

ANNUAL REPORT

2021





HORN ISLAND

NEW MAPOON
UMAGICO
INJINOO

SEISIA

BAMAGA

MAPOON

WEIPA

NAPRANUM

AURUKUN

**LOCKHART
RIVER**

COEN

PORMPURAAW

KOWANYAMA

HOPEVALE

LAURA

COOKTOWN

WUJAL WUJAL

**MOSSMAN
GORGE**

CAIRNS

our health in our hands

INSIDE

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CHAIRPERSON'S WELCOME

It is with pleasure that I welcome you to the 2021 Annual Report of Apunipima Cape York Health Council. The past year has been one of change for the Board of Directors and the organisation overall, managing our way through the COVID-19 pandemic and establishing a new Senior Management Team. We have recruited a new Chief Executive Officer, Debra Malthouse, who comes to us with many years of experience in the community-controlled health sector. Debra is supported by a Senior Management Team whose members have a wealth of experience in health and wellbeing service delivery. We have also been fortunate to appoint two experienced skills-based Directors. Sophie Pettigrew who brings knowledge and expertise in governance and human resources along with Shaun Donaldson who has taken on the portfolio of finance.

This year, key projects for the Board, Chief Executive Officer and Senior Management Team, have included:

- Finalising the completion of the Kowanyama Primary Health Care Centre, the Atharpuch Family Health Centre;
- Progressing the Napranum Partners In Care Project, working with community and stakeholders to improve service delivery in partnership with the Torres and Cape Hospital and Health Service;
- Progressing consultations and discussions with Council and community to construct a Primary Health Care Centre in Pormpuraaw;
- Finalising plans and tendering for the construction of a Primary Health Care Centre in Mapoon;
- Preparing for our participation in the development of Hospital and Health Service Health Equity Plans; and
- Continuing to develop and maintain key partnerships with stakeholders such as the Torres Cape Indigenous Councils Alliance, the Queensland Aboriginal and Islander Health Council, the Torres and Cape Hospital and Health Service, the Northern Aboriginal and Torres Strait Islander Health Alliance and local Aboriginal Community Councils.

This year the COVID-19 pandemic has again proven to be

a challenge for service delivery with outbreaks in south-east Queensland and other states impacting on recruitment of staff, leading to staff shortages locally. But, in true Apunipima style, staff have managed to continue to deliver primary health care services in all eleven (11) communities while navigating these constraints. Operational staff have been exceptionally receptive to changes in patterns of service delivery due to COVID-19 and on behalf of the Board, I want to thank them for their hard work and dedication to the organisation and Cape York communities.

The Board is expecting that 2022 will be another confronting year, as State and International borders open and the wider community start to move around more. For that reason, we want to encourage Cape York community members to consider COVID-19 vaccination as a way that we can keep ourselves, our families and our communities safe. The health and wellbeing of Cape York communities is a priority for our Board and we will always take whatever action is appropriate to keep our communities safe.

Going forward, our Board has determined that a key focus for the organisation will be stand-alone facilities in Cape York communities to enable us to be self-determining and self-managing at local community level – a true reflection of our Vision of 'community controlled primary health care in Cape York. To this end, the Board has tasked our Chief Executive Officer and Senior Management Team with the responsibility of consolidating current services, integrating social and emotional wellbeing into core business, increasing Aboriginal and Torres Strait Islander leadership and continuing to develop Health Action Teams in all Cape York communities.

The Board is excited about the future of the organisation and I look forward to reporting on further achievements next year.

AILEEN ADDO
CHAIRPERSON





CEO FOREWORD

It is with pleasure that I invite you to view the 2021 Annual Report, a showcase of Apunipima programs and services. During the several months I have been in the position of Chief Executive Officer, I have witnessed firsthand, both in the Cairns Office and in Community, the commitment and dedication of the Board, management and staff whose focus is on improving the health and wellbeing of the people of Cape York. The following pages provide an overview of the great work that our staff do every day across Cape York communities.

As CEO, my priority is to ensure that the Apunipima Vision of 'community-controlled primary health care for Cape York' is the driving force of the organisation and is central to the work that we do alongside and for the people of Cape York. Community-control, for Aboriginal and Torres Strait Islander people, is about ownership, empowerment, self-determination and self-management and is what drives the way we do our business at Apunipima. Under the direction of the Board, the Senior Management Team and I have been reviewing our operations and working towards realigning business support and client services to better support the organisation's purpose.

The Senior Management Team and I have been instrumental in leading change across the organisation, and with the support and guidance of the Board, we are clearly focused on the strategic operations of the organisation and are working together to ensure the services we provide are holistic, integrated and comprehensive.

This work has included commencing a review of:

- operational and business systems to improve our core business;
- social and emotional wellbeing services with the intent of integrating these services into our model of care;
- clinical service delivery with the aim of working towards stand-alone facilities;
- partnerships and key relationships with stakeholders, service providers and community groups;
- population health programs and incorporating research outcomes into practice; as well as
- our workforce model with particular focus on Aboriginal and Torres Strait Islander recruitment and retention in all roles, especially leadership and management.

A review of the current business and service operations will not only provide us with an understanding of what we need to do to achieve the Apunipima Vision and Purpose moving into the future but it will help us understand how the organisation has moved through its growth over the years.

I am excited about the direction the organisation is taking and look forward to working with the Board and Senior Management Team on developing a new strategic plan that will direct our work for the next 3 to 5 years.

Debra Malthouse

DEBRA MALTHOUSE
CEO



THIS YEAR



The surveyors recognised our health services are 'adopting a culturally appropriate and context sensitive approach to using RACGP standards' as a framework



ACCREDITATION REPORTS

In April, three of our Primary Health Centres undertook Accreditation Surveyors visits. Quality Practice Accreditation (QPA) completed surveillance audits at Mossman Gorge and Aurukun Primary Health Centres. The Surveyors were to finalise and review the centres to ensure their non-compliances from the previous audit had met with RACGP 5th Edition Standards. Both centres received full certification with QPA, with an expiry date September 2023.

Charkil-Om (Napranum) undertook a Triannual audit by two surveyors from Quality Practice Accreditation (QPA) to ensure the centre was compliant with the core indicators 'must' statements set by RACGP 5th Edition Standards. Previous accreditation completed fell under the 4th Edition RACGP Standards. Staff from the centre were interviewed, and stringent review of systems and processes were carried out on the day to ensure the centre met minimum safety and quality standards. Charkil-Om met all RACGP 5th Edition Standards and received full accreditation with QPA, with an expiry date of June 2024.

HEALTH SERVICES RECOGNISED

The surveyors recognised our health services are 'adopting a culturally appropriate and context sensitive approach to using RACGP standards as a framework', which can be problematic and may not be user friendly. They also acknowledged generally across Australia going from RACGP 4th Edition Standards to RACGP 5th Edition Standards was a huge change.

Accreditation Certification is an extraordinary accomplishment for all three Centres. The benefits, importance and continuing significance of maintaining these standards is recognised, and all Centre Managers and their staff should be congratulated and be proud of their amazing achievement.

JULY 2020 - JUNE 2021



**UNIQUE
CLIENTS 5365**

CLIENT CONTACTS

42,087

**BABIES BORN
WITH NORMAL
BIRTH WEIGHT**

74%



OUR BOARD



REGION ONE
Patricia Yusia
(Deputy
Chairperson)
Bamaga



REGION ONE
Mary Yoelu
Umagico



REGION TWO
Aileen Addo
(Chairperson)
Mapoon



REGION THREE
**Thomas
Hudson**
Kowanyama



REGION THREE
Dereck Walp
Aurukun



REGION FOUR
**Ethel
Singleton**
Lockhart River



REGION FIVE
**Trevor Shane
Gibson**
Hope Vale



Barbara Schmidt



Shaun Donaldson



Sophie Pettigrew

OUR SKILLS BASED DIRECTORS



OUR COMMUNITIES



AURUKUN



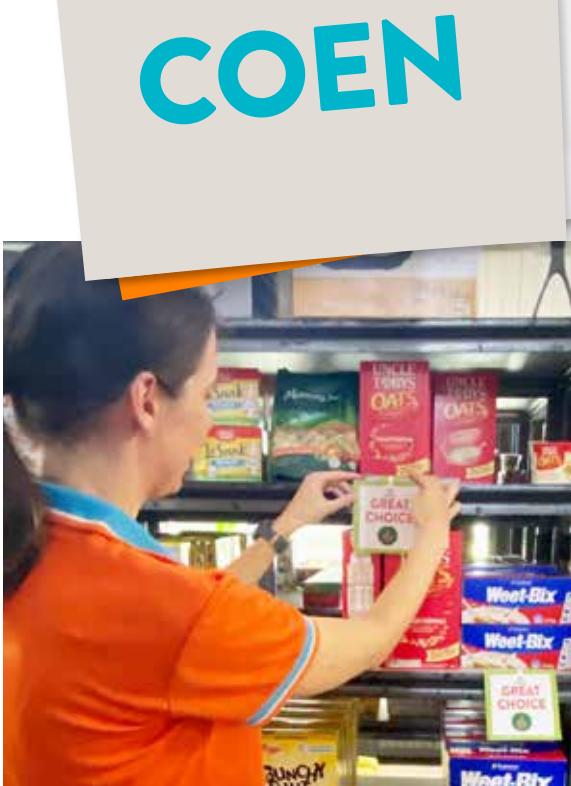
AURUKUN DAY

Apunipima's community staff use this opportunity each year to connect with community members, service providers and local agencies.

Apunipima joined the hive of activity in Aurukun's town square, where there were information displays, games, activities and entertainment provided by the community groups and service providers. The local kids queued to try their luck on the mechanical bull ride. The enormous inflatable slide was a big hit, and so was the opportunity to try a 'disguise' at the face painting stall.

Our own Joh Hunt, Acting Primary Health Centre Manager, wowed the community with her culinary skills and took 3rd place in the Annual Damper Making Competition.

