PRIMARY CARE GOLD COAST LIMITED
ABN 47 152 953 092

FINANCIAL STATEMENTS

FOR THE YEAR ENDED
30 JUNE 2021

INDEX TO

FINANCIAL REPORT

30 JUNE 2021

PRIMARY CARE GOLD COAST LIMITED
ABN 47 152 953 092

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PRIMARY CARE GOLD COAST LIMITED
ABN 47 152 953 092

DIRECTORS' REPORT

Your directors, being the responsible persons of the Registered Charity, present this report on the company for the financial year ended 30 June 2021.

1. General information

Information on directors

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

Roger Halliwell

Experience	General Practitioner
Special responsibilities	Chair Governance Committee

Kieran Chilcott

Experience	CEO – Kalwun Health Services
Special responsibilities	Director Finance Audit and Risk Committee

Julie-Anne Tarr

Experience	Professor, Law and Business
Special responsibilities	Director Chair – Finance Audit and Risk Committee

Victoria Beedle

Experience	CEO – Melanoma Patients Australia Ltd
Special responsibilities	Director Performance Quality and Research Committee

Lisa Beecham

Experience	General Practitioner
Special responsibilities	Director Governance Committee

Ka-Kiu Cheung

Experience	General Practitioner
Special responsibilities	Director Performance Quality and Research Committee

Damian Green *(Started 17 August 2020)*

Experience	Deputy Director General and Chief Information Officer - QLD Health
Special responsibilities	Director Performance Quality and Research Committee

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

PRIMARY CARE GOLD COAST LIMITED
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DIRECTORS' REPORT

Principal Activities

The Board finalised the GCPHN Strategic Plan during the year and increased the focus on being able to demonstrate better outcomes for the community, and our ability to report against these.

GCPHN remained focused on the COVID -19 pandemic and played a major role in the COVID -19 vaccination program. GCPHN has dedicated considerable resources to supporting Gold Coast general practices, Commonwealth Respiratory Clinics and Vaccination Centres, and Residential Aged Care Facilities on behalf of the Commonwealth Department of Health to undertake the vaccination program. This aligns with our strategic goal of increasing the efficiency and effectiveness of health services, particularly for those in our community who are at higher risk of poor health outcomes.

Although COVID-19 has been a considerable focus for GCPHN, other significant projects have continued. We are particularly pleased with the progress of the Joint Regional Plan (JRP) for Mental Health, Suicide Prevention, and Alcohol and other Drugs (AoD). This is designed to ensure we meet our strategic objective of integrating and coordination health services for our community, to ensure that people get the right care at the right time, in the right place. This has also included the finalisation of the Suicide Prevention Community Action Plan (CAP), a key component of the JRP.

As an example of our commitment to developing a deep understanding of the health needs of our community, and developing responses to these, new and innovative programs have been developed to meet specific needs of our population, identified though our Health Needs Assessment. The Turning Pain into Gain program has, in addition to existing services, commenced the pilot of a sub-acute pain program which has been delivering enhanced service to more people. Similarly, a new pilot program to help local residents struggling with AOD addiction has been launched on the Gold Coast. The Community Withdrawal (Detox at Home) Program, jointly funded through Gold Coast Primary Health Network and QuIHN, provides a comprehensive treatment and support service for people with an AOD addiction, outside of business hours, either in people's homes or at the service.

To complement these services, and ensure people access the services they need, Gold Coast Health and GCPHN has recently launched Healthpathways, an online resource of health services in the community, to assist practitioners access appropriate services for their patients. This has commenced with the high priority programs of mental health, AoD treatment, and palliative care.

Increasing demand for our mental health services saw 8,245 unique clients access the programs against an annual target of 6,613. The rate of referral to GCPHN funded services across low intensity, psychological therapy and clinical care coordination continued to rise throughout 2020/21. Demand for mental health services has increased during the pandemic, and our Referral and Triage teams have been increased to ensure people access the services they need as seamlessly as possible.

