

2017 Annual Report



TAIHS

Townsville Aboriginal &
Islander Health Service

More than a health service...

TAIHS acknowledges the traditional custodians of the land on which TAIHS services are located and pays respect to Elders past, present and future, and extends that respect to other Aboriginal and Torres Strait Islander peoples past, present and future.

The Townsville Aboriginal and Torres Strait Islander Corporation for Health Services (Trading as TAIHS – Townsville Aboriginal and Islanders Health Services) was established in 1974. In April 2012, the company officially became a corporation registered under ORIC, and it adopted TATSICHS as its legal name.

Attribution:

Content from this annual report should be attributed as:

Townsville Aboriginal & Islander Health Service 2016 Annual Report

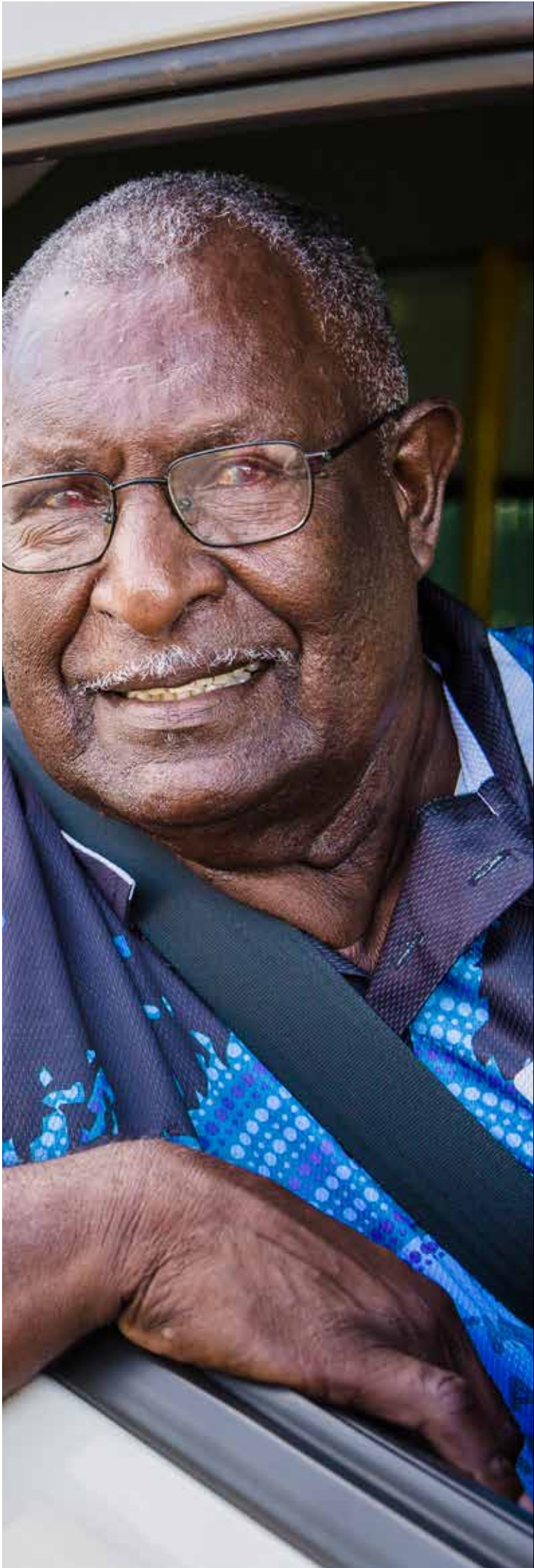
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TAIHS...

More than a health service



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Chairperson's Report



“On behalf of the Board of the Townsville Aboriginal and Torres Strait Islander Corporation for Health Services, I’m very pleased to present our annual report for 2016-2017”.

This was my first year returning to the board of TAIHS, along with new board members Jacinta Elston, Randal Ross and Esther Illin. All of the new board members have been former Directors of the corporation.

Jacinta Elston was voted in as Chairperson, but due to work commitments had to vacate the position in September 2017. This left myself, as Deputy Chairperson, to Act up in this role.

I would like to acknowledge the work of the board throughout the year. I would also like to acknowledge the work of the Financial and Audit (FAR) Committee – which plays an important role in looking at areas of finance and risk. Director Des Cowburn Chairs this committee, and other members include Director Randal Ross, and ex-officio members John Bearne and Greg Redington.