COEN



NUTRITIONISTS OF THE FUTURE

Apunipima's 10+ year established relationship with the Queensland University of Technology helps to train nutritionists of the future while bringing fresh ideas to the nutrition team. This year Apunipima hosted 2 final year nutrition and dietetics students. The students experienced an amazing opportunity to work closely with community members in Coen to create resources to encourage healthy eating. The local store now has Great Choice shelf labels, the Mayi Market food delivery boxes have recipe cards and parents of school children are equipped with healthy lunch box ideas. A big thank you to QUT students, Clare Perrett and Rachel Willims, and the community members in Coen.



APUNIPIMA OPENS HEALTH CENTRE

Atharpuch Family Health Centre in Kowanyama official opening took place on Tuesday 22nd June 2021. This is Apunipima Cape York Health Council's (Apunipima) third purpose built facility in Cape York. Over the last few years Apunipima has opened new facilities in the township of Coen and the community of Aurukun.

The services offered from Atharpuch Family Health Centre will initially focus on maternal child health, allied health and health promotion and prevention programs such as Tackling Indigenous Smoking, Core of Life. Apunipima will also deliver social emotional wellbeing activities through our Men's Support programs. Apunipima will continue to work with the Kowanyama Health Action Team as the clinic is established in the coming months,

to determine health priorities and assess service delivery needs into the future.

Key to the design and layout of the building was the consultation process. Extensive feedback was sought from key stakeholders to ensure that the building is supportive of cultural considerations, while meeting the clinical requirements for modern health service delivery.

Construction of the centre was funded by the Australian government's Rural and Remote Health Infrastructure Project, the same funding used for the previous two projects in Coen and Aurukun.

The construction tender was awarded to H.C. Building and Construction, a company that has extensive experience building in remote communities. Works commenced in

September 2020, and continued through the wet season, the final fit out was completed in late May. Vanessa Deakin, Kuuk Yak woman of the Kuuk Thaayorre Nation of Pormpuraaw, is the community based Primary Healthcare Manager. Vanessa will manage both Atharpuch in Kowanyama and oversee outreach services in Pormpuraaw.

Vanessa said "I want to acknowledge the hard work and enthusiasm of all who were involved in the planning, building and fitout of Atharpuch Family Health Centre. Special recognition must go to our community based Health Action Team who continue to provide feedback from the people of Kowanyama."

Apunipima CEO Debra Malthouse said, "The opening of the Atharpuch Family Health Centre in Kowanyama is a crucial component of Apunipima's commitment towards closing the gap in health for the people of Cape York. There is unquestionable evidence that community driven, community led, culturally appropriate primary health care is key to improving health outcomes for Aboriginal and Torres Strait Islander people. Apunipima will continue to work with the Torres and Cape Hospital and Health Service to ensure that we are collectively able to meet the health needs of the Kowanyama community."



HOPE VALE

10,000 STEP CHALLENGE

The 10,000 Steps Challenge inspired Apunipima staff in Hopevale to form teams consisting of both staff and community members. Led by Lyndell, Georgia and Corrina Gibson, there were 75 people brought together to form 8 teams – to find, gather and motivate so many people to get active and exercise was a fantastic result.

The walkers were all provided with pedometers and shown how to use the steppers on their mobile phones so that they could count their steps in earnest. A

sunset walk was instigated to provide a routine for those that were keen. Georgia monitored every individual to make sure they were logging in and to keep an eye on their progress.

All the efforts from the challengers didn't go unnoticed as the Council could see that a walking track along McIvor Road is now necessary so funding will be provided towards it for those that are looking to continue the 'walks' once the program finishes.

Some local businesses also got on

board and provided sponsorship towards a prize for the winning team. Thanks to Bruce Woibo, Selwyn McIvor, Brakenhurst, Alby Lemon and Bowen Earthmoving who donated a combined \$600 in prizes to the team who reached their goal first.

One of the teams smashed through the 400,000 step mark – awesome effort! To celebrate the efforts of those involved a presentation night of prizes took place on July 20th. Congratulations to all involved and we are sure you are benefitting from your efforts through the program already.



LAURA



QUINKAN DANCE FESTIVAL

Apunipima was once again an event sponsor for one of Cape York's most renowned festivals. Unfortunately, the Laura Dance Festival was postponed in 2020 as a result of COVID-19. However, the much anticipated event, rescheduled to 2021, with reduced ticket numbers. Despite the restrictions on ticket sales, the festival maintained its vibrant atmosphere.

The Quinkan Dance Festival draws visitors from across Australia and provides

Apunipima with a unique opportunity to share our work with the communities of Cape York, and visitors from across the country. Apunipima had a large footprint at the festival and took this opportunity to showcase program areas, including Tackling Indigenous Smoking, Rheumatic Heart Disease, and our Drink More Water programs.

Congratulations to the Kwadi Wimpa Lockhart River Aboriginal Shire Dancers for taking out 1st place.



LOCKHART RIVER



KIDNEY WEEK

In March each year Kidney Health Australia concentrate their efforts to help raise awareness around the importance of Kidney Health and what we can do to ensure our kidneys remain as healthy as possible.

Apunipima's Community Nutrition Team used this week as an opportunity to discuss kidney health with the community members and health staff in Lockhart River. An important strategy for preventing kidney disease is diet related and on, or more accurately, off the menu is salt. The team shared ways to reduce overall salt intake and where to find the hidden salt we eat.

Apunipima's community dietitians celebrated healthy kidney week in Lockhart River with a store stand and session with the clinic staff. This was a good opportunity to discuss the amount of hidden salt we eat and how reducing salt intake can help sick kidneys.

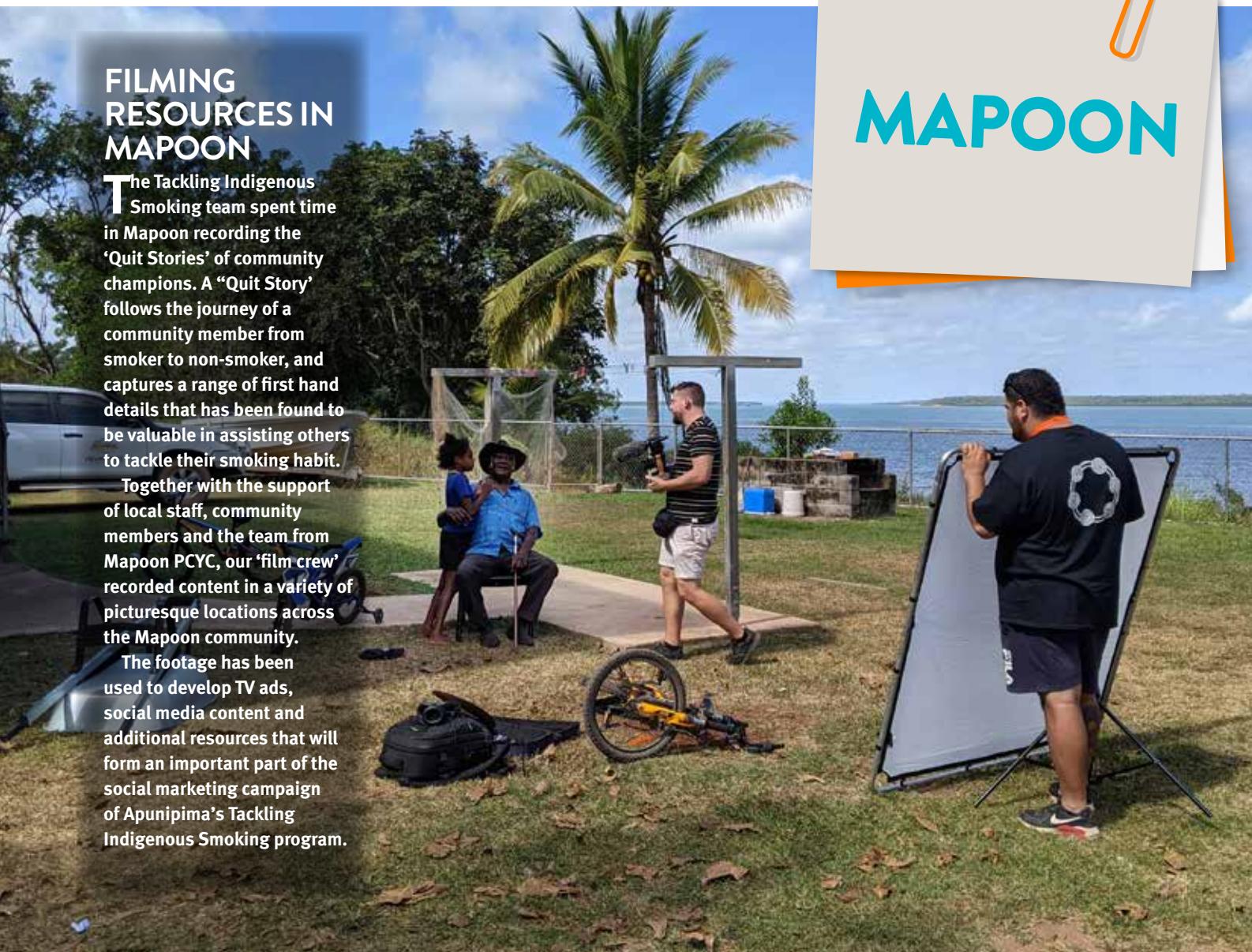
FILMING RESOURCES IN MAPOON

The Tackling Indigenous Smoking team spent time in Mapoon recording the 'Quit Stories' of community champions. A "Quit Story" follows the journey of a community member from smoker to non-smoker, and captures a range of first hand details that has been found to be valuable in assisting others to tackle their smoking habit.

Together with the support of local staff, community members and the team from Mapoon PCYC, our 'film crew' recorded content in a variety of picturesque locations across the Mapoon community.

The footage has been used to develop TV ads, social media content and additional resources that will form an important part of the social marketing campaign of Apunipima's Tackling Indigenous Smoking program.

MAPOON



MOSSMAN GORGE

FAMILY FUN DAY

The Community of Mossman Gorge celebrated Aboriginal and Torres Strait Islander Children's Day with community organisations. The theme of the day was very close to our hearts, 'Say No to Tobacco.'

The days' activities provided an ideal opportunity for teams from our Mossman Gorge Centre and members of our Health team to coordinate activities with the kids and families of the Gorge. The children and a few grown-ups enjoyed face painting, hand painting, colouring in, and ball games. Each activity was a fun way to share the health message of the day, 'Say No to Tobacco'.



