

ANNUAL REPORT 2019

our health in our hands



apunipima

CAPE YORK HEALTH COUNCIL



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Aileen Addo

CHAIRPERSON'S FOREWORD

WELCOME TO THE APUNIPIMA CAPE YORK HEALTH COUNCIL ANNUAL REPORT FOR 2018-19

It is my pleasure to present the Chairperson's Report for the Apunipima Cape York Health Council 2019 Annual Report. I am privileged to be working alongside Aboriginal and/or Torres Strait Islander leaders in Cape York as Chairperson of Apunipima. On behalf of the Apunipima Board of Directors, I would like to thank Mr Paul Stephenson, CEO, and our dedicated staff for the ongoing commitment.

This year we welcomed Priscilla Gibson of Hope Vale to the Board, representing Region Five including the communities of Cooktown, Hope Vale, Wujal Wujal, Mossman Gorge and Laura.

The Apunipima Board of Directors continues to work with Aboriginal and Torres Strait Islander communities across Cape York and remains committed and determined to progress the community mandate to reduce the burden of disease and improve the health of our Cape York communities. I would also like to acknowledge the Apunipima Board of Directors dedication, leadership and commitment to delivering improved health services that meet the needs of the Aboriginal and/or Torres Strait Islander peoples of Cape York.

Apunipima's Health Action Teams continue to strengthen their community engagement. This vital connection informs, supports and promotes our efforts across Cape York and ensures that community members can have their say in design and development of health services tailored to the specific

needs of their community. Health Action Teams are a key part of our local grass-roots governance.

Over the 2018-19 fiscal year our health services across Cape York have continued to develop in line with our strategy and vision. Our Primary Health Care Centres and Wellbeing Centres have welcomed an increase in community-based staff. With the support of Apunipima's Learning and Development Team we are making good progress towards our goal of building capacity and skills across the entire organisation and more specifically across our community-based workforce.

Work has begun on the building of two purpose built facilities in Kowanyama and Pormpuraaw. Apunipima continues its proactive development of collaborative relationships with a diverse range of stakeholders including Primary Health Networks, Hospital and Health Services and Aboriginal Community Controlled Health Services. In addition, relationships with state and local governments have expanded and strengthened.

I look forward to continuing to strengthen our position as we embark on the next phase of this important journey to achieve our goals in progressing a community mandate for improved health outcomes on Cape York.



Paul Stephenson

CEO'S INTRODUCTION

WELLNESS IMPROVEMENT THROUGH THE APUNIPIMA WAY

The last 12 months have been characterised by hard work, commitment and strategic groundwork that provides a strong foundation and renewed focus, for both Apunipima and the communities we services. Through consultation with the Apunipima Board, our community-based Health Action Teams, and the broader workforce, the organisation has developed the new 2019-2022 Strategic Directions.

Our Strategic Directions provide a clear framework that ensures our work and focus will enhance and improve our mandate of community-driven and community-led health services for Cape York communities.

Apunipima continues to deliver tangible health outcomes. We have achieved several key health measures that exceed or are on par with national remote benchmarks. This is a great achievement and reflects the passion, commitment and contribution of our community staff and supporting services.

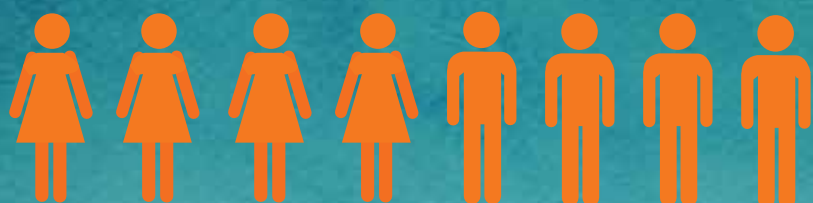
During the year we once again welcomed a delegation from our partners Catholic Health Australia and HESTA. The group visited one of our larger communities and were able to experience the opportunities, challenges and the rewards of Apunipima's work in a community setting.

We continue to develop our suite of MOU's. This year we have formalised arrangements with Torres and Cape Health Service in the Maternal Child Health space and in the Allied Health space with Chivaree Aurukun. These strong and mutually beneficial partnerships help us to build capacity, and practically demonstrate the needs and challenges of our Cape York communities.

Congratulations must be given to two colleagues who were recognised for their work in Indigenous Health this past year. Bernie Singleton, who was Apunipima's Board Chair for thirteen years and fundamental in our growth and success, was inducted into the Queensland Aboriginal and Islander Health Council's (QAIHC) Hall of Fame. This was in recognition of more than 50 years dedicated work in our sector. I would also like to congratulate our colleague Yvonne Cadet-James. Yvonne was awarded the prestigious Lifetime Achievement Award from Lowitja Institute for a career dedicated to the improvement of Aboriginal Health and Wellbeing.

In closing, I would like to take this opportunity to warmly thank our community members, Health Action Teams, the Apunipima Board and our staff for their ongoing commitment and contribution to improving the health of Cape York communities.

ABOUT US



APUNIPIMA HAS AROUND 247 STAFF

30% 53%

of our staff are community based at this time

of our staff identify as Aboriginal and/or Torres Strait Islander

6,285

UNIQUE CLIENTS

49,446

CLIENT CONTACTS

SOURCE - STAFF ACTIVITY REPORT - 1 JULY 18- 30 JUNE 19



83%

of babies were in a healthy weight range at birth in the first 12 months



91%

OF CHILDREN FULLY IMMUNISED



PRIMARY HEALTH CENTRES

Aurukun
Coen
Kowanyama
Mossman Gorge
Napranum

WELLBEING CENTRES

Aurukun
Coen
Hope Vale
Mossman Gorge

OUR BOARD

REGION 1

REGION 1

REGION 2

REGION 3

REGION 4

REGION 5

REGION 5



Patricia Yusia
Bamaga



Mary Yoeli
Umagico



Aileen Addo
(Chairperson)
Mapoon



Thomas Hudson
Kowanyama



Ethel Singleton
Lockhart River

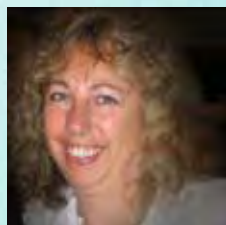


Priscilla Gibson
Hope Vale

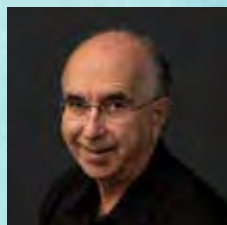


Trevor Shane Gibson
(Deputy Chairperson)
Hope Vale

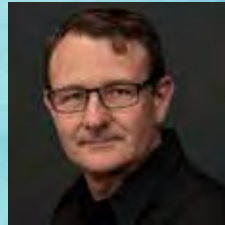
OUR SKILLED BASED DIRECTORS



Barbara Schmidt



Greg Barnier



Greg Mitchell



our health in our hands



AURUKUN TAKING STEPS IN THE RIGHT DIRECTION

Being physically active and limiting sedentary behaviour is essential for maintaining good health and avoiding chronic disease. The goal of accumulating 10,000 steps per day is a globally recognised strategy to improve physical activity levels. This should be considered in conjunction with the Australian Government and the National Heart Foundation guidelines for physical activity.