During the year the board took the opportunity to review the board’s strategic plan. We have recommitted to the strategic priorities outlined in this plan, and developed some further priorities around the governance of the corporation. In particular, the board is committed to reviewing the rule book and the governance manual for the board over the upcoming year.

The board has undertaken a number of workshops throughout the year, to look at strategic planning and governance. Our first members morning tea was held in April 2017, and the board intends to hold more of these forums over the upcoming year, to give our members an opportunity to provide feedback to the board.

The board is continuing to look at ways it can respond to the needs of the community, in line with the priorities outlined in the corporation’s Strategic Plan.

We have continued to grow our health services over the year, including outreach and satellite services – with the opening of the new clinic at Ingham hospital and the new satellite clinic in Heatley. We have also continued to expand our community service programs, with the establishment of the new family wellbeing services and after hours youth diversionary programs.



Heatley Clinic



Lighthouse

The board has continued to invest in the infrastructure of the company, to support our service delivery. Building works completed over the year included:

- Establishment of the new clinic at Ingham Hospital
- Further renovation at Peel Street Accommodation Services, including commencement of an early childhood facility at Peel Street
- Renovations at Heatley clinic
- Renovations at Turnbull Street – Youth Services
- Building work at Ferdy's Haven, Palm Island

I'd like to thank the board and staff for all their work throughout the year.



Morris Cloudy- Acting Chairperson



CEO's Report

“It has been another extremely busy year at TAIHS, and I would like to thank the TAIHS board for their leadership during this time, and all the wonderful staff at TAIHS for their hard work throughout the year.”



Following on from the organisational review in 2016, and the significant changes that brought, TAIHS has continued to make changes to improve processes across the organisation.

In addition to the internally-driven changes, TAIHS continues to respond to community need and various state and federal government reform agendas.

The new Family Wellbeing Services established in January 2017 – from the amalgamation of Family Support Services, Family Intervention Services, and the Smart Healthy Kids program – has continued to evolve. Across Queensland, these new programs are being established within Aboriginal and Islander community controlled health organisations, offering exciting possibilities for a more positive engagement with vulnerable families. The establishment of these services within a public health framework creates the opportunity to respond earlier to the needs of families, to avoid negative engagement with the child protection system.

Another significant area of growth for TAIHS in this year was the establishment of the After Hours Youth Diversionary Service – “The Lighthouse” – which initially opened with pilot funding provided by the Queensland Department of Justice and Attorney-General. The Centre opened in March 2017, and by August 2017 had provided over 1000 episodes of support to over 100 young clients. TAIHS completed some infrastructural work at its existing youth services building in Garbutt, and recruited an additional 15 youth workers to get the program operational. The team did an incredible job to get the program operational, and the program has now been successful in securing an additional two years of funding.

Our outreach services continued to grow, with a new clinic built at the Ingham hospital this year. The Ingham hospital clinic is now operating five-days a week, with a mix of GP and nurse-led clinics. The Heatley clinic has been growing its client base, and demonstrating the need for satellite clinics within the community.

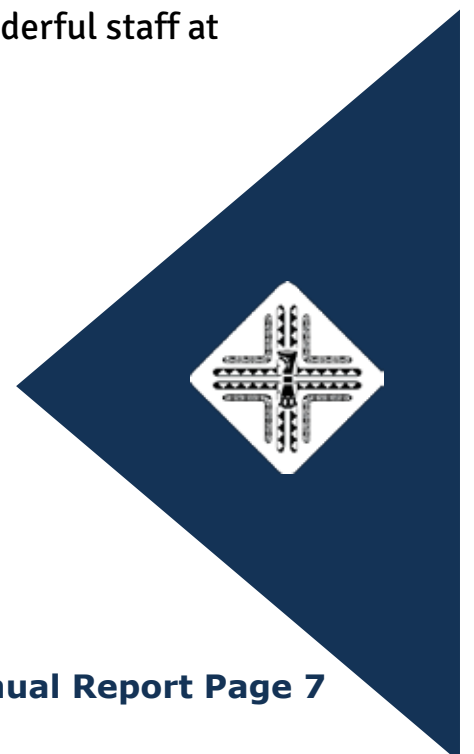
Our new co-located model of mental health services was established at Gorden Street, in collaboration with the Townsville Hospital and Health Services. TAIHS has continued to grow the range of specialist and allied health services being provided through its partnership arrangements, with services including: Psychiatry; Paediatrics; Dermatology; General Medicine; Nephrology; Endocrinology; Ear, Nose and Throat (ENT) Services; and various allied health services. We are continuing to look at the best use of infrastructure to further expand these services.

