

# **Access Health and Community**

**ABN: 82 136 672 681**

## **Financial report**

For the year ended 30 June 2023

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**ACCESS HEALTH AND COMMUNITY**

**ABN: 82 136 672 681**

**DIRECTORS' REPORT**

The directors present their report together with the financial report of Access Health and Community for the year ended 30 June 2023 and auditor's report thereon.

**Directors names**

The names of the directors in office at any time during or since the end of the year are:

Gayle Austen (Chair)

Penny Lovett (Deputy Chair)

Alan Studley

Annette Mercuri

David Benady

David Lau

Mike Morgan

Peter Turner

Ross Goeman

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

**Results**

The deficit of the company for the year amounted to \$859,239 (2022: \$419,150 surplus).

**Significant changes in state of affairs**

There have been no significant changes in the company's state of affairs that occurred during the financial year, other than those referred to elsewhere in this report.

## **ACCESS HEALTH AND COMMUNITY**

**ABN: 82 136 672 681**

### **DIRECTORS' REPORT**

#### **Principal activities**

The principal activities of Access Health and Community involve the provision of primary health care services primarily in the cities of Yarra, Manningham and Boroondara. In 2022/23 Access Health and Community primary program services include:

- Accredited GP clinics
- Allied Health, nursing services and health promotion
- NDIS registered provider for children and adults
- Community Health programs for children and adults
- Mental health services including headspace
- Dental Clinic providing community and private dental services
- Drug and alcohol counselling services for the Eastern Metropolitan region of Melbourne
- Early Childhood Intervention Services
- Community House, Planned Activity Groups, Social Support Activities, occasional care and Men's Shed
- Commonwealth funded Home Support Programs and carer support service
- Health Promotion and Community Engagement Programs

Some programs were delivered in partnership with:

- HealthAbility (formerly Carrington Health)
- Inspiro
- Eastern Health – Turning Point
- Oonah Belonging Place
- EACH
- Salvo Care

**ACCESS HEALTH AND COMMUNITY**

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**DIRECTORS' REPORT**

Access Health and Community provided these services from various locations:

Three owned premises at:

- 283 Church Street, Richmond (head office)
- 378 Burwood Road, Hawthorn
- 10 Rose Street, Box Hill

Leased premises at:

- 7 Samarinda Ave., Ashburton
- 44 Balmoral Ave., Lower Templestowe
- 51 St John Ave., Camberwell
- 2 Centre Way., Balwyn North
- 33 Warrandyte Rd., Ringwood
- 32 Henry St., Hawthorn
- 4 Y St., Ashburton
- 47A Karnak Rd., Ashburton
- 360 Burwood Rd., Hawthorn
- 1020 Doncaster Rd., East Doncaster
- 41 Wetherby Rd., Doncaster
- 33-39 William St., Hawthorn
- 1257 High St., Malvern
- 584 Glenferrie Rd., Hawthorn
- MC2 687 Doncaster Rd., Doncaster

## ACCESS HEALTH AND COMMUNITY

ABN: 82 136 672 681

### DIRECTORS' REPORT

#### Information on directors

##### **Gayle Austen**

##### Qualifications

Joined Board November 2018

BA (Communications)

GAICD

Cert Applied Languages (Mandarin)

Advanced Certificate Applied Languages (Mandarin)

##### Experience

Gayle is a specialist in communications, marketing and strategic advice. She has consulted for non-profits on a range of initiatives, including advocacy, merger and acquisitions, targeted communication, organisational structure and leadership coaching. Gayle was formerly Head of Marketing and Communications with ANZ Institutional, led corporate affairs teams for Foster's and Seven Network and was a senior journalist, section editor and chief of staff with The Age. Gayle was formerly President of Camcare. Her passion for social justice and local community is reflected in her career and previous non-profit Board roles. Gayle is also the Chair of Trust for Nature.

##### Special responsibilities

Board Chair

Audit and Risk Committee Member

Community Advisory Committee Member

Governance Committee Member

Quality and Safety Committee Member

##### **Penny Lovett**

##### Qualifications

Joined Board August 2018

Bachelor of Commerce

Grad Dip, Human Resource Management

Master Business Administration

GAICD

##### Experience

Executive General Manager People and Culture at Invocare. Penny's experience encompasses organisational leadership and all aspects of People and Culture leadership including cultural renewal, HR Business Partnering, Workplace Health and Safety, Remuneration and Benefits, Organisational Development, HR Services, and Volunteer Management. Penny has held board roles for over 10 years and has more than 20 years experience in executive roles having performed as a HR Director roles across not for profit, health, insurance, aged care and manufacturing sectors for more than 15 years.

##### Special responsibilities

Deputy Chair

Chair Governance Committee

Community Advisory Committee Member

## ACCESS HEALTH AND COMMUNITY

ABN: 82 136 672 681

### DIRECTORS' REPORT

#### Information on directors (Continued)

<b>Alan Studley</b>	Joined Board December 2015
Qualifications	Masters of Business Administration Graduate Diploma Management Systems Bachelor Business (Accounting / Marketing) Fellow AICD (Australian Institute of Company Directors) Fellow of CPA Australia (FCPA)
Experience	Alan is a non-executive director of Alexandra District Hospital, Wayss (Family Violence & Housing Support) and ANZGITA. Alan has worked for multinational companies in the fields of manufacturing, media and food production. His roles have included Finance Director, CEO and Executive Chairman of large acute care health facilities, public transport related services and a federal government trust responsible for national heritage assets. In the past, he has been a director and trustee of Metropolitan Ambulance Service, Royal Guide Dogs for the Blind Association of Victoria and Australia, Aware Super (Health Super) and ASX listed Sausage Software Pty Ltd. He has acted as a Surveyor, Australian Council of Healthcare Standards and member of the Department of Human Services, Strategy steering Committee I2T2
Special responsibilities	Chair, Audit and Risk Committee Governance Committee Member
<b>Annette Mercuri</b>	Joined Board May 2022
Qualifications	Bachelor of Applied Science (Planning) Member of the Australian Institute of Company Directors (MAICD) Associate Fellow ACHSM (Australasian College of Health Service Management)
Experience	Annette is an accomplished Executive, Project & Program Director, harnessing 25+ years' experience in strategic health planning, capital project management and service reform, for Government, NGO and NFP service providers. She has consulted for government and non-profits on a range of initiatives, including strategic planning, merger and transformation, service and capital planning, service redesign and model of care development – most recently in the primary care and mental health sectors. Annette was formerly a Principal at Nous Group, led strategic, service development and capital infrastructure project teams for Multiple Sclerosis Limited, St Vincent's Health, Royal Children's Hospital and Royal District Nursing Service (now Bolton Clarke) and was a senior manager involved in the merger of Australian Airlines with Qantas. Annette has been a resident of Boroondara for over 25 years. Her passion for reform, transformation and improvement of Health and Mental Health services is reflected in her career and proven success in facilitating sector collaboration, innovation and partnership to improve community outcomes. Annette is also the Deputy Chair of Tweddle Child and Family Health Service.
Special responsibilities	Chair Community Advisory Committee Quality and Safety Committee Member

