

**PRIMARY CARE GOLD COAST LIMITED**  
**ABN 47 152 953 092**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**  
**30 JUNE 2018**

**INDEX TO  
FINANCIAL REPORT**

**30 JUNE 2018**

**PRIMARY CARE GOLD COAST LIMITED  
ABN 47 152 953 092**

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**PRIMARY CARE GOLD COAST LIMITED**  
**ABN 47 152 953 092**

**DIRECTORS' REPORT**

Your directors, being the responsible persons of the Registered Charity, present this report on the company for the financial year ended 30 June 2018.

**1. General information**

**Information on directors**

The names of each person who has been a director during the year and to the date of this report are:

**David Rowlands**

Experience	General Practitioner
Special responsibilities	Chairman

**Sue Gardiner**

Experience	General Practitioner
Special responsibilities	Deputy Chair

**Debbie Blow**

	<i>(Resigned 31 October 2017)</i>
Experience	Director of Faculty and Executive Leader Health and Nursing TAFE Queensland Gold Coast
Special responsibilities	Director

**Rick Dennis**

	<i>(Contract ended 31 October 2017)</i>
Experience	Chartered Accountant and corporate advisor
Special responsibilities	Director

**Kieran Chilcott**

Experience	CEO – Kalwun Health Services
Special responsibilities	Director

**Roger Halliwell**

Experience	General Practitioner
Special responsibilities	Director

**Julie-Anne Tarr**

Experience	Professor, Law and Business
Special responsibilities	Director

**Victoria Beedle**

	<i>(Started 31 October 2017)</i>
Experience	CEO – Melanoma Patients Australia Ltd
Special responsibilities	Director

**Linda Taylor**

	<i>(Started 1 December 2017)</i>
Experience	General Manager – Blue Care South Coast Ipswich
Special responsibilities	Director

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

**PRIMARY CARE GOLD COAST LIMITED**  
**ABN 47 152 953 092**

**DIRECTORS' REPORT**

**Principal Activities**

Following the development of an inaugural Strategic Plan during GCPHN's initial year of operation, this was updated during 2017/18 to better reflect the maturity of GCPHN and to achieve its overarching vision of "Building One World Class Health System for the Gold Coast."

Additionally, the Five Year Maturity Plan has been reviewed at its mid-point. This highlighted the significant capability development that has occurred since the commencement of GCPHN and reset priorities and activities to 2020/21 to further progress towards world class commissioning systems and capability. GCPHN collaborated with other PHNs and the Department of Health to develop commissioning frameworks, educational resources and commissioning competencies.

The increasing maturity of commissioning capability during 2017/18 was evidenced by the very successful commissioning of new mental Health services. This involved significant needs assessment and planning, community and provider engagement, new capability in co-designing solutions with service providers and enhanced procurement systems. Significant competency, capacity and systems development occurred over this period and has placed GCPHN in a very strong position to undertake its role as a Commissioning Organisation into the future.

Other significant successes included:

- Reviewing and enhancing governance structures including key board advisory groups.
- Commissioning of the stepped care model of mental health in 2017/18, including the establishment of a new service for people with severe and complex mental health conditions, and new low intensity services.
- Extensive engagement with general practice and other primary and secondary care providers to support better health care for the Gold Coast population.
- Expansion of the Tiered approach to practice support and improvement with 85% of all general practices engaged in data sharing arrangements and 44 practices engaged in quality improvement activities.
- Addressing the health needs of vulnerable populations, including homeless people, people living with persistent pain, and people with chronic health conditions.
- My Health Record expansion program reached 3412 people directly, including awareness for 100% of general practises and pharmacies.
- Development of new information systems to support general practices, and GCPHN in contracting and reporting.
- Successful delivery of Advanced Care Planning strategy within eight Residential Aged Care facilities.

The Board continues to engage with its Membership to ensure alignment between GCPHN's Strategic Plan and the needs of the community and service providers.

**Members guarantee**

Primary Care Gold Coast Ltd is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$20 for members that are corporations and \$20 for all other members, subject to the provisions of the company's constitution.

At 30 June 2018 the collective liability of members was \$60 (2017: \$60).

**PRIMARY CARE GOLD COAST LIMITED**  
**ABN 47 152 953 092**

**DIRECTORS' REPORT**

**Meetings of directors**


During the financial year, 11 meetings of directors were held. Attendances by each director during the year were as follows:

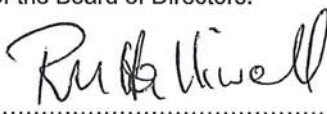
	Directors' Meetings	
	Number eligible to attend	Number attended
David Rowlands	11	10
Sue Gardiner	11	10
Debbie Blow	3	3
Rick Dennis	3	3
Kieran Chilcott	11	10
Roger Halliwell	11	11
Julie-Anne Tarr	11	10
Victoria Beedle	8	8
Linda Taylor	7	7

**Auditor's Independence Declaration**

The auditor's independence declaration as required under s60-40 of the Australian Charities and Not for Profits Commission Act 2012 for the year ended 30 June 2018 has been received and can be found on page 4 of the financial report.

This directors' report is signed in accordance with a resolution of the Board of Directors.

..... Director

.....Director

Dated 28<sup>th</sup> day of August.....2018



**DICKFOS DUNN ADAM**  
AUDIT AND ASSURANCE

**Primary Care Gold Coast Limited**

ABN: 47 152 953 092

**Auditor's independence declaration under s 60-40 of the Australian Charities and Not-for-Profits Commission Act 2012 to the Directors of Primary Care Gold Coast Limited**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2018 there have been:

- (i) No contraventions of the auditor independence requirements as set out in section 60-40 of the *Australian Charities and Not-for-Profits Commission Act 2012* in relation to the audit; and
- (ii) No contraventions of any applicable code of professional conduct in relation to the audit.

T.L. Adam

DICKFOS DUNN ADAM  
Audit & Assurance

24.8.2018  
.....  
Dated  
SOUTHPORT

Tracey Adam  
.....  
T L Adam



PRIMARY CARE GOLD COAST LIMITED  
ABN 47 152 953 092

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2018

	NOTE	2018 \$	2017 \$
Revenue	2	25,622,718	21,169,985
Employee expenses		(5,226,143)	(4,426,005)
Meeting costs		(260,165)	(256,257)
Administration programs		(1,090,310)	(1,292,886)
Contractors expense		(18,670,144)	(14,873,835)
Depreciation and amortisation expenses	3	(72,507)	(64,319)
Other expenses		(230,714)	(181,239)
<b>Current year surplus before income tax</b>		<b>72,735</b>	<b>75,444</b>
Income tax expense	1(j)	-	-
<b>Current year surplus after income tax</b>		<b>72,735</b>	<b>75,444</b>
Other comprehensive Income		-	-
<b>Total comprehensive income for the year</b>		<b>72,735</b>	<b>75,444</b>

PRIMARY CARE GOLD COAST LIMITED  
ABN 47 152 953 092

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018

		2018 \$	2017 \$
	NOTE		
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	10,626,801	10,222,140
Trade and other receivables	5	765,200	222,894
Prepayments		122,746	130,006
<b>TOTAL CURRENT ASSETS</b>		<b>11,514,747</b>	<b>10,575,040</b>
<b>NON-CURRENT ASSETS</b>			
Plant and equipment	6	180,645	178,157
<b>TOTAL NON-CURRENT ASSETS</b>		<b>180,645</b>	<b>178,157</b>
<b>TOTAL ASSETS</b>		<b>11,695,392</b>	<b>10,753,197</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	7	4,533,899	1,294,354
Other liabilities	8	5,576,080	7,863,096
Provisions	9	714,657	852,066
<b>TOTAL CURRENT LIABILITIES</b>		<b>10,824,637</b>	<b>10,009,516</b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	9	96,054	41,715
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>96,054</b>	<b>41,715</b>
<b>TOTAL LIABILITIES</b>		<b>10,920,691</b>	<b>10,051,231</b>
<b>NET ASSETS</b>		<b>774,701</b>	<b>701,966</b>
<b>EQUITY</b>			
Retained Earnings		774,701	701,966
<b>TOTAL ACCUMULATED FUNDS</b>		<b>774,701</b>	<b>701,966</b>

The Statement of Financial Position should be read in conjunction with the supporting notes to the financial statements

**PRIMARY CARE GOLD COAST LIMITED**  
**ABN 47 152 953 092**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR YEAR ENDED 30 JUNE 2018**

	Note	Retained Surplus \$	Total \$
<b>Balance at 1 July 2016</b>		626,522	<b>626,522</b>
Surplus for the year		75,444	<b>75,444</b>
Other comprehensive income for the year		-	-
<b>Balance at 30 June 2017</b>		<b>701,966</b>	<b>701,966</b>
<b>Balance at 1 July 2017</b>		701,966	<b>701,966</b>
Surplus for the year		72,735	<b>72,735</b>
Other comprehensive income for the year		-	-
<b>Balance at 30 June 2018</b>		<b>774,701</b>	<b>774,701</b>

**PRIMARY CARE GOLD COAST LIMITED**  
**ABN 47 152 953 092**

**STATEMENT OF CASH FLOWS**  
**FOR YEAR ENDED 30 JUNE 2018**

	NOTE	2018 \$	2017 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash receipts from customers and grants		22,432,570	25,500,359
Cash payments to suppliers and employees		(22,213,272)	(20,425,673)
Interest received		260,711	213,871
Net cash generated from operating activities		<u>480,009</u>	<u>5,288,557</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payment for property, plant and equipment		<u>(75,348)</u>	<u>(67,338)</u>
Net cash used in investing activities		<u>(75,348)</u>	<u>(67,338)</u>
Net increase in cash held		404,661	5,221,219
Cash on hand at beginning of the financial year		<u>10,222,140</u>	<u>5,000,921</u>
Cash on hand at the end of the financial year	4	<u>10,626,801</u>	<u>10,222,140</u>

**PRIMARY CARE GOLD COAST LIMITED**  
**ABN 47 152 953 092**

**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2018**

**Note 1: Summary of Significant Accounting Policies**

*Basis of Preparation*

Primary Care Gold Coast Limited ("the Company") applies Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: *Application of Tiers of Australian Accounting Standards*.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the *Australian Charities and Not-for-Profit Commission Act 2012*. The Company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis<sup>2</sup> and are based on historical costs. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on 28 August 2018 by the directors of the company.

**Accounting Policies**

**a. Revenue**

Revenues from services provided in the course of ordinary activities are recognised at fair value of the consideration received or receivable, net of the amount of goods and services tax (GST) payable to the Australian Taxation Office. Exchanges of goods or services of the same nature and value without any cash consideration are not recognised as revenue.

A grant is recognised as revenue when -

- it is probable that the economic benefits gained from the grant will flow to the company
- the amount of the grant can be measure reliably

If conditions are attached which must be satisfied before the company is eligible to receive the grant, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

The company reports the following grant income as deferred income/unspent grant monies:

- (i) when grant revenue is received whereby the company incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction. The grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor,
- (ii) The grant funding agreement provides clarity regarding the refund by the company of any unspent grants at reporting date.

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues, using the effective interest method.

All revenue is stated net of the amount of goods and services tax.

**PRIMARY CARE GOLD COAST LIMITED**  
**ABN 47 152 953 092**

**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2018**

**Note 1: Summary of Significant Accounting Policies *continued***

**b. Plant and Equipment**

Plant and equipment are measured on the cost basis less depreciation and any impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

In the event the carrying amount of plant and equipment is greater than the recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(e) for details of impairment).

Plant and equipment that have been contributed at no cost, or for nominal cost, are recognised at the fair value of the asset at the date it is acquired.

**Depreciation**

The depreciable amount of all fixed assets is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

<b>Class of Fixed Asset</b>	<b>2018</b>	<b>2017</b>
Office equipment	33.3%	33.3%
Computer software	40.0%	40.0%
Computer hardware	33.3%	33.3%
Motor Vehicle	33.3%	33.3%
Leasehold Improvements	16.7%	16.7%

**c. Leases**

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to entities in the economic entity, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the present value of the minimum lease payments, including any guaranteed residual values..

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the lease term.

**PRIMARY CARE GOLD COAST LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2018**

**Note 1: Summary of Significant Accounting Policies *continued***

**d. Financial Instruments**

**Initial recognition and measurement**

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately.

**Classification and subsequent measurement**

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

*Amortised cost* is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the *effective interest method*.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

*Fair value* is the price the company would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date. Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

**Impairment**

At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified into profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if the management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance accounts.

**PRIMARY CARE GOLD COAST LIMITED**  
**ABN 47 152 953 092**

**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2018**

**Note 1: Summary of Significant Accounting Policies *continued***

**d. Financial Instruments *continued***

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

**Derecognition**

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability, which is extinguished or transferred to another party, and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

**e. Impairment of Assets**

At the end of each reporting period, the entity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss.

Where the future economic benefits of the asset are not primarily dependent upon on the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of a class of asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued asset is identified, this is debited against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

**f. Employee Provisions**

**Short-term employee benefits**

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits are recognised as a part of accounts payable and other payables in the statement of financial position. Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

**Other long-term employee benefits**

The company classifies employees' long service leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the company's obligation for other long-term employee benefits, which are measured at the undiscounted value of estimated future cash flows to be made in respect of employees at reporting date. Expected future payments incorporate durations of service and employee departures. Upon the re-measurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefits expense.

**PRIMARY CARE GOLD COAST LIMITED**  
**ABN 47 152 953 092**

**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2018**

**Note 1: Summary of Significant Accounting Policies *continued***

**Other long-term employee benefits *continued***

The company's obligations for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current liabilities.

**g. Cash and Cash Equivalents**

Cash on hand includes cash on hand, deposits held at-call with banks, and other short-term highly liquid investments with original maturities of three months or less.

**h. Trade and Other Receivables**

Trade receivables and other debtors include amounts due from any outstanding grant receipts. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

**i. Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

**j. Income Tax**

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

**k. Provisions**

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

**PRIMARY CARE GOLD COAST LIMITED**  
**ABN 47 152 953 092**

**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2018**

**Note 1: Summary of Significant Accounting Policies *continued***

**I. Trade and Other Payables**

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.

**m. Critical Accounting Estimates and Judgements**

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

**Key estimates**

*(i) Impairment*

The company assesses impairment at the end of each reporting period by evaluating conditions and events specific to the company that may be indicative of impairment triggers.

*(ii) Useful lives of depreciable assets*

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

*(iii) Long service leave*

The liability for long service leave is recognised at the undiscounted value of estimated future cash flows to be made in respect of employees at reporting date.

*(iv) Employee benefits*

For the purpose of measurement, AASB 119: Employee Benefits (August 2015) defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. As the company expects that most employees will use all of their annual leave entitlements in the same year in which they are earned or during the 12-month period that follows the directors believe that obligations for annual leave entitlements satisfy the definition of other short-term employee benefits and, therefore, are not required to be measured at the present value of the expected future payments to be made to employees.

*(v) Psychological Services Provision*

The company reports within the current provision estimated commitments for psychological services. This provision is based on the application of the assumption that of the twelve sessions that each patient is entitled to, the average sessions used will be six. For example, if a patient has used two sessions at the end of the reporting period, a provision is made for an additional four.

**PRIMARY CARE GOLD COAST LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2018**

**Note 1: Summary of Significant Accounting Policies *continued***

**Critical Accounting Estimates and Judgements continued**

**Key judgements**

**n. Economic Dependence**

Primary Care Gold Coast Limited is dependent on Federal grants. At the date of this report, the Board of Directors has no reason to believe government funding will not continue to support Primary Care Gold Coast Limited. A three year funding agreement with the Department of Health commenced on 1 July 2015 and was extended on 1 July 2018 for a further three years.

PRIMARY CARE GOLD COAST LIMITED  
ABN 47 152 953 092

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$
<b>Note 2: Revenue</b>		
Grants		
- Commonwealth	24,987,993	20,632,293
- State	108,630	103,238
- Other	257,323	195,735
	25,353,946	20,931,266
Interest Income	260,711	213,871
Other income	8,061	24,848
<b>Total revenue</b>	<b>25,622,718</b>	<b>21,169,985</b>
<b>Note 3: Expenses</b>		
	2018	2017
	\$	\$
Depreciation of:		
- Office Equipment;	1,322	716
- Motor Vehicles	1,580	2,370
- Computer Software	27,022	27,023
- Computer Hardware	25,335	16,962
- Leasehold Improvements	17,248	17,248
<b>Total depreciation</b>	<b>72,507</b>	<b>64,319</b>
<b>Superannuation</b>	<b>411,978</b>	<b>358,060</b>
<b>Note 4: Cash and cash equivalents</b>		
Cash at bank and in hand	4,967,922	6,104,985
Term deposits	5,658,879	4,117,155
	<b>10,626,801</b>	<b>10,222,140</b>

**PRIMARY CARE GOLD COAST LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2018**

**Note 5: Trade and Other Receivables**

	2018	2017
	\$	\$
<u>Current</u>		
Trade Debtors	464,177	16,530
Deposits Paid	427	295
GST Receivable	179,353	-
Other Receivables	121,243	206,069
	301,023	206,364
Total Current Trade and Other Receivables	<u>765,200</u>	<u>222,894</u>

**Note 6: Plant & Equipment**

Office Equipment

Office equipment at cost	17,030	7,550
Less accumulated depreciation	(2,668)	(1,347)
Total office equipment	<u>14,362</u>	<u>6,203</u>

Motor Vehicles

Motor vehicles at cost	45,581	45,581
Accumulated depreciation	(42,415)	(40,835)
Total motor vehicles	<u>3,166</u>	<u>4,746</u>

Software

Software at cost	104,527	104,527
Less accumulated depreciation	(97,772)	(70,750)
Total software	<u>6,755</u>	<u>33,777</u>

Computer Hardware

Computer hardware at cost	152,657	88,204
Accumulated depreciation	(48,082)	(23,809)
Total computer hardware	<u>104,575</u>	<u>64,395</u>

Leasehold Improvements

Leasehold improvements at cost	103,520	103,520
Less accumulated depreciation	(51,732)	(34,484)
Total leasehold improvements	<u>51,788</u>	<u>69,036</u>

**Total Plant & Equipment**

<u>180,645</u>	<u>178,157</u>
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**PRIMARY CARE GOLD COAST LIMITED**  
**ABN 47 152 953 092**

**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2018**

**Note 6: Plant & Equipment *continued***

*a) Reconciliations in Carrying Amounts*

Reconciliations of the carrying amounts for each class of property, plant and equipment between the beginning and the end of the year are set out below.

	Office Equipment	Motor Vehicles	Software	Computer Hard - ware	Leasehold Improve - ments	Total
	\$	\$	\$	\$	\$	\$
2018						
Balance at the beginning of the year	6,203	4,746	33,777	64,395	69,036	178,157
Additions	9,481	-	-	65,515	-	74,995
Disposals	-	-	-	-	-	-
Depreciation expense	(1,322)	(1,580)	(27,022)	(25,335)	(17,248)	(72,507)
Carrying Amount at the end of the year	14,362	3,166	6,755	104,575	51,788	180,645
					2018 \$	2017 \$

**Note 7: Trade and Other Payables**

**Current**

Trade creditors	3,740,888	561,203
Deposits held	3,806	2,660
GST payable	-	170,476
Payroll accrual	87,372	51,336
Other creditors and accruals	701,833	508,679
Total Trade & Other Payables	4,533,899	1,294,354

No interest is payable on trade and other creditors or on deposits held for third parties.

**Note 8: Other liabilities**

	2018 \$	2017 \$
Income received in advance	1,906,431	4,127,626
Unspent grant funding	3,669,650	3,735,470
Total liabilities	5,576,080	7,863,096

**PRIMARY CARE GOLD COAST LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2018**

<b>Note 9: Provisions</b>	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
<b>Current</b>		
Provision for Annual Leave	382,864	373,925
Provision for TOIL	6,790	5,852
Provision for Long Service Leave	81,229	95,064
Provision for Psychological Services commitments	243,774	377,225
Total current provisions	<u>714,657</u>	<u>852,066</u>
<b>Non Current</b>		
Provision for Long Service Leave	96,054	41,715
Total non current provisions	<u>96,054</u>	<u>41,715</u>

**Provision for Employee Benefits**

Provision for employee benefits represents amounts accrued for annual leave and long service leave. The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

In calculating the undiscounted value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits have been discussed in Note 1(f).

**Note 10: Commitments**

*a) Operating Lease Payable Commitments*

Minimum lease payments under non-cancellable operating leases	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
- No later than 12 months	447,245	427,562
- Between 1 and 5 years	941,998	1,374,586
Total operating lease commitments	<u>1,389,243</u>	<u>1,802,148</u>

**Note 11: Contingent Liabilities**

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2018 (30 June 2017: None)

**PRIMARY CARE GOLD COAST LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2018**

**Note 12: Related Party Transactions**

Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel individually or collectively with their close family members.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons unless otherwise stated.

*Related entities*

The following transactions related to the above related entities:

	2018 \$	2017 \$
Payments for goods and services:		
- Payments for services from Runaway Bay Doctors' Surgery (common entity director)	500	2,029
- Payments for services from On the Park General Practice (common entity director)	-	1,000
- Payments for services from Kalwun Health Service (common entity director)	578,374	577,985
- Payments for services from Blue Care (common entity director)	45,249	-
- Payments for services from Ignite Design/Creative (other related party))	-	2,275
- Rental payments and expense reimbursements to General Practice Gold Coast	-	1,818

**Note 13: Key Management Personnel Compensation**

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity is considered key management personnel.

The total remuneration paid to key management personnel of the Company is \$440,151 (2017: \$399,000).

**Note 14: Events after the reporting period**

No matter or circumstances has arisen since 30 June 2018 that has significantly affected, or may significantly affect the Company operations, the results of those operations, or the Company's state of affairs in future financial year. (2017: nil)

**Note 15: Assets and Liabilities**

The company's financial instruments consist mainly of deposits with banks, accounts receivable and payable, bank loans and leases.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2018 \$	2017 \$
<b>Financial Assets</b>			
Cash and cash equivalents	5	10,626,801	10,222,140
Loans and receivables	6	765,200	222,894
<b>Total financial assets</b>		<u>11,392,001</u>	<u>10,445,034</u>
<b>Financial liabilities</b>			
Financial liabilities at amortised cost;			
- Trade and other payables	8	4,533,899	1,294,354
<b>Total financial liabilities</b>		<u>4,533,899</u>	<u>1,294,354</u>



**PRIMARY CARE GOLD COAST LIMITED**  
**ABN 47 152 953 092**

**DIRECTOR'S DECLARATION**

In accordance with a resolution of the directors of Primary Care Gold Coast Limited, the directors of the company declare that:

1. The financial statements and notes thereto are in accordance with the *Australian Charities and Not-for-Profit Commission Act 2012* and;
  - a. comply with the Australian Accounting Standards - Reduced Disclosure Requirements; and
  - b. give a true and fair view of the Company's financial position as at 30 June 2018 and of its performance for the financial year ended on that date.
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.

 ..... Director       ..... Director

Dated this  day of  2018



## DICKFOS DUNN ADAM

AUDIT AND ASSURANCE

### PRIMARY CARE GOLD COAST LIMITED ABN 47 152 953 092

### INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF PRIMARY CARE GOLD COAST LIMITED

#### *Unqualified Auditor's Opinion*

We have audited the financial report of Primary Care Gold Coast Limited (the company), which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the director's declaration.

In our opinion, the accompanying financial report is in accordance with Division 60 the *Australian Charities and Not-For-Profits Commission Act 2012*, including:

- (i) Giving a true and fair view of the company's financial position as at 30 June 2018 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards – Reduced Disclosure Requirements.

#### *Basis for Opinion*

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the company in accordance with the auditor independence requirements of division 60 of the *Australian Charities and Not-For-Profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Responsibilities of the Directors of the Financial Report*

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of Division 60 of the *Australian Charities and Not-For-Profits Commission Act 2012* and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.



*Auditor's Responsibilities for the Audit of the Financial Report*

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors
- Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

DICKFOS DUNN ADAM  
Audit & Assurance

DDA

Dated 4.9.2018

SOUTHPORT

T L Adam