RHD TEAM IN NAPRANUM

Rheumatic Heart Disease (RHD), is a serious disease damaging hearts in our Cape York communities. Although serious, RHD is 100% preventable and Apunipima's RHD Prevention Project is working to create awareness and decrease cases in community. The Project, which focuses in Kowanyama and Napranum, began in 2019 and is funded until June 2022 under the Department of Health's, Rheumatic Fever Strategy.

In order to increase awareness of RHD, the Project Team deliver community sessions with groups such as Women's groups, PCYCs and schools. These sessions provide an overview of Acute Rheumatic Fever (ARF)/ RHD, their link to Strep A bacteria and important prevention methods.

Recently in Napranum, the RHD team delivered a session with the Women's

group at Kuku'nathi Services. This session incorporated a towel branding activity to highlight the importance of regularly washing towels, bedding and clothes as a way to prevent ARF/RHD. The team has also delivered education sessions with Western Cape College students in Weipa, with activities such as 'glow germ' to highlight the link between personal hygiene, Strep A and heart health.

There's been a lot of other RHD activity in Napranum this year, with community members also getting involved in the development of social marketing materials to raise awareness around ARF/RHD. Our PHC Centre staff have also participated in RHD in-services, where the Project Team is available to offer support to anyone interested - through the provision of workshops, online modules and RHD resources.

Napranum has been one of two communities in Cape York to benefit from a project funded under the Department of Health's, Rheumatic Fever Strategy. The RHD team has been working with a range of community groups in Napranum, including the Women's group at Kuku'nathi Services. Sessions were designed to share ways to prevent Acute Rheumatic Fever (ARF) and RHD. The RHD team also worked with the students at Cape College in Weipa, to highlight the link between personal hygiene, Strep A and heart health.



SEXUAL HEALTH IN PORMPURAAW

In March 2021, community organisations working in Pormpuraaw collaborated to hold a sexual health forum for youth. This initiative collaboration, led by the Pormpuraaw Community Justice Group, with RISE, Queensland Government Remote Youth Justice, Queensland Health, Queensland Police Service, RFDS and Apunipima, provided two days of engaging yarns, activity-based learning activities and

meals for youth. Forum participants learnt about trust and respect with their peers and potential partners through activity-based learning activities and during sexual health yarns. Participants also learnt about safer sex, consent, implications of STIs and treatment.

At the end of the forum, participants were invited to partake in anonymous sexual health surveys which contribute to a national

sentinel surveillance network to inform Aboriginal Medical Services, like Apunipima, on continuous quality improvements related to sexual health clinical care. Participants also provided feedback on sexual health resources developed from the recent sexual health promotion project, Young, Healthy and Safe, which was funded through the North Queensland Aboriginal and Torres Strait Islander STI Action Plan 2016-2021.

WUJAL WUJAL

CHILD PROTECTION WEEK

Across the road from the Wujal Local Store, in the shade of an ancient mango tree, Apunipima's Child Health Nurse Kerri-Anne and Child Health Worker Alice spent an afternoon with more than 25 community members.

Children, parents and grandparents enjoyed playing games and solving puzzles while sharing yarns about health, family, community and culture. The afternoon was held to acknowledge Child Protection Week.

The bubble machine was a particular favourite and kept everyone entertained, watching the kids chase bubbles.



OUR HEALTH IN OUR HANDS



My Health Participants say they have made many significant changes because of the program

- "I have got back to walking and fishing more regularly"
- "The program is a new way of thinking about health goals... smaller goals"
- "I'm drinking more water now"
- "Since doing more regular walking – my poor sleep and back pains have improved"
- "I have been planning how long to stay at a social event, to help my alcohol intake choices"
- "I've been thinking more about what I buy so that the foods at home are more healthy"
- "I've been talking more with my family and friends about food choices and exercise"
- "I'm having better snack choices at work"
- "I've been cutting down my smokes a lot, and I'm feeling less breathless"
- "Been thinking more about what I'm putting into my mouth"
- "I'm making sure water is in the fridge all the time at home, and I'm noticing all of family are drinking water more"
- "Been encouraging my grand-kids to eat vegetables, talking about 'like spearing the fish' to pick up corn and peas!"

MY HEALTH FOR LIFE GROUPS INSPIRE

My Health for Life is a six session Healthy Lifestyle Program designed to support individuals to set and work towards their own personal health goal. We chat about Healthy Lifestyle topics including moving more, healthy eating, healthy weight, safe alcohol intake, quitting smoking and coping well. Individuals choose a realistic personal health goal for themselves, and are supported by facilitators and other group participants, through stages of behaviour change.

During 2020-2021 the program has continued to be delivered for interested groups and workplaces in Cape York communities. Programs have included Hope Vale Apunipima staff, Coen Women's group, Napranum Council staff, and Napranum PCYC staff.

It has been great to work together across Apunipima teams more to deliver the program, particularly with Jana Booy (Health Promotion Officer TIS) co-delivering with Sue Charlesworth (My Health For Life Project Officer) in Napranum. We hope to extend facilitator participation in future programs.

Participants enjoy the personalised, self-design of their health goals; and talking more openly with others about the real challenges of making healthy choices.



TACKLING INDIGENOUS SMOKING

Smoking is a significant contributor to poor health in Cape York. Our Tackling Indigenous Smoking (TIS) program aims to improve health outcomes of Cape York communities by delivering strategies that prevent the uptake of tobacco smoking and supporting people to quit.

To achieve this, the TIS team runs activities and community education sessions, facilitate the creation of supportive environments, social media and marketing campaigns, and increases access to Quit support. These, all with a particular focus on young people and pregnant women and their families. The program began in 2008 and is funded through the federal Department of Health until June 2022.

The TIS Team have enjoyed another busy year of engaging with the Cape York communities in order to spread the smoking cessation message. The TIS Team use a

variety of opportunities to engage and connect with our communities. This can be through women's and men's groups, PCYC's, schools, sporting and other community events. A memorable event over the last year was the Pormpuraaw Youth Summit. Our team partnered with community members to play football and take part in the Colour Run - it is all part of a day's work!

Our team take learning and development very seriously and are always keen to participate in training opportunities. This year the TIS team took part in Quitskills training, a three day Nationally Recognised training program designed to increase skills, knowledge and confidence to assess and discuss smoking behaviours with Aboriginal and Torres Strait Islander people. We hope to offer this training shortly to other Apunipima programs and clinical staff to increase quit skills capacity across the organisation.

We also had significant social media and marketing achievements throughout the year that directly increased our reach and brand recognition. We expanded our media presence into radio and television for the first time. We were working in partnership with community members and champions to develop the new content that now features on regional television and radio.

We are thrilled with the look of our new vehicles hitting the Cape. Wrapped in custom artwork that continues to spread the important TIS messaging "Don't Make Smokes Your Story"



TIS Team members Quinlyn and Errol with community members and participants at this year's Pormpuraaw Youth Summit.

OUR PEOPLE



OUR WORKFORCE STILL LEADS THE WAY

215
EMPLOYEES

ORGANISATIONAL
ESTABLISHMENT OF
267 POSITIONS

52% IDENTIFY AS
ABORIGINAL & OR TORRES
STRAIT ISLANDER

27% OF OUR
EMPLOYEES
ARE BASED IN
COMMUNITY

Apunipima remains one of the largest Aboriginal Community Controlled Health Organisation in Queensland, with an organisational establishment of 267 positions which provide primary health care services to 11 discrete Aboriginal communities in Cape York. The representation of Aboriginal and/or Torres Strait Islander employees remained stable at 52%, with 51% of leadership positions being occupied by employees who identify as Aboriginal and/or Torres Strait Islander. Apunipima remains focused on the employment and capacity building of Cape York people with 27% of our employees living and working in community. The other 73% of the workforce a combination of Cairns based and fly in, fly out employees. Apunipima promotes gender equality in the workplace and has a workforce

comprised of 73% female employees. With 38% of the Workforce aged under 40 years and opportunities for career progression, Apunipima is well positioned to maintain a skilled and culturally appropriate workforce into the future.

Apunipima employees continued to receive benefits such as opportunities for professional development, salary packaging, access to the Employee Assistance Program, flexible working arrangements and remuneration above the Modern Awards.

Negotiations for a replacement enterprise agreement for the Apunipima Cape York Health Council Aboriginal Corporation Enterprise Agreement commenced in May 2021 and are currently in progress. The bargaining parties include Apunipima, 5 registered trade unions and 6 employee representatives.

LEARNING AND DEVELOPMENT

The Learning and Development Team has had some staff changes that has seen a new coordinator joining the team and two of our educators moving into other positions within the organisation. Although the loss of these experienced educators is disappointing, it has afforded us an opportunity to adjust an educator position to incorporate the facilitation of professional and organisational development. Despite a reduced team, we have continued to embrace available technology, along with more traditional training delivery methods, and currently have 35 staff members enrolled into accredited training, with 8 having completed their qualifications; and numerous others completing non-accredited training. Apunipima has also strengthened its relationship with TAFE Queensland and CQ University in order to offer a range of training options to our staff.

GROWING OUR OWN

The Senior Management Team and the Board have approved 'Growing our Own', which is an organisational learning and development strategy promoting the growth of workforce capability and building toward the future. The first stage of Growing our Own has been to establish and implement a traineeship program for entry level positions within the organisation, which includes a focused recruitment campaign to attract young and/or unskilled Aboriginal and/or Torres Strait Islanders. There are also plans afoot for Apunipima to host 3 school based trainees at various locations within the organisation.

LOGIQC ROLL OUT

The Learning and Development Team, along with Quality, were integral to the roll out of LogiQC, and valuable contributions from Patricia Crowe, Kylie Fogarty and Roberta Newton need to be recognised for a job well done.

AUSMED FOR APUNIPIMA

An exciting addition to Learning and Development's future 'armoury' is the approval of a dedicated health industry specific learning platform – Ausmed. This will allow us to streamline many of our processes and reports and enhance the experience of learning.