Members guarantee

Primary Care Gold Coast Ltd is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to $20 for members that are corporations and $20 for all other members, subject to the provisions of the company's constitution. At 30 June 2021 the collective liability of members was $60 (2020: $60).

PRIMARY CARE GOLD COAST LIMITED
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DIRECTORS' REPORT

Meetings of directors

During the financial year, 12 meetings of directors were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Roger Halliwell	12	11
Ka-Kiu Cheung	12	12
Kieran Chilcott	12	12
Julie-Anne Tarr	12	12
Victoria Beedle	12	11
Lisa Beecham	12	12
Damian Green	12	12

Auditor's Independence Declaration

The auditor's independence declaration as required under s60-40 of the Australian Charities and Not for Profits Commission Act 2012 for the year ended 30 June 2021 has been received and can be found on page 4 of the financial report.

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

..... Director ..... Director

Dated 31st day of August 2021

DICKFOS DUNN ADAM

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T (07) 5532 7855 E (name)@dickfosdunnadam.com.au
www.dickfosdunnadam.com.au

PRIMARY CARE GOLD COAST LIMITED
ABN: 47 152 953 092

AUDITOR'S INDEPENDENCE DECLARATION UNDER S 60-40 OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012 TO THE DIRECTORS OF PRIMARY CARE GOLD COAST LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2021 there have been:

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

(ii) No contraventions of any applicable code of professional conduct in relation to the audit.

DICKFOS DUNN ADAM
Audit & Assurance

31.8.2021
Dated
SOUTHPORT

T. L. Adam

Audit and Assurance
Registered Company Auditors
Tracey Adam, Gavin Dunn.
Liability limited under a scheme approved under Professional Standards Legislation.

PRIMARY CARE GOLD COAST LIMITED
ABN 47 152 953 092

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2021

	NOTE	2021 $	2020 $
Revenue	2	28,631,715	25,799,839
Employee expenses		(5,822,060)	(5,727,502)
Meeting costs		(26,657)	(99,615)
Administration programs		(615,755)	(693,714)
Contractors expense		(21,262,050)	(18,386,419)
Depreciation and amortisation expenses	3	(426,127)	(436,409)
Other expenses		(367,090)	(311,314)
Current year surplus before income tax		111,976	144,866
Income tax expense	1(j)		-
Current year surplus after income tax		111,976	144,866
Other comprehensive Income		-	-
Total comprehensive income for the year		111,976	144,866

The Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the supporting notes to the financial statements

PRIMARY CARE GOLD COAST LIMITED
ABN 47 152 953 092

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

	NOTE	2021 $	2020 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	8,443,835	7,985,327
Trade and other receivables	5	208,445	229,460
Prepayments		1,058,958	777,148
TOTAL CURRENT ASSETS		9,711,238	8,991,935
NON-CURRENT ASSETS			
Plant and equipment	6	56,430	119,617
Right of use assets	7	55,796	398,566
TOTAL NON-CURRENT ASSETS		112,226	518,183
TOTAL ASSETS		9,823,464	9,510,118
CURRENT LIABILITIES			
Trade and other payables	8	2,015,338	1,598,528
Lease liabilities	10	18,220	489,631
Other liabilities	9	6,029,483	5,791,456
Provisions	11	821,639	804,237
TOTAL CURRENT LIABILITIES		8,884,680	8,683,852
NON-CURRENT LIABILITIES			
Provisions	11	36,220	46,862
Lease liabilities	10	31,582	20,398
TOTAL NON-CURRENT LIABILITIES		67,802	67,260
TOTAL LIABILITIES		8,952,482	8,751,112
NET ASSETS		870,982	759,006
EQUITY			
Retained Earnings		870,982	759,006
TOTAL ACCUMULATED FUNDS		870,982	759,006

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

PRIMARY CARE GOLD COAST LIMITED
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STATEMENT OF CHANGES IN EQUITY
FOR YEAR ENDED 30 JUNE 2021

	Note	Retained Surplus $	Total $
Balance at 1 July 2019		822,798	**822,798**
Surplus for the year		144,866	**144,866**
Opening balance adjustment - new lease standard AASB 16		(208,658)	**(208,868)**
Other comprehensive income for the year		-	-
Balance at 30 June 2020		**759,006**	**759,006**
Balance at 1 July 2020		759,006	**759,006**
Surplus for the year		111,976	**111,976**
Other comprehensive income for the year		-	-
Balance at 30 June 2021		**870,982**	**870,982**

The Statement of Changes in Equity should be read in conjunction with the supporting notes to the financial statements

PRIMARY CARE GOLD COAST LIMITED
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STATEMENT OF CASH FLOWS
FOR YEAR ENDED 30 JUNE 2021

	NOTE	2021	2020
		$	$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers and grants		28,787,526	27,246,588
Cash payments to suppliers and employees		(27,918,688)	(24,788,756)
Interest received		57,789	149,799
Interest paid		(12,616)	(32,283)
Net cash generated from operating activities		914,011	2,575,348
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of plant and equipment		0	10,000
Payment for property, plant and equipment		(7,893)	(69,322)
Net cash used in investing activities		(7,893)	(59,322)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of leases		(447,611)	(463,141)
Net cash used in financing activities		(447,611)	(463,141)
Net increase/(decrease) in cash held		458,507	2,052,885
Cash on hand at beginning of the financial year		7,985,327	5,932,442
Cash on hand at the end of the financial year	4	8,443,834	7,985,327

The Statement of Cash Flows should be read in conjunction with the supporting notes to the financial statements

PRIMARY CARE GOLD COAST LIMITED
ABN 47 152 953 092

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2021

Note 1: Summary of Significant Accounting Policies

Basis of Preparation

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

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

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

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

The financial statements were authorised for issue on the date of signing of the Directors' Report.

Accounting Policies

a. Revenue

Revenue from Contracts with Customers
The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised services to customers and funding bodies at an amount that reflects the consideration the Company expects to receive in exchange for those services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally the timing of the payment for rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable or unearned revenue liability.

Revenue outside the scope of AASB 15
Revenues from services provided in the course of ordinary activities are recognised at fair value of the consideration received or receivable, net of the amount of goods and services tax (GST) payable to the Australian Taxation Office. Exchanges of goods or services of the same nature and value without any cash consideration are not recognised as revenue.

A grant is recognised as revenue when -

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

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

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

PRIMARY CARE GOLD COAST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2021

Note 1: Summary of Significant Accounting Policies *continued*

b. Plant and Equipment

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

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

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

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

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

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

Class of Fixed Asset	2021	2020
Office equipment	33.3%	33.3%
Computer software	40.0%	40.0%
Computer hardware	33.3%	33.3%
Motor Vehicle	33.3%	33.3%
Leasehold Improvements	16.7%	16.7%

c. Leases

At the lease commencement, the company recognises a right-of-use asset and associated lease liability for the lease term.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Company's incremental borrowing rate is used.

PRIMARY CARE GOLD COAST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2021

Note 1: Summary of Significant Accounting Policies *continued*

d. Financial Instruments

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

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

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

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

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

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

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

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

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

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

PRIMARY CARE GOLD COAST LIMITED
ABN 47 152 953 092

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2021

Note 1: Summary of Significant Accounting Policies *continued*

d. Financial Instruments *continued*

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

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

e. Impairment of Assets

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

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

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

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

f. Employee Provisions

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

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

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

PRIMARY CARE GOLD COAST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2021

Note 1: Summary of Significant Accounting Policies *continued*

Other long-term employee benefits *continued*

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

g. Cash and Cash Equivalents

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

h. Trade and Other Receivables

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

i. Goods and Services Tax (GST)

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

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

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

j. Income Tax

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

k. Provisions

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

PRIMARY CARE GOLD COAST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2021

Note 1: Summary of Significant Accounting Policies *continued*

l. Trade and Other Payables

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

m. Critical Accounting Estimates and Judgements

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

Key estimates

(i) Impairment

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

(ii) Useful lives of depreciable assets

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

(iii) Long service leave

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

(iv) Employee benefits

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

(v) Psychological Services Provision

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

(vi) Software Development

The Company incurs costs associated with internally generated software. Due to uncertainty determining the future economic benefit to the Company, the costs associated with internally generated software are expensed when incurred.

PRIMARY CARE GOLD COAST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2021

Note 1: Summary of Significant Accounting Policies *continued*

n. Economic Dependence

Primary Care Gold Coast Limited is dependent on Federal grants. At the date of this report, the Board of Directors has no reason to believe government funding will not continue to support Primary Care Gold Coast Limited. A three year funding agreement with the Department of Health commenced on 1 July 2015, was extended on 1 July 2018 for three years, and extended again in April 2020 until 30 June 2023.

PRIMARY CARE GOLD COAST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 June 2021

		2021 $	2020 $
Note 2:	**Revenue**		
	Grants		
	- Commonwealth	27,389,927	24,839,389
	- State	671,964	12,587
	- Other	460,940	648,961
		28,522,831	25,500,934
	Interest Income	57,789	149,799
	Other income	51,095	149,106
	Total revenue	**28,631,715**	**25,799,839**
Note 3:	**Expenses**		
	Depreciation of:		
	- Office Equipment	1,959	4,570
	- Motor Vehicles	-	674
	- Computer Hardware	51,870	55,947
	- Leasehold Improvements	17,248	17,248
	Total depreciation	**71,077**	**78,439**
	Amortisation of:		
	- Office Lease	323,545	337,694
	- Printer Lease	17,974	20,276
	- Motor Vehicle Lease	13,531	-
	Total amortisation	**355,050**	**357,970**
	Total depreciation and amortisation	**426,127**	**436,409**
Note 4:	**Cash and cash equivalents**		
	Cash at bank and in hand	8,316,514	4,354,690
	Term deposits	127,320	3,630,637
		8,443,835	**7,985,327**

Note 5: Trade and Other Receivables

	2021 $	2020 $
Current		
Trade Debtors	62,947	120,287
Deposits Paid	483	506
Other Receivables	145,015	108,667
	145,498	109,173
Total Current Trade and Other Receivables	**208,445**	**229,460**

PRIMARY CARE GOLD COAST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 June 2021

Note 6: Plant & Equipment	**2021** $	**2020** $
Office Equipment		
Office equipment at cost	17,031	17,031
Less accumulated depreciation	(16,467)	(14,507)
Total office equipment	**564**	**2,524**
Computer Hardware		
Computer hardware at cost	272,092	269,845
Accumulated depreciation	(216,270)	(170,044)
Total computer hardware	**55,822**	**99,801**
Leasehold Improvements		
Leasehold improvements at cost	103,520	103,520
Less accumulated depreciation	(103,176)	(86,228)
Total leasehold improvements	**44**	**17,292**
Total Plant & Equipment	**53,430**	**119,617**

a) Reconciliations in Carrying Amounts

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

	Office Equipment $	**Motor Vehicles** $	**Computer Hard - ware** $	**Leasehold Improve - ments** $	**Total** $
2020					
Balance at the beginning of the year	7,094	2,024	87,099	34,540	**130,757**
Additions	-	-	68,649	-	**68,649**
Disposal	-	(1,350)	-	-	**(1,350)**
Depreciation expense	(4,570)	674	(55,947)	(17,248)	**(78,439)**
Carrying Amount at the end of the year	2,524	-	99,801	17,292	**119,617**
2021					
Balance at the beginning of the year	2,524	-	99,801	17,292	**119,617**
Additions	-	-	7,818	-	**7,818**
Disposal	-	-	(5,454)	-	**(5,454)**
Depreciation expense	(1,960)	-	(46,343)	(17,248)	**(65,551)**
Carrying Amount at the end of the year	564	-	55,822	44	**56,430**

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NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 June 2021

	2021 $	2020 $
Note 7: Right of Use Assets		
Office Lease		
Office Lease - Right of Use	2,026,174	2,026,174
Less accumulated amortisation	(2,026,174)	(1,688,478)
Total Office Lease	-	**337,696**
Printers		
Printers – Right of Use	35,568	60,827
Less accumulated amortisation	(7,836)	(40,551)
Total Printers	**28,732**	**20,276**
Motor Vehicle		
Motor Vehicle – Right of Use	40,595	40,595
Less accumulated amortisation	(13,531)	-
Total Motor Vehicle	**27,064**	**40,595**
Total Right of Use Assets	**55,796**	**398,566**

Note 8: Trade and Other Payables

Current		
Trade creditors	324,308	319,060
Payroll accrual	69,471	80,040
Other creditors and accruals	1,621,559	1,199,428
Total Trade & Other Payables	**2,015,338**	**1,598,528**

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

Note 9: Other liabilities		
Unspent grant funding	6,029,483	5,791,456
Total liabilities	**6,029,483**	**5,791,456**

Note 10: Lease Liabilities

Current		
Lease liabilities	18,220	489,631
Total current lease liabilities	**18,220**	**489,631**
Non-Current		
Lease liabilities	31,582	20,398
Total non-current lease liabilities	**31,582**	**20,398**

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NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 June 2021

Note 11: Provisions	**2021**	**2020**
	$	**$**
Current		
Provision for Annual Leave	389,648	471,168
Provision for Long Service Leave	296,953	212,908
Provision for Psychological Services commitments	135,038	120,161
Total current provisions	**821,639**	**804,237**
Non-Current		
Provision for Long Service Leave	36,220	46,862
Total non-current provisions	**36,220**	**46,862**

Provision for Employee Benefits

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

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

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

Note 12: Contingent Liabilities

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2021 (30 June 2020: None)

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NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 June 2021

Note 13: Related Party Transactions

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

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

Related entities

The following transactions related to the above related entities:

	2021 $	2020 $
Payments for goods and services:		
- Payments for services from Kalwun Health Service (common entity director)	818,727	912,087
- Payments for services from Eyeserve Pty Ltd (common entity director)	13,483	9,815
- Payments for services from On the Park General Practice (common entity director)	-	3,641
- Payments for services from Ignite Design Creative (other related party)	3,554	4,005

Note 14: Key Management Personnel Compensation

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity is considered key management personnel. The total remuneration paid to key management personnel of the Company is $488,585. (2020: $434,340).

Note 15: Events after the reporting period

A new lease for the existing office premises has been entered into, effective 17 July 2021, for five years. The lease may be terminated by Primary Care Gold Coast Ltd after two years if the Department of Health does not extend core funding beyond 30 June 2023. (2020: nil)

Note 16: Assets and Liabilities

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

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

	Note	2021 $	2020 $
Financial Assets			
Cash and cash equivalents	4	8,443,835	7,985,327
Loans and receivables	5	208,445	229,460
Total financial assets		8,652,280	8,214,787
Financial liabilities			
Financial liabilities at amortised cost;			
- Trade and other payables	7	2,015,338	1,598,528
Total financial liabilities		2,015,338	1,598,528

PRIMARY CARE GOLD COAST LIMITED
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DIRECTOR'S DECLARATION

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

1. The financial statements and notes thereto are in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012 and;*

    a. comply with the Australian Accounting Standards - Reduced Disclosure Requirements; and
    b. give a true and fair view of the Company's financial position as at 30 June 2021 and of its performance for the financial year ended on that date.

2. In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

..... Director ..... Director

Dated this 31st day of August 2021

DICKFOS DUNN ADAM

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PRIMARY CARE GOLD COAST LIMITED
ABN 47 152 953 092

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

Unqualified Auditor's Opinion
We have audited the financial report of Primary Care Gold Coast Limited (the company), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the director's declaration.

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

(i) Giving a true and fair view of the company's financial position as at 30 June 2021 and of its financial performance for the year then ended; and

(ii) Complying with Australian Accounting Standards – Reduced Disclosure Requirements.

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

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

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

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

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

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

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

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

DICKFOS DUNN ADAM
Audit & Assurance

.....DDA.....

Dated .....9.9.2021.....
SOUTHPORT

.....
T.L Adam