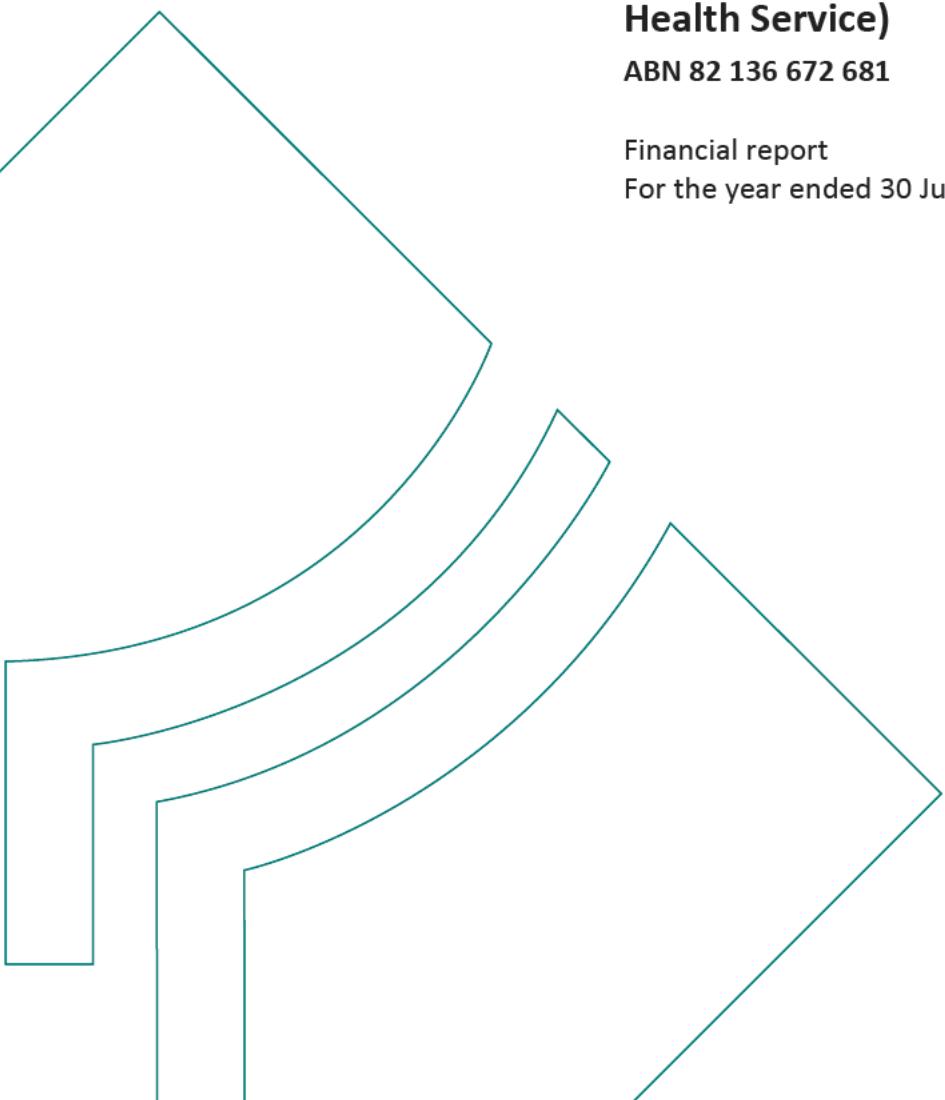




**Access Health and Community
(formerly Inner East Community
Health Service)**

ABN 82 136 672 681

**Financial report
For the year ended 30 June 2017**



Pitcher Partners
Level 19
15 William Street
Melbourne VIC 3000
Telephone (03) 8610 5000

TABLE OF CONTENTS

Directors' report	1 - 8
Auditor's independence declaration	9
Financial report	
Statement of profit or loss and other comprehensive income	10
Statement of financial position	11
Statement of changes in equity	12
Statement of cash flows	13
Notes to financial statements	14 - 27
Directors' declaration	28
Independent auditor's report	29 - 31

**ACCESS HEALTH AND COMMUNITY
(FORMERLY INNER EAST COMMUNITY HEALTH SERVICE)
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 2017 and auditor's report thereon. This report has been prepared in accordance with Australian Accounting Standards.

Directors' names

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

Kathryn Arndt

Joanne Booth

Diana Brown

Rod Davitt

Kerry Grabau

John Michailidis

Maxine Morand

Alan Studley

Peter Turner

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

Results

The surplus of the company for the year amounted to \$1,267,383 (2016: \$1,358,036).

Significant changes in state of affairs

On 20 July 2016, the company merged with Biala Box Hill Inc., an independent provider of Early Childhood Intervention Services. From that date, these services have been provided by Access Health and Community.

On 8 December 2016, the change of company name from Inner East Community Health Service to Access Health and Community was certified by the Australian Charities and Not-for-profits Commission.

Short-term and long-term objectives, and strategies

The company's short-term objectives are to:

- Establish Access Health and Community as the leading Primary Health Service in Boroondara, Manningham, and Yarra.
- Create a unified platform of care across all of our communities in all services.

**ACCESS HEALTH AND COMMUNITY
(FORMERLY INNER EAST COMMUNITY HEALTH SERVICE)
ABN 82 136 672 681**

DIRECTORS' REPORT

Short-term and long-term objectives, and strategies (Continued)

- Create access paths for comprehensive care in all our communities.
- Create systems to engage the new funding environment of National Disability Insurance Scheme and the Commonwealth Home Support Program.
- Create an innovation platform to create and deliver health solutions.

The company's long-term objectives are to:

- Deliver high quality comprehensive services to all whilst ensuring that the disadvantaged have equitable access.
- Build business systems to operate in a consumer driven environment.
- Develop and promote an integrated model of care as a point of difference from other providers across all our communities.
- Build strong relationships and collaborations to drive quality of service and growth.
- Reduce dependence on block funding and increase capacity to deliver fee for service programs for both government supported and private services.
- Create differentiation, relevance and influence through innovation in the delivery of primary health services.
- Establish facilities across all our communities as a platform to deliver comprehensive integrated care.

**ACCESS HEALTH AND COMMUNITY
(FORMERLY INNER EAST COMMUNITY HEALTH SERVICE)
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. These services include:

- Accredited bulk billing allied health/medical clinics located at:
 - 283 Church Street, Richmond
 - 378 Burwood Road, Hawthorn
 - 7 Samarinda Avenue, Ashburton
 - Headspace:Hawthorn, 360 Burwood Road, Hawthorn
- Community Dental Clinic at 7 Samarinda Avenue, Ashburton.
- Allied health, nursing services and health promotion activities at:
 - 283 Church Street, Richmond
 - 378 Burwood Road, Hawthorn
 - 7 Samarinda Drive, Ashburton
 - 1020 Doncaster Road, East Doncaster
 - 44 Balmoral Avenue, Lower Templestowe
- Drug and alcohol counselling services for the Eastern Metropolitan region of Melbourne in partnership with Eastern Health - Turning Point, Salvo Eastcare and Monashlink Community Health Service.
- Commonwealth Home Support Program funded carer support services.
- Planned Activity Groups and social support activities at:
 - 283 Church Street, Richmond
 - 32 Henry Street, Hawthorn.
 - 584 Glenferrie Road, Hawthorn
 - 687 Doncaster Road, Doncaster
 - 37 Wetherby Road, Doncaster
- Hawthorn Community House and Occasional Child Care Service located at 39 William Street, Hawthorn and 32 Henry Street, Hawthorn.
- Early Childhood Intervention Services at 44 Balmoral Avenue, Lower Templestowe.

**ACCESS HEALTH AND COMMUNITY
(FORMERLY INNER EAST COMMUNITY HEALTH SERVICE)
ABN 82 136 672 681**

DIRECTORS' REPORT

Key performance indicators

To help evaluate whether the activities the company established during the year have achieved its short-term and long-term objectives, the company uses the following key performance indicators to measure, analyse and monitor its performance:

- Improved performance infrastructure to support clinical activities.
- Successful meeting of accreditation standards for clinical care.
- Successful performance of contracted clinical and health services in terms of patients and clients seen.
- Increases in numbers of individuals accessing services.
- Positive feedback regarding quality of service from patients, clients and the community.
- Increased partnerships and collaborations.
- New services launched.

Information on directors

Kathryn Arndt

Qualifications	Bachelor of Business (HRM) Graduate Diploma (OHS) Member of the Australian Institute of Company Directors
Experience	CEO and non-executive Board Director with experience across health services and community-based organisations, FMCGs, financial services, and industry associations; CEO, The Victorian Local Governance Association (VLGA); Member of the Victorian Ministerial Council on Women's Equality; Non-Executive Director, Diabetes Australia Victoria (DAV); Company Secretary, Royal Melbourne Tennis Club (RMTC).
Special responsibilities	Deputy Chair, Audit Committee member

Joanne Booth

Qualifications	Graduate Australian Institute Company Directors Master Public Health Graduate Diploma Occupational Health Graduate Certificate Internal Audit Bachelor Arts Practitioners Certificate Mediation Certificates General and Advanced Nursing
Experience	Former Chief Executive Officer in health, public and not-for-profit agencies. Various appointments as board chair, non-executive director and independent member on audit, risk and nominations committees. Governance and Risk Consultant in Melbourne and Regional Victoria.
Special responsibilities	Chair, Quality and Risk Committee

**ACCESS HEALTH AND COMMUNITY
(FORMERLY INNER EAST COMMUNITY HEALTH SERVICE)
ABN 82 136 672 681**

DIRECTORS' REPORT

Information on directors (Continued)

Diana Brown

Qualifications	Bachelor of Psychology, AMICDA
Experience	Non-Executive Director A business and technology strategist with over 25 years' experience in delivering technology led change in a range of corporate and not for profit environments. Working with Infoxchange, Diana led the design and delivery of Ask Izzy, an award winning cross sector collaborative initiative connecting people in need with services. Diana joined the Board in November 2014.
Special responsibilities	Quality and Risk Committee Member

Rod Davitt

Qualifications	Bachelor Economics, Bachelor Business (Accounting) Fellow Certified Practicing Accountant Graduate Australian Institute Company Directors
Experience	Extensive experience across industries with leading Australian and international organisations resolving a diverse range of strategic, structural and operational issues resulting in improvements in performance, market position and/or reputation. Non Executive Director Manningham Community Enterprises.
Special responsibilities	Chair, Audit Committee

Kerry Grabau

Qualifications	Bachelor of Arts Diploma of Education Bachelor of Social Work
Experience	Extensive experience in employee health and organisational wellbeing Expertise in industrial relations, including negotiation of agreements Knowledge, involvement and commitment to the community, especially the City of Yarra Secondary Teacher Educational Management Statewide Committees on Student and Teacher Welfare Member Teaching Service Appeals Board Member of School Councils
Special responsibilities	Governance Committee member

**ACCESS HEALTH AND COMMUNITY
(FORMERLY INNER EAST COMMUNITY HEALTH SERVICE)
ABN 82 136 672 681**

DIRECTORS' REPORT

Information on directors (Continued)

John Michailidis

Qualifications	Bachelor of Science Diploma In Education Executive MBA Harvard University Member Australian Institute of Company Directors
Experience	Broad experience and expertise in strategic planning, organisational growth, business development. Non-executive Director, Australian Diabetes Educators Association Director JEM Pharmaceuticals Pty Ltd Managing Director Teva Pharma Australia Pty Ltd
Special responsibilities	Chair, Governance Committee

Maxine Morand

Qualifications	Bachelor of Arts Masters of Arts Preliminary (Hons) Graduate Australian Institute of Company Directors
Experience	Member of the Victorian Parliament (2002-2010) Minister for Children, Early Childhood Development and Women's Affairs (2007-2010). CEO of Breast Cancer Network Australia Chair Board of Directors, Peter MacCallum Cancer Centre (current)
Special responsibilities	Governance Committee member

Alan Studley

Qualifications	Masters of Business Administration Graduate Diploma Management Systems Bachelor Business (Accounting / Marketing)
Experience	Consultancy and management positions in health and financial sector, community based organisations, director positions with Revenue Clearing House, Sausage Software, Hospital Superannuation Board, Metropolitan Ambulance Service and Victorian Hospitals Association.
Special responsibilities	Quality and Risk Committee Member Audit Committee Member

**ACCESS HEALTH AND COMMUNITY
(FORMERLY INNER EAST COMMUNITY HEALTH SERVICE)
ABN 82 136 672 681**

DIRECTORS' REPORT

Information on directors (Continued)

Peter Turner

Qualifications	Masters of Health Administration Diploma of Business – Accounting Fellow of CPA Australia (FCPA) Fellow of the Australian Institute of Management (FAIM) Associate Fellow of the Australian College of Health Service Management Member of the Australian Institute of Company Directors
Experience	Mr Turner is the Managing Director of Independence Australia. He has worked in a range of senior management positions in the health and community services industry for over 25 years in the public, private and not-for-profit sectors. He is a Harvard Club Fellow, an Alumnus of Leadership Victoria, a volunteer Surveyor for the Australian Council on Healthcare Standards, 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	Chairman Governance Committee member Audit Committee Member

Meetings of directors

Directors	Directors' meetings		Audit committee meetings		Quality and Risk committee meetings	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Kathryn Arndt	10	9	6	4	-	-
Kerry Grabau	10	7	-	-	-	-
John Michailidis	10	7	-	-	-	-
Peter Turner	10	10	6	3	-	-
Joanne Booth	10	9	-	-	4	4
Maxine Morand	10	7	-	-	-	-
Alan Studley	10	9	6	5	4	3
Rod Davitt	10	10	6	6	-	-
Diana Brown	10	8	-	-	4	3

ACCESS HEALTH AND COMMUNITY
(FORMERLY INNER EAST COMMUNITY HEALTH SERVICE)
ABN 82 136 672 681

DIRECTORS' REPORT

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 2017 the number of members was 140 (2016: 147). The combined total amount that members of the company are liable to contribute if the company is wound up is \$1,400 (2016: \$1,470).

Auditor's independence declaration

A copy of the auditor's independence declaration under APES 110 *Code of Ethics for Professional Accountants* in relation to the audit for the financial year is provided with this report.

Signed on behalf of the board of directors.

Director: 

Kathryn Arndt

Director: 

Rod Davitt

Dated this 27th day of September 2017



PITCHER PARTNERS

ACCESS HEALTH AND COMMUNITY
(FORMERLY INNER EAST COMMUNITY HEALTH SERVICE)
ABN 82 136 672 681

AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF ACCESS HEALTH AND COMMUNITY

In relation to the independent audit for the year ended 30 June 2017, to the best of my knowledge and belief there have been no contraventions of APES 110 *Code of Ethics for Professional Accountants*.



M J HARRISON

Partner



PITCHER PARTNERS

Melbourne

3 October 2017

- 9 -

**ACCESS HEALTH AND COMMUNITY
(FORMERLY INNER EAST COMMUNITY HEALTH SERVICE)
ABN 82 136 672 681**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2017**

	Note	2017	2016
		\$	\$
Revenue and other income			
Revenue	3	16,678,335	13,986,722
Gain on merger	3	<u>1,832,747</u>	<u>1,358,595</u>
		<u>18,511,082</u>	<u>15,345,317</u>
Less: expenses			
Employee benefits expense	4	(14,169,465)	(10,941,812)
Contract labour		(4,584)	(232,015)
Depreciation and amortisation expense	4	(464,587)	(420,968)
Computer expenses		(270,609)	(304,840)
Medical expenses		(165,421)	(146,226)
Repairs and maintenance expense		(228,112)	(283,251)
Occupancy expense		(358,122)	(185,627)
Office costs		(175,599)	(93,907)
Contract cleaning costs		(208,388)	(172,628)
Contractor and consultant costs		(203,072)	(258,192)
Telephone expenses		(273,476)	(210,805)
Motor vehicle expenses		(101,868)	(114,510)
Finance costs	4	(13,521)	(9,312)
Utility expenses		(118,828)	(99,635)
Advertising expense		(75,121)	(42,518)
Professional fees		(57,484)	(49,668)
Accreditation expense		(30,575)	(27,718)
Catering costs		(42,519)	(28,757)
Other expenses		<u>(282,348)</u>	<u>(364,892)</u>
		<u>(17,243,699)</u>	<u>(13,987,281)</u>
Surplus from continuing operations		<u>1,267,383</u>	<u>1,358,036</u>
Surplus for the year		<u>1,267,383</u>	<u>1,358,036</u>
Other comprehensive income			
<i>Items that will not be reclassified to profit and loss</i>			
Revaluation of 283 Church Street, Richmond		2,613,418	-
Revaluation of 378 Burwood Road, Hawthorn		3,792,729	-
Revaluation of 10 Rose Street, Box Hill		<u>157,631</u>	<u>-</u>
Total comprehensive income		<u>7,831,161</u>	<u>1,358,036</u>

The accompanying notes form part of these financial statements.

**ACCESS HEALTH AND COMMUNITY
(FORMERLY INNER EAST COMMUNITY HEALTH SERVICE)
ABN 82 136 672 681**

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017**

	Note	2017	2016
		\$	\$
Current assets			
Cash and cash equivalents	6	7,017,800	6,130,702
Receivables	7	180,779	162,715
Other assets	8	<u>393,201</u>	<u>306,382</u>
Total current assets		<u>7,591,780</u>	<u>6,599,799</u>
Non-current assets			
Property, plant and equipment	9	<u>20,998,725</u>	<u>12,817,506</u>
Total non-current assets		<u>20,998,725</u>	<u>12,817,506</u>
Total assets		<u>28,590,505</u>	<u>19,417,305</u>
Current liabilities			
Payables	10	1,678,616	966,079
Provisions	11	1,981,391	1,590,842
Other liabilities	12	<u>285,053</u>	<u>92,480</u>
Total current liabilities		<u>3,945,060</u>	<u>2,649,401</u>
Non-current liabilities			
Provisions	11	<u>478,437</u>	<u>432,057</u>
Total non-current liabilities		<u>478,437</u>	<u>432,057</u>
Total liabilities		<u>4,423,497</u>	<u>3,081,458</u>
Net assets		<u>24,167,008</u>	<u>16,335,847</u>
Equity			
Reserves	13	14,114,770	7,550,992
Accumulated surplus		<u>10,052,238</u>	<u>8,784,855</u>
Total equity		<u>24,167,008</u>	<u>16,335,847</u>

The accompanying notes form part of these financial statements.

**ACCESS HEALTH AND COMMUNITY
(FORMERLY INNER EAST COMMUNITY HEALTH SERVICE)
ABN 82 136 672 681**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2017**

	Reserves \$	Accumulated surplus \$	Total equity \$
Balance as at 1 July 2015	7,550,992	7,426,819	14,977,811
Surplus for the year	-	<u>1,358,036</u>	<u>1,358,036</u>
Total comprehensive income for the year	<u>-</u>	<u>1,358,036</u>	<u>1,358,036</u>
Balance as at 1 July 2016	7,550,992	8,784,855	16,335,847
Surplus for the year	-	1,267,383	1,267,383
Revaluation of 283 Church Street, Richmond	2,613,418	-	2,613,418
Revaluation of 378 Burwood Road, Hawthorn	3,792,729	-	3,792,729
Revaluation of 10 Rose Street, Box Hill	<u>157,631</u>	<u>-</u>	<u>157,631</u>
Total comprehensive income for the year	<u>6,563,778</u>	<u>1,267,383</u>	<u>7,831,161</u>
Balance as at 30 June 2017	<u>14,114,770</u>	<u>10,052,238</u>	<u>24,167,008</u>

The accompanying notes form part of these financial statements.

**ACCESS HEALTH AND COMMUNITY
(FORMERLY INNER EAST COMMUNITY HEALTH SERVICE)
ABN 82 136 672 681**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2017**

	Note	2017	2016
		\$	\$
Cash flow from operating activities			
Receipts from customers		3,481,812	3,395,016
Operating grant receipts		14,598,756	11,524,839
Donations received		9,012	20,306
Payments to suppliers and employees		(17,260,839)	(15,143,294)
Interest received		158,501	107,214
Finance costs		<u>(13,521)</u>	<u>(9,312)</u>
Net cash provided by / (used in) operating activities		<u>973,721</u>	<u>(105,231)</u>
Cash flow from investing activities			
Payment for property, plant and equipment		(595,764)	(223,421)
Proceeds from property, plant and equipment		<u>14,664</u>	<u>17,273</u>
Net cash provided by / (used by) in investing activities		<u>(581,100)</u>	<u>(206,148)</u>
Cash flow from financing activities			
Cash acquired via merger with Biala Box Hill		494,477	-
Cash acquired via merger with MCHS		<u>-</u>	<u>2,225,407</u>
Net cash provided by financing activities		<u>494,477</u>	<u>2,225,407</u>
Reconciliation of cash			
Cash at beginning of the financial year		6,130,702	4,216,674
Net increase / (decrease) in cash held		<u>887,098</u>	<u>1,914,028</u>
Cash at end of financial year		<u>7,017,800</u>	<u>6,130,702</u>

The accompanying notes form part of these financial statements.

**ACCESS HEALTH AND COMMUNITY
(FORMERLY INNER EAST COMMUNITY HEALTH SERVICE)
ABN 82 136 672 681**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements, Interpretations and other applicable authoritative pronouncements of the Australian Accounting Standards Board and the *Australian Charities and Not-for-profits Commission Act 2012*.

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

The financial report covers the entity 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 following is a summary of the material 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.

(a) Basis of preparation of the financial report

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards Reduced Disclosure Requirements, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards, Board and the *Australian Charities and Not for profits Commissions Act 2012*.

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.

(b) 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.

(c) Revenue

Revenue from the rendering of services is recognised upon the delivery of the service to the customers.

Grant income is recognised when the entity obtained control of the grant, it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be reliably measured.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised when it becomes receivable on a proportional basis taking in to account the interest rates applicable to the financial assets.

Rent revenue is recognised on a straight-line basis over the rental term.

Other revenue is recognised when the right to receive the revenue has been established.

All revenue is measured net of the amount of goods and services tax (GST).

**ACCESS HEALTH AND COMMUNITY
(FORMERLY INNER EAST COMMUNITY HEALTH SERVICE)
ABN 82 136 672 681**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) 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*.

(e) 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.

(f) Property, plant and equipment

Each class of property, plant and equipment is carried 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.

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.

**ACCESS HEALTH AND COMMUNITY
(FORMERLY INNER EAST COMMUNITY HEALTH SERVICE)
ABN 82 136 672 681**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Property, plant and equipment (Continued)

Class of fixed asset	Depreciation rates	Depreciation basis
Buildings at valuation	2.5%	Straight line
Plant and equipment at cost	10-25%	Straight line
Leasehold improvements at cost	40%	Straight line
Motor vehicles at cost	16%	Straight line
Computer equipment at cost	10-33%	Straight line

(g) 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.

Depreciated replacement costs is used to determine value in use. Depreciated replacement costs is the current replacement cost of an asset less, where applicable, accumulated depreciation to date, calculated on the basis of such cost.

(h) Leases

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

Operating leases

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

Lease incentives received under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

**ACCESS HEALTH AND COMMUNITY
(FORMERLY INNER EAST COMMUNITY HEALTH SERVICE)
ABN 82 136 672 681**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Borrowing costs

Borrowing costs including interest expense calculated using the effective interest method, finance charges in respect of finance leases, 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.

(j) 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 and annual 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.

(k) 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.

**ACCESS HEALTH AND COMMUNITY
(FORMERLY INNER EAST COMMUNITY HEALTH SERVICE)
ABN 82 136 672 681**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(I) Comparatives

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

On 8th December 2016, the change of company name from Inner East Community Health Service to Access Health and Community was certified by the Australian Charities and Not-for-profits Commission.

NOTE 2: ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the company. The company has decided not to early adopt any of these new and amended pronouncements. The company's assessment of the new and amended pronouncements that are relevant to the company but applicable in future reporting periods is set out below.

AASB 1058: Income of Not-for-Profit Entities, AASB 2016-7: Amendments to Australian Accounting Standards - Deferral of AASB 15 for Not-for-Profit Entities and AASB 2016-8: Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities (applicable for annual reporting periods commencing on or after 1 January 2019).

AASB 1058 replaces the income recognition requirements in AASB 1004: Contributions applicable to not-for-profit entities with a model based on the principles of AASB 15: Revenue from Contracts with Customers. Consequently, AASB 1058 requires not-for-profit entities to recognise all revenue from contracts with customers when the related performance obligations are satisfied, irrespective of whether the ultimate beneficiary of the goods or services provided by the not-for-profit entity is the grantor of the funds or another entity. An agreement involving a not-for-profit entity would be classified as a contract with a customer if the agreement:

- creates enforceable rights and obligations between the parties; and
- includes a promise by the not-for-profit entity to transfer a good or service that is sufficiently specific for the entity to determine when the obligation is satisfied.

For contracts with customers that comprise a donation component, AASB 1058 requires such components to be treated as part of the performance obligation(s) unless the entity can demonstrate that component is not related to the promised goods or services.

**ACCESS HEALTH AND COMMUNITY
(FORMERLY INNER EAST COMMUNITY HEALTH SERVICE)
ABN 82 136 672 681**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

When an arrangement does not meet the criteria for a contract with a customer, the inflows are accounted for in accordance with AASB 1058, which requires:

- the asset received by the not-for-profit entity to be accounted for in accordance with the applicable Australian Accounting Standard; and
- any difference between the consideration given for the asset and its fair value to be recognised in accordance with its substance (such as a contract liability, a financial instrument and/or a contribution by owners), and any residual amount recognised as income.

AASB 1058 also permits a not-for-profit entity to recognise volunteer services as an asset or expense (as applicable) and any related contributions by owners or revenue as an accounting policy choice, provided that the fair value of the services can be measured reliably.

Although the directors anticipate that the adoption of AASB 1058 and related Standards may have an impact on the company's reported revenue, it is impracticable at this stage to provide a reasonable estimate of such impact.

**ACCESS HEALTH AND COMMUNITY
(FORMERLY INNER EAST COMMUNITY HEALTH SERVICE)
ABN 82 136 672 681**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

	2017	2016
	\$	\$
NOTE 3: REVENUE AND OTHER INCOME		
<i>Grant and subsidies income</i>		
Dental Health Services Victoria	957,294	1,046,920
Department of Social Services	4,327,921	771,904
Eastern Access Community Health	323,732	328,051
Local government grants	146,183	107,643
Eastern Health	544,592	442,749
St Vincent's Hospital	-	142,844
Department of Health and Human Services	4,679,675	6,132,987
Department of Education	1,079,003	294,482
Eastern Melbourne Primary Health Network	899,908	911,460
Other grants	<u>138,222</u>	<u>321,275</u>
	<u>13,096,530</u>	<u>10,500,315</u>
<i>Income from operations</i>		
Client fees and medical supply sales	996,230	815,557
Medicare fees	972,125	1,128,261
Practice incentive payments	253,941	275,813
Rental charges	<u>1,002,478</u>	<u>991,518</u>
	<u>3,224,774</u>	<u>3,211,149</u>
Interest income	158,501	107,214
<i>Other revenue</i>		
Donations received	9,012	20,306
Other revenue	174,854	135,395
Profit on sale of non current assets	<u>14,664</u>	<u>12,343</u>
	<u>198,530</u>	<u>168,044</u>
	<u>16,678,335</u>	<u>13,986,722</u>
<i>Other Income</i>		
Gain on merger	<u>1,832,747</u>	<u>1,358,595</u>
	<u>18,511,082</u>	<u>15,345,317</u>

On 11 July 2016, the company merged with Biala Box Hill Inc (Biala). From that date, the community health services previously undertaken by Biala were provided by Access Health and Community. A gain on merger of \$1,832,747 has been recorded in the current financial year.

On 14 December 2015, the company merged with Manningham Community Health Services Limited (MCHSL). From that date, the community health services previously undertaken by MCHSL were provided by Access Health and Community (formerly Inner East Community Health Service). A gain on merger of \$1,358,595 has been recorded in the previous financial year.

**ACCESS HEALTH AND COMMUNITY
(FORMERLY INNER EAST COMMUNITY HEALTH SERVICE)
ABN 82 136 672 681**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

	2017	2016
	\$	\$
NOTE 4: OPERATING PROFIT		
Surplus has been determined after:		
Finance costs		
- bank charges and borrowing costs	13,521	9,312
Depreciation		
- buildings	137,320	119,267
- leasehold improvements	52,913	99,240
- plant and equipment	46,518	139,626
- motor vehicles	109,474	62,835
- computer equipment (reclassified from plant and equipment)	<u>118,362</u>	<u>-</u>
	464,587	420,968
Bad and doubtful debts	4,059	5,876
Employee benefits	14,169,465	10,941,812
NOTE 5: KEY MANAGEMENT PERSONNEL COMPENSATION		
Compensation received by key management personnel of the company		
- short-term employee benefits	1,017,611	761,092
- post-employment benefits	<u>77,833</u>	<u>72,061</u>
	<u>1,095,444</u>	<u>833,153</u>
NOTE 6: CASH AND CASH EQUIVALENTS		
Cash on hand	3,966	4,440
Cash at bank	12,288	531,764
Cash on deposit	<u>7,001,546</u>	<u>5,594,498</u>
	<u>7,017,800</u>	<u>6,130,702</u>
NOTE 7: RECEIVABLES		
CURRENT		
Trade debtors	182,050	163,491
Provision for doubtful debts	<u>(1,271)</u>	<u>(776)</u>
	<u>180,779</u>	<u>162,715</u>

**ACCESS HEALTH AND COMMUNITY
(FORMERLY INNER EAST COMMUNITY HEALTH SERVICE)
ABN 82 136 672 681**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

	2017	2016
	\$	\$
NOTE 8: OTHER ASSETS		
CURRENT		
Prepayments	145,935	90,674
Accrued income	<u>247,266</u>	<u>215,708</u>
	<u><u>393,201</u></u>	<u><u>306,382</u></u>

NOTE 9: PROPERTY, PLANT AND EQUIPMENT

Land at independent valuation

283 Church Street, Richmond	6,808,000	4,736,000
378 Burwood Road, Hawthorn	5,181,250	2,487,000
10 Rose Street, Box Hill	<u>1,492,100</u>	-
Total freehold land	<u><u>13,481,350</u></u>	<u><u>7,223,000</u></u>

Buildings at independent valuation

283 Church Street, Richmond	1,272,000	767,126
Accumulated depreciation	<u>(2,689)</u>	<u>(18,942)</u>
	<u>1,269,311</u>	<u>748,184</u>
378 Burwood Road, Hawthorn	4,818,750	4,013,000
Accumulated depreciation	<u>(10,503)</u>	<u>(200,650)</u>
	<u>4,808,247</u>	<u>3,812,350</u>
10 Rose Street, Box Hill	126,096	-
Accumulated depreciation	<u>(680)</u>	<u>-</u>
	<u>125,416</u>	<u>-</u>
Total buildings	<u>6,202,974</u>	<u>4,560,534</u>
Total land and buildings	<u><u>19,684,324</u></u>	<u><u>11,783,534</u></u>

Plant and equipment

Plant and equipment at cost	810,102	1,739,636
Accumulated depreciation	<u>(419,392)</u>	<u>(1,147,078)</u>
	<u>390,710</u>	<u>592,558</u>
Leasehold improvements	1,104,582	984,259
Accumulated depreciation	<u>(899,499)</u>	<u>(837,413)</u>
	<u>205,083</u>	<u>146,846</u>
Motor vehicles at cost	719,645	729,245
Accumulated depreciation	<u>(420,623)</u>	<u>(434,677)</u>
	<u>299,022</u>	<u>294,568</u>

**ACCESS HEALTH AND COMMUNITY
(FORMERLY INNER EAST COMMUNITY HEALTH SERVICE)
ABN 82 136 672 681**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

	2017	2016
	\$	\$
NOTE 9: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)		
Computer equipment at cost	1,398,537	-
Accumulated depreciation	<u>(978,951)</u>	<u>-</u>
	419,586	-
Total plant and equipment	<u>1,314,401</u>	<u>1,033,972</u>
Total property, plant and equipment	<u>20,998,725</u>	<u>12,817,506</u>

(a) Valuations

Independant 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 2017. The net increment of value in land and buildings was recognised through the asset revaluation reserve.

(b) Reconciliations

Reconciliation of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year

Freehold land

Opening carrying amount	7,223,000	7,223,000
Additions through acquisition of entities / operations	900,000	-
Net revaluation increment	<u>5,358,350</u>	<u>-</u>
Closing carrying amount	<u>13,481,350</u>	<u>7,223,000</u>

Buildings

Opening carrying amount	4,560,534	4,676,675
Additions	-	3,126
Additions through merge of organisations	574,332	-
Net revaluation increment	1,205,428	-
Depreciation expense	<u>(137,320)</u>	<u>(119,267)</u>
Closing carrying amount	<u>6,202,974</u>	<u>4,560,534</u>

Plant and equipment

Opening carrying amount	592,558	460,873
Additions	286,852	195,061
Additions through merge of organisations	30,197	76,250
Depreciation expense	<u>(46,518)</u>	<u>(139,626)</u>
Transferred to other classes of assets	<u>(472,379)</u>	<u>-</u>
Closing carrying amount	<u>390,710</u>	<u>592,558</u>

**ACCESS HEALTH AND COMMUNITY
(FORMERLY INNER EAST COMMUNITY HEALTH SERVICE)
ABN 82 136 672 681**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

	2017	2016
	\$	\$
NOTE 9: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)		
(b) Reconciliations (Continued)		
<i>Leasehold improvements</i>		
Opening carrying amount	146,846	135,000
Additions	92,559	-
Additions through merge of organisations	-	111,086
Depreciation expense	(52,913)	(99,240)
Transferred from other classes of assets	<u>18,591</u>	<u>-</u>
Closing carrying amount	<u>205,083</u>	<u>146,846</u>
<i>Motor vehicles</i>		
Opening carrying amount	294,568	155,423
Additions	134,265	25,234
Disposals	(20,337)	(4,929)
Additions through merge of organisations	-	181,675
Depreciation expense	<u>(109,474)</u>	<u>(62,835)</u>
Closing carrying amount	<u>299,022</u>	<u>294,568</u>
<i>Computer equipment</i>		
Opening carrying amount	-	-
Additions	82,088	-
Disposals	2,072	-
Depreciation expense	(118,362)	-
Transferred from other classes of assets	<u>453,788</u>	<u>-</u>
Closing carrying amount	<u>419,586</u>	<u>-</u>
<i>Total property, plant and equipment</i>		
Opening carrying amount	12,817,506	12,650,971
Additions	595,764	223,421
Disposals	(18,265)	(4,929)
Additions through merge of organisations	1,504,529	369,011
Net revaluation increment	6,563,778	-
Depreciation expense	<u>(464,587)</u>	<u>(420,968)</u>
Closing carrying amount	<u>20,998,725</u>	<u>12,817,506</u>

**ACCESS HEALTH AND COMMUNITY
(FORMERLY INNER EAST COMMUNITY HEALTH SERVICE)
ABN 82 136 672 681**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

	2017	2016
	\$	\$
NOTE 10: PAYABLES		
CURRENT		
<i>Unsecured liabilities</i>		
Trade creditors	317,979	14,095
Sundry creditors and accruals	<u>1,360,637</u>	<u>951,984</u>
	<u>1,678,616</u>	<u>966,079</u>

NOTE 11: PROVISIONS

CURRENT			
Employee benefits	(a)	1,870,732	1,509,050
Office restoration		<u>110,659</u>	<u>81,792</u>
		<u>1,981,391</u>	<u>1,590,842</u>
NON CURRENT			
Employee benefits	(a)	<u>478,437</u>	<u>432,057</u>
(a) Aggregate employee benefits liability		2,349,169	1,941,107

NOTE 12: OTHER LIABILITIES

CURRENT			
Deferred income		<u>285,053</u>	<u>92,480</u>

NOTE 13: RESERVES

Asset revaluation reserve	13(a)	<u>14,114,770</u>	<u>7,550,992</u>
---------------------------	-------	-------------------	------------------

(a) Asset revaluation reserve

The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets.

Movements in reserve

Opening balance	7,550,992	7,550,992
Revaluation of 283 Church Street, Richmond	2,613,418	-
Revaluation of 378 Burwood Road, Hawthorn	3,792,729	-
Revaluation of 10 Rose Street, Box Hill	<u>157,631</u>	<u>-</u>
Closing balance	<u>14,114,770</u>	<u>7,550,992</u>

**ACCESS HEALTH AND COMMUNITY
(FORMERLY INNER EAST COMMUNITY HEALTH SERVICE)
ABN 82 136 672 681**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

	2017	2016
	\$	\$
NOTE 14: CAPITAL AND LEASING COMMITMENTS		
(a) Operating lease commitments		
Non-cancellable operating leases contracted for but not capitalised in the financial statements:		
Payable		
- not later than one year	284,419	262,498
- later than one year and not later than five years	<u>35,255</u>	<u>278,622</u>
	<u><u>319,674</u></u>	<u><u>541,120</u></u>

Operating lease commitments are in relation to leased premises at 1020 Doncaster Road, 360 Burwood Road, and office photo copiers.

NOTE 15: CONTINGENT ASSETS AND CONTINGENT LIABILITIES

At the date of this report, the Board of Directors is unaware of any assets or liabilities, contingent or otherwise that were not already disclosed elsewhere in this report. (2016: nil).

**ACCESS HEALTH AND COMMUNITY
(FORMERLY INNER EAST COMMUNITY HEALTH SERVICE)
ABN 82 136 672 681**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

NOTE 16: RELATED PARTY TRANSACTIONS

The related parties of Access Health and Community are the directors as listed below:

- | | |
|-----------------|-------------------|
| - Kathryn Arndt | - John Michalidis |
| - Joanne Booth | - Maxine Morand |
| - Diana Brown | - Alan Studley |
| - Rod Davitt | - Peter Turner |
| - Kerry Grabau | |

No services were rendered to Access Health and Community during the year or the prior year by the Directors and/or their related parties (an entity in which the Director is a member/shareholder/Director or with a Company in which the Director has a substantial financial interest).

NOTE 17: EVENTS SUBSEQUENT TO REPORTING DATE

Other than those matters disclosed throughout the financial report there have been no other matters or circumstances, which have arisen since 30 June 2017 that have significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 30 June 2017, of the company, or
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 30 June 2017, of the company.

NOTE 18: 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 2017 the number of members was 140 (2016: 147). The combined total amount that members of the company are liable to contribute if the company is wound up is \$1,400 (2016: \$1,470).

NOTE 19: COMPANY DETAILS

The registered office of the company is:

Access Health and Community
283 Church Street
RICHMOND VIC 3121

ACCESS HEALTH AND COMMUNITY
(FORMERLY INNER EAST COMMUNITY HEALTH SERVICE)
ABN 82 136 672 681

DIRECTORS' DECLARATION

The directors declare that:

1. there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
2. the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

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

Director: 

Kathryn Arndt

Director: 

Rod Davitt

Dated this 27th day of September 2017

**ACCESS HEALTH AND COMMUNITY
(FORMERLY INNER EAST COMMUNITY HEALTH SERVICE)
ABN 82 136 672 681**

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ACCESS HEALTH AND COMMUNITY**

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Access Health and Community, "the Company", which comprises the statement of financial position as at 30 June 2017, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of Access Health and Community, is 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 2017 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 *Australian Charities and Not-for-profits Commission Act 2012* "ACNC Act" 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.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2017, but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and,

**ACCESS HEALTH AND COMMUNITY
(FORMERLY INNER EAST COMMUNITY HEALTH SERVICE)
ABN 82 136 672 681**

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ACCESS HEALTH AND COMMUNITY**

Other Information (Continued)

in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the ACNC Act and for such internal control as management determines 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.

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

Those charged with governance 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.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

ACCESS HEALTH AND COMMUNITY
(FORMERLY INNER EAST COMMUNITY HEALTH SERVICE)
ABN 82 136 672 681

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ACCESS HEALTH AND COMMUNITY

Auditor's Responsibilities for the Audit of the Financial Report (Continued)

- 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 we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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



M J HARRISON

Partner



PITCHER PARTNERS

Melbourne

Date 30 October 2017