OUR RESEARCH

MAKING A DIFFERENCE FOR FAMILIES AND COMMUNITIES

In partnership with our communities, lead a research agenda which improves health and wellbeing outcomes for Aboriginal and Torres Strait Islander People, empowers people to reach their full potential and strengthens research and research capacity. For the period 1st July 2020 to 30th June 2021 Apunipima was involved in 19 research projects.

 THE UNIVERSITY
OF QUEENSLAND
AUSTRALIA

**COLLABORATION WITH
UNIVERSITY OF QUEENSLAND**

CRE Aboriginal Sexual Health & Blood Borne Viruses - Improving surveillance infrastructure for Indigenous primary health care (ATLAS+).

Aim: Undertake the site engagement and technical development required to expand the reach of the existing ATLAS surveillance network; Strengthen and support CQI activities associated with ATLAS report; Provide capacity building opportunities for Indigenous data scientists; Implementation of a precision public health approach to eliminate STIs, control of HIV and inform on other BBVs in regional Australia.



 THE UNIVERSITY OF
MELBOURNE

**COLLABORATION WITH
UNIVERSITY OF MELBOURNE**

Can Flash Glucose monitoring improve blood glucose management in Indigenous Australians with Type 2 Diabetes.

Aim: To assess the effects of using flash glucose monitoring on (i) haemoglobin A1c (HbA1c) and (ii) achieving blood glucose targets and reducing low blood glucose (hypoglycaemic) episodes; and (iii) to determine whether this strategy is cost effective in an Australian Indigenous health setting.



PARTNERSHIP WITH THE UNIVERSITY OF WESTERN AUSTRALIA.

Validation of the Kimberley Mums' Mood Scale (KMMS).

Aim: For the last three years Apunipima has been working in partnership with the University of Western Australia testing a tool to see levels of anxiety and depression in Aboriginal and/or Torres Strait Islander women during and post pregnancy in the Kimberley and Cape York. This tool was considered more appropriate for Aboriginal and Torres Strait Islander women taking into consideration the best way to socially and culturally engage based on their needs. The KMMS has now been validated and accepted as the tool of choice to measure postnatal depression for Aboriginal and/or Torres Strait Islander Mums in Cape York replacing the Edinburgh scale that has been in use since the 1980's. An example of translation of research findings into informing policy, practice and service delivery.

**APUNIPIMA
RESEARCH PROJECT**
Telehealth use in Cape York
Communities response to COVID-19
travel restrictions.

Aim: to identify challenges & benefits of Telehealth services and build framework for introduction of a structured approach to Telehealth in Cape York .



PARTNERSHIP WITH SOUTH AUSTRALIAN HEALTH AND MEDICAL RESEARCH INSTITUTE (SAHMRI)

'Our service too!' - Strengthening the uptake and quality of primary health care for Aboriginal and/or Torres Strait Islander adolescents.

Aim: to improve the uptake and quality of primary health care for Indigenous adolescents focusing on three key groups (adolescents not accessing services, young parents, and those with chronic disease)

FINANCIALS

Statement of comprehensive income

For the year ended 30 June 2021

| | Note | 2021 | 2020 |
|---|------|-------------------|-------------------|
| | | \$ | \$ |
| Income | | | |
| Recurrent grants and operating revenue | 5a | 32,813,966 | 35,015,596 |
| Net gain on sale of property, plant and equipment | | 2,073 | - |
| | | <u>32,816,039</u> | <u>35,015,596</u> |
| Expenses | | | |
| Clinical supplies | | 240,159 | 222,799 |
| Computer expenses | | 405,522 | 377,207 |
| Conference and meeting expenses | | 27,604 | 25,149 |
| Consultants and professional services | | 203,382 | 322,883 |
| Electricity | | 138,683 | 168,760 |
| Employee expenses | | 21,983,583 | 23,801,634 |
| Governance | | 214,235 | 201,709 |
| Grants repaid | 5c | 438,996 | 424,975 |
| Health promotion resources | | 526,719 | 233,357 |
| Motor vehicle expenses | | 255,567 | 286,994 |
| Office supplies | | 80,238 | 101,593 |
| Recruitment and relocation | | 284,352 | 158,485 |
| Rent | | 66,414 | 93,453 |
| Repairs and maintenance | | 419,537 | 260,012 |
| Staff training | | 297,611 | 314,282 |
| Telephone and fax | | 960,118 | 925,015 |
| Travel and accommodation | | 3,430,067 | 4,370,121 |
| Other expenses | 6 | 1,127,652 | 851,411 |
| | | <u>31,100,439</u> | <u>33,139,839</u> |
| Results from operating activities | | <u>1,715,600</u> | <u>1,875,757</u> |
| Finance income | | 106,525 | 155,638 |
| Finance costs | | (149,796) | (176,372) |
| Net finance costs | | <u>(43,271)</u> | <u>(20,734)</u> |
| Results from operating activities after finance income | | <u>1,672,329</u> | <u>1,855,023</u> |
| Depreciation – Property, plant and equipment | 9 | (496,846) | (606,051) |
| Depreciation – Right-of-use assets | 10 | (1,034,234) | (895,485) |
| Net surplus before tax | | <u>141,249</u> | <u>353,487</u> |
| Income tax expense | | - | - |
| Net surplus before capital grant revenue | | <u>141,249</u> | <u>353,487</u> |
| Capital grant revenue | 5b | 2,672,060 | 633,474 |
| Total comprehensive income | | <u>2,813,309</u> | <u>986,961</u> |

This statement should be read in conjunction with the notes to the financial statements.

Statement of financial position

As at 30 June 2021

| | | 2021 | 2020 |
|---|------|-------------------|-------------------|
| | Note | \$ | \$ |
| Assets | | | |
| Cash and cash equivalents | 7 | 15,224,465 | 15,186,240 |
| Trade and other receivables | 8 | 2,537,642 | 1,543,940 |
| Prepayments | | 589,239 | 289,542 |
| Total current assets | | <u>18,351,346</u> | <u>17,019,722</u> |
| Deposits - rental bond | 8 | 15,583 | 15,583 |
| Property, plant, equipment and work in progress | 9 | 8,264,671 | 5,863,395 |
| Right-of-use assets | 10 | 3,747,346 | 4,812,398 |
| Total non-current assets | | <u>12,027,600</u> | <u>10,691,376</u> |
| Total assets | | <u>30,378,946</u> | <u>27,711,098</u> |
| Liabilities | | | |
| Trade and other payables | 12 | 3,494,423 | 3,808,915 |
| Contract liability | 13 | 3,918,267 | 3,266,069 |
| Unexpended grant liability | 14 | 4,814,425 | 4,640,759 |
| Lease liabilities | 15 | 1,069,901 | 1,190,737 |
| Provisions | 17 | 272,609 | 413,128 |
| Total current liabilities | | <u>13,569,625</u> | <u>13,319,608</u> |
| Lease liabilities | 15 | 3,030,310 | 3,676,623 |
| Provisions | 17 | 604,490 | 353,655 |
| Total non-current liabilities | | <u>3,634,800</u> | <u>4,030,278</u> |
| Total liabilities | | <u>17,204,425</u> | <u>17,349,886</u> |
| Net assets | | <u>13,174,521</u> | <u>10,361,212</u> |
| Equity | | | |
| Retained surplus | 18 | 6,417,140 | 2,858,733 |
| Reserves | 18 | 6,757,381 | 7,502,479 |
| Total equity | | <u>13,174,521</u> | <u>10,361,212</u> |

This statement should be read in conjunction with the notes to the financial statements.

Statement of changes in equity

For the year ended 30 June 2021

| | Note | Restricted Medicare funds | Standard reserve | Capital reserve | Retained surplus | Total equity |
|--|------|---------------------------------|---------------------|--------------------|---------------------|-----------------|
| | | \$ | \$ | \$ | \$ | \$ |
| Attributable to owners of the Company | | | | | | |
| Balance at 1 July 2019 | | 460,662 | - | 6,634,096 | 1,832,892 | 8,927,650 |
| Adjustment on initial application AASB15 and AASB1058 | | - | - | - | 446,601 | 446,601 |
| Adjusted balance 1 July 2019 | | 460,662 | - | 6,634,096 | 2,279,493 | 9,374,251 |
| Total comprehensive income | | | | | | |
| Net surplus | | - | - | - | 986,961 | 986,961 |
| Other comprehensive income | | - | - | - | - | - |
| Total comprehensive income | | - | - | - | 986,961 | 986,961 |
| Transfers to/from reserves | 18b | 500,000 | 678,422 | (770,701) | (407,721) | - |
| Balance at 30 June 2020 | | 960,662 | 678,422 | 5,863,395 | 2,858,733 | 10,361,212 |
| Balance at 1 July 2020 | | 960,662 | 678,422 | 5,863,395 | 2,858,733 | 10,361,212 |
| Total comprehensive income | | | | | | |
| Net surplus | | - | - | - | 2,813,309 | 2,813,309 |
| Other comprehensive income | | - | - | - | - | - |
| Total comprehensive income | | - | - | - | 2,813,309 | 2,813,309 |
| Transfers to/from reserves | 18b | - | (378,547) | (366,551) | 745,098 | - |
| Balance at 30 June 2021 | | 960,662 | 299,875 | 5,496,844 | 6,417,140 | 13,174,521 |

This statement should be read in conjunction with the notes to the financial statements.

Statement of cash flows

For the year ended 30 June 2021

| | | 2021 | 2020 |
|---|------|-------------------|-------------------|
| | Note | \$ | \$ |
| Cash flows from operating activities | | | |
| Cash receipts from funding bodies | | 34,763,413 | 33,466,874 |
| Cash receipts from customers | | 1,458,149 | 1,731,363 |
| Cash paid to suppliers and employees | | (34,627,400) | (33,265,855) |
| Cash generated from operating activities | | 1,594,162 | 1,932,382 |
| Interest received | | 106,525 | 155,638 |
| Net cash from operating activities | 20 | 1,700,687 | 2,088,020 |
| Cash flows from investing activities | | | |
| Proceeds from sale of property, plant and equipment | | 2,500 | - |
| Capital grants received | | 2,332,000 | 4,828,601 |
| Acquisition of property, plant and equipment | | (3,020,194) | (692,332) |
| Net cash from/(used in) investing activities | | (685,694) | 4,136,269 |
| Cash flows from financing activities | | | |
| Payment of lease liabilities | | (976,768) | (981,805) |
| Net cash used in financing activities | | (976,768) | (981,805) |
| Net increase in cash and cash equivalents | | 38,225 | 5,242,484 |
| Cash and cash equivalents at 1 July | 7 | 15,186,240 | 9,943,756 |
| Cash and cash equivalents at 30 June | 7 | 15,224,465 | 15,186,240 |

This statement should be read in conjunction with the notes to the financial statements.

Notes to the financial statements

1 Reporting entity

Apunipima Cape York Health Council Limited (the "Company") is domiciled and incorporated in Australia. The Company's registered office is at 186 - 192 McCoombe Street, Cairns QLD 4870. The Company is a not-for-profit entity and primarily is involved in the coordination and delivery of health services throughout the Cape York Peninsula region.

2 Basis of accounting

a Statement of compliance

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures adopted by the Australian Accounting Standards Board ("AASB") and the *Australian Charities and Not-For-Profits Commission Act 2012*.

These financial statements are the first general purpose financial statements prepared in accordance with Australian Accounting Standards – Simplified Disclosures. In the prior year the financial statements were general purpose financial statements prepared in accordance with the Australian Accounting Standards – Reduced Disclosure Requirements (RDR).

As permitted by AASB 1053 *Application of Tiers of Australian Accounting Standards* and AASB 2021-1 *Amendments to Australian Accounting Standards – Transition to Tier 2: Simplified Disclosures for Not-for-Profit Entities*, comparative information is not provided for those disclosures that the Company had not previously made in the notes of its general purpose financial statements prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements.

Because the Company is a not-for-profit entity and Australian Accounting Standards include requirements for not-for-profit entities which are inconsistent with International Financial Reporting Standards ("IFRSs") to the extent these inconsistencies are applied, the financial statements of the Company do not comply with IFRSs adopted by the International Accounting Standards Board. The main impact is the timing of the recognition of grant income.

The financial statements were authorised for issue by the Board of Directors on the date shown on the directors' declaration.

b Basis of measurement

The financial statements have been prepared on the historical cost basis.

c Functional and presentation currency

These financial statements are presented in Australian dollars, which is the Company's functional currency.

d Use of judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- *Revenue – Note 5*
- *Depreciation of property, plant and equipment – Note 9*

- *Provisions – Note 17*
- *Leases – Note 4k*

Assumptions and estimation uncertainties

Management is not aware of any assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year.

Management have considered the potential financial implications and other risks arising from COVID-19 and have determined that there is no substantial impact on the financial statements. COVID 19 restricted travel into communities and thus impacted the ability to provide face to face services in some instances and therefore certain expenses were lower than budgeted. This impacted on the amount of grant funding unexpended being greater at year end.

e Economic dependency and going concern

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

The Company is a not-for-profit entity and is reliant on government funding in order to continue its operations. Management has no reason to believe that the required funding will not be forthcoming for the foreseeable future. However, should future government funding be significantly reduced or curtailed, the Company would be unlikely to be able to continue its operations at current levels.

f Comparatives

Comparative information has been restated where necessary to be consistent with disclosures in the current reporting period.

3 Changes in standards and significant accounting policies

Standards issued but not yet effective

A number of new standards and amendments to standards are effective for annual periods beginning on or after 1 July 2021, and have not been applied in preparing these financial statements, except for as detailed below. The Company has not yet assessed the impact of these new or amended standards, although it is not expected to be significant. Except for as detailed below the Company does not plan to adopt these standards early.

New and amended standards adopted

The Company has adopted all the amendments to Australian Accounting Standards issued by the AASB which are relevant to, and effective for, the Corporation's financial statements for the annual period beginning 1 July 2020.

The Company also elected to early adopt the following standard and amendments:

- *AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities; and*
- *AASB 2021-1 Amendments to Australian Accounting Standards – Transition to Tier 2: Simplified Disclosures for Not-for-Profit Entities.*

The above standard and amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Accounting for Cloud Computing or Software as a Service (SaaS) arrangements

The International Financial Reporting Standards Interpretations Committee (IFRIC) has issued two final agenda decisions which impact Software-as-a-Service (SaaS) arrangements:

- *Customer's right to receive access to the supplier's software hosted on the cloud* (March 2019) – this decision considers whether a customer receives a software asset at the contract commencement date or a service over the contract term; and

- *Configuration or customisation costs in a cloud computing arrangement* (April 2021) – this decision discusses whether configuration or customisation expenditure relating to SaaS arrangements can be recognised as an intangible asset and if not, over what time period the expenditure is expensed.

The adoption of the above agenda decisions has not resulted in a reclassification or change in amounts recognised in the statement of comprehensive income or statement of financial position, in either the current or prior period presented.

The new accounting policy is set out below:

Software-as-a-Service (SaaS) arrangements

SaaS arrangements are service contracts providing the Company with the right to access the cloud provider's application software over the contract period. As such the Company does not receive a software intangible asset at the contract commencement date. A right to receive future access to the supplier's software does not, at the contract commencement date, give the Company the power to obtain the future economic benefits flowing from the software itself and to restrict others' access to those benefits.

4 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except for the change in accounting policies explained in Note 3.

a Revenue

Revenue arises mainly from Medicare claims.

Revenue from contracts with customers is recognised by reference to each distinct performance obligation in the contract with the customer. Revenue from contracts with customers is measured at its transaction price, being the amount of consideration which the Company expects to be entitled to in exchange for transferring promised goods or services to a customer, net of goods and services tax, returns, rebates and discounts. The transaction price is allocated to each performance obligation on the basis of the relevant standalone selling price of each distinct good or service promised in the contract. Depending on the substance of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time.

The Company recognises other revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognised for the major business activities using the methods outlined below.

Medicare income

Medicare claims are recognised at a point in time upon completion of the performance obligation of the Medicare consultation.

Contract balances

Contract assets are recognised when the Company has transferred goods or services to the customer but where the Company is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

Contract liabilities represent the Company's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Company recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Company has transferred the goods or services to the customer.

b Grants and other contributions

Grants under AASB 15

Grants (other than certain capital grants) are accounted for under AASB 15 where the grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations. Typically grant agreements relate to the provision and coordination of primary health care services. As such, the revenue is recognised over time, using the costs incurred method, when each performance obligation is satisfied.

Grants under AASB 1058

Other grants, including certain capital grants, are generally accounted for under AASB 1058.

The timing of income recognition under AASB 1058 is dependent upon whether the transaction gives rise to a liability or other performance obligation at the time of receipt. Income under the standard is recognised where:

- an asset is received in a transaction, such as by way of grant, bequest or donation;
- there has either been no consideration transferred, or the consideration paid is significantly less than the asset's fair value; and
- the intention is to principally enable the entity to further its objectives.

Assets arising from grants in the scope of AASB 1058 are recognised at the assets' fair values when the assets are received. Any related liability or equity items associated with the asset are recognised in accordance with the relevant accounting standard. Once the asset and any related liability or equity items have been recognised, then income is recognised for any remaining asset value at the time the asset is received.

For transfers of financial assets (usually cash and/or a receivable) to the Company which enable it to acquire or construct a recognizable non-financial asset, a liability is recognised for the excess of the fair value of the transfer received over any related amounts recognised. Related amounts recognised may relate to contributions by owners, AASB 15 revenue or contract liability recognised, lease liabilities in accordance with AASB 16, financial instruments in accordance with AASB 9, or provisions in accordance with AASB 137. The liability is brought to account as income over the period in which the Company satisfies its performance obligation.

c Finance income and finance costs

Finance income and finance costs include interest income and interest expense. Interest expenditure solely relates to the interest incurred on lease liabilities. Interest income or expense is recognised using the effective interest method.

d Employee benefits

i Short-term benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

iii Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in expenses in the period in which they arise.

iv Termination benefits

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognises costs of restructuring. If the benefits are not expected to be settled wholly within 12

e Income tax

The Company has been granted exemption from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

f Property, plant and equipment

i Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in income or expenses.

ii Subsequent expenditure

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii Depreciation

Depreciation is calculated to write off the cost of property, plant and equipment less their estimated residual values using the straight line basis over their estimated useful lives and is generally recognised in expenses. Land is not depreciated.

The estimated useful lives of property, plant and equipment are as follows:

- Buildings 20 years
- Health and medical equipment 5 years
- Computer and electronic equipment 3-5 years
- Office furniture and fittings 3-5 years
- Motor vehicles 3 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

g Work in progress

The cost of property, plant and equipment in-progress at year end includes all expenditure that is directly attributable to the construction of the asset.

h Financial instruments

i Recognition, initial measurement and derecognition

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset, unless it is a trade receivable without a significant financing component, or a financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards of ownership are transferred.

A financial liability is derecognised when its contractual obligations are discharged, cancelled or expire.

ii Classification and subsequent measurement

Financial assets

For the purpose of subsequent, financial assets are classified into the following categories upon initial recognition:

- amortised cost
- fair value through profit or loss
- equity instruments at fair value through other comprehensive income
- debt instruments at fair value through other comprehensive income

Classifications are determined by both:

- the Company's business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance income, finance costs or other financial items, except for impairment of trade receivables which is presented within other expenses.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows, and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Company has determined that all of its financial assets fall within the amortised cost category.

Financial liabilities

For the purpose of subsequent measurement, financial liabilities are classified as measured at amortised cost or fair value through profit or loss. A financial liability is classified as fair value through profit or loss if it is held-for-trading. Other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The company has only financial liabilities classified as measured at amortised cost.

i Impairment

i Non-derivative financial assets

Financial assets

The Company uses forward looking information to recognise expected credit losses – the 'expected credit losses (ECL) model'. Instruments within the scope of the new requirements include loans and trade receivables.

The Company considers a broad range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial assets that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- financial assets that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial asset.

Trade and other receivables

The Company makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Company assesses impairment of trade receivables on a collective basis as they possess credit risk characteristics based on the days past due. The Company does not allow for write off of Government grants receivable and Medicare Health Care receivables, as a default has never occurred. The Company has assessed the trade receivables as at 30 June 2021 and has determined that no impairment is required at that date.

ii Non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. As the Company is a not-for-profit entity, value in use is the written down current replacement cost of an asset as the future economic benefits of the asset are not primarily dependent on the asset's ability to generate net cash inflows and as the entity would, if deprived of the asset, replace its remaining future economic benefits.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount.

Impairment losses are recognised in expenses.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

j Provisions

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance costs.

k Leases

Estimates and judgements

Contracts relating to property leases did not include an implicit interest rate. Under AASB 16 paragraph 26 where it is not possible to determine the implicit interest rate for a lease contract, the entity should determine the incremental borrowing rate with reference to the term of the lease, security, type of asset and economic environment. Property leases have been segregated into categories based on the lease term and location of the property which is considered reflective of the security and the ability to lease to another party. The following incremental borrowing rates have been applied:

| | |
|--|-------|
| Cairns property | 3.17% |
| Cape York properties with remaining lease term of 1 – 5 years | 3.03% |
| Cape York properties with remaining lease term of 5 – 10 years | 3.17% |
| Cape York properties with remaining lease term of 10+ years | 3.50% |

i Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease or as at 1 July 2019 on transition to AASB 16. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability adjusted for, as applicable, lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and an estimate of costs expected to be incurred for dismantling and removing the underlying asset and restoring the site.

Depreciation

Depreciation is recognised on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the entity expects to obtain ownership of the leased asset at the end of the lease

term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

ii **Lease liability**

A lease liability is recognised at the commencement date of a lease, or as at 1 July 2019 on transition to AASB16. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the entity's incremental borrowing rate.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amount is remeasured if there is a change in the following: future lease payments arising from a change in an index or rate used or lease term.

When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

5 Revenue

| | 2021 | 2020 |
|---|------------------|------------------|
| | \$ | \$ |
| a Recurrent grants and operating revenue | | |
| Recurrent grants received | | |
| AASB15 | | |
| Catholic Health Australia | - | 20,000 |
| Check UP | 3,149,129 | 3,674,103 |
| Department of Children, Youth Justice and Multicultural Affairs | 984,194 | 1,187,766 |
| Department of Health | 17,785,400 | 15,958,231 |
| Diabetes QLD | 166,000 | - |
| Health and Wellbeing Queensland | 40,000 | - |
| Hearing Health Australia | 171,023 | 93,150 |
| James Cook University | 194,692 | 169,138 |
| National Aboriginal Community Controlled Health Organisation | 65,187 | - |
| National Aboriginal and Torres Strait Islander Health Alliance | 688,988 | 688,988 |
| National Disability Insurance Scheme | 225,000 | 225,000 |
| National Health and Medical Research Council | 13,707 | 88,646 |
| National Indigenous Australians Agency | 740,330 | 2,320,989 |
| Northern Queensland Primary Health Network | 548,668 | 653,576 |
| Queensland Corrective Services | 120,000 | 104,596 |
| Queensland Health | 2,490,187 | 2,972,078 |
| Queensland Aboriginal and Islander Health Council | - | 45,000 |
| Royal Australasian College of Physicians | 221,379 | 253,661 |
| South Australian Health and Medical Research Institute | 19,199 | 49,447 |
| Torres and Cape Hospital and Health Service | 3,946,669 | 3,946,669 |
| University of Melbourne | 194,498 | - |
| University of Queensland | 22,651 | - |
| University of Western Australia | - | 77,799 |
| Other small grants | - | 1,900 |
| AASB1058 | | |
| Department of Health | - | 310,000 |
| Johnson & Johnson | - | 70,261 |
| Give to Asia | - | 95,097 |
| National Aboriginal Community Controlled Health Organisation | 141,414 | - |
| National Health and Medical Research Council | 166,823 | - |
| Queensland Aboriginal and Islander Health Council | - | 50,000 |
| Queensland Health | 365,552 | - |
| Other small grants | 61,050 | 900 |
| | <hr/> 32,521,740 | <hr/> 33,056,995 |
| Recurrent grant balances at 1 July | 2,877,090 | 4,324,288 |
| Adjustment on initial application of AASB 15 and AASB 1058 | - | (446,601) |
| Other adjustments | - | (72,432) |
| Grant balances reclassified on application of AASB 15 and AASB 1058 | - | (700,927) |
| Adjusted recurrent grant balances at 1 July | <hr/> 2,877,090 | <hr/> 3,104,328 |
| Recurrent grant balances at 30 June | (4,043,013) | (2,877,090) |
| Total recurrent grant revenue | <hr/> 31,355,817 | <hr/> 33,284,233 |

| | 2021 | 2020 |
|--|-------------------|-------------------|
| | \$ | \$ |
| Operating revenue | | |
| Medicare income | 1,289,898 | 1,553,454 |
| Other | 168,251 | 177,909 |
| Total operating revenue | <u>1,458,149</u> | <u>1,731,363</u> |
| Total recurrent grants and operating revenue | <u>32,813,966</u> | <u>35,015,596</u> |

b Capital grants

Capital grants received

| | | |
|---|------------------|------------------|
| Department of Health – RRHIP Infrastructure | 2,332,000 | 4,665,000 |
| Department of Health – Maintenance program | - | 163,601 |
| | <u>2,332,000</u> | <u>4,828,601</u> |
| Capital grant balances at 1 July | 5,029,738 | 133,684 |
| Grant balances reclassified on application of AASB 15 and AASB 1058 | - | 700,927 |
| | <u>5,029,738</u> | <u>834,611</u> |
| Adjusted capital grant balances at 1 July | (4,689,678) | (5,029,738) |
| Capital grant balances at 30 June | <u>2,672,060</u> | <u>633,474</u> |
| Total capital grant revenue | | |

c Grant funds repaid during the year

| | | |
|--|----------------|----------------|
| Department of Child Safety, Youth and Women | 114,625 | 268,178 |
| Department of Health | 72,762 | 5,245 |
| National Health and Medical Research Council | 5,062 | - |
| Northern Queensland Primary Health Network | 61,698 | - |
| Queensland Health | <u>184,849</u> | <u>151,552</u> |
| | <u>438,996</u> | <u>424,975</u> |

Disaggregation of revenue from contracts with customers

In the table above, revenue from contracts with customers is disaggregated by major sources/types of revenue. All revenue from contracts with customers is derived in the one geographical region – Far North Queensland.

Performance obligations and revenue recognition policies

Revenue from contracts with customers is measured based on the consideration specified in the contracts. Revenue is recognised when control over a good or service is transferred to a customer.

The following provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms and the related revenue recognition policies.

Grants

Grants (other than certain capital grants) are accounted for under AASB 15 where the grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations. As such, the revenue is recognised when each performance obligation is satisfied. The performance obligations are varied based on the requirements under the relevant funding agreements, this typically includes the specified service to be delivered under the grant program. Payment terms also vary depending on the terms of the grant. Cash is received up front for some grants and on the achievement of certain payment milestones for others.

Each performance obligation is considered to ensure that the recognition of revenue reflects the transfer of control. Within funding agreements, there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract. Where control is transferred over time, generally the input methods, being either costs or time incurred, are considered to be the most appropriate methods to reflect the transfer of benefits.

Medicare income

Medicare income is generated through consultations held by General Practitioners employed by Company. Consultations are claimed in accordance with the Department of Health's Medicare Benefits Schedule (MBS). The performance obligation of the service is transferred upon completion of a Medicare consultation. As such the performance obligation is recognised at a point in time and Medicare income is therefore recognised at the point at which a Medicare consultation has been completed. Claims are submitted on a daily basis and generally received within 30 days.

| | 2021 | 2020 |
|--|------|------|
| | \$ | \$ |

6 Other expenses

| | | |
|-----------------------|------------------|----------------|
| Assets under \$5,000 | 341,299 | 280,906 |
| Audit fees | 118,694 | 57,742 |
| Cleaning and supplies | 214,691 | 78,870 |
| Insurance | 188,855 | 153,502 |
| Legal fees | 94,732 | 88,425 |
| Sundry expenses | <u>169,381</u> | <u>191,965</u> |
| | <u>1,127,652</u> | <u>851,410</u> |

7 Cash and cash equivalents

| | | |
|--|-------------------|-------------------|
| Bank balances | 15,224,465 | 15,186,240 |
| Cash and cash equivalents in the statement of cash flows | <u>15,224,465</u> | <u>15,186,240</u> |

8 Trade and other receivables

Current

| | | |
|---------------------------------------|------------------|------------------|
| Deposit - rental bonds | 2,400 | 2,400 |
| Trade receivables | 2,535,242 | 1,541,540 |
| Less: Allowance for impairment losses | - | - |
| | <u>2,537,642</u> | <u>1,543,940</u> |

Non-current

| | | |
|------------------------|---------------|---------------|
| Deposit - rental bonds | <u>15,583</u> | <u>15,583</u> |
|------------------------|---------------|---------------|

Allowance for impairment

The Company has not recognised a loss in respect of the expected credit losses for the year ended 30 June 2021 (2020: nil).

9 Property, plant and equipment

a Reconciliation of carrying amount

| | Land and buildings | Health & medical equipment | Computer & electronic equipment | Office furniture & fittings | Motor vehicles | WIP | Total |
|------------------------------------|--------------------|----------------------------|---------------------------------|-----------------------------|----------------|-------------|-------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Cost | | | | | | | |
| Balance at 1 July 2019 | 5,873,663 | 388,184 | 1,746,329 | 2,185,631 | 2,368,487 | 409,332 | 12,971,626 |
| Additions | 247,184 | | 86,579 | | | 358,569 | 692,332 |
| Disposals | - | - | - | - | - | - | - |
| Transfers between classes | 15,882 | - | - | - | - | (15,882) | - |
| Transfer to P&L | - | - | - | - | - | (30,736) | (30,736) |
| Transfer to ROU asset | - | - | - | - | (1,274,379) | - | (1,274,379) |
| Balance at 30 June 2020 | 6,136,729 | 388,184 | 1,832,908 | 2,185,631 | 1,094,108 | 721,283 | 12,358,843 |
| | | | | | | | |
| Balance at 1 July 2020 | 6,136,729 | 388,184 | 1,832,908 | 2,185,631 | 1,094,108 | 721,283 | 12,358,843 |
| Additions | 59,481 | 40 | 215,832 | 104,206 | - | 2,640,635 | 3,020,194 |
| Disposals | - | - | (299,641) | - | (25,345) | - | (324,986) |
| Transfers between classes | 2,632,646 | 8,750 | 18,729 | - | - | (2,660,125) | - |
| Transfer to P&L | - | - | - | - | - | (12,791) | (12,791) |
| Other changes | - | - | - | - | - | (109,281) | (109,281) |
| Transfer to ROU asset | - | - | - | - | - | - | - |
| Balance at 30 June 2021 | 8,828,856 | 396,974 | 1,767,828 | 2,289,837 | 1,068,763 | 579,721 | 14,931,979 |
| | | | | | | | |
| Depreciation and impairment | | | | | | | |
| Balance at 1 July 2019 | 1,029,038 | 321,370 | 1,591,992 | 2,185,219 | 1,209,911 | - | 6,337,530 |
| Depreciation for the year | 292,427 | 34,320 | 92,655 | 412 | 186,238 | - | 606,052 |
| Disposals | - | - | - | - | - | - | - |
| Transfer to ROU asset | - | - | - | - | (448,134) | - | (448,134) |
| Balance at 30 June 2020 | 1,321,465 | 355,690 | 1,684,647 | 2,185,631 | 948,015 | - | 6,495,448 |
| | | | | | | | |
| Balance at 1 July 2020 | 1,321,465 | 355,690 | 1,684,647 | 2,185,631 | 948,015 | - | 6,495,448 |
| Depreciation for the year | 301,837 | 16,877 | 82,743 | 12,922 | 82,467 | - | 496,846 |
| Disposals | - | - | (299,641) | - | (25,345) | - | (324,986) |
| Transfer to ROU asset | - | - | - | - | - | - | - |
| Balance at 30 June 2021 | 1,623,302 | 372,567 | 1,467,749 | 2,198,553 | 1,005,137 | - | 6,667,308 |
| | | | | | | | |
| Carrying amounts | | | | | | | |
| At 30 June 2019 | 4,844,625 | 66,814 | 154,337 | 412 | 1,158,576 | 409,332 | 6,634,096 |
| At 30 June 2020 | 4,815,264 | 32,494 | 148,261 | - | 146,094 | 721,283 | 5,863,396 |
| At 30 June 2021 | 7,205,554 | 24,407 | 300,079 | 91,284 | 63,626 | 579,721 | 8,264,671 |

b Leasehold improvements

The Company has the following formal tenure in relation to its Health Care Centres.

- Kang Kang Road Aurukun lease expires on 16 June 2044. This is a 40 year lease from the State of Queensland.
- 412 Moun-Ding Street Napranum lease expires on 21 August 2023, and has a two year option. This is leased from Napranum Aboriginal Shire Council.

- 38 Regent Street Coen was purchased by the Company on 31 August 2015.
- Lot 203 Chelikee St Kowanyama lease expires on 30 June 2028. This is a 10 year lease with a 10 year option from Kowanyama Aboriginal Shire Council
- Lot 52 on SP278077 Hudson Street Mapoon QLD lease expires on 8 June 2022. This is a 2 year lease with no options from Mapoon Aboriginal Shire Council
- Lot 4 Kankarr Street Mossman Gorge lease expires on 30 June 2022. This is a 30 month lease with a twelve month option from Bamanga Babu Ngadimunku Aboriginal Corporation.
- Lot 15 Kankarr Street, Mossman Gorge Road, Mossman expires on 30th June 2022. This is a 36 month lease with a twelve month option from Bamanga Babu Ngadimunku Aboriginal Corporation.

There is currently no formal tenure in relation to the capital expenditure incurred in Pormpuraaw however as this Health Care Centre is in the preliminary stages, tenure of the land on which the clinic is to be constructed is expected to be secured prior to construction commencing.

10 Right-of-use assets

Reconciliation of carrying amount

| | Land and buildings | Motor vehicles | Total |
|---|--------------------|------------------|------------------|
| | \$ | \$ | \$ |
| Cost | | | |
| Balance at 1 July 2019 | | | |
| Adjustment on adoption of AASB 16 | 3,917,984 | 1,274,379 | 5,192,363 |
| Additions | 850,620 | 113,034 | 963,654 |
| Disposals | - | - | - |
| Balance at 30 June 2020 | <u>4,768,604</u> | <u>1,387,413</u> | <u>6,156,017</u> |
| Balance at 1 July 2020 | 4,768,604 | 1,387,413 | 6,156,017 |
| Additions | - | - | - |
| Disposals | (17,685) | - | (17,685) |
| Re-measurement, modifications and other changes | 123,819 | - | 123,819 |
| Balance at 30 June 2021 | <u>4,874,738</u> | <u>1,387,413</u> | <u>6,262,151</u> |
| Depreciation and impairment | | | |
| Balance at 1 July 2019 | - | - | - |
| Adjustment on adoption of AASB 16 | - | 448,134 | 448,134 |
| Depreciation for the year | 637,100 | 258,385 | 895,485 |
| Disposals | - | - | - |
| Balance at 30 June 2020 | <u>637,100</u> | <u>706,519</u> | <u>1,343,619</u> |
| Balance at 1 July 2020 | 637,100 | 706,519 | 1,343,619 |
| Depreciation for the year | 787,200 | 247,034 | 1,034,234 |
| Disposals | (5,736) | - | (5,736) |
| Re-measurement, modifications and other changes | 142,688 | - | 142,688 |
| Balance at 30 June 2021 | <u>1,561,252</u> | <u>953,553</u> | <u>2,514,805</u> |
| Carrying amounts | | | |
| At 30 June 2020 | <u>4,131,504</u> | <u>680,894</u> | <u>4,812,398</u> |
| At 30 June 2021 | <u>3,313,486</u> | <u>433,860</u> | <u>3,747,346</u> |

11 Financial Instruments – fair values

Accounting classifications and fair values

The following table shows the carrying amounts of financial assets and financial liabilities. Since all financial assets and financial liabilities are not measured at fair value, i.e. they are measured at amortised cost, the carrying amounts are reasonable approximations of fair value.

| | Carrying amount | |
|---|-------------------|-------------------|
| | 2021 | 2020 |
| | \$ | \$ |
| Financial assets measured at amortised cost | | |
| Cash and cash equivalents | 15,224,465 | 15,186,240 |
| Trade and other receivables | 2,553,225 | 1,559,523 |
| | <u>17,777,690</u> | <u>16,745,763</u> |
| Financial liabilities measured at amortised cost | | |
| Trade and other payables | 3,494,423 | 3,808,915 |
| Lease liabilities | 4,100,211 | 4,867,360 |
| | <u>7,594,634</u> | <u>8,676,275</u> |

12 Trade and other payables

| | | |
|----------------------------|------------------|------------------|
| Trade creditors | 463,249 | 328,463 |
| Accrued expenses | 1,094,612 | 1,593,005 |
| Liability for annual leave | 1,462,796 | 1,555,001 |
| Other creditors | 384,446 | 140,593 |
| QLeave payable | 63,285 | - |
| GST payable | 26,035 | 191,853 |
| | <u>3,494,423</u> | <u>3,808,915</u> |

13 Contract liabilities

| | | |
|------------------------|------------------|------------------|
| Grants carried forward | <u>3,918,267</u> | <u>3,266,069</u> |
| | | |

14 Unexpended grant liability

| | | |
|---|------------------|------------------|
| Capital grants received upfront to construct PHCC | 4,689,678 | 4,640,759 |
| AASB 1058 grants carried forward | 124,747 | - |
| | <u>4,814,425</u> | <u>4,640,759</u> |

15 Lease liabilities

| | 2021 | 2020 |
|--------------------|------------------|------------------|
| | \$ | \$ |
| Current | | |
| Lease liabilities | <u>1,069,901</u> | <u>1,190,737</u> |
| Non-current | | |
| Lease liabilities | <u>3,030,310</u> | <u>3,676,623</u> |

Maturity analysis of future lease payments

Lease liabilities are payable as follows:

| | Future minimum lease payments 2021 | Interest 2021 | Present value of minimum lease payments 2021 | Future minimum lease payments 2020 | Interest 2020 | Present value of minimum lease payments 2020 |
|----------------------------|--|------------------|---|--|------------------|---|
| | | | | | | |
| Less than one year | 1,185,316 | 115,415 | 1,069,901 | 1,336,540 | 145,803 | 1,190,737 |
| Between one and five years | 2,449,402 | 226,054 | 2,223,348 | 2,751,979 | 287,683 | 2,464,296 |
| More than five years | 965,352 | 158,390 | 806,962 | 1,385,156 | 172,829 | 1,212,327 |
| | 4,600,070 | 499,859 | 4,100,211 | 5,473,675 | 606,315 | 4,867,360 |

Leases as lessee

The Company leases a number of buildings. The leases typically run for a period of 2 to 10 years, with an option to renew the lease after that date. Lease payments are renegotiated at the end of the option period to reflect market rentals. Some leases provide for additional rent payments that are based on local price indices. None of the leases include contingent rentals.

The Company also leases a number of motor vehicles. The leases typically run for a period of 2-3 years.

Leases with no formally executed agreement

There is currently no formal tenure in relation to the Wellbeing Centre located at Lot 134 on SP 281317 Thuppi Street Hope Vale and the staff accommodation located at Lot 135 on SP 281317 Thuppi Street Hope Vale. The Company is currently in negotiations with the Hope Vale Aboriginal Shire Council as to the terms of the commercial arrangement. The Company has recognised a right of use asset and lease liability for these property's based on rental assessment of each of the property's undertaken by an independent valuer.

Leases significantly below market terms

The Company has entered into a lease significantly below-market terms with the Department of Health in regards to Kang Kang Rd Aurukun. This lease allows the Company to carry out its program to run primary health care and wellbeing services which are grant funded programs by the Department of Health.

| | 2021 | 2020 |
|--|---------------|---------------|
| | \$ | \$ |
| Expenses relating to short-term leases | <u>99,181</u> | <u>92,389</u> |
| | 99,181 | 92,389 |

16 Employee benefits

The Company makes contributions to defined contribution plans. The amount recognised as an expense was \$1,618,727 for the year ended 30 June 2021 (2020: \$1,768,948).

17 Provisions

| | 2021 | 2020 |
|---------------------------------|----------------|----------------|
| | \$ | \$ |
| Current | | |
| Long service leave | <u>272,609</u> | <u>413,128</u> |
| Non-current | | |
| Long service leave | <u>604,490</u> | <u>353,655</u> |
| Balance at 1 July | 766,783 | 714,471 |
| Provisions made during the year | 159,497 | 126,069 |
| Provisions used during the year | (49,181) | (73,757) |
| Balance at 30 June | <u>877,099</u> | <u>766,783</u> |

Long service leave

The provision for long service leave represents the Company's best estimate of the future benefit that employees have earned. The amount and timing of the associated outflows is uncertain and dependent on employees attaining the required years of services. Where the Company no longer has the ability to defer settlement of the obligation beyond 12 months from the reporting date, liabilities are presented as current. This would usually occur when employees are expected to reach the required years of service in the 12 months from reporting date. The discount rate used to determine the present value of future benefits at 30 June 2021 was 2.10% (2020: 2.08%).

QLeave

As of 1 January 2021 Queensland Community Services Industry workers became eligible to accrue long service leave benefits under the Portable Long Service Leave Scheme (PLSL) run by QLeave. Under the scheme employees are entitled to long service leave benefits based on the length of service to an industry, rather than an employer. The Company has registered all employees and all long service leave entitlements from 1 January 2021 onwards are payable by QLeave.

18 Capital and reserves

a Company limited by guarantee

The Company is a company limited by guarantee. Accordingly, each member of the Company undertakes to contribute to the assets of the Company in the event of it being wound up while that person is a member or within one year after that person ceased to be a member for payment of the debts and liabilities of the Company contracted before that person ceased to be a member and of the costs, charges and expenses of winding up and for adjustment of the rights of the contributors amongst themselves, such amount as may be required, not exceeding \$1.

b Reserves

Effective 30 June 2018, it has been decided to transfer certain amounts from retained surplus to reserves. This is to better disaggregate the composition of the Company's equity which to date has all been disclosed as retained surplus.

i Capital reserve

The capital reserve reflects funds received by the Company which have been spent on capital assets and which have been set aside to cover the depreciation of those assets in future years. Annually the reserve is reduced in line with depreciation incurred on funded assets.

ii **Restricted Medicare funds**

The restricted Medicare funds reflects funds received from Medicare during the 2018 and 2020 financial year which are required to be spent in accordance with Department of Health guidelines and which had not been spent at reporting date. These funds will be spent in future years on community projects.

iii **Standard Reserve**

The standard reserve reflects funds received by the Company which are required to be spent in accordance with the funders' guidelines. These funds had not been spent at reporting date and under AASB 15 Revenue from contracts with Customers and AASB 1058 Income of not-for-profit entities (non-capital) could not be carried forward income. These funds will be spent after reporting date.

19 Commitments

The Company has entered into a funding agreement for capital works with Department of Health, entailing the design, construction and fit-out of primary clinical spaces in Cape York communities, being Kowanyama, Mapoon and Pormpuraaw.

The objectives of the grant are to deliver improved health infrastructure in regional, rural and remote areas and improve regional and remote health outcomes. The three Primary Health Care Centres (PHCC) will be constructed on land secured as follows:

- Kowanyama: The Company and Kowanyama Aboriginal Shire Council have an executed lease agreement over Lot 203 on SP272071, situated on Chellikee Street, Kowanyama QLD, which was acquired on the 2 July 2019
- Mapoon: The Company and Mapoon Aboriginal Shire Council have an executed lease agreement over Lot 52 on SP278077, situated on Hudson Street, Mapoon QLD
- Pormpuraaw: The Company is still negotiating land tenure arrangements with Pormpuraaw Aboriginal Shire Council.

The estimated construction costs total \$7,187,925 which will be funded by grants. The Kowanyama PHCC was completed on 23 June 2021. As at 30 June 2021 grants totalling \$7,130,684 (2021: \$2,332,000 2020: \$4,798,684) had been received, expenditure incurred to date of \$2,750,697 (\$2,435,179 and \$315,518 recognised in property, plant and equipment and WIP respectively) (2020: \$604,816) and expenditure committed to date of \$168,872 in relation to the project.

The company has also signed contracts with other funders, and have incurred expenditure to date of \$268,740 (\$206,173 and \$62,522 recognised in property, plant and equipment and WIP respectively) (2020: \$0). The company has also committed \$76,422 to these contracts.

Additionally, the company has committed to non-capital expenditure of \$125,428 in relation to other grant funded programs.

20 Reconciliation of cash flows from operating activities

| | 2021 | 2020 |
|--|-------------|-----------|
| | \$ | \$ |
| Net surplus | 2,813,309 | 986,961 |
| <i>Adjustments for:</i> | | |
| Capital grants received | (2,332,000) | (633,474) |
| Depreciation | 1,531,080 | 1,501,536 |
| Property, plant and equipment transferred to statement of grant acquittals | 12,791 | 30,736 |
| Impact of transition to AASB 15/AASB 1058 | - | 446,601 |
| Financial liability interest expenditure | 149,796 | 187,145 |
| ROU adjustments | 97,480 | - |
| Property, plant and equipment adjustments | 109,281 | - |
| Profit on the sale of property, plant and equipment | (2,500) | - |
| GST adjustments to finance leases | (6,840) | - |
| | <hr/> | <hr/> |
| | 2,372,397 | 2,519,505 |
| <i>Changes in:</i> | | |
| Trade and other receivables | (993,702) | 409,879 |
| Trade and other payables | (314,492) | (441,029) |
| Prepayments | (299,696) | 293,624 |
| Provisions and employee benefits | 110,316 | 52,312 |
| Contract liabilities | 652,198 | (746,271) |
| Unexpended grants | 173,666 | - |
| | <hr/> | <hr/> |
| | 1,700,687 | 2,088,020 |

21 Related parties

Transactions with key management personnel

i Key management personnel compensation

Key management personnel compensation comprised the following:

| | | |
|------------------------------|-----------|-----------|
| Short-term employee benefits | 1,318,388 | 1,108,529 |
| Post-employment benefits | 102,581 | 96,981 |
| Other long term benefits | 65,067 | 2,644 |
| Termination benefits | 125,452 | 145,612 |
| | <hr/> | <hr/> |
| | 1,611,488 | 1,353,766 |

Compensation of the Company's key management personnel includes salaries, non-cash benefits and contributions to a post-employment defined contribution plan.

ii Key management personnel and director transactions

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over these entities.

A number of these entities transacted with the Company during the year. The terms and conditions of the transactions were no more favourable than those available, or which might reasonably be expected to be available, in similar transactions with non-key management personnel related entities on an arm's length basis.

The aggregate value of transactions and outstanding balances relating to key management personnel and entities over which they have control or significant influence were as follows:

| | Transaction values for the year ended 30 June | | Balance outstanding as at 30 June | |
|---------------|---|-------|-----------------------------------|------|
| | 2021 | 2020 | 2021 | 2020 |
| | \$ | \$ | \$ | \$ |
| Thomas Hudson | Kowanyama River (i) | 4,130 | 7,332 | - |

(i) During the year, the Company rented accommodation owned by the director in Kowanyama. The terms of the transactions were based on market rates.

From time to time directors of the Company, or their related entities, may buy goods from the Company. These purchases are on the same terms and conditions as those entered into by other Company employees or customers.

22 Auditor's remuneration

| | 2021 | 2020 |
|--|---------------|---------------|
| | \$ | \$ |
| Audit services | | |
| Auditors of the Company – Grant Thornton | | |
| Audit of financial statements | 40,650 | 39,000 |
| Audit of grant acquittals | 9,000 | 9,000 |
| Extended audit procedures | 12,500 | - |
| Audit of NATSIHA grant acquittal | - | 2,000 |
| | 62,150 | 50,000 |

Audit Other services

| | | |
|---|---------------|--------------|
| Auditors of the Company – Grant Thornton | | |
| Advisory services – Professional services business advice | 20,000 | - |
| Advisory services – AASB 15 advice and assistance | 10,140 | - |
| Advisory services – Financial statement preparation | 12,250 | - |
| Advisory services – Other advice and assistance | 14,702 | 6,930 |
| | 57,092 | 6,930 |

Directors' declaration

The directors of Apunipima Cape York Health Council Limited (the "Company") declare that in their opinion:

- a the financial statements and notes satisfy the requirements of 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 2021 and of its performance for the financial year ended on that date; and
 - ii complying with Australian Accounting Standards – Simplified Disclosure Requirements; and
- b there are reasonable grounds to believe that the Company is able to pay all of its debts as and when they become due and payable.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2013*:



Director

21 October 2021

Date

Cairns Corporate Tower
Level 13
15 Lake Street
Cairns QLD 4870

Correspondence to:
PO Box 7200
Cairns QLD 4870

T +61 7 4046 8888
F +61 7 4051 0116
E info.cairns@au.gt.com
W www.grantthornton.com.au

Independent auditor's report

Independent auditor's report to the members of Apunipima Cape York Land Council

Opinion

We have audited the financial report of Apunipima Cape York Land Council (the "Company"), which comprises the statement of financial position as at 30 June 2021, the statement of 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 directors' declaration.

In our opinion, the accompanying financial report of Apunipima Cape York Health Council Limited has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- a giving a true and fair view of the Company's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
- b complying with Australian Accounting Standards – Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

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 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.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2021, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information available at the date of this report and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Regulation 2013*. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of the 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 related 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants

Helen Wilkes

H A Wilkes
Partner – Audit & Assurance
Cairns, 21st October 2021



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186 McCoombes Street Bungalow Q 4870

Phone: (07) 4037 7100

Fax: (07) 4038 4100

www.apunipima.org.au