Apunipima along with Aurukun Shire Council implemented a multi-strategy approach to support and encourage walking in Aurukun. The underlying concept was to influence positive change by enhancing environments that support physical activity and increase awareness of the benefits of regular activity.

Walkway signage was installed in May to highlight popular walking routes and to encourage the use of some longer walking routes. Signs identify the length of a walking route, and signs at various intervals identify directions and distances in metres and steps. The aim is to encourage and support people of all ages to engage in physical activity for health, leisure and active transport.

The walkway signage is a bright addition to community and has been well received. This project has also been implemented in Wujal Wujal.



COEN



THE APUNIPIMA SOCIAL EMOTIONAL WELLBEING TEAM WALK TO RAISE AWARENESS OF MENTAL HEALTH

Walkers and horse riders in the Conquer the Corrugations Cape York Mental Health Awareness walk, completed the 42 kilometres from Coen to Archer River Roadhouse over two days, camping overnight just beyond the halfway point on a cattle station.

The 2018 event marked the third year that Maureen Liddy, Apunipima's Social Emotional Wellbeing Team Leader in Coen had completed the challenge. This year she led a team of Apunipima staff from Coen and Cairns in their first Conquer the Corrugations walk.

"The walk is a good way to demonstrate that with determination we can overcome and achieve anything," Maureen said.

"It's important to raise the awareness of mental health in the Cape and this event does a great job getting the message out," said Maureen.

Maureen said that even though the event was both a physical and mental challenge, there was support each step of the way from fellow walkers and the organisers.

"People really come together to cheer each other on, give a hug if it's needed, or simply listen to your story while you walk. Often that is all you need to do to help someone whose mental health is suffering," Maureen added.

Emma Jackson, one of the organisers of Conquer the Corrugations, said that the walk

was a way to demonstrate that life is a series of ups and downs, just like the corrugations in a dirt road.

"There may be down times, but there will also be up times and if we save one life, if we help one person get the help they need, the event is a success," Emma said.

"The reason that I am so passionate about this event is because I want my children to know that it is OK to not be OK all of the time, and to know that there is always someone you can talk to about how you are feeling," Emma added.

Rachel McIvor and Randall Fyfe, from the Apunipima Social Emotional Wellbeing Centre in Coen were the backbone of the team ensuring that the Apunipima walkers did not need to worry about a chair, or a bed at the end of the long days over the long weekend.

Rachel also participated in the second day by walking hand in hand with each member of the team across the line in true team spirit.

Maureen's passion for the event and her determination to walk the entire distance this year, won her the people's choice award 'Spirit of the Walk.' The final 19 kilometres of the walk Maureen completed in socks and thongs, because of the large blisters she developed on day one. That is the spirit of the walk! "I may be a bit stiff and sore, but I'll be back next year" Maureen stated.

HOPE VALE YOUTH CAMP

During the school holidays in September, Apunipima hosted a youth camp for the community of Hope Vale.

Twenty-five teenagers between the ages of twelve and seventeen, participated in the five day youth camp.

Like all camps, the kids left with excitement with anticipation for what the week would hold. Apunipima Social Emotional Wellbeing team put together activities at the camp that included cooking up a kup murri, collecting

freshwater mussels, singalongs, and motivational games and activities.

Across the week several other agencies and services participated in the camp and took the opportunity to promote the services they provide and how they can further support the young people.

The aim of the camp was to help build relationships and trust with the group and let them know why and how Apunipima can support them.



KOWANYAMA BUSH FOOD VIDEOS

Two videos were developed with Kowanyama community members in 2018 that celebrate and promote traditional food consumption and knowledge sharing. The videos share stories about the collection and preparation of traditional foods, their rich nutrient quality, and how they are important for pregnancy and as a first food for young children. Key community members

led the development of the videos including identifying locations to visit and stories to share.

The Kowanyama Celebrating Food and Culture video has had over 18,000 views on Facebook and the Kowanyama Bush Food Story has had over 15,000 views. They have also been picked up by ICTV and played on television.

In Kowanyama, the videos were distributed to community members on USBs, played at community events such as Ngethn o' cultural festival, and shared on Kowanyama Facebook notice board numerous times by community organisations and members. These videos were part of a larger nutrition focus on promoting good nutrition before, during and after pregnancy and early life.

Missed out on seeing the videos?



These videos (and more) are available on the Apunipima Facebook page and YouTube channel.

LAURA



LIGHTS CAMERA ACTION FOR THE COMMUNITY OF LAURA



Kurtis Gibson and Josh Mene from Apunipima's Tackling Indigenous Smoking Team travelled to Laura to film real stories of the challenges of smoking with filmmaker Ewan Cutler from Hudson Films.

The crew filmed two stories with Laura community elders and a community youth engagement video with the kids at Laura State School, which included filming at significant cultural sights.

The films were added to an already extensive suite of real stories from Cape York, these videos contribute to the National Campaign, Don't Make Smokes Your Story.



LOCKHART RIVER

MEALS BUMPED UP

The temperature was rising in the kitchen at Lockhart River with the kick off of the nutrition education and cooking program element of the larger Bump2bubba project.

The sessions focused on nutrition before, during, and after pregnancy and nutrition for infants and young children. The program's key messages were delivered in a fun and interactive cooking session with parents, carers, pregnant women and teenagers.

Leandra Warradoo, Health Worker, and Amanda Cole, Nutritionist, showed how a common favourite food, 2-minute noodles, can be easily "bumped up" into a great family meal using another favourite of sardines and frozen stir fry vegetables.

The take home message was that simply adding extra vegetables and meat not only makes the meal more nutritious, but it feeds more people too!

Bump2bubba nutrition sessions ran throughout 2019 in Lockhart River and Kowanyama facilitated by Health Workers and Bump2bubba project staff.



MAPOON

SCHOOL HEALTH CHECKS

Mapoon State School was a hive of healthy activity when a group of health professionals, including doctors, nurses and allied health staff from Apunipima and Queensland Health gave the students their Health Checks.

Katelyn Winkworth, Apunipima's School Health Coordinator said that the turn out for health checks was fantastic, with more than 90% of enrolled students receiving a health check.

"It was great to have the assistance of the local community staff and support from the Learning and Development Team in Cairns," Katelyn said.

David Nichols, Educator and Professional Lead for Aboriginal and/or Torres Strait Islander Health Workers, was able to assist in the School Health Checks and do some training with local Health Workers in the field.

Missed out on seeing the videos?  The videos can be viewed from our Apunipima YouTube channel.



MOSSMAN GORGE

MUMS AND BUBS

The first Mums and Bubs group for 2019 was held at the Mossman Gorge Social Emotional Wellbeing (SEWB) Centre. The group started with some yarning with the Child Health Nurse, Midwife Miriam and SEWB Counsellor Carol. Ideas were shared for future activities and group work and how to best support the mums and bubs in Mossman Gorge going forward. Matthew, an Apunipima Health Worker, also joined the discussion with hopes that future meetings will include dads, uncles and grandfathers.



WUJAL WUJAL

PROMOTING SUPPORTIVE ENVIRONMENTS FOR HEALTH

Apunipima nutrition and health promotion staff have been working closely with Wujal Wujal Aboriginal Shire council to create supportive environments for good health.

There was a particular focus on addressing sugary drink consumption, tobacco smoking and physical inactivity. That work included installing water bubblers and water coolers around the community, and working with the community store to increase the range and number of healthy drink options.

To encourage more physical activity, we worked with Council to install 10,000 steps walkway signage around the community alongside a 10,000 steps community challenge to promote physical activity as part of a healthy lifestyle.

Apunipima has enjoyed working closely with Mayor Tayley and the Wujal Wujal Aboriginal Shire Council for their leadership and commitment to healthy living in their community.



NAPRANUM

NO SMOKING SIGNS UNVEILED

The Tackling Indigenous Smoking (TIS) Team launched smoke-free signage at Charkil-Om Primary Health Care Centre in Napranum this year. Professor Tom Calma, National Coordinator for the Tackling Indigenous Smoking program unveiled the signage alongside Health Action Team (HAT) member Roy Chevathen and Sonia Schuh, Primary Health Care Manager.

The event coincided with a community visit from the Apunipima Executive team who were community guides around Aurukun and Napranum for representatives from Catholic Health and HESTA. Tackling Indigenous Smoking staff Dallas McKeown, Neil Kaigey, Darlene Roberts and Lorna Bosen hosted the launch and provided health information to those present.



PORMPURA AW

HIGH SCHOOL HEALTH CHECKS

Pormpuraaw children's health is in check thanks to the Apunipima team. In Pormpuraaw, school health checks run over the course of the year, targeting different class groups each time. School health checks are a unique process tailored to the individual community, each requiring a creative and bespoke approach to ensure its success.

Alison Lennig, Midwife/Child Health Nurse has been successfully leading school health check events over a number of years at Pormpuraaw. This year, Alison was supported by a range of different staff, Clara Saleh, Patrick Wasu, Dr Ross Hucks, Heath Alison (QLD Health), Molly Jones, Sarah Coombes and Katelyn Winkworth. While the school health checks were running, Fiona Millard, Health Promotion Officer delivered Healthy Kids, Healthy Habits sessions to all the students.

OUR HEALTH IN OUR HANDS



WHAT'S YOUR STORY CAPE YORK?

The Federal Government has committed to renew funding of the National Tackling Indigenous Smoking program over the next four years. With this commitment came a new focus, approach and revised priority groups. In line with these changes our Tackling Indigenous Smoking team got to work to refresh the messaging on the 'What's Your Story, Cape York?' Facebook page.



Want to learn more? Visit 'What's your Story Cape York?' On Facebook



NUTRITION MERCHANDISE

Strong food plates have been developed in consultation with community members to support the optimal nutrition messages. The plates showcase traditional foods and guide clients on food group proportions that promote health and wellbeing and prevent chronic disease. Pannikins (cups) with a key health message encouraging pregnant women to drink their tea after meals have been a popular addition to this suite of resources.



HARD YARNS & MAKING A DIFFERENCE

Apunipima in partnership with QAIHC, delivers the Break Through for Families (BFF) program, a support program for families and the broader community impacted by the substance use of a family member.

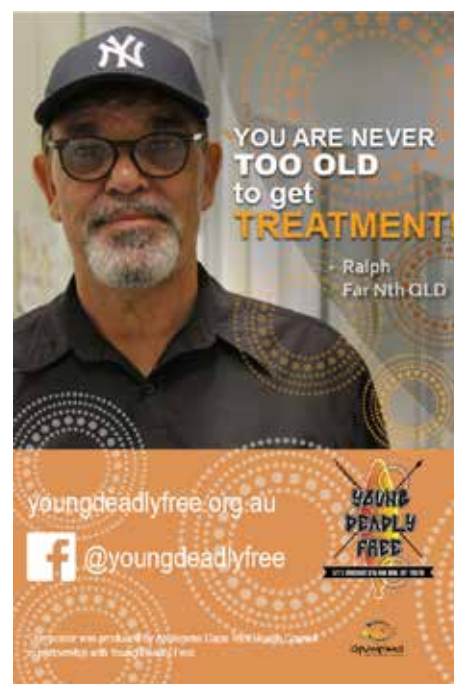
The BFF program was delivered by Apunipima across 10 communities in Cape York including Weipa and Cooktown. The program is part of the Queensland Government's Action on Ice Strategy.

The program was tailored specifically for Aboriginal and/or Torres Strait Islander people. A key component of the program is support and information to help families to understand the physical and emotional effects that drugs and alcohol have on their family and/or community member along with strategies to help them stay safe and manage the challenges that they may face.

BFF workers Dwayne Savo and Julie Williams travelled throughout Cape York over 12 months conducting Community Information and Family Sessions.

Dwayne and Julie developed a rainbow symbol (pictured below) to help participants to reconnect and heal their family and community. The program's aim was to start conversations about Family, Community, Country, Spirituality and Culture.

The BFF program is very successful due to effective yarning sessions and good relationships and rapport with community members. The BFF staff have been asked to go back and deliver extra sessions to community, which demonstrates communities, positive response to the program and desire to know more about Ice and other drugs.



SEXUAL HEALTH POSTERS

In early 2019 Apunipima's Population Health and Research team developed four sexual health promotion posters in partnership with Young Deadly Free and the Kowanyama community. The posters were a response to the lack of Cape York representation on previous sexual health social marketing materials, which was identified as a barrier to engagement with messages encouraging safe sex and regular sexual health checks. Apunipima's posters feature Kowanyama community members and service providers, reinforcing and increasing the relevance of the Young Deadly Free messages locally. They were one of the outputs of a short-term sexual health initiative, funded under a sub-contract with QAIHC.

OUR PEOPLE



Over the past year the Apunipima workforce has increased by 8% to 247 team members, reflecting the confidence of our funders in our ability to deliver health services across Cape York. Our workforce profile continues to exceed key Australian benchmarks with 53% of our team members identifying as Aboriginal and/or Torres Strait Islander, with representation across all departments and functions. Apunipima remains focused on the employment and capacity building of Cape York people with 30% of our team living and working in community. 65% of our workforce are 49 years or under, which supports an ongoing sustainable workforce. At 17.11% our voluntary turnover rate remains

considerably below industry and rural and remote benchmarks.

Over the next year Apunipima is committed to continue building our workforce within community as reflected in our 2019-2022 Strategic Direction.

The Learning and Development Team are now in their second year of operation and enjoying a full complement of staff who are committed to the continued education and development of the Apunipima workforce. The team of four educators regularly work with and support community members with their learning to grow capability. They endeavour to incorporate innovative delivery methods to assist in the completion of qualifications.

OUR WORKFORCE PROFILE CONTINUES TO EXCEED KEY AUSTRALIAN BENCHMARKS

SUCCESES:

- 26 staff members currently enrolled into accredited qualifications
- 13 staff members have completed an accredited qualification
- 7 AHPRA registered Aboriginal and/or Torres Strait Island Health Practitioners
- Implementation of an internal Leadership and Management

Development Programme

PROJECTS UNDERWAY:

- Review of orientation programme
- Update of compulsory training matrix
- Implementation of Work Readiness programmes for youth at risk and early school leavers in Cape York communities

QUALITY & RISK

Apunipima remains certified to the ISO 9001:2015 Quality Management Systems Standard through to July 2020 for delivery of Primary Health Care, Maternal Child Health, Chronic Conditions Management and Social and Emotional Wellbeing services.

Within scope are the following sites and services; Cairns and Mapoon offices, the Primary Health Care Centres located in Mossman Gorge, Coen and Aurukun, Atharpuch Family Health Centre in Kowanyama, Charkil-Om Primary Health Care Centre in Napranum and the Social and Emotional Wellbeing Centres located in Aurukun, Hope Vale, Coen and Mossman Gorge. Outreach services delivered in Wujal Wujal and Lockhart River are now also included.

The following Apunipima Primary Health Care Centres (PHCC) are accredited to the Royal Australian College of General Practitioners (RACGP) standards to 2020: Mossman Gorge PHCC, Charkil-Om PHCC in Napranum. and Coen PHCC for a period of three years to 2021.

Preparation has commenced on accreditation of our Social and Emotional Wellbeing services to the Humans Services Quality Standards (HSQS) with certification planned for 2020.

The Risk Management Framework continues to be strengthened through reviews by the Board and Senior Management Team.

APUNIPIMA SMOKE FREE POLICY

Apunipima is required under Queensland legislation and contractual arrangements to provide a smoke-free work environment and promote a no-smoking culture for staff. The Organisation also has a responsibility in Cape York to promote and support smoke-free work environments for the health and safety of staff, visitors and clients.

Apunipima has a Smoke Free Policy which was established in 2011 and last updated in April 2018. The purpose of this policy is to:

- Ensure the health and safety of staff members, contractors and visitors through the provision of a smoke free environment
- Ensure that the organisation leads by example for Cape York communities by promoting and reinforcing a smoke-free environment within the organisation
- Support staff who are smokers, and if necessary their families, who wish to quit smoking

The Tackling Indigenous Smoking (TIS) team is available to assist community agencies and organisations to implement and maintain smoke free workplace policies and support smoke-free places in community. The TIS team also conducts an Apunipima staff smoking survey every two years to take a snapshot of staff views on organisational efforts to be a smoke-free workplace and this informs a biennial review of the Apunipima smoke free policy.

BERNIE SINGLETON INDUCTED TO QAIHC HALL OF FAME

Apunipima's past Chair, Bernie Singleton, was inducted into the Queensland Aboriginal and Islander Health Council's (QAIHC) Hall of Fame.

The Hall of Fame is a prestigious achievement and recognises individuals for their dedication and commitment to the establishment and expansion of Aboriginal and/or Torres Strait Islander Community Controlled Health Services in Queensland.

With a career spanning fifty years advocating for the development and delivery of health services for Aboriginal and/or Torres Strait Islander people in Cape York, including thirteen years as Chair of Apunipima, there was no doubt that Bernie was a very worthy recipient of this recognition.

Congratulations to Bernie and thank you for all that you have achieved!



LIFETIME ACHIEVEMENT AWARD FOR YVONNE CADET-JAMES

Professor Yvonne Cadet-James was awarded a 'Lifetime Achievement' Award through The Lowitja Institute.

There is no doubt this is remarkable achievement is warranted, as it recognises her commitment and expertise in Aboriginal Health and Wellbeing. Yvonne provides 45 years of experience in the fields of health and education with a background as a registered nurse and midwife, followed by a career as an academic.

In her role as Research Coordinator at Apunipima, Yvonne is responsible for the coordination and review of research, strengthening the research culture and capability within the organisation and the communities that the organisation services.

As a Gugu Badhun nation member, she provides leadership for the Gugu Badhun Djima Research Centre activities.



APUNIPIMA LEADS RESEARCH



Apunipima's Research Vision: In partnership with our communities, lead a research agenda that improves health and wellbeing outcomes for Aboriginal and/or Torres Strait Islander people, empowers people to reach their full potential, and strengthens research capacity.

For the period 1st July 2018 to 30th June 2019, Apunipima was involved in eleven research projects. Involvement ranged across research initiated and directed by Apunipima; partnerships in the research; facilitation of community engagement and participant recruitment; and providing letters of support.

Of the eleven projects, the following projects are Apunipima initiated and directed or are in partnership with research institutions.

- North Qld Diabetes in Pregnancy Partnership Project
- Kimberley Mums' Mood Scale (KMMS)
- Women, Mums & Bubs (WOMB) Project
- Optimal Infant Nutrition Project
- Healthy Communities Project
- CRE Aboriginal Sexual Health and Blood Borne Viruses

PUBLICATIONS

- Brown Clare, Laws Cara, Leonard Dymna, Campbell Sandy, Merone Lea, Hammond Melinda, Thompson Kani, Canuto Karla, and Brimblecombe Julie. (2019). *Healthy Choice Rewards: A Feasibility Trial of Incentives to Influence Consumer Food Choices in a Remote Australian Aboriginal Community*. International Journal of Environmental Research and Public Health. 16, 112, pp2-11.
- Young Jeannie, Watson Karen, Craigie Leanne, Neville Johanna, Hunt Johanna. (2019). *Best practice principles for research with Aboriginal and Torres Strait Islander communities in action: Case study of a safe infant sleep strategy*. Women and Birth Journal. 32. 460-465.
- Cuthbert Kiarah, Brown Clare, Hammond Melinda, Williams Tiffany, Tayley Desmond, Deemal-Hall Eileen, Thomas Davie. (2019). *Engaging with Aboriginal*

Shire Councils in remote Cape York Communities to address smoke-free environments. Australian Journal of Primary Health. 1071/PY 19023.

- Langham Erika, McCalman Janya, Redman-MacLaren Michelle, Hunter Ernest, Wenitong Mark, Britton Amelia, Rutherford Katrina, Saunders Vicki, Ungar Michael and Bainbridge Roxanne. *Validation and Factor Analysis of the Child and Youth Resilience Measure for Indigenous Australian Boarding School Students*. Frontiers in Public Health. 2018.00299.
- Wapau Hylda, Jans Diana, Hapea Emily, Mein Jacki, Curnow Vanessa, McDonald Malcolm. (2018). *Coming to town: Reaching agreement on a thorny issue*. Australian Journal of Rural Health. 10.1111/ajr.12430



FINANCIALS

Statement of comprehensive income

For the year ended 30 June 2019

	Note	2019 \$	2018 \$
Income			
Recurrent grants and operating revenue	6a	33,929,873	31,068,789
Net gain on sale of property, plant and equipment		<u>93,212</u>	<u>49,545</u>
		<u>34,023,085</u>	<u>31,118,334</u>
Expenses			
Clinical supplies		297,049	294,494
Computer expenses		422,479	245,933
Conference and meeting expenses		12,854	8,340
Consultants and professional services		385,810	257,606
Electricity		175,637	166,019
Employee expenses		22,523,112	20,232,728
Governance		165,373	147,753
Grants repaid	6c	7,943	10,951
Health promotion resources		295,422	400,094
Motor vehicle expenses		349,292	285,416
Office supplies		115,089	95,216
Recruitment and relocation		132,322	130,849
Rent		525,200	511,073
Repairs and maintenance		342,802	220,230
Staff training		375,718	289,487
Telephone and fax		782,866	819,350
Travel and accommodation		5,241,406	4,863,459
Other expenses		<u>881,681</u>	<u>660,723</u>
		<u>33,032,055</u>	<u>29,639,721</u>
Results from operating activities		<u>991,030</u>	<u>1,478,613</u>
Finance income		196,433	123,914
Finance costs		<u>(53,226)</u>	<u>(42,238)</u>
Net finance income		<u>143,207</u>	<u>81,676</u>
Results from operating activities after finance income		1,134,237	1,560,289
Depreciation and amortisation	9	<u>(722,095)</u>	<u>(903,769)</u>
Net surplus before tax		412,142	656,520
Income tax expense		<u>-</u>	<u>-</u>
Net surplus before capital grant revenue		412,142	656,520
Capital grant revenue	6b	<u>67,000</u>	<u>-</u>
Total comprehensive income		<u>479,142</u>	<u>656,520</u>

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

Apunipima Cape York Health Council Limited annual financial report
For the year ended 30 June 2019

Statement of financial position

As at 30 June 2019

	Note	2019 \$	2018 \$
Assets			
Cash and cash equivalents	7	9,943,756	5,593,707
Trade and other receivables	8	1,953,819	2,145,120
Prepayments		<u>583,166</u>	<u>352,146</u>
Total current assets		<u>12,480,741</u>	<u>8,090,973</u>
Deposits - Rental bonds	8	15,583	15,583
Property, plant, equipment and work in progress	9	<u>6,634,096</u>	<u>6,903,934</u>
Total non-current assets		<u>6,649,679</u>	<u>6,919,517</u>
Total assets		<u>19,130,420</u>	<u>15,010,490</u>
Liabilities			
Trade and other payables	11	4,249,944	3,436,510
Finance lease liabilities	12	330,768	290,481
Provisions	14	335,782	279,820
Grant funds unexpended, repayable or in advance		<u>4,457,972</u>	<u>1,759,181</u>
Total current liabilities		<u>9,374,466</u>	<u>5,765,992</u>
Finance lease liabilities	12	449,615	571,508
Provisions	14	<u>378,689</u>	<u>224,482</u>
Total non-current liabilities		<u>828,304</u>	<u>795,990</u>
Total liabilities		<u>10,202,770</u>	<u>6,561,982</u>
Net assets		<u>8,927,650</u>	<u>8,448,508</u>
Equity			
Retained surplus	16	1,832,892	1,083,912
Reserves	16	<u>7,094,758</u>	<u>7,364,596</u>
Total equity		<u>8,927,650</u>	<u>8,448,508</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 2019

		Restricted Medicare funds \$	Capital reserve \$	Retained surplus \$	Total equity \$
Attributable to owners of the Company					
Balance at 1 July 2017		-	-	7,791,988	7,791,988
Total comprehensive income					
Net surplus		-	-	656,520	656,520
Total other comprehensive income		-	-	-	-
Total comprehensive income		-	-	656,520	656,520
Transfers to reserves	16b	460,662	6,903,934	(7,364,596)	-
Balance at 30 June 2018		460,662	6,903,934	1,083,912	8,448,508
Balance at 1 July 2018		460,662	6,903,934	1,083,912	8,448,508
Total comprehensive income					
Net surplus		-	-	479,142	479,142
Total other comprehensive income		-	-	-	-
Total comprehensive income		-	-	479,142	479,142
Transfers to reserves	16b	-	(269,838)	269,838	-
Balance at 30 June 2019		460,662	6,634,096	1,832,892	8,927,650

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

Statement of cash flows

For the year ended 30 June 2019

	Note	2019 \$	2018 \$
Cash flows from operating activities			
Cash receipts from funding bodies		38,644,992	33,591,004
Cash receipts from customers		1,871,426	1,701,445
Cash paid to suppliers and employees		(35,868,924)	(31,816,634)
Cash generated from operating activities		4,647,493	3,475,815
Interest received		196,433	123,914
Interest paid		-	-
Net cash from operating activities	18	<u>4,843,926</u>	<u>3,599,729</u>
Cash flows from investing activities			
Acquisition of property, plant, equipment and work in progress		(514,919)	(701,778)
Proceeds from sale of property, plant and equipment		155,874	49,545
Net cash used in investing activities		<u>(359,045)</u>	<u>(652,233)</u>
Cash flows from financing activities			
Proceeds from finance leases		117,229	428,574
Repayment of finance leases		(252,061)	(225,055)
Net cash from/(used in) financing activities		<u>(134,832)</u>	<u>203,519</u>
Net increase in cash and cash equivalents		4,350,049	3,151,015
Cash and cash equivalents at 1 July	7	<u>5,593,707</u>	<u>2,442,692</u>
Cash and cash equivalents at 30 June	7	<u>9,943,756</u>	<u>5,593,707</u>

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 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 of health services delivery 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 – Reduced Disclosure Requirements (“AASBs”) adopted by the Australian Accounting Standards Board (“AASB”) and the *Australian Charities and Not-for-profits Commission Act 2012*. The financial statements of the Company do not comply with International Financial Reporting Standards (“IFRSs”) adopted by the International Accounting Standards Board. They 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:

- Employee benefits – Note 4d, Note 4j and Note 11
- Depreciation of property, plant and equipment – Note 4f and Note 9

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.

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 significant accounting policies

The Company has initially applied AASB 9 from 1 July 2018. A number of other new standards are also effective from 1 July 2018 but they are not relevant to and/or do not have a material effect on the Company’s financial statements.

AASB 9 Financial Instruments

AASB 9 *Financial Instruments* replaces AASB 139 *Financial Instruments: Recognition and Measurement*. It makes major changes to the previous guidance on the classification and measurement of financial assets and introduces an ‘expected credit loss’ model for impairment of financial assets.

When adopting AASB 9, the Company has applied transitional relief and opted not to restate prior periods. Any differences arising from the adoption of AASB 9 in relation to classification, measurement, and impairment are recognised in opening retained surplus as at 1 July 2018.

On 1 July 2018, the date of initial application, the Company re-assessed the classification, measurement category and carrying amount of each financial instrument (listed below) in accordance with AASB 9. There were some changes to classification, but this did not result in changes to measurement categories (listed below). Carrying amounts were also unchanged.

Financial asset/liability	Measurement category (unchanged)
Cash and cash equivalents	Amortised cost
Trade and other receivables	Amortised cost
Trade and other payables	Amortised cost
Loans and borrowings	Amortised cost

4 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

a Revenue

Medicare income

Medicare claims are recognised as revenue in the same period that the relevant consultations have occurred.

b Government grants and other contributions of assets

Government grants and other contributions of assets are accounted for in accordance with AASB 1004 *Contributions* based on whether they are reciprocal or non-reciprocal in nature and are measured at the fair value of the contributions received or receivable.

Reciprocal transfers are those where approximately equal value is exchanged in the transfer between the transferor (grantor) and the transferee (grantee). Non-reciprocal transfers are those where equal value is not exchanged.

i Reciprocal transfers

Where grants and other contributions are received that are reciprocal in nature, revenue is recognised over the term of the funding arrangements. The Company currently does not have any reciprocal grants.

ii Non-reciprocal transfers

Revenue from a non-reciprocal grant that is not subject to conditions is recognised when the Company obtains control of the funds, economic benefits are probable and the amount can be measured reliably. Where a grant may be required to be repaid if certain conditions are not satisfied, a liability is recognised at year end to the extent that conditions remain unsatisfied.

Where the Company receives a non-reciprocal contribution of an asset from a government or other party for no or nominal consideration, the asset is recognised at fair value and a corresponding amount of revenue is recognised.

c Finance income and finance costs

Finance income and finance costs include interest income, interest expense, 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 months at the end of the reporting period, then they are discounted.

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. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. 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 under 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

Policy applicable from 1 July 2018

For the purpose of subsequent measurement, 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.

Policy applicable before 1 July 2018

The Company classified its financial assets into one of the following categories:

- loans and receivables
- held to maturity
- available for sale
- at fair value through profit or loss

For the comparative period, all of the Company’s financial assets fell within the loans and receivables category.

After initial recognition, financial assets in the loans and receivables category were measured at amortised cost using the effective interest method.

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 accounting for financial liabilities under AASB 9 from 1 July 2018 remains largely unchanged from the accounting under AASB 139 before 1 July 2018, i.e. in the comparative period.

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

i Impairment

i Non-derivative financial assets

Policy applicable from 1 July 2018

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 2019 and has determined that no impairment is required at that date.

Policy applicable before 1 July 2018

Financial assets are assessed at each reporting date to determine whether there is objective evidence of impairment

Objective evidence that financial assets are impaired include default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not consider otherwise, or indications that a debtor or issuer will enter bankruptcy.

The Company considers evidence of impairment for financial assets measured at amortised cost (loans and receivables) at a specific asset level.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset’s original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account. When the Company considers that there is no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases, and the decrease could be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss.

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 Employee benefits

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

i Determining whether an arrangement contains a lease

At inception of an arrangement, the Company determines whether the arrangement is or contains a lease.

At inception or on reassessment of an arrangement that contains a lease, the Company separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Company concludes for a finance lease that it is impracticable to separate the payments reliably, an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Company's incremental borrowing rate.

ii Leased assets

Assets held by the Company under leases which transfer to the Company substantially all of the risks and rewards of ownership are classified as finance leases. The leased assets are measured at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases are classified as operating leases and are not recognised in the Company's statement of financial position.

iii Lease payments

Payments made under operating leases are recognised in expenses on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance costs and the reduction of the outstanding liability. The finance costs are allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

5 Standards issued but not yet effective

A number of new standards and amendments to standards are effective for annual periods beginning after 1 July 2018, and have not been applied in preparing these financial statements. The following new standards may have an impact on the Company's financial statements, although any such impact has not yet been fully assessed.

- AASB 15 *Revenue from Contracts with Customers*, AASB 1058 *Income of Not-for-profit Entities* and AASB 2016-8 *Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-profit Entities* become mandatory for annual periods beginning on or after 1 January 2019. AASB 15 will replace AASB 118 *Revenue*, AASB 111 *Construction Contracts* and a number of Interpretations. AASB 2016-8 sets out Australian requirements and provides guidance for not-for-profit entities in applying AASB 9 and AASB 15, and AASB 1058 will replace AASB 1004 *Contributions*. Together, they establish a comprehensive framework for determining whether, how much and when revenue is recognised.

- AASB 16 *Leases* becomes mandatory for annual periods beginning on or after 1 January 2019 (with early adoption permitted) and in essence requires a lessee to:
 - recognise all lease assets and liabilities (including those currently classed as operating leases) on the statement of financial position, initially measured at the present value of unavoidable lease payments;
 - recognise amortisation of lease assets and interest on lease liabilities as expenses over the lease term; and
 - separate the total amount of cash paid into a principal portion (presented within financing activities) and interest (which entities can choose to present within operating or financing activities consistent with presentation of any other interest paid) in the statement of cash flows.

The Company does not plan to adopt these standards early.

6 Revenue

a Recurrent grants and operating revenue

Recurrent grants received

	2019 \$	2018 \$
Catholic Health Australia	40,000	60,000
Check UP	3,688,755	3,117,107
Department of Child Safety Youth and Women	1,173,183	734,707
Department of Health	19,396,845	16,434,778
Department of Prime Minister and Cabinet	1,480,659	1,444,545
Department of Social Services	536,944	536,944
James Cook University	235,201	232,558
National Aboriginal and Torres Strait Islander Health Alliance	659,228	579,424
National Health and Medical Research Council	34,335	33,906
Northern Queensland Primary Health Network	985,446	712,414
Queensland Corrective Services	91,606	49,055
Queensland Health	1,985,135	1,761,140
Queensland Aboriginal and Islander Health Council	200,000	-
Royal Australasian College of Medical Administrators	323,185	366,616
South Australian Health and Medical Research Institute	60,496	84,371
Torres and Cape Hospital and Health Service	3,943,034	4,108,488
University of Western Australia	126,620	93,079
Other small grants	68,340	16,900
	35,029,012	30,366,032
Recurrent grant balances at 1 July	1,614,547	654,460
Recurrent grant balances at 30 June	(4,324,288)	(1,614,547)
Total recurrent grant revenue	32,319,271	29,405,945
Operating revenue		
Medicare income	1,499,195	1,573,868
Other	111,407	88,976
Total operating revenue	1,610,602	1,662,844
Total recurrent grants and operating revenue	33,929,873	31,068,789

b Capital grants

Capital grants received

Tropical Medical Training – Capital grants	67,000	-
Capital grant balances at 1 July	133,684	133,684
Capital grant balances at 30 June	(133,684)	(133,684)
Total capital grant revenue	67,000	-

c Grant funds repaid during the year

Department of Communities	-	10,951
Primary Health Network	7,943	-
	7,943	10,951

7 Cash and cash equivalents

Bank balances	9,943,756	5,593,557
Cash on hand	-	150
Cash and cash equivalents in the statement of cash flows	9,943,756	5,593,707

8 Trade and other receivables

Current

Deposit - Rental bonds	2,400	5,309
Trade receivables	1,951,419	2,139,811
Less: Allowance for impairment losses	-	-
	1,953,819	2,145,120

Non-current

Deposits - rental bonds	15,583	15,583
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Expected credit loss assessment for customers as at 30 June 2019

The Company applies the AASB 9 simplified model of recognising lifetime expected credit losses for all trade receivables as these items do not have a significant financing component.

In measuring the expected credit losses, the trade receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due and also according to the type of customers.

The expected loss rates are based on the payment profile for sales over the past 12 months before 30 June 2019 as well as the corresponding historical credit losses during that period. The historical rates are adjusted to reflect current and forwarding looking macroeconomic factors affecting the customer's ability to settle the amount outstanding. The Company has identified the type of customer to be the most relevant factor and accordingly adjusts historical loss rates for expected changes in this factor. However given the short period exposed to credit risk, the impact of this macroeconomic factor has not been considered significant within the reporting period.

Trade receivables are written off (i.e. derecognised) when there is no reasonable expectation of recovery. Failure to make payments within 180 days from the invoice date and failure to engage with the Company on alternative payment arrangements amongst others are considered indicators of no reasonable expectation of recovery.

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 2017	5,731,068	380,340	1,553,016	2,224,009	2,260,832	371,416	12,520,681
Additions	9,907	-	67,098	-	453,439	210,160	740,604
Disposals	-	(32,192)	(29,652)	(38,378)	(316,477)	-	(416,699)
Transfers between classes	132,688	13,796	139,854	-	-	(286,338)	-
Transfer to P&L	-	-	-	-	-	(38,826)	(38,826)
Balance at 30 June 2018	5,873,663	361,944	1,730,316	2,185,631	2,397,794	256,412	12,805,760
Balance at 1 July 2018	5,873,663	361,944	1,730,316	2,185,631	2,397,794	256,412	12,805,760
Additions	-	26,240	-	-	204,055	397,269	627,564
Disposals	-	-	-	-	(349,053)	-	(349,053)
Transfers between classes	-	-	16,013	-	115,691	(131,704)	-
Transfer to P&L	-	-	-	-	-	(112,645)	(112,645)
Balance at 30 June 2019	5,873,663	388,184	1,746,329	2,185,631	2,368,487	409,332	12,971,626
Depreciation and impairment							
Balance at 1 July 2017	455,271	255,115	1,335,359	2,131,430	1,237,581	-	5,414,756
Depreciation for the year	286,559	52,558	156,397	89,596	318,659	-	903,769
Disposals	-	(32,192)	(29,652)	(38,378)	(316,477)	-	(416,699)
Balance at 30 June 2018	741,830	275,481	1,462,104	2,182,648	1,239,763	-	5,901,826
Balance at 1 July 2018	741,830	275,481	1,462,104	2,182,648	1,239,763	-	5,901,826
Depreciation for the year	287,208	45,889	129,888	2,571	256,539	-	722,095
Disposals	-	-	-	-	(286,391)	-	(286,391)
Balance at 30 June 2019	1,029,038	321,370	1,591,992	2,185,219	1,209,911	-	6,337,530
Carrying amounts							
At 1 July 2017	5,275,797	125,225	217,657	92,579	1,023,251	371,416	7,105,925
At 30 June 2018	5,131,833	86,463	268,212	2,983	1,158,031	256,412	6,903,934
At 30 June 2019	4,844,625	66,814	154,337	412	1,158,576	409,332	6,634,096

b Leasehold improvements

The Company has no formal tenure to the land at Mapoon on which the demountable building is located (although the demountable building is relocatable). The Company delivers health services to the local communities from this centre. Although the Company has no formal tenure over this centre, the Company has capitalised the costs incurred and is depreciating them over the expected useful lives of the assets. Should the Company decide to cease its service delivery from Mapoon for any reason, then it would be necessary to accelerate the depreciation of these costs or write-off the balance completely.

The following assets have been recognised in land and buildings in respect of the demountable building in Mapoon:

- During the year ended 30 June 2011, the Company invested \$21,328 (carrying amount at 30 June 2019 was \$12,096) in a demountable building at Mapoon (Mapoon Public Health Centre).
- During the year ended 30 June 2012, the Company incurred \$127,917 for renovations to the demountable building (carrying amount at 30 June 2019 was \$77,015).
- During the year ended 30 June 2013, the Company incurred \$8,830 for a septic tank system to the demountable building (carrying amount at 30 June 2019 was \$5,978).

The following preliminary capital expenditure incurred during the year ended 30 June 2019 has been recognised in WIP in respect of Health Centre construction:

- Mapoon \$20,780
- Kowanyama \$81,334
- Pormpuraaw \$48,769

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 expired on 21 August 2019, a new lease to expire on 21 August 2021 has been signed by the Company and is awaiting full execution by the 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 4 Kankarr Street Mossman Gorge lease expires on 30 June 2021, this has been signed by the Company and is awaiting full execution by Bamanga Bubu Ngadimunku Aboriginal Corporation.

The Company has the following formal tenure in relation to its Social Emotional Wellbeing Centres.

- Lot 15 Kankarr Street, Mossman Gorge Road, Mossman expires on 30th June 2021. This lease has not been fully executed. This is leased from Bamanga Bubu Ngadimunku Aboriginal Corporation.

There is currently no formal tenure in relation to the capital expenditure incurred in Pormpuraaw and Mapoon however as these health care centres are in the preliminary stages, tenure of the land on which the clinics are to be constructed is expected to be secured prior to construction commencing.

10 Financial instruments – fairs values and risk management

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	
	2019	2018
	\$	\$
Financial assets measured at amortised cost		
Cash and cash equivalents	9,943,756	5,593,707
Trade and other receivables	1,953,819	2,145,120
	<u>11,897,575</u>	<u>7,738,827</u>
Financial liabilities measured at amortised cost		
Trade and other payables	4,249,944	3,436,510
Finance lease liabilities	780,383	861,989
	<u>5,030,327</u>	<u>4,298,499</u>
	2019	2018
	\$	\$

11 Trade and other payables

Trade creditors	387,598	497,787
Accrued expenses	1,566,687	1,074,437
Liability for annual leave	1,489,290	1,349,691
Other creditors	350,576	297,912
PAYG	191,695	136,194
GST payable	<u>264,098</u>	<u>80,489</u>
	<u>4,249,944</u>	<u>3,436,510</u>

12 Finance lease liabilities

Current

Finance lease liabilities	<u>330,768</u>	<u>290,481</u>
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Non-current

Finance lease liabilities	<u>449,615</u>	<u>571,508</u>
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Finance lease liabilities

Finance lease liabilities are payable as follows:

	Future minimum lease payments 2019	Interest 2019	Present value of minimum lease payments 2019	Future minimum lease payments 2018	Interest 2018	Present value of minimum lease payments 2018
	\$	\$	\$	\$	\$	\$
Less than one year	368,847	38,079	330,768	339,579	49,097	290,482
Between one and five years	464,108	14,492	449,615	611,931	40,424	571,507
More than five years	-	-	-	-	-	-
	<u>832,955</u>	<u>52,571</u>	<u>780,384</u>	<u>951,510</u>	<u>89,521</u>	<u>861,989</u>

13 Employee benefits

The Company makes contributions to defined contribution plans. The amount recognised as an expense was \$1,657,274 for the year ended 30 June 2019 (2018: \$1,487,939).

	2019	2018
	\$	\$
Current		
Long service leave	<u>335,782</u>	<u>279,820</u>
Non-current		
Long service leave	<u>378,689</u>	<u>224,482</u>
Balance at 1 July	504,302	352,762
Provisions made during the year	257,657	163,978
Provisions used during the year	<u>(47,488)</u>	<u>(12,438)</u>
Balance at 30 June	<u>714,471</u>	<u>504,302</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 2019 was 1.46% (2018: 2.51%).

15 Operating leases

Leases as lessee

The Company leases a number of buildings under operating leases. The leases typically run for a period of one to five years, with an option to renew the lease after that date. Lease payments are increased every three years to reflect market rentals. None of the leases include contingent rentals.

At reporting date, the future minimum lease payments under non-cancellable leases were payable as follows:

	2019 \$	2018 \$
Less than one year	741,855	585,995
Between one and five years	1,356,084	1,377,046
More than five years	<u>6,662</u>	<u>19</u>
	<u>2,104,601</u>	<u>1,963,060</u>

During the year ended 30 June 2019, \$636,406 was recognised as an expense in respect of operating leases (2018: \$698,635).

16 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.

ii Restricted Medicare funds

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

17 Capital management

The Company's policy is to maintain a strong capital base so as to maintain member, creditor and funding body confidence and to sustain future development of the business. Capital consists of retained surpluses and reserves. Management monitors the Company's operating surplus.

There were no changes in the Company's approach to capital management during the year.

The Company is not subject to externally imposed capital requirements.

	2019 \$	2018 \$
Net surplus	479,142	656,520
<i>Adjustments for:</i>		
Depreciation	722,095	903,769
Gain on sale of property, plant and equipment	(93,212)	(49,545)
Finance charges	<u>53,226</u>	<u>42,238</u>
	1,161,251	1,552,982
<i>Changes in:</i>		
Trade and other receivables	191,301	163,573
Trade and other payables	813,434	745,369
Prepayments	(231,020)	15,228
Provisions and employee benefits	210,169	151,540
Unexpended grants	<u>2,698,791</u>	<u>971,037</u>
Net cash from operating activities	<u>4,843,926</u>	<u>3,599,729</u>

19 Related parties

a Transactions with key management personnel

i Key management personnel compensation

The key management personnel compensation comprised the following:

Short-term employee benefits	1,086,830	969,238
Post-employment benefits	102,682	77,571
Other long term benefits	22,407	8,746
Termination benefits	<u>80,210</u>	<u>2,158</u>
	<u>1,292,129</u>	<u>1,057,713</u>

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	
			2019	2018	2019	2018
			\$	\$	\$	\$
Thomas Hudson	Kowanyama River House	(i)	117,130	57,270	-	-
Thomas Hudson	Thomas Hudson	(ii)	-	10,380	-	10,380

- (i) During the year, the Company rented accommodation owned by the director in Kowanyama. The terms of the transactions were based on market rates. This was substantially higher than previous years due to other accommodation being refurbished.
- (ii) A vehicle was sold to T Hudson at market value in prior year.

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.

2019	2018
\$	\$

20 Auditor's remuneration

Audit services

Auditors of the Company – Grant Thornton

Audit of financial statements	38,000	34,000
Audit of grant acquittals	8,500	7,500
Audit of CCSS grant acquittal	-	4,000
Audit of NQPHN grant acquittal	1,250	-
	<u>47,750</u>	<u>45,500</u>

Other services

Auditors of the Company – Grant Thornton

Advisory services - other advice and assistance	1,500	8,900
Preparation of financial statements	-	8,500
	<u>1,500</u>	<u>17,400</u>

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 2019 and of its performance for the financial year ended on that date; and
- ii complying with Australian Accounting Standards – Reduced 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

23 October 2019

Date

Independent auditors report

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

Opinion

We have audited the financial report of Apunipima Cape York Health Council Limited (the "Company"), which comprises the statement of financial position as at 30 June 2019, 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 2019 and of its financial performance for the year then ended; and
- b complying with Australian Accounting Standards – Reduced Disclosure Requirements 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.

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 – Reduced Disclosure Requirements and for 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.

The directors are responsible for overseeing the Company's financial reporting process.

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 AUDIT PTY LTD
Chartered Accountants



H A Wilkes
Principal – Audit & Assurance

Cairns, 23 October 2019

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Auditor's independence declaration

Auditor's independence declaration to the directors of Apunipima Cape York Health Council Limited

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In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, as lead auditor for the audit of Apunipima Cape York Health Council Limited for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been:

- No contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- No contraventions of any applicable code of professional conduct in relation to the audit.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

Helen Wilkes

H A Wilkes
Partner – Audit & Assurance

Cairns, 23 October 2019

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CAPE YORK HEALTH COUNCIL



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