After trialling our first intake of cadets in 2016, TAIHS undertook further recruitment in these areas, and has taken on an additional three cadets, as well as four trainees, to support our Indigenous Workforce Strategy.

It has been another extremely busy year at TAIHS, and I would like to thank the TAIHS board for their leadership during this time, and all the wonderful staff at TAIHS for their hard work throughout the year.



Kathy Anderson - CEO



Service Outcome & Performance Summary

We are committed as an organisation to the health of our community, growth of health services has seen a steady increase.

THIS YEAR OUR FIGURES SHOW.....



From 1 July, 2016 til 30 June, 2017. 75,585 of our community members accessed health services provided by TAIHS across our 5 clinics.

AN INCREASE OF OVER..

32,000 VISITS.. ON
2015/2016
FIGURES



525

The total number mental health treatment plans and reviews conducted by TAIHS GPs

TAIHS DOCTORS AND INDIGENOUS HEALTH PROFESSIONALS COMPLETED,

113%

MORE HEALTH CHECKS..

2016/2017 **4308** HEALTH CHECKS WERE COMPLETED.. 2283 MORE HEALTH CHECKS COMPLETED AT OUR TAIHS CLINICS.





**With funding
from CheckUP
our youth
health
promotion
team have
assisted.....**



12

life changing ear surgeries have been successfully completed on school aged children

Corrective
eye surgeries
completed

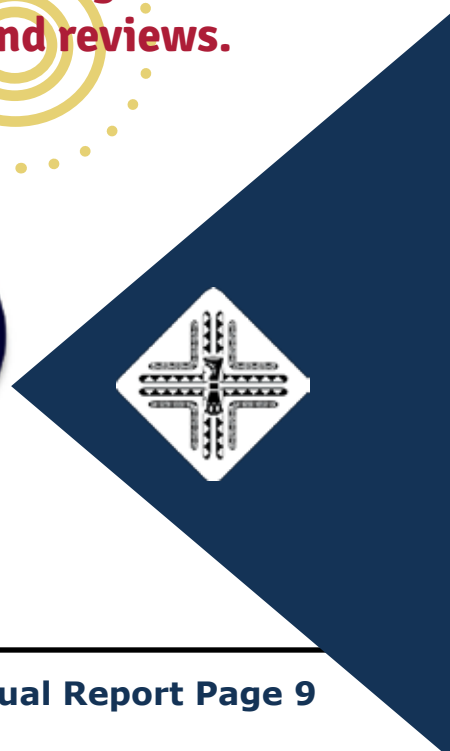
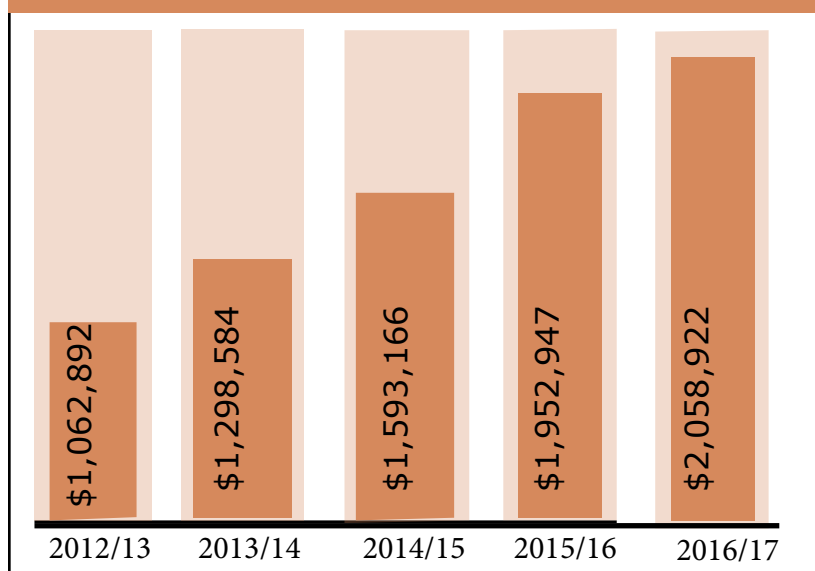
24



85%

**increase in total
number of chronic
illness management
plans and reviews.**

medicare income



Board of Directors Information



Name:
Morris Cloudy

Title:
Acting Chairperson
Elected at AGM 23/11/2016. Elected Deputy Chairperson 15/12/2016.
Assumed the position of Acting Chairperson 21/09/2017.

Qualifications, experience and expertise:
Morris Cloudy has recently completed his Bachelor of Arts in applied science and community development management. This degree is a culmination of over 30 years of practical work in the community sector with various government departments in diverse sectors.
Morris has previously served as a Board member of TAIHS over 12 years ago. He wished to contribute to the work TAIHS does in Social and Emotional Wellbeing, Men's Business, Alcohol & Drug services and in all Family Wellbeing Services.

Name:
Esther Illin

Title:
Secretary
Elected at AGM 23/11/2016. Elected Secretary 15/12/2016.

Qualifications, experience and expertise:
Esther Illin was born in the Burdekin, but has lived in Townsville all her life.
Esther worked for Queensland Health as an Indigenous Health Worker for 40 years. She was the first Indigenous Rehabilitation officer in Townsville; she created that position from research and fulfilled the requirements and developed this position across 30 years.
Esther has completed tertiary studies in community development, and studied disability services in Sydney.
Esther has previously served as a Board Member on the TAIHS board. She wishes to congratulate all the past board members who have dedicated their time to the organisation.



Name:

Jacinta Elston

Title:

Former Chairperson

Elected at AGM 23/11/2016. Elected Chairperson 15/12/2016.

Due Professional commitments stood down from position 21/09/17.

Qualifications, experience and expertise:

Jacinta Elston is a Professor and Associate Dean of the Aboriginal and Torres Strait Islander Education and Strategy Unit at James Cook University. Jacinta has 14 years' experience working in senior management as a faculty and university leader in Indigenous education, as well as being engaged in national and international Indigenous agendas.

Jacinta has spent over 25 years working in Aboriginal and Torres Strait Islander health, including time she spent employed at TAIHS in the late 80s and early 90s, then serving 4 years in the 90s as a Board Member, including holding the position of Board Secretary for a 2 year term.

Jacinta has tertiary qualifications in public health and leadership. She has served on many committees at local, state and national levels. Jacinta is a current member of the Australian Institute of Company Directors.

TAIHS is Jacinta's own and family's health service provider of choice. She has a strong desire to work to continue the efforts of many past and present Board Members in growing and strengthening the health & community services and workforce opportunities for the Aboriginal and Torres Strait Islander community in our region.

**Name:**

Phillip Lynch- Harlow

Title:

Deputy Chairperson

Elected at AGM 28/10/2013. Elected Vice-Chairperson 25/11/2014.

Qualifications, experience and expertise:

Bachelor of Science (Chemistry)

Bachelor of Arts (Psychology)

Graduate Diploma in Education

Phillip has over 30 years experience in the education sector.





Name:
Eva Kennedy

Title:
Director
Elected at AGM 17/11/15

Qualifications:
Bachelor of Arts majoring in Aboriginal Studies
Diploma of Social Welfare
Assoc. Diploma of Social Studies
Certificate (Mental Health) International Training Course
Awarded through a fellowship by the Australia Government
Dept. of Foreign Affairs

Expertise and experience:
Co-founder of the Townsville Aboriginal & Islander Health Service.
Eva has been an active Director for over 30 years since the establishment of the organisation.
Justice of the Peace. JP.
Awarded the Medal of Australia OAM.
Currently employed by Australian Red Cross as the Aboriginal & Torres Strait Islander Liaison Officer. She has been awarded the Order of Australia (OAM) and is also a Justice of the Peace.

Name:
Desmond Cowburn

Title:
Director
Elected at AGM 17/11/2015

Qualifications:
Diploma in Primary Health Care Practice.

Experience and expertise:
Desmond has over 18 years experience in the community health sector. Currently working in Aboriginal and Torres Strait Islander Hearing Health at Townsville Community Health Service at Kirwan, he was formerly an Indigenous Liaison Officer at Townsville Hospital. Prior to Townsville, Desmond lived in Gayndah and held board positions in Aged Care and Retirement Facilities, he achieved a Queensland Minister of Health appointment as acting chairperson for North Burnett Health Community Council and was elected to Gayndah Shire Council and previously a board member for Boran Aboriginal and Torres Strait Islander Housing and Mundubbera.



Name:

Randall Ross

Title:

Director

Elected at AGM 23/11/2016.

Qualifications, experience & expertise:

Randal Ross has three indigenous backgrounds, Aboriginal, Torres Strait Islander and South Sea Islander. He was born in Townsville as a Bindal/Juru and Kaanjin descendant, with links to Erub (Darnley Island) in the Torres Strait and Tanna, Ambryn and Santo Islands in the South Pacific.

He originally started working in Juvenile Justice and Child Protection in both Queensland and New South Wales, and for the past 14 years he has been instrumental in the development of Indigenous Men's Leadership Programs in Canberra through FaCSIA - (Department of Families, Community Services & Indigenous Affairs).

Randal is committed to Indigenous Men's Health and healing for families, men, women and young people as a co-founder of the Red Dust Healing, he has travelled nationally and internationally showcasing Red Dust Healing's works and programs.

**Randal has served on numerous boards, listed as follows:**

Board Member of Central Aboriginal Land Council Dubbo as Board Secretary

Board Member of Indigenous Men's Health Council Northern Territory

Board Member of Jezzine Barrack's Community Trust

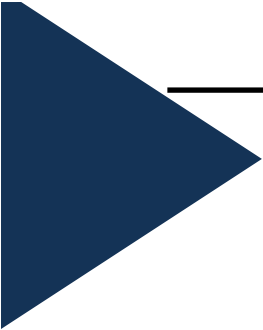
Member of Ausco Modular Homes Reconciliation Action Plan Indigenous Steering Committee

Board Member on Townsville Aboriginal and Torres Strait Islander Corporation for Media (4K1G) Board

Board Member on Castle Hill PCYC Board

Indigenous Advisor for Townsville Australian Football League (AFL)





Our Organisation

Vision

TAIHS... More than a Health Service

We strive to provide a truly comprehensive model of care that responds to the physical, social, emotional, cultural and spiritual needs of our people.

Mission

Excellence in the delivery of culturally appropriate services to support Aboriginal and Torres Strait Islander people to achieve better health and wellbeing outcomes.

Values

TAIHS is committed to working in accordance with the following values to achieve our strategic vision:

- Working in partnership with our community to support empowerment and self-determination.
- Adopting a culturally appropriate and holistic approach to addressing the health and wellbeing needs of our clients.
- Providing high quality, evidence based care to achieve the best outcomes for our clients.
- Striving for levels of excellence that meet and exceed community expectations.
- Being accountable to our stakeholders by delivering on our commitments and maintaining the highest professional standards in service delivery and ethical practice.
- Developing a learning organisation that supports the development of staff, teamwork and embraces positive change.
- Upholding our organisational integrity– we value honesty, professionalism and respect in all that we do.

Strategic Goals

1. To improve access to a comprehensive range of primary health care, wellbeing and community support services for Aboriginal and/or Torres Strait Islander people in Townsville and the surrounding region.
2. To establish strong and sustainable cross-sectoral partnerships to enhance health and wellbeing outcomes for Aboriginal and/or Torres Strait Islander people in Townsville and the surrounding region.
3. To support the development of a high quality, skilled and competent Aboriginal and Torres Strait Islander workforce within the health and community services sector.
4. To be a recognised and trusted voice on issues related to the health and wellbeing of Aboriginal and/or Torres Strait Islander families in Townsville and the surrounding region.
5. To consistently demonstrate strong leadership, effective and sustainable financial management and accountable governance practices.





2017 Financial Report

TOWNSVILLE ABORIGINAL AND TORRES STRAIT ISLANDER CORPORATION FOR HEALTH SERVICES

Trading As
TOWNSVILLE ABORIGINAL & ISLANDER HEALTH SERVICE

ABN 66 010 113 603

Annual Report - 30 June 2017

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Townsville Aboriginal and Torres Strait Islander Corporation For Health Services
Directors' report
30 June 2017

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2017.

Directors

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Jacinta Elston (elected at AGM 23/11/2016)
Morris Cloudy (elected at AGM 23/11/2016)
Esther Illin (elected at AGM 23/11/2016)
Randall Ross (elected at AGM 23/11/2016)
Phillip Lynch-Harlow
Desmond Cowburn
Eva Kennedy
Donald Whaleboat (term ended at AGM 23/11/2016)
Janice Burns (term ended at AGM 23/11/2016)
Liela Murison (term ended at AGM 23/11/2016)
Helen Akee (term ended at AGM 23/11/2016)
Coralie Cassidy (term ended at AGM 23/11/2016)

Vision

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- Being accountable to our stakeholders by delivering on our commitments and maintaining the highest professional standards in service delivery and ethical practice
- Developing a learning organisation that supports the development of staff, teamwork and embraces positive change
- Upholding our organisational integrity— we value honesty, professionalism and respect in all that we do

Strategic Goals

1. To improve access to a comprehensive range of primary health care, wellbeing and community support services for Aboriginal and/or Torres Strait Islander people in Townsville and the surrounding region.
2. To establish strong and sustainable cross-sectoral partnerships to enhance health and wellbeing outcomes for Aboriginal and/or Torres Strait Islander people in Townsville and the surrounding region.
3. To support the development of a high quality, skilled and competent Aboriginal and Torres Strait Islander workforce within the health and community services sector.
4. To be a recognised and trusted voice on issues related to the health and wellbeing of Aboriginal and/or Torres Strait Islander families in Townsville and the surrounding region.
5. To consistently demonstrate strong leadership, effective and sustainable financial management and accountable governance practices.

Townsville Aboriginal and Torres Strait Islander Corporation For Health Services
Directors' report
30 June 2017

Information on Directors

Name: **Jacinta Elston**
Title: Chairperson
Elected at AGM 23/11/2016, appointed Chairperson 15/12/2016.

Qualifications: Diploma of Public Health & Tropical Medicine
Masters of Public Health & Tropical Medicine
Graduate Certificate of Australian Rural Leadership
Member of The Australian Institute of Company Directors

Experience and expertise: Jacinta is a Professor and Associate Dean of the Aboriginal and Torres Strait Islander Education and Strategy Unit at James Cook University. She has 14 years' experience working in senior management as a faculty and university leader in Indigenous education, as well as being engaged in national and international Indigenous agendas.

Jacinta has spent over 25 years working in Aboriginal and Torres Strait Islander health. She was previously employed at TAIHS in the late 1980's and early 1990's as a Board Member, including holding the position of Board Secretary for a two year term. Jacinta has served on many committees at local, state and national levels.

Name: **Morris Cloudy**
Title: Deputy Chairperson
Elected at AGM 23/11/2016, appointed Deputy Chairperson 15/12/2016.

Qualifications: Bachelor of Arts (Applied Science and Community Development Management)

Experience and expertise: Morris has recently completed his Bachelor of Arts in applied science and community development management. This degree is a culmination of over 30 years of practical work in the community sector with various government departments in diverse sectors.

Morris has previously served as a Board member of TAIHS.

Name: **Esther Illin**
Title: Secretary
Elected at AGM 23/11/2016, appointed Secretary 15/12/2016.

Experience and expertise: Esther worked for Queensland Health as an Indigenous Health Worker for 40 years. She was the first Indigenous Rehabilitation Officer in Townsville; she created that position from research and fulfilled the requirements and developed this position across 30 years. Esther has completed tertiary studies in community development, and studied disability services in Sydney.

Esther has previously served as a Board Member on the TAIHS board.



Townsville Aboriginal and Torres Strait Islander Corporation For Health Services
Directors' report
30 June 2017

Information on Directors

Name: **Phillip Lynch-Harlow**
Title: Director
Elected at AGM 28/10/2013. Deputy Chairperson 25/11/2014 to 15/12/2016.

Qualifications: Bachelor of Science (Chemistry)
Bachelor of Arts (Psychology)
Graduate Diploma in Education
Chartered Chemist (Analyst)
Registered Professional Geologist
Registered Professional Geophysicist
Registered teacher

Experience and expertise: Phillip has over 30 years' experience in the education sector. He has written several text books for Universities and Schools, numerous scientific papers, wrote the Country Development Plans for Lapidary and Gemstone Production and Use for both Tanzania and Kenya at the behest of the United Nations Industrial Development Organisation (UNIDO) and the respective Governments, proposed the currently accepted model for the Genesis of Igneous Sapphire and Diamond Deposits, the model for Prioritised Land Use Planning (now called Multiple Land Use Planning, utilised by Governments worldwide) and was the Keynote for the 7th Session of the United Nations at Great Malvern in 1994 presenting this model. He is also a Member of the Stolen Generation and as an Aboriginal youth spent two years in Prison without trial (for being a runaway).

Name: **Desmond Cowburn**
Title: Director
Elected at AGM 17/11/2015

Qualifications: Diploma in Primary Health Care Practice

Experience and expertise: Desmond has over 18 years' experience in the community health sector. He is currently working in Aboriginal and Torres Strait Islander Hearing Health at Townsville Community Health Service at Kirwan, and was formerly an Indigenous Liaison Officer at the Townsville Hospital.

Prior to Townsville, Desmond lived in Gayndah and held board positions in Aged Care and Retirement Facilities. He achieved a Queensland Minister of Health appointment as acting chairperson for North Burnett Health Community Council and was elected to Gayndah Shire Council. He was previously a Board Member for Boran Aboriginal and Torres Strait Island Housing and Mundubbera.

Special Responsibilities Director, Financial and Audit Risk Committee (FARC). Appointed 15/12/2016.
Appointed FARC Chairperson 10/1/2017.

Townsville Aboriginal and Torres Strait Islander Corporation For Health Services
Directors' report
30 June 2017

Name:	Eva Kennedy
Title:	Director Elected at AGM 17/11/2015
Experience and expertise:	Bachelor of Arts majoring in Aboriginal Studies Diploma of Social Welfare Associate Diploma of Social Studies Certificate (Mental Health) International Training Course awarded through a fellowship by the Australia Government Department of Foreign Affairs
Special responsibilities:	Eva is a co-founder of the Townsville Aboriginal & Islander Health Service and has been an active Board Member for over 30 years since the establishment of the organisation. Eva is currently employed by the Australian Red Cross as an Aboriginal & Torres Strait Islander Liaison Officer. She has been awarded the Order of Australia (OAM) and is also a Justice of the Peace.
Name:	Randall Ross
Title:	Director Elected at AGM 23/11/2016
Experience and expertise:	Randal has three indigenous backgrounds, Aboriginal, Torres Strait Islander and South Sea Islander. He was born in Townsville as a Bindal/Juru and Kaanjin descendant, with links to Erub (Darnley Island) in the Torres Strait and Tanna, Ambrym and Santo Islands in the South Pacific. He originally started working in Juvenile Justice and Child Protection in both Queensland and New South Wales, and for the past 14 years he has been instrumental in the development of Indigenous Men's Leadership Programs in Canberra through FaCSIA (Department of Families, Community Services & Indigenous Affairs). Randal is committed to Indigenous Men's Health and healing for families, men, women and young people. As a co-founder of the Red Dust Healing, he has travelled nationally and internationally showcasing Red Dust Healing's works and programs. Randal has served on numerous boards, listed as follows: • Board Member of Central Aboriginal Land Council Dubbo as Board Secretary • Board Member of Indigenous Men's Health Council Northern Territory • Board Member of Jezzeine Barrack's Community Trust • Member of Ausco Modular Homes Reconciliation Action Plan Indigenous Steering Committee • Board Member on Townsville Aboriginal and Torres Strait Islander Corporation for Media (4K1G) • Board Member on Castle Hill PCYC • Indigenous Advisor for Townsville Australian Football League (AFL)
Special responsibilities:	Director, FARC. Appointed 15/12/2016.

Townsville Aboriginal and Torres Strait Islander Corporation For Health Services
Directors' report
30 June 2017

Information on Directors

Name:	Donald Whaleboat
Title:	Director Elected 27/10/2009, re-elected at a Special General Meeting (SGM) on 13/12/2011 (interim board); re-elected on 3/07/2012 (permanent board) and 12/11/2015. Appointed Company Secretary 21/04/2010; appointed Chairperson 22/02/2011 and held this position until his term ended at the AGM on 23/11/2016;
Qualifications:	Bachelor of Health Science (Indigenous Health) Masters in Public Health
Experience and expertise:	Donald has over 20 years' experience in the health service sector including primary health care, health promotion, strategic service and workforce planning and development. Donald is also a Board Member of Townsville Hospital & Health Service.
Name:	Janice Burns
Title:	Director Board appointment to fill vacancy 28/06/2011; re-elected at SGM on 13/12/2011 (interim board); re-elected on 3/07/2012 (permanent board) and 12/11/2015. Term ended at AGM 23/11/2016.
Experience and expertise:	Janice has over 20 years' experience in public service, and over 30 years active involvement in various community organisations in Townsville, Mt Isa and Cairns, with experience covering community engagement, governance, and advice. She also holds the position of Deputy Chairperson, Queensland Aboriginal and Islander Health Council (QAIHC) and the position of Director, National Aboriginal Community Controlled Health Organisation (NACCHO).
Special responsibilities:	Chairperson, Financial and Audit Risk Committee (FARC) Director of FARC from inaugural meeting on 12/02/2013; appointed Chairperson 17/02/2016 and held this position until her term ended at the AGM 23/11/2016.

Townsville Aboriginal and Torres Strait Islander Corporation For Health Services
Directors' report
30 June 2017

Name: Liela Murison
Title: Director
 Board appointment to vacancy 31/10/2011; re-elected 27/6/2012 and 12/11/2015.
 Term ended at AGM 23/11/2016.

Qualifications: Graduate Diploma Health Promotion
 Certificate IV in Primary Health
 Associate Diploma in Primary Health
 Enrolled Nurse

Experience and expertise: Liela has over 40 years' experience in the health sector.

Name: Helen Akee
Title: Director
 Board appointment to vacancy 22/02/2012; elected 27/06/2012 and re-elected 12/11/2015. Elected Secretary 25/11/2015.
 Term ended at AGM 23/11/2016.

Qualifications: Graduate Diploma Health Promotion

Experience and expertise: Helen has over 30 years' experience in not-for-profit organisations and public service.

Special responsibilities: Director, FARC. Appointed 17/02/2016.
 Term ended at AGM 23/11/2016.

Name: Coralie Cassady
Title: Director
 Elected at AGM 27/06/2012 and re-elected 12/11/2016
 Term ended at AGM 23/11/2016.

Qualifications: Graduate Diploma in Communications
 Diploma in radio-broadcasting
 Advanced Diploma in Primary Health Care

Experience and expertise: Coralie is a published author, former mainstream newspaper columnist, carer and long-standing advocate for mental health issues.

Meetings of directors

The number of meetings of the corporation's Board of Directors ('the Board') held during the year ended 30 June 2017, and the number of meetings attended by each director were:

	Position	Held	Attended
Jacinta Elston (elected at AGM 23/11/2016)	Chairperson	7	5
Morris Cloudy (elected at AGM 23/11/2016)	Deputy-Chairperson	7	7
Esther Illin (elected at AGM 23/11/2016)	Secretary	7	6
Randall Ross (elected at AGM 23/11/2016)	Director	7	5
Phillip Lynch-Harlow	Director	12	12
Desmond Cowburn	Director	12	11
Eva Kennedy	Director	12	12
Donald Whaleboat (term ended at AGM 23/11/2016)	Director	5	4
Janice Burns (term ended at AGM 23/11/2016)	Director	5	5
Liela Murison (term ended at AGM 23/11/2016)	Director	5	4
Helen Akee (term ended at AGM 23/11/2016)	Director	5	5
Coralie Cassady (term ended at AGM 23/11/2016)	Director	5	5

Townsville Aboriginal and Torres Strait Islander Corporation For Health Services
Directors' report
30 June 2017

Contributions on winding up

The corporation is incorporated under the Corporations (Aboriginal and Torres Strait Islander) Act 2006 (CATSI Act). If the corporation is wound up, the rulebook states that each member is required to contribute a maximum of \$Nil each towards meeting any outstanding obligations of the entity. At 30 June 2017, the total amount that members of the corporation are liable to contribute if the corporation is wound up is \$Nil (2016: \$Nil).

Auditor's independence declaration

A copy of the auditor's independence declaration has been received and can be found on page 8.

This report is made in accordance with a resolution of directors.

On behalf of the directors



Morris Cloudy
Director

September 2017
Townsville

**AUDITOR'S INDEPENDENCE DECLARATION UNDER S 339B OF THE CORPORATIONS
(ABORIGINAL AND TORRES STRAIT ISLANDER) ACT 2006**

**TO THE DIRECTORS OF TOWNSVILLE ABORIGINAL AND TORRES STRAIT ISLANDER
CORPORATION FOR HEALTH SERVICES LIMITED**

FOR THE YEAR ENDED 30 JUNE 2017

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2016 there have been:

- (i) No contraventions of the auditor independence requirements as set out in the Corporations (Aboriginal and Torres Strait Islander) Act 2006 (CATSI Act) in relation to the audit; and
- (ii) No contraventions of any applicