
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<td>Fees Received in Advance</td>
<td></td>
<td>345936.82</td>
<td>359491.08</td>
</tr>
<tr>
<td>Provision for Holiday Pay</td>
<td></td>
<td>51364.61</td>
<td>42309.16</td>
</tr>
<tr>
<td><strong>TOTAL CURRENT LIABILITIES</strong></td>
<td></td>
<td>431279.61</td>
<td>452777.59</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td></td>
<td>431279.61</td>
<td>452777.59</td>
</tr>
<tr>
<td><strong>NET ASSETS</strong></td>
<td></td>
<td>214645.73</td>
<td>210525.04</td>
</tr>
<tr>
<td><strong>MEMBER’S FUND</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accumulated Funds</td>
<td></td>
<td>214645.73</td>
<td>210525.04</td>
</tr>
<tr>
<td><strong>TOTAL MEMBER’S FUND</strong></td>
<td></td>
<td>214645.73</td>
<td>210525.04</td>
</tr>
</tbody>
</table>

The accompanying notes form part of these financial statements.

#### Statement of Cash Flows for the Year Ended 31 December 2004

<table>
<thead>
<tr>
<th></th>
<th>NOTES</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CASH FLOWS FROM OPERATING ACTIVITIES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grant Income</td>
<td></td>
<td></td>
<td>40000.00</td>
</tr>
<tr>
<td>Receipts from Subscriptions</td>
<td></td>
<td>466201.92</td>
<td>507454.39</td>
</tr>
<tr>
<td>Other Income</td>
<td></td>
<td>585229.24</td>
<td>154919.52</td>
</tr>
<tr>
<td>Payment for Operating Expenses</td>
<td></td>
<td>(1053612.75)</td>
<td>(694849.93)</td>
</tr>
<tr>
<td><strong>NET CASH FROM OPERATING ACTIVITIES</strong></td>
<td>11</td>
<td>$(2181.59)</td>
<td>$7523.98</td>
</tr>
<tr>
<td><strong>CASH FLOWS FROM INVESTING ACTIVITIES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payments for Plant &amp; Equipment</td>
<td></td>
<td>(4918.18)</td>
<td>(20217.55)</td>
</tr>
<tr>
<td><strong>NET CASH FROM INVESTING ACTIVITIES</strong></td>
<td></td>
<td>$(4918.18)</td>
<td>$(20217.55)</td>
</tr>
<tr>
<td><strong>NET INCREASE/(DECREASE) IN CASH HELD</strong></td>
<td></td>
<td>(7099.77)</td>
<td>(12693.57)</td>
</tr>
<tr>
<td>Cash at the Beginning of the Year</td>
<td></td>
<td>583170.88</td>
<td>595864.45</td>
</tr>
<tr>
<td>Cash at the End of the Year</td>
<td></td>
<td>576071.11</td>
<td>583170.88</td>
</tr>
</tbody>
</table>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.
1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

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

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

(a) Depreciation
   Plant & Equipment
   Depreciation on the abovementioned items of property has been provided in accordance with AASB 1021 “Depreciation of Non-Current Assets”.
   All fixed assets are written off in accordance with their estimated useful lives. Depreciation is calculated by adopting the diminishing value method.

(b) Income Tax
   Income Tax has not been provided for in the company’s accounts.

(c) Comparative Figures
   Comparative figures, where necessary, have been reclassified in order to comply with the presentation adopted in the figures reported for the 2004 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. OPERATING REVENUE

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Subscriptions</td>
<td>479756.18</td>
<td>447687.35</td>
</tr>
<tr>
<td>Grants Received</td>
<td>-</td>
<td>40000.00</td>
</tr>
<tr>
<td>Other Revenue</td>
<td>582943.72</td>
<td>153259.22</td>
</tr>
<tr>
<td></td>
<td>$1062699.90</td>
<td>$640946.57</td>
</tr>
</tbody>
</table>
### 3. OPERATING PROFIT

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

#### (a) REVENUE

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Subscriptions</td>
<td>479,756.18</td>
<td>447,687.35</td>
</tr>
<tr>
<td>Conference fees</td>
<td>323,939.45</td>
<td>-</td>
</tr>
<tr>
<td>Gala Dinner</td>
<td>378,10.26</td>
<td>-</td>
</tr>
<tr>
<td>Grant - Department of Health &amp; Ageing</td>
<td>-</td>
<td>40,000.00</td>
</tr>
<tr>
<td>Interest</td>
<td>232,38.03</td>
<td>200,79.41</td>
</tr>
<tr>
<td>Newsletter Advertising</td>
<td>225,23.64</td>
<td>-</td>
</tr>
<tr>
<td>Sales, Literature, Sterilisers, etc</td>
<td>326,58.26</td>
<td>17,489.14</td>
</tr>
<tr>
<td>Sundry Income</td>
<td>181,20.53</td>
<td>26,477.12</td>
</tr>
<tr>
<td>WFAS Advertisement</td>
<td>180,75.20</td>
<td>26,477.12</td>
</tr>
<tr>
<td>Yellow Pages</td>
<td>785,65.52</td>
<td>89,213.55</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>$1,062,699.90</td>
<td>$640,946.57</td>
</tr>
</tbody>
</table>

#### (b) EXPENSES

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounting &amp; Audit</td>
<td>324,00.00</td>
<td>286,00.00</td>
</tr>
<tr>
<td>Accreditation Fees</td>
<td>618,43.91</td>
<td>489,05.1</td>
</tr>
<tr>
<td>Advertising &amp; Promotion</td>
<td>44,48.51</td>
<td>342,22.61</td>
</tr>
<tr>
<td>Bank Charges</td>
<td>11,08,1.35</td>
<td>91,45.59</td>
</tr>
<tr>
<td>Board Expenses</td>
<td>23,78,9.65</td>
<td>27,83,8.39</td>
</tr>
<tr>
<td>Cleaning</td>
<td>291,11.32</td>
<td>358,28.63</td>
</tr>
<tr>
<td>Computer Expenses</td>
<td>24,76,6.46</td>
<td>577,43.03</td>
</tr>
<tr>
<td>Conference Expenses</td>
<td>351,22,8.51</td>
<td>43,565.85</td>
</tr>
<tr>
<td>Consultants Fees</td>
<td>612,20.05</td>
<td>546,67.3</td>
</tr>
<tr>
<td>Depreciation</td>
<td>129,10.18</td>
<td>13,348.27</td>
</tr>
<tr>
<td>Donations - New Organisation</td>
<td>-</td>
<td>15,305.28</td>
</tr>
<tr>
<td>Electricity</td>
<td>318,38.23</td>
<td>261,46.3</td>
</tr>
<tr>
<td>Fees</td>
<td>7,34.91</td>
<td>182,20.00</td>
</tr>
<tr>
<td>GST Funding Expenses</td>
<td>16,57</td>
<td>50,007.03</td>
</tr>
<tr>
<td>Insurance</td>
<td>71,70.06</td>
<td>640,1.51</td>
</tr>
<tr>
<td>Lease Plant &amp; Equipment</td>
<td>61,91.76</td>
<td>557,20.00</td>
</tr>
<tr>
<td>Printing, Postage &amp; Stationery</td>
<td>954,69.53</td>
<td>250,06.42</td>
</tr>
<tr>
<td>Rent</td>
<td>382,65.00</td>
<td>229,46.25</td>
</tr>
<tr>
<td>Repairs &amp; Maintenance</td>
<td>59,32.18</td>
<td>1,038.10</td>
</tr>
<tr>
<td>Seminar, Conferences &amp; Travel</td>
<td>262,41.26</td>
<td>2,486.13</td>
</tr>
<tr>
<td>Staff Amenities</td>
<td>305,77.12</td>
<td>1,620.13</td>
</tr>
<tr>
<td>Subscriptions &amp; Memberships</td>
<td>107,77.59</td>
<td>1,866.47</td>
</tr>
<tr>
<td>Sundry Expenses</td>
<td>391,8.68</td>
<td>1,267.41</td>
</tr>
<tr>
<td>Superannuation</td>
<td>222,87.60</td>
<td>209,51.60</td>
</tr>
<tr>
<td>Telephone</td>
<td>400,29.67</td>
<td>22,650.11</td>
</tr>
<tr>
<td>Wages &amp; Salaries</td>
<td>272,540.40</td>
<td>234,857.66</td>
</tr>
<tr>
<td>Workers’ Compensation</td>
<td>673.40</td>
<td>582.06</td>
</tr>
<tr>
<td>Yellow Pages Advertising</td>
<td>8109.02</td>
<td>97,208.00</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>$1,098,579.21</td>
<td>$661,472.82</td>
</tr>
</tbody>
</table>

**OPERATING PROFIT/(LOSS) FOR YEAR**

- $412,069
- $(20,526.25)
Financial Statements
Australian Acupuncture and Chinese Medicine Association Limited

Notes to and Forming Part of the
Financial Statements for the Year Ended 31 December 2004

4. CASH

<table>
<thead>
<tr>
<th>Account</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Management Account</td>
<td>19053.04</td>
<td>11894.83</td>
</tr>
<tr>
<td>GST Funding Account</td>
<td>-</td>
<td>(176.57)</td>
</tr>
<tr>
<td>Cheque Account - Westpac</td>
<td>269923.00</td>
<td>296027.77</td>
</tr>
<tr>
<td>Term Deposit</td>
<td>283682.19</td>
<td>275424.85</td>
</tr>
<tr>
<td>Cheque Account - WFAS</td>
<td>3412.88</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$576071.11</td>
<td>$583170.88</td>
</tr>
</tbody>
</table>

5. PLANT & EQUIPMENT

- Office Equipment - At Cost 137042.07 132123.89
- Less Accumulated Depreciation 94780.79 81870.61

**Total** 42261.28 50253.28

6. OPERATING LEASE COMMITMENT

- Non-cancellable Operating Leases contracted for but not capitalized in the financial statements.
  - Not longer than 1 year 15441.75 29217.70
  - Longer than 1 year but not longer than 5 years 5848.00 21289.75

**Total** 21289.75 50507.45

7. RELATED PARTY DISCLOSURE

(a) Directors who held office during the year ended 31 December 2004 are:

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jacqueline Corner (Resigned)</td>
<td>John Deare</td>
</tr>
<tr>
<td>Hoc Ku Huynh OAM</td>
<td>Ke Li</td>
</tr>
<tr>
<td>Yifan Yang</td>
<td>Marina Christov</td>
</tr>
<tr>
<td>Wade James</td>
<td>Brendon Supple</td>
</tr>
</tbody>
</table>

8. DIRECTOR’S INCOME

- Aggregate income received or due and receivable by the directors 22410.00 13950.00
- The number of directors whose total income falls within the following band:
  - NIL - $9999 10 10
Financial Statements
Australian Acupuncture and Chinese Medicine Association Limited

9. AUDITOR’S REMUNERATION

Amounts received or due and received by the auditors for:

<table>
<thead>
<tr>
<th>Service</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Auditing the Accounts</td>
<td>$3240.00</td>
<td>$2860.00</td>
</tr>
</tbody>
</table>

No other benefits were received by the auditors.

10. MEMBER’S GUARANTEE

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

11. NOTES TO STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

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

<table>
<thead>
<tr>
<th>NOTE</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$576071.11</td>
<td>$583170.88</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Description</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Profit/(Loss) after income tax</td>
<td>4120.69</td>
<td>(20526.25)</td>
</tr>
<tr>
<td>Depreciation</td>
<td>12910.18</td>
<td>13348.27</td>
</tr>
<tr>
<td>Changes in Assets &amp; Liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increase/(Decrease) in fees received in advance</td>
<td>(13554.26)</td>
<td>53283.28</td>
</tr>
<tr>
<td>Increase/(Decrease) in Debtors</td>
<td>2285.52</td>
<td>1444.29</td>
</tr>
<tr>
<td>Increase/(Decrease) in Creditors</td>
<td>(16999.17)</td>
<td>(25728.77)</td>
</tr>
<tr>
<td>Increase/(Decrease) for Holiday Pay</td>
<td>9055.45</td>
<td>3703.16</td>
</tr>
<tr>
<td>Net Cash Provided by Operating Activities</td>
<td>(2181.59)</td>
<td>7523.98</td>
</tr>
</tbody>
</table>

12. ACCUMULATED PROFITS

<table>
<thead>
<tr>
<th>Description</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accumulated Profits at the Beginning of the Financial Year</td>
<td>210525.04</td>
<td>231051.29</td>
</tr>
<tr>
<td>Net Profit/(Deficit) Attributable to Members of the Company</td>
<td>4120.69</td>
<td>(20526.25)</td>
</tr>
<tr>
<td></td>
<td>$214645.73</td>
<td>$210525.04</td>
</tr>
</tbody>
</table>
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 2004.

The names of the Directors in office at the date of this report are:
Marina Christov Wade James John Dear
James Flowers Hoc Ku Huynh OAM Ke Li
Brendon Supple Walter Simpson Yifan Yang

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 2004.

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 (6 years)
• 6 years Clinical Practice in Australia

Jacqueline Corner Director
Qualifications:
• Advanced Diploma of Applied Science (ACU)

Experience
• Member of AACMA (6 years)
• Member of Sports Medicine Australia
• Candidate Bachelor Science (Biology)
• 6 years Clinical Practice in Australia

John Deare Director & Treasurer
Qualifications:
• Master of Applied Sciences (Acupuncture) RMIT
• Bachelor of Health Sciences (Complementary Medicine)
• Advanced Diploma of Applied Science (Acupuncture)

Experience:
• Lecturer (Casual)
• 6 years Clinical Practice in Australia
• Member of AACMA (6 years)
• Member of Australian Pain Society
• Member of Gold Coast Health & Medical Association

James Flowers Director & President
Qualifications:
• Diploma of TCM

Experience:
• 10 years Clinical Practice in Australia
• Member of AACMA (10 years)
• Lecturer at Sydney Institute of TCM
• President of the Australia China Friendship Society NSW Inc (since 1998)

Hoc Ku Huynh OAM Director
Qualifications:
• Master of Health Science in TCM
• Bachelor of Acupuncture
• Certificate of Chinese Medicine

Experience:
• Member of AACMA (25 years), AACMA Fellow
• 28 years Clinical Practice in Australia
• Honorary Clinical Associate UTS
• Honorary Clinical Supervisor UWS
• Awarded Order of Australia Medal
• Life Member of the Order of Australia Association

Wade James Director
Qualifications:
• Master of Health Science in TCM (UTS)
• Diploma of TCM
• Certificate of TCM (China)
• Certificate of Chinese Herbal Medicine (China)
• Certificate of Tui Na (China)

Experience:
• Member of AACMA (4 years)
• 19 years Clinical Practice in Australia
• Course Advisor, Sen. Lecturer, Clinic Supervisor PANT
• Director of Chinawest Pty Ltd

Ke Li Director & Vice President
Qualifications:
• Bachelor of Medicine (TCM)
• Master of Health Science
• Certificate IV Workplace Training and Assessment

Experience:
• 17 years Clinical Practice in Australia
• 5 years Clinical Practice overseas
• Member of AACMA (15 years) AACMA Fellow
• Sessional Lecturer at Victoria University (3 years)
• St John Ambulance Voluntary First Aid Officer (11 years)
Financial Statements
Acupuncture Ethics and Standards Organisation Limited

Meetings attended by Directors

<table>
<thead>
<tr>
<th>Name</th>
<th>Meetings eligible to attend</th>
<th>Number attended</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marina Christov</td>
<td>15</td>
<td>12</td>
</tr>
<tr>
<td>Jacqueline Corner</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>John Deare</td>
<td>15</td>
<td>13</td>
</tr>
<tr>
<td>James Flowers</td>
<td>15</td>
<td>14</td>
</tr>
<tr>
<td>Hoc Ku Huynh OAM</td>
<td>15</td>
<td>14</td>
</tr>
<tr>
<td>Wade James</td>
<td>9</td>
<td>7</td>
</tr>
<tr>
<td>Ke Li</td>
<td>15</td>
<td>13</td>
</tr>
<tr>
<td>Walter Simpson</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td>Brendon Supple</td>
<td>15</td>
<td>10</td>
</tr>
<tr>
<td>Yifan Yang</td>
<td>15</td>
<td>13</td>
</tr>
</tbody>
</table>

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.

13 APRIL 2005
BRISBANE, QLD

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

Scope
We have audited the financial report, being a special purpose report of, Acupuncture Ethics and Standards Organisation Limited for the year ended 31 December 2004 as set out on pages 21-26. The company’s directors are responsible for the financial report and have determined that the accounting policies used and described in Note 1 to the financial statements which form part of the financial report are appropriate to meet the requirements of the Corporations Act 2001 and are appropriate to meet the needs of the members. We have conducted an independent audit of the financial report in order to express an opinion whether, in all material respects, the financial report is presented fairly in accordance with the accounting policies described in Note 1, so as to present a view which is consistent with our understanding of the company’s financial position, and performance as represented by the results of its operations and cash flows. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia.

The audit opinion expressed in this report has been formed on the above basis.
Financial Statements  
Acupuncture Ethics and Standards Organisation Limited

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

(a) the Corporations Act 2001, including:
   (i) giving a true and fair view of the company's financial position as at 31 December 2004 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1; and
   (ii) complying with Accounting Standards in Australia to the extent described in Note 1 and the Corporations Act 2001; and

(b) other mandatory professional reporting requirements to the extent described in Note 1.

(signed)
HAYWARDS CHARTERED ACCOUNTANTS
13 APRIL 2005
BRISBANE

Philip Fitzgerald FCA
REGISTERED COMPANY AUDITOR

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

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 24 to 27:
   (a) comply with Accounting Standards as described in Note 1 to the financial statements and the Corporations Regulations 2001; and
   b) give a true and fair view of the company's financial position as at 31 December 2004 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:

(signed)
13 APRIL 2005
BRISBANE, QLD

Statement of Financial Performance for the Year ended 31 December 2004

<table>
<thead>
<tr>
<th></th>
<th>NOTES</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rental Income</td>
<td></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other Income</td>
<td></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Administration Expenses</td>
<td></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other Expenses from Ordinary Activities</td>
<td></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Profit/(Deficit) from Ordinary Activities Before Income Tax Expense</td>
<td>2</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Income Tax Expense Relating to Ordinary Activities</td>
<td></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Profit/(Deficit) from Ordinary Activities After Related Income Tax Expense</td>
<td></td>
<td>0.00</td>
<td>0.00</td>
</tr>
</tbody>
</table>

The accompanying notes form part of these financial
Financial Statements
Acupuncture Ethics and Standards Organisation Limited

Statement of Financial Position as at 31 December 2004

<table>
<thead>
<tr>
<th></th>
<th>NOTES</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CURRENT ASSETS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>4</td>
<td>10.00</td>
<td>10.00</td>
</tr>
<tr>
<td>TFN Tax Paid</td>
<td></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>TOTAL CURRENT ASSETS</strong></td>
<td></td>
<td>10.00</td>
<td>10.00</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td></td>
<td>10.00</td>
<td>10.00</td>
</tr>
<tr>
<td><strong>NET ASSETS</strong></td>
<td></td>
<td>$10.00</td>
<td>$10.00</td>
</tr>
<tr>
<td><strong>MEMBER’S FUND</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accumulated Funds</td>
<td></td>
<td>10.00</td>
<td>10.00</td>
</tr>
<tr>
<td><strong>TOTAL MEMBER’S FUND</strong></td>
<td></td>
<td>$10.00</td>
<td>$10.00</td>
</tr>
</tbody>
</table>

The accompanying notes form part of these financial statements.

Statement of Cash Flows for the Year Ended 31 December 2004

<table>
<thead>
<tr>
<th></th>
<th>NOTES</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CASH FLOWS FROM OPERATING ACTIVITIES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receipts from Subscriptions</td>
<td></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other Income</td>
<td></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Payment for Operating Expenses</td>
<td></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>NET CASH FROM INVESTING ACTIVITIES</strong></td>
<td></td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td><strong>NET INCREASE/(DECREASE) IN CASH HELD</strong></td>
<td></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>CASH AT THE BEGINNING OF THE YEAR</strong></td>
<td></td>
<td>10.00</td>
<td>10.00</td>
</tr>
<tr>
<td><strong>CASH AT THE END OF THE YEAR</strong></td>
<td>11</td>
<td>$10.00</td>
<td>$10.00</td>
</tr>
</tbody>
</table>

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

2. OPERATING REVENUE

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$NIL</td>
<td>$NIL</td>
</tr>
</tbody>
</table>

3. RELATED PARTY DISCLOSURE

(a) Directors who held office during the year ended 31 December 2004 are:

- Jacqueline Corner (Resigned)
- John Deare
- James Flowers
- Hoc Ku Huynh OAM
- Ke Li
- Walter Simpson
- Yifan Yang
- Marina Christov
- Brendon Supple
- Wade James

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.
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:-

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$10.00</td>
<td>$10.00</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Profit/(Loss) after income tax</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Depreciation</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Changes in Assets &amp; Liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increase/(Decrease) in fees received in advance</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Increase/(Decrease) in Creditors</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net Cash Provided by Operating Activities</td>
<td>$-</td>
<td>$-</td>
</tr>
</tbody>
</table>

6. ACCUMULATED PROFITS

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accumulated Profits at the Beginning of the Financial Year</td>
<td>10.00</td>
<td>10.00</td>
</tr>
<tr>
<td>Net Profit/(Deficit) Attributable to Members of the Company</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>$10.00</td>
<td></td>
<td>10.00</td>
</tr>
</tbody>
</table>
Board of Directors
As at 31 December 2004

James Flowers (Chair)  NSW/ACT
Ke Li (Deputy Chair)  VIC/TAS
Walter Simpson (Secretary)  QLD
John Deare (Treasurer)  QLD
Marina Christov  VIC/TAS
Jacqueline Corner  WA
Hoc Ku Huynh OAM  NSW/ACT
Wade James  WA
Brendon Supple  SA/NT
Yifan Yang  NSW/ACT

Company Secretary
Walter Simpson

Committees

Continuing Education Committee
Yifan Yang (Chair)

Course Accreditation Committee
James Flowers/Ke Li (Chair)

Disciplinary Committee
John Deare (Chair)

Membership Officer
Hoc Ku Huynh OAM

Research Committee
John Deare (Chair)

WorkCover Committee
Ke Li (Chair)

Consultants
Mary Herbison (Accreditation)
Yanping Wang (Accreditation)

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

REGISTERED OFFICE
Suite 5, 28 Gladstone Road
Highgate Hill QLD 4101

POSTAL ADDRESS
PO Box 5142
WEST END QLD 4101

Telephone  07 3846 5866
            1300 725 334
Facsimile  07 3846 5276
Email  aacma@acupuncture.org.au
Website  www.acupuncture.org.au

State Committees

Australian Capital Territory
Nil appointed

New South Wales
Simin Chen (Committee Member)
James Flowers (Committee Member)
Nicole Hope-Allan (Minutes Secretary)
Hoc Ku Huynh (Chair)
Wei Hong Li (Deputy Chair)
Mei Kin Li Rees (Deputy Chair)
Rodrigo Sanchez (Deputy Chair)
Bouavirone (Bobbie) Sodarok (WorkCover Rep)
Dae Kyeong (David) Suh (Committee Member)
David White (Deputy Chair)
Yifan Yang (Committee Chair)

Queensland
John Deare (Committee Member)
Helga Del Mundo (Finance Secretary)
Paul McLeod (Chair)
Brett Montgomery (Deputy Chair)
Matt O’Hara (Deputy Chair)
Phillip Strong (WorkCover Committee)
Tracey Winter (Committee Member)
Linda Tedd (Chair)
Vicki Wooller (Minutes Secretary)

South Australia/Northern Territory
Ute Hribar (Minutes Secretary)
Michael Porter (Chair)
Neil Reynolds (Committee Member)
Brendon Supple (Committee Member)

Victoria/Tasmania
Luzviminda Agosta (Committee Member)
Marina Christov (Chair)
Victor Lam (Committee Member)
Ke Li (Chair, WorkCover Committee)
David Lovatt (Committee Member)
Warwick Poon (Committee Member)
Danielle Slade (Committee Member)
Kathryn Thomson (Committee Member)
Zhen Zheng (Committee Member)

Western Australia
Marie Hopkinson (Committee Member)
Wade James (Chair, Finance Secretary)
Suzanne McDonald (Committee Member)
Fransetta (Sono) Michetti (Committee Member)

Staff
(As at 31 December 2004)
Judy James - Chief Executive Officer
Jazz Tyril - Marketing & Events Administrator
Kathleen Burrell - Receptionist
Kim Medcalf - Membership Administrator
Zoe Hughes - Office Assistant