**ACCESS HEALTH AND COMMUNITY**

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**DIRECTORS' REPORT**

**Information on directors (Continued)**

<b>David Benady</b>	Joined Board November 2021
Qualifications	Juris Doctor Masters of Public and International Law Masters of Public Policy and Management Senior Executive MBA
Experience	David has 20 years of experience in a broad range of community and human rights settings in the UK, Africa, Australia and Asia. His primary focus in the community has been on children's rights. He is proud of the landmark cases he won leading to substantial change and improved recognition of children's rights in Victoria. After leaving the law profession, he worked in business strategy consulting for Strategy&. He now consults to manufacturers on strategy and operations, and has set up his own procurement consulting firm specialising in manufacturing and health sector procurement.
Special responsibilities	Quality and Safety Committee Member Audit and Risk Committee Member
<b>David Lau</b>	Joined Board May 2022
Qualifications	BPharm (Monash) MClinPharm (Monash) GCHlthSM (Melbourne) FSHP (Society Hospital Pharmacists of Australia) MAICD (Australian Institute of Company Directors)
Experience	David's early experiences as a hospital clinician led to his enduring passion for system reform, its sustainability and service quality. His specialist skills and experiences span hospital leadership, pharmaceutical supply chain, digital health, health industry development and commercialisation, and health practitioner regulation. He is currently Managing Partner at Mitte Analytics, a technology start-up, and past positions include General Manager of Institutional Healthcare at EBOS Group, Health Industry Lead at Optus, and Executive Director of Ambulatory Services at the Royal Victorian Eye and Ear Hospital. He is currently a board director at Western Health, and has previously served as president of the Pharmacy Board of Victoria, chair of the Victorian Pharmacy Authority, board director at the Royal Children's Hospital, and board director at North Yarra Community Health.
Special responsibilities	Governance Committee Member Quality and Safety Committee Member



**ACCESS HEALTH AND COMMUNITY**

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**DIRECTORS' REPORT**

**Information on directors (Continued)**

<b>Mike Morgan</b>	Joined Board June 2019
Qualifications	BDS (Otago) MDS Grad Dip Epidemiol PhD (Melbourne) FRACDS GAICD
Experience	Immediate past Dean of the Faculty of Dentistry at the University of Otago, New Zealand. Previously Head of Melbourne Dental School, Faculty of Medicine, Dentistry and Health Sciences at The University of Melbourne. He holds an Honorary Professorship at both institutions. Mike has been involved in dental education and research in Australia, New Zealand and internationally. Graduating with a dental degree from The University of Otago, Mike is a registered specialist in both Australia and New Zealand with a background in paediatric dentistry, dental public health and epidemiology.
Special responsibilities	Chair, Quality and Safety Committee Community Advisory Committee Member
<b>Peter Turner</b>	Joined Board April 2013
Qualifications	Masters of Health Administration Graduate Diploma of Business – Accounting Fellow of CPA Australia (FCPA) Fellow of the Australian Institute of Management (FAIM) Fellow of the Australian College of Health Service Management Certified Health Executive (CHE) Member of the Australian Institute of Company Directors (MAICD)
Experience	Peter is the Managing Director of Independence Australia Group. He has worked in a range of senior management positions in the health and community services industry for over 30 years in the public, private and not-for-profit sectors. He is a Harvard Club Fellow, an Alumnus of Leadership Victoria, was a volunteer Surveyor for the Australian Council on Healthcare Standards for 20 years and has also served as the pro-bono Chief Executive of a charitable trust. Mr. Turner has extensive experience in corporate governance, capital, service planning and the management of health and community services. He has special interests in corporate governance and risk management.
Special responsibilities	Audit and Risk Committee Member Governance Committee Member

**ACCESS HEALTH AND COMMUNITY**

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**DIRECTORS' REPORT**

**Information on directors (Continued)**

<b>Ross Goeman</b>	Joined Board May 2022
Qualifications	Master of Business Administration Master of Public Policy and Management Master of Science Bachelor of Arts (Honours)
Experience	Ross has extensive leadership experience within local government, most recently as Manager of Corporate Performance and Strategic Risk at the City of Melbourne. He has held leadership roles at Monash City Council and Yarra City Council. Ross has significant expertise in risk management, business assurance, compliance management and corporate planning
Special Responsibilities	Audit and Risk Committee Member Community Advisory Committee Member

**Meetings of directors**

Directors	Directors' meetings		Audit and Risk committee meetings		Quality and Safety committee meetings		Governance committee meetings		Community Advisory Committee meetings	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Gayle Austen	9	7	4	4	4	3	3	3	4	3
Penny Lovett	9	9	-	-	-	-	3	3	1	1
Alan Studley	9	9	4	4	-	-	1	1	-	-
Annette Mercuri	9	9	-	-	1	1	-	-	4	4
David Benady	9	8	1	1	4	4	-	-	-	-
David Lau	9	9	-	-	1	1	3	3	-	-
Mike Morgan	9	9	-	-	4	4	-	-	1	1
Peter Turner	9	8	4	4	-	-	1	1	-	-
Ross Goeman	9	9	4	4	-	-	-	-	1	1

**Members guarantee**

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute to a maximum of \$10 each towards meeting any outstandings and obligations of the company. At 30 June 2023 the number of members was 34 (2022: 140). The combined total amount that members of the company are liable to contribute if the company is wound up is \$340 (2022: \$1,400).

**ACCESS HEALTH AND COMMUNITY**

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**DIRECTORS' REPORT**

**Auditor's independence declaration**


A copy of the auditor's independence declaration under *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit for the financial year is provided with this report.

This declaration is made on behalf of the Board of Directors.



Director: \_\_\_\_\_

Gayle Austen



Director: \_\_\_\_\_

Alan Studley

Dated this 23rd day of October 2023

## Auditor-General's Independence Declaration

### To the Board of Directors, Access Health and Community

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General, an independent officer of parliament, is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised.

Under the *Audit Act 1994*, the Auditor-General is the auditor of each public body and for the purposes of conducting an audit has access to all documents and property, and may report to parliament matters which the Auditor-General considers appropriate.

### *Independence Declaration*

As auditor for Access Health and Community for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

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

MELBOURNE  
30 October 2023



Sanchu Chummar

*as delegate for the Auditor-General of Victoria*

**ACCESS HEALTH AND COMMUNITY**

ABN: 82 136 672 681

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2023**

	Note	2023 \$	2022 \$
<b>Revenue and other income</b>			
Revenue from contracts with customers	2	34,200,606	31,910,532
Other income	3	714,723	548,524
Gain on investment	3	<u>41,938</u>	<u>-</u>
		<u>34,957,267</u>	<u>32,459,056</u>
<b>Less: expenses</b>			
Employee benefits expense	4	(27,337,627)	(24,132,608)
Accreditation expense		(33,154)	(28,699)
Advertising expense		(121,224)	(229,946)
Computer expense		(391,743)	(350,157)
Contractor and consultant expense		(354,647)	(253,180)
Contractor cleaning expense		(365,300)	(361,284)
Contract Labour expense	4	(4,091)	(3,224)
Depreciation and amortisation expense	4	(1,080,388)	(992,789)
Finance costs	4	(127,835)	(157,384)
Medical expense		(152,012)	(168,791)
Motor vehicle expenses		(105,041)	(86,279)
Occupancy expense		(178,848)	(198,465)
Program brokerage		(3,494,684)	(2,989,764)
Program expenses		(154,383)	(217,243)
Repairs and maintenance expense		(232,780)	(297,335)
Telephone expense		(321,327)	(308,709)
Utility expense		(130,047)	(136,657)
Loss on investment	3	(46,264)	(141,119)
Other expenses	4	<u>(1,185,111)</u>	<u>(986,273)</u>
		<u>(35,816,506)</u>	<u>(32,039,906)</u>
<b>(Deficit) / surplus for the year</b>		(859,239)	419,150
<b>Other comprehensive income</b>			
<i>Other comprehensive income</i>			
Unrealised gain/ (loss) on investment		<u>304,826</u>	<u>(164,585)</u>
		<u>304,826</u>	<u>(164,585)</u>
<b>Other comprehensive income / (deficit)</b>		<u>304,826</u>	<u>(164,585)</u>
<b>Total comprehensive (deficit) / income</b>		<u>(554,413)</u>	<u>254,565</u>

The accompanying notes form part of these financial statements.

**ACCESS HEALTH AND COMMUNITY**  
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**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2023**

	Note	2023 \$	2022 \$
<b>Current assets</b>			
Cash and cash equivalents	6	5,507,951	6,188,019
Receivables	7	2,400,156	2,431,834
Investments	8	6,009,798	7,495,295
Other assets	9	<u>404,453</u>	<u>319,640</u>
<b>Total current assets</b>		<u>14,322,358</u>	<u>16,434,788</u>
<b>Non-current assets</b>			
Intangible assets	10	10,861	19,194
Lease assets	11	3,182,822	520,807
Property, plant and equipment	12	<u>24,121,567</u>	<u>23,402,354</u>
<b>Total non-current assets</b>		<u>27,315,250</u>	<u>23,942,355</u>
<b>Total assets</b>		<u>41,637,608</u>	<u>40,377,143</u>
<b>Current liabilities</b>			
Payables	13	4,103,744	4,151,025
Lease liabilities	11	691,757	441,420
Provisions	14	3,213,106	3,400,044
Other liabilities	15	<u>712,625</u>	<u>1,419,651</u>
<b>Total current liabilities</b>		<u>8,721,232</u>	<u>9,412,140</u>
<b>Non-current liabilities</b>			
Lease liabilities	11	2,536,500	118,396
Provisions	14	<u>741,522</u>	<u>653,840</u>
<b>Total non-current liabilities</b>		<u>3,278,022</u>	<u>772,236</u>
<b>Total liabilities</b>		<u>11,999,254</u>	<u>10,184,376</u>
<b>Net assets</b>		<u>29,638,354</u>	<u>30,192,767</u>
<b>Equity</b>			
Reserves	16	16,488,805	16,183,979
Accumulated surplus		<u>13,149,549</u>	<u>14,008,788</u>
<b>Total equity</b>		<u>29,638,354</u>	<u>30,192,767</u>

The accompanying notes form part of these financial statements.

**ACCESS HEALTH AND COMMUNITY**  
**ABN: 82 136 672 681**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	Reserves \$	Accumulated surplus \$	Total equity \$
<b>Balance as at 1 July 2021</b>	16,348,564	13,589,638	29,938,202
Surplus for the year	-	419,150	419,150
Unrealised loss on investment	<u>(164,585)</u>	<u>-</u>	<u>(164,585)</u>
<b>Total comprehensive income / (deficit) for the year</b>	<u>(164,585)</u>	<u>419,150</u>	<u>254,565</u>
<b>Balance as at 30 June 2022</b>	<u><u>16,183,979</u></u>	<u><u>14,008,788</u></u>	<u><u>30,192,767</u></u>
<b>Balance as at 1 July 2022</b>	16,183,979	14,008,788	30,192,767
Deficit for the year	-	(859,239)	(859,239)
Unrealised gain on investment	<u>304,826</u>	<u>-</u>	<u>304,826</u>
<b>Total comprehensive income / (deficit) for the year</b>	<u>304,826</u>	<u>(859,239)</u>	<u>(554,413)</u>
<b>Balance as at 30 June 2023</b>	<u><u>16,488,805</u></u>	<u><u>13,149,549</u></u>	<u><u>29,638,354</u></u>

The accompanying notes form part of these financial statements.

**ACCESS HEALTH AND COMMUNITY**  
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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	Note	2023 \$	2022 \$
<b>Cash flow from operating activities</b>			
Receipts from customers		6,400,550	5,116,481
Operating grant receipts		30,257,517	28,322,037
Donations received		81,751	43,534
Payments to suppliers and employees		(37,732,014)	(32,276,741)
Interest received		86,445	6,922
Finance costs		<u>(96,958)</u>	<u>(157,384)</u>
<b>Net cash (used in) / provided by operating activities</b>		<u>(1,002,709)</u>	<u>1,054,849</u>
<b>Cash flow from investing activities</b>			
Payment for property, plant and equipment		(1,473,043)	(958,123)
Proceeds from sale of investments		8,358,769	8,155,000
Payment for investments		(6,365,797)	(7,003,831)
Dividends received from investments		174,581	174,773
Interest received from investments		76,460	46,246
Distributions received from investments		<u>-</u>	<u>43,033</u>
<b>Net cash provided by investing activities</b>		<u>770,970</u>	<u>457,098</u>
<b>Cash flow from financing activities</b>			
Principal portion of lease payments		<u>(448,329)</u>	<u>(385,725)</u>
<b>Net cash used in financing activities</b>		<u>(448,329)</u>	<u>(385,725)</u>
<b>Reconciliation of cash and cash equivalents</b>			
Cash and cash equivalents at beginning of the financial year		6,188,019	5,061,797
Net (decrease) / increase in cash and cash equivalents		<u>(680,068)</u>	<u>1,126,222</u>
<b>Cash and cash equivalents at end of financial year</b>	6	<u><u>5,507,951</u></u>	<u><u>6,188,019</u></u>

The accompanying notes form part of these financial statements.



**ACCESS HEALTH AND COMMUNITY**  
**ABN: 82 136 672 681**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The financial report is a general purpose financial report that has been prepared in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and Australian Accounting Standards - Simplified Disclosures, Interpretations and other applicable authoritative pronouncements of the Australian Accounting Standards Board. This includes compliance with the recognition and measurement requirements of all Australian Accounting Standards, Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the disclosure requirements of AASB 1060 *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*.

This financial report is the first financial report of the company prepared in accordance with Australian Accounting Standards - Simplified Disclosures. The prior year financial report was prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements. The transition from the previous financial reporting framework to Australian Accounting Standards - Simplified Disclosures has not affected the company's reported financial position, financial performance and cash flows.

The financial report covers Access Health and Community as an individual entity. Access Health and Community is a company limited by guarantee, incorporated and domiciled in Australia. Access Health and Community is a not-for-profit entity for the purpose of preparing the financial statements.

The financial report was approved by the directors at the date of the directors' report.

The following are the significant accounting policies adopted by the company in the preparation and presentation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

**New or amended Accounting Standards and Interpretations adopted**

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Company.

**(a) Basis of preparation of the financial report**

The financial report has been prepared in accordance with the accrual basis of accounting. Under the accrual basis of accounting, the effects of transactions and other events are recognised when they occur and reported in the financial statements of the periods to which they relate.

The financial statements are prepared on a going concern basis.

The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets and liabilities as described in the accounting policies.

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(b) Foreign currency transactions and balances**

*Functional and presentation currency*

The financial statements are presented in Australian dollars which is the company's functional and presentation currency.

**(c) Economic dependence**

Access Health and Community is dependent on the grant funding from State, Federal and local sources for the majority of its revenue used to operate the business. At the date of this report the directors have no reason to believe the funding will not continue to support Access Health and Community.

**(d) Revenue from contracts with customers**

The company derives revenue from government grants, NDIS funding, Medicare funding, client fees and rental income. Revenue is measured at an amount that reflects the consideration to which the company expects to be entitled in exchange for the goods or services.

To recognise revenue, the company assesses whether there is a contract that is enforceable and has sufficiently specific performance obligations in accordance with *AASB 15: Revenue from Contracts with Customers*.

If an agreement is classified as a contract with a customer, it is accounted for in accordance with AASB 15, which requires the company to:

- identify the performance obligation(s) under the contract;
- determine the transaction price;
- allocate the transaction price to the performance obligation(s) under the contract; and
- recognise revenue when (or as) the company satisfies the performance obligation(s).

Where grant funding agreements are not enforceable or do not have sufficiently specific performance obligations, they are accounted for in accordance with *AASB 1058 Income of Not-for-Profit Entities*. When the company obtains control of a such a grant, it recognises the associated asset in accordance with the applicable Australian Accounting Standard. In addition, the company recognises the following 'related amounts', when applicable:

- any related contributions by owners, customer contract liabilities, financial liabilities and other liabilities and revenue, measured in accordance with the applicable Australian Accounting Standards;
- any liabilities for obligations arising from transfers to enable the company to acquire or construct non-financial assets to be controlled by the company; and
- donation income, representing the residual amount of the resources received.

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*Revenue from the provision of services*

Revenue from the provision of services comprises revenue derived from the delivery of government grant funded programs, NDIS funding, medicare income, client fees and rental income. These services are provided under contractual arrangements that contain enforceable and sufficiently specific performance obligations. Revenue from the provision of services is recognised over time, as performance obligations are satisfied, based on either costs incurred or service hours performed, consistent with the manner in which services are provided and the terms of the contract.

*Contract assets*

A contract asset represents the company's right to consideration in exchange for goods or services that the company has transferred to a customer when that right is conditional on something other than the passage of time. The company recognises contract assets mainly from the contracts in which services are delivered at a point in time and customers are invoiced subsequently to this.

*Contract liabilities*

A contract liability represents the company's obligation to provide future services under contractual arrangements that contain enforceable and sufficiently specific performance obligations for which the company has received consideration (or an amount of consideration is due) in advance of those services being provided. Amounts recorded as contract liabilities are subsequently recognised as revenue as performance obligations are satisfied.

**(e) Other revenue and other income**

*Dividend and other distributions*

Dividend and other distribution revenue is recognised when the right to receive a dividend or other distribution has been established.

*Donations*

Donations and bequests are recognised as income when control is obtained, which is typically when the cash is received.

**(f) Expenses**

Expenses are recognised as they are incurred and reported in the financial year to which they relate.

***Employee Expenses***

Employee expenses include: Salaries and wages, leave expenses, termination payments, redundancy payments, superannuation expenses, payroll tax, fringe benefits tax and work cover premiums.

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(g) Income tax**

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

**(h) Cash and cash equivalents**

Cash and cash equivalents include cash on hand and at banks, short-term deposits with an original maturity of three months or less held at call with financial institutions, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

**(i) Property, plant and equipment**

Each class of plant and equipment is measured at cost or fair value less, where applicable, any accumulated depreciation and any accumulated impairment losses.

*Property*

Freehold land and buildings are measured at fair value. At each balance date the carrying amount of each asset is reviewed to ensure that it does not differ materially from the asset's fair value at reporting date. Where necessary, the asset is revalued to reflect its fair value.

Increases in the carrying amounts arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in equity under the heading of revaluation surplus. To the extent that the increase reverses a decrease of the same class of asset previously recognised in profit or loss, the increase is recognised in profit or loss. Decreases that offset previous increases of the same class of asset are recognised in other comprehensive income under the heading of revaluation surplus; all other decreases are charged to profit and loss.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

**Valuation Methodology**

Key methodologies when assessing the market value of the subject include:

- (a) Comparable Transactions Method/Direct Comparison
- (b) Capitalisation of Market Income

The comparable transactions method utilises information on transactions involving properties that are the same or similar to the subject property. The comparable transaction method can use a variety of comparable evidence and units of comparison which form the basis of the comparison. A common unit of comparison for real property is price per square metre. In analysing the units of comparison, the Valuer may make necessary adjustments to the key valuation metrics to reflect differences (such as the date of sale in comparison to the date of valuation, or differences in property characteristics) between the comparable sales and the valuation of the subject property.

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****(i) Property, plant and equipment (Continued)**

The capitalisation method is a method that can be applied across a broad cross-section of asset types (including income producing property, going concerns, specialised assets, and intangible assets) and can be applied to varying types of income. Typically in assessing the Market Value of “property” the capitalisation method is applied to rents whilst in assessing the Market Value of “going concerns” the method is applied to net profits. The capitalisation method is based on the concept that for income producing assets the price a prospective purchaser will be prepared to pay will be based on (amongst other things) the level of income and the return required for the investment of capital.

*Valuation hierarchy*

In determining fair values a number of inputs are used. To increase consistency and comparability in the financial statements, these inputs are categorised into three levels, also known as the fair value hierarchy. The levels are as follows:

- Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable and
- Level 3 – valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

*Plant and equipment*

Plant and equipment is measured on the cost basis.

*Depreciation*

The depreciable amount of all fixed assets is depreciated over their estimated useful lives commencing from the time the asset is held ready for use. Land and the land component of any class of fixed asset is not depreciated.

Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

<b>Class of fixed asset</b>	<b>Depreciation rates</b>	<b>Depreciation basis</b>
Buildings at valuation	2.5%	Straight line
Plant and equipment at cost	5-20%	Straight line
Leasehold improvements at cost	7-40%	Straight line
Motor vehicles at cost	20%	Diminishing value
Computer equipment at cost	10-33%	Straight line

Depreciation rates applied in the current year are consistent with those applied in the prior financial year.

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(j) Intangible assets**

*Intangible assets*

Except for indefinite useful life intangible assets, which are not amortised but are tested annually for impairment, intangible assets are amortised over their estimated useful lives commencing from the time the asset is available for use. The amortisation method applied to an intangible asset is consistent with the estimated consumption of economic benefits of the asset.

**(k) Impairment of non-financial assets**

Assets with an indefinite useful life are not amortised but are tested annually for impairment in accordance with AASB 136. Assets subject to annual depreciation or amortisation are reviewed for impairment whenever events or circumstances arise that indicate that the carrying amount of the asset may be impaired.

An impairment loss is recognised where the carrying amount of the asset exceeds its recoverable amount. The recoverable amount of an asset is defined as the higher of its fair value less costs to sell and value in use. Replacement costs is used to determine value in use.

**(l) Leases**

At the commencement date of a lease (other than leases of 12-months or less and leases of low value assets), the company recognises a lease asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

*Lease assets*

Lease assets are initially recognised at cost, comprising the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date of the lease, less any lease incentives received, any initial direct costs incurred by the company, and an estimate of costs to be incurred by the company in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Subsequent to initial recognition, lease assets are measured at cost (adjusted for any remeasurement of the associated lease liability), less accumulated depreciation and any accumulated impairment loss.

Lease assets are depreciated over the shorter of the lease term and the estimated useful life of the underlying asset, consistent with the estimated consumption of the economic benefits embodied in the underlying asset.

*Lease liabilities*

Lease liabilities are initially recognised at the present value of the future lease payments (i.e., the lease payments that are unpaid at the commencement date of the lease). These lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, or otherwise using the company's incremental borrowing rate.

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(l) Leases (Continued)**

Subsequent to initial recognition, lease liabilities are measured at the present value of the remaining lease payments (i.e., the lease payments that are unpaid at the reporting date). Interest expense on lease liabilities is recognised in profit or loss (presented as a component of finance costs). Lease liabilities are remeasured to reflect changes to lease terms, changes to lease payments and any lease modifications not accounted for as separate leases.

Variable lease payments not included in the measurement of lease liabilities are recognised as an expense when incurred.

*Leases of 12-months or less and leases of low value assets*

Lease payments made in relation to leases of 12-months or less and leases of low value assets (for which a lease asset and a lease liability has not been recognised) are recognised as an expense on a straight-line basis over the lease term.

**(m) Financial instruments**

*Initial recognition and measurement*

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

Financial instruments are initially measured at fair value adjusted for transaction costs, except where the instrument is classified as fair value through profit or loss, in which case transaction costs are immediately recognised as expenses in profit or loss.

The fair value of financial assets is determined based on current bid prices for all quoted investments.

*Classification of financial assets*

Financial assets recognised by the company are subsequently measured in their entirety at either amortised cost or fair value, subject to their classification and whether the company irrevocably designates the financial asset on initial recognition at fair value through other comprehensive income (FVtOCI) in accordance with the relevant criteria in AASB 9.

Financial assets not irrevocably designated on initial recognition at FVtOCI are classified as subsequently measured at amortised cost, FVtOCI or fair value through profit or loss (FVtPL) on the basis of both:

- (a) the company's business model for managing the financial assets; and
- (b) the contractual cash flow characteristics of the financial asset.

*Derecognition of financial assets*

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the company has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(m) Financial instruments (Continued)**

On derecognition of a financial asset classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investment revaluation reserve (see note 16) is reclassified to the surplus or deficit.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the surplus or deficit.

*Fair value measurement*

For financial reporting purposes, 'fair value' is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants (under current market conditions) at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

When estimating the fair value of an asset or liability, the entity uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Inputs to valuation techniques used to measure fair value are categorised into three levels according to the extent to which the inputs are observable as detailed in Note 1(i).

**(n) Borrowing costs**

Borrowing costs include interest expense calculated using the effective interest method, finance charges in respect of lease arrangements, and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs are expensed as incurred, except for borrowing costs incurred as part of the cost of the construction of a qualifying asset, in which case the costs are capitalised until the asset is ready for its intended use or sale.



NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(o) Employee benefits**

*(i) Short-term employee benefit obligations*

Liabilities arising in respect of wages and salaries, annual leave and any other employee benefits expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled. The expected cost of short-term employee benefits in the form of compensated absences such as annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

*(ii) Long-term employee benefit obligations*

Liabilities arising in respect of long service leave which is not expected to be settled within twelve months of the reporting date are measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to the reporting date.

Employee benefit obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

**(p) Goods and services tax (GST)**

Revenues, expenses and purchased assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

**(q) Comparatives**

Where necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(r) Critical accounting judgements, estimates and assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

*(i) Identifying performance obligations*

The company applies significant judgment when reviewing funding agreements and contracts to determine if there are sufficiently specific and enforceable performance obligations. If met, the contract/funding agreement is treated as a contract with a customer and recognised as revenue as or when the transfer of goods or services to customers occurs. If this criteria is not met, funding is recognised immediately in the net result from operations.

*(ii) Determining timing of revenue recognition*

The company applies significant judgement to determine when a performance obligation has been met and the transaction price that is to be allocated to each performance obligation. A performance obligation is either satisfied at a point in time or over-time.

*(iii) Contract liabilities*

The company assesses the grants in advance and unexpended grants by reference to the conditions attached to the grants and the timing of the receipt of grant monies in accordance with the accounting policy disclosed in Note 1(d).

*(iv) Estimation of useful lives of assets*

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

*(v) Fair value of land and buildings*

The valuation of land and buildings involves various assumptions which are used by valuation experts which include useful lives and current market prices.

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**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*(vi) Impairment of non-financial assets other than goodwill and other indefinite life intangible assets*

The company assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

*(vii) Employee benefits provision*

As discussed in Note 1(o), the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

*(viii) Allowance for expected credit losses*

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the simplified approach permitted by AASB 9 Financial Instruments, which is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates. The Board of Directors believe that all trade receivables are recoverable with the exception of \$10,000 (2022: \$20,000) which has been regarded as doubtful.

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**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>NOTE 2: REVENUE AND OTHER INCOME</b>		
Revenue from contracts with customers		
Grant and subsidies income		
Dental Health Services Victoria	1,436,925	1,128,097
Department of Health and Aged Care	5,482,958	5,176,602
Eastern Access Community Health	478,743	469,054
Local government grants	831,777	888,664
Eastern Health	682,969	695,490
Department of Health Victoria	6,915,211	4,554,532
Department of Education	107,502	25,165
Eastern Melbourne Primary Health Network	8,707,759	8,365,341
Working for Victoria	-	241,116
Department of Families, Fairness and Housing	1,245,903	3,353,969
Community Information & Support Victoria	79,367	93,641
South Eastern Melbourne Primary Health Network	1,047,719	1,194,953
North Western Melbourne Primary Health Network	690,291	-
Other grants	<u>388,979</u>	<u>671,567</u>
	<u>28,096,103</u>	<u>26,858,191</u>
Income from operations		
Client fees and medical supply sales	1,318,542	758,585
Medicare fees	827,224	678,106
Practice incentive payments	152,739	145,296
Rental charges	825,071	875,264
NDIS	<u>2,980,927</u>	<u>2,595,090</u>
	<u>6,104,503</u>	<u>5,052,341</u>
	<u>34,200,606</u>	<u>31,910,532</u>
<b>Revenue and other income recognised under:</b>		
- AASB 15: Revenue from Contracts with Customers	33,136,140	30,350,301
- AASB 1058: Income of Not-for-Profit Entities	<u>1,064,466</u>	<u>1,560,231</u>
	<u>34,200,606</u>	<u>31,910,532</u>
<b>AASB 15: Revenue from Contracts with Customers</b>		
- Revenue recognised at a point in time	5,126,693	4,031,781
- Revenue recognised over time	<u>28,009,447</u>	<u>26,318,520</u>
	<u>33,136,140</u>	<u>30,350,301</u>

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**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>NOTE 3: OTHER INCOME</b>		
Other revenue		
Dividend income	199,160	174,773
Interest income	162,905	53,168
Distribution income	<u>-</u>	<u>70,780</u>
	<u>362,065</u>	<u>298,721</u>
Government subsidies and support revenue		
Donations	81,751	43,534
Other revenue	<u>270,907</u>	<u>206,269</u>
	<u>714,723</u>	<u>548,524</u>
Other Income		
Gain / (loss) on investment		
- Realised losses	(46,264)	(66,696)
- Unrealised gains / (losses)	<u>41,938</u>	<u>(74,423)</u>
	<u>(4,326)</u>	<u>(141,119)</u>
<b>Other income recognised under:</b>		
- AASB 15: Revenue from Contracts with Customers	357,739	193,038
- AASB 1058: Income of Not-for-Profit Entities	<u>352,658</u>	<u>214,367</u>
	<u>710,397</u>	<u>407,405</u>

**NOTE 4: OPERATING DEFICIT / SURPLUS**

(Deficit) / surplus has been determined after:

Finance costs		
- Lease liabilities - finance charges	30,877	24,400
- Bank charges	<u>96,958</u>	<u>132,984</u>
	127,835	157,384

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**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>NOTE 4: OPERATING DEFICIT / SURPLUS (CONTINUED)</b>		
Depreciation and Amortisation		
- buildings	164,978	162,584
- leasehold improvement	162,136	76,003
- plant and equipment	90,198	125,776
- motor vehicles	29,972	27,969
- computer equipment	200,893	167,098
- amortisation of right of use assets	423,878	379,112
- amortisation of software	<u>8,333</u>	<u>54,247</u>
	1,080,388	992,789
Bad and doubtful debts	12,461	248
Employee benefits	27,337,627	24,132,608
Contract labour	4,091	3,224
Other expenses		
- Administration costs	441,398	248,804
- Minor equipment expense	57,301	78,440
- Interpreter costs	20,202	10,739
- Laboratory costs	120,847	90,451
- Printing and stationery	96,173	87,699
- Subscriptions expense	42,191	69,098
- Travel expense	79,244	53,856
- Waste disposal expense	34,142	31,848
- Sundry expenses	<u>293,613</u>	<u>315,338</u>
	1,185,111	986,273

**NOTE 5: KEY MANAGEMENT PERSONNEL COMPENSATION**

Compensation received by key management personnel of the company		
- short-term employee benefits	1,174,068	1,153,753
- post-employment benefits	120,588	104,639
- termination benefits	<u>69,600</u>	<u>121,744</u>
	<u><u>1,364,256</u></u>	<u><u>1,380,136</u></u>

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**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>NOTE 6: CASH AND CASH EQUIVALENTS</b>		
CURRENT		
Cash on hand	6,600	5,414
Cash at bank	1,060,300	1,665,045
Cash on deposit	<u>4,441,051</u>	<u>4,517,560</u>
	<u><u>5,507,951</u></u>	<u><u>6,188,019</u></u>

**NOTE 7: RECEIVABLES**

CURRENT		
Receivables from contracts with customers	2,287,136	2,410,740
Allowance for credit losses	<u>(10,000)</u>	<u>(20,000)</u>
	2,277,136	2,390,740
Investment receivables	52,326	27,747
Other receivables	<u>70,694</u>	<u>13,347</u>
	<u><u>2,400,156</u></u>	<u><u>2,431,834</u></u>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances. The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

**NOTE 8: INVESTMENTS**

CURRENT		
<i>Financial assets at fair value</i>		
Managed investments	<u>6,009,798</u>	<u>7,495,295</u>
Total financial assets at fair value	<u><u>6,009,798</u></u>	<u><u>7,495,295</u></u>

Fair values of all financial assets were at level 1 (see note 1(m)) based on quoted market prices as at balance date.

**NOTE 9: OTHER ASSETS**

CURRENT		
Prepayments	190,962	135,361
Accrued income	156,596	162,250
Other current assets	<u>56,895</u>	<u>22,029</u>
	<u><u>404,453</u></u>	<u><u>319,640</u></u>

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**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 10: INTANGIBLE ASSETS</b>		
NON CURRENT		
Software at cost	379,416	379,416
Accumulated amortisation and impairment	<u>(368,555)</u>	<u>(360,222)</u>
	<u><u>10,861</u></u>	<u><u>19,194</u></u>
 <b>NOTE 11: LEASE ASSETS AND LEASE LIABILITIES</b>		
<b>(a) Lease assets</b>		
Buildings		
Under lease	4,185,478	1,397,970
Accumulated depreciation	<u>(1,104,620)</u>	<u>(885,208)</u>
	<u><u>3,080,858</u></u>	<u><u>512,762</u></u>
Office equipment		
Office equipment under lease	105,479	80,449
Accumulated depreciation	<u>(3,515)</u>	<u>(72,404)</u>
	<u><u>101,964</u></u>	<u><u>8,045</u></u>
Total carrying amount of lease assets	<u><u>3,182,822</u></u>	<u><u>520,807</u></u>
 <b>Reconciliations</b>		
<i>Buildings</i>		
Opening carrying amount	512,762	704,074
Additions	2,980,414	163,665
Depreciation	<u>(412,318)</u>	<u>(354,977)</u>
Closing carrying amount	<u><u>3,080,858</u></u>	<u><u>512,762</u></u>
<i>Office equipment</i>		
Opening carrying amount	8,045	32,180
Additions	105,479	-
Depreciation	<u>(11,560)</u>	<u>(24,135)</u>
Closing carrying amount	<u><u>101,964</u></u>	<u><u>8,045</u></u>
<i>Total lease assets</i>		
Opening carrying amount	520,807	736,254
Additions	3,085,893	163,665
Depreciation	<u>(423,878)</u>	<u>(379,112)</u>
Closing carrying amount	<u><u>3,182,822</u></u>	<u><u>520,807</u></u>



**ACCESS HEALTH AND COMMUNITY**  
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**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>NOTE 11: LEASE ASSETS AND LEASE LIABILITIES (CONTINUED)</b>		
<b>(b) Lease liabilities</b>		
CURRENT		
Buildings	691,757	432,934
Office equipment	<u>-</u>	<u>8,486</u>
	<u>691,757</u>	<u>441,420</u>
NON CURRENT		
Buildings	<u>2,536,500</u>	<u>118,396</u>
Total carrying amount of lease liabilities	<u><u>3,228,257</u></u>	<u><u>559,816</u></u>
<b>(c) AASB 16 related amounts recognised in the statement of profit or loss and other comprehensive income</b>		
Interest expense on lease liabilities	30,877	24,400
Amortisation expense on lease assets	<u><u>3,182,822</u></u>	<u><u>379,112</u></u>

**(d) Below-market lease arrangements**

As a not for profit community organisation, Access Health and Community is provided with leases that are less than market value to further its objectives. Access Health and Community is dependent on less than market value leases to further its objectives, as well as grant funding disclosed in Note 2. These less than market value leases are properties leased from City of Boroondara for Ashburton and Headspace Hawthorn. At the date of this report the directors have no reason to believe the lease arrangements will not continue into the future to support Access Health and Community.

**NOTE 12: PROPERTY, PLANT AND EQUIPMENT**

**Land at independent valuation**

283 Church Street, Richmond	7,750,000	7,750,000
378 Burwood Road, Hawthorn	5,727,700	5,727,700
10 Rose Street, Box Hill	<u>1,593,900</u>	<u>1,593,900</u>
Total freehold land	<u><u>15,071,600</u></u>	<u><u>15,071,600</u></u>

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**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 12: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)</b>		
<b>Buildings at independent valuation</b>		
283 Church Street, Richmond	1,410,373	1,300,000
Accumulated depreciation	<u>(65,000)</u>	<u>(32,500)</u>
	1,345,373	1,267,500
378 Burwood Road, Hawthorn	5,419,407	5,072,300
Accumulated depreciation	<u>(255,778)</u>	<u>(126,807)</u>
	5,163,629	4,945,493
10 Rose Street, Box Hill	133,870	131,100
Accumulated depreciation	<u>(6,785)</u>	<u>(3,277)</u>
	<u>127,085</u>	<u>127,823</u>
Total buildings	<u>6,636,087</u>	<u>6,340,816</u>
Total land and buildings	<u>21,707,687</u>	<u>21,412,416</u>
<b>Plant and equipment</b>		
Plant and equipment at cost	1,237,020	1,161,654
Accumulated depreciation	<u>(860,454)</u>	<u>(770,032)</u>
	376,566	391,622
Leasehold improvements	2,100,617	2,100,617
Accumulated depreciation	<u>(1,336,245)</u>	<u>(1,174,109)</u>
	764,372	926,508
Motor vehicles at cost	631,997	588,781
Accumulated depreciation	<u>(435,689)</u>	<u>(422,603)</u>
	196,308	166,178
Computer equipment at cost	2,300,920	1,900,823
Accumulated depreciation	<u>(1,661,776)</u>	<u>(1,500,623)</u>
	639,144	400,200
Capital work in progress	<u>437,490</u>	<u>105,430</u>
Total plant and equipment	<u>2,413,880</u>	<u>1,989,938</u>
Total property, plant and equipment	<u>24,121,567</u>	<u>23,402,354</u>

**ACCESS HEALTH AND COMMUNITY**  
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**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 12: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)**

**(a) Valuations**

Independent valuations of the fair value of the land and buildings at 10 Rose Street Box Hill, 283 Church Street Richmond, and 378 Burwood Road Hawthorn were obtained as at 30 June 2021. The net increment of value in land and buildings was recognised through the asset revaluation reserve.

Fair value level 2 (see note 1(i)) was adopted in the independent valuations.

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>(b) Reconciliations</b>		
Reconciliation of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year		
<i>Freehold land</i>		
Opening carrying amount	<u>15,071,600</u>	<u>15,071,600</u>
Closing carrying amount	<u>15,071,600</u>	<u>15,071,600</u>
<i>Buildings</i>		
Opening carrying amount	6,340,816	6,503,400
Additions	460,249	-
Depreciation expense	<u>(164,978)</u>	<u>(162,584)</u>
Closing carrying amount	<u>6,636,087</u>	<u>6,340,816</u>
<i>Plant and equipment</i>		
Opening carrying amount	391,622	549,906
Additions	62,120	-
Disposals	(223)	(32,508)
Depreciation expense	(90,198)	(125,776)
Transferred from other classes of assets	<u>13,245</u>	<u>-</u>
Closing carrying amount	<u>376,566</u>	<u>391,622</u>
<i>Leasehold improvements</i>		
Opening carrying amount	926,508	315,155
Additions	-	687,356
Depreciation expense	<u>(162,136)</u>	<u>(76,003)</u>
Closing carrying amount	<u>764,372</u>	<u>926,508</u>

**ACCESS HEALTH AND COMMUNITY**  
**ABN: 82 136 672 681**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	2023	2022
	\$	\$
<b>NOTE 12: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)</b>		
<b>(b) Reconciliations (Continued)</b>		
<i>Motor vehicles</i>		
Opening carrying amount	166,178	133,193
Additions	60,102	60,954
Depreciation expense	<u>(29,972)</u>	<u>(27,969)</u>
Closing carrying amount	<u>196,308</u>	<u>166,178</u>
<i>Computer equipment</i>		
Opening carrying amount	400,200	430,407
Additions	347,652	136,891
Depreciation expense	(200,893)	(167,098)
Transferred from other classes of assets	<u>92,185</u>	<u>-</u>
Closing carrying amount	<u>639,144</u>	<u>400,200</u>
<i>Capital work in progress</i>		
Opening carrying amount	105,430	-
Additions	437,490	105,430
Transferred to other classes of assets	<u>(105,430)</u>	<u>-</u>
Closing carrying amount	<u>437,490</u>	<u>105,430</u>
<i>Total property, plant and equipment</i>		
Opening carrying amount	23,402,354	23,003,661
Additions	1,367,613	990,631
Disposals	(223)	(32,508)
Depreciation expense	<u>(648,177)</u>	<u>(559,430)</u>
Closing carrying amount	<u>24,121,567</u>	<u>23,402,354</u>

**NOTE 13: PAYABLES**

**CURRENT**

*Unsecured liabilities*

Trade creditors	1,230,200	1,181,917
Sundry creditors and accruals	<u>2,873,544</u>	<u>2,969,108</u>
	<u>4,103,744</u>	<u>4,151,025</u>

All amounts are short term and the carrying values are considered to be a reasonable approximation of fair value.

**ACCESS HEALTH AND COMMUNITY**  
**ABN: 82 136 672 681**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	2023	2022
	\$	\$
<b>NOTE 14: PROVISIONS</b>		
CURRENT		
Employee benefits	3,039,902	3,226,840
Office restoration	<u>173,204</u>	<u>173,204</u>
	<u>3,213,106</u>	<u>3,400,044</u>
NON CURRENT		
Employee benefits	<u>741,522</u>	<u>653,840</u>
<b>NOTE 15: OTHER LIABILITIES</b>		
CURRENT		
Contract liabilities	<u>712,625</u>	<u>1,419,651</u>
<b>NOTE 16: RESERVES</b>		
Asset revaluation reserve	16,355,253	16,355,253
Investment revaluation reserve	<u>133,552</u>	<u>(171,274)</u>
	<u>16,488,805</u>	<u>16,183,979</u>

**NOTE 17: CONTINGENT LIABILITIES**

The company had no contingent liabilities as at 30 June 2023 and 30 June 2022.

**ACCESS HEALTH AND COMMUNITY**  
**ABN: 82 136 672 681**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 18: RELATED PARTY TRANSACTIONS**

The related parties of Access Health and Community are the directors. The directors during the period are listed below:

- Gayle Austen
- Penny Lovett
- Alan Studley
- Annette Mercuri
- David Benady
- David Lau
- Mike Morgan
- Peter Turner
- Ross Goeman

No services were rendered to Access Health and Community during the year or the prior year by the Directors. Services were provided during the period to a director related entity to the value of \$20,401.

Key management personnel are compensated with details disclosed in note 5.

**NOTE 19: EVENTS SUBSEQUENT TO REPORTING DATE**

There has been no matter or circumstance, which has arisen since 30 June 2023 that has significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 30 June 2023, of the company, or
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 30 June 2023, of the company.

**NOTE 20: MEMBERS' GUARANTEE**

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute to a maximum of \$10 each towards meeting any outstandings and obligations of the company. At 30 June 2023 the number of members was 140 (2022: 140). The combined total amount that members of the company are liable to contribute if the company is wound up is \$1,400 (2022: \$1,400).

**NOTE 21: COMPANY DETAILS**

The registered office of the company is:

Access Health and Community  
283 Church Street  
RICHMOND VIC 3121

**ACCESS HEALTH AND COMMUNITY**  
**ABN: 82 136 672 681**

**DIRECTORS' DECLARATION**


The directors of the company declare that:

1. In the directors' opinion, the financial statements and notes thereto, as set out on pages 11 - 36, satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*, including:
  - (a) complying with Australian Accounting Standards - Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Regulations 2022*; and
  - (b) giving a true and fair view of the financial position as at 30 June 2023 and performance for the year ended on that date of the company.
2. In the directors opinion, 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-profit Commission Regulation 2013*.



Director: \_\_\_\_\_  
Gayle Austen



Director: \_\_\_\_\_  
Alan Studley

Dated this                    23rd                    day of                    October                    2023

## Independent Auditor's Report

### To the Directors of Access Health and Community

<b>Opinion</b>	<p>I have audited the financial report of Access Health and Community (the company) which comprises the:</p> <ul style="list-style-type: none"><li>• statement of financial position as at 30 June 2023</li><li>• statement of profit or loss and other comprehensive income for the year then ended</li><li>• statement of changes in equity for the year then ended</li><li>• statement of cash flows for the year then ended</li><li>• notes to the financial statements, including significant accounting policies</li><li>• directors' declaration.</li></ul> <p>In my opinion the financial report is in accordance with Division 60 of the <i>Australian Charities and Not-for-profits Commission Act 2012</i>, including:</p> <ul style="list-style-type: none"><li>• giving a true and fair view of the financial position of the company as at 30 June 2023 and of its financial performance and its cash flows for the year then ended</li><li>• complying with Australian Accounting Standards – Simplified Disclosures Requirements and Division 60 of the <i>Australian Charities and Not-for-profits Commission Regulations 2022</i>.</li></ul>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the company in accordance with the auditor independence requirements of the <i>Australian Charities and Not-for-profits Commission Act 2012</i> and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Australia. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>Directors' responsibilities for the financial report</b>	<p>The Directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Simplified Disclosure Requirements and the <i>Australian Charities and Not-for-profits Commission Act 2012</i>, and for such internal control as the Directors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>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 it is inappropriate to do so.</p>



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**Auditor's responsibilities for the audit of the financial report**

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit 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 my 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, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

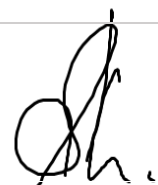
- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material 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 Directors' 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

I 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 I identify during my audit.

I also provide the Directors with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

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MELBOURNE  
30 October 2023



Sanchu Chummar

*as delegate for the Auditor-General of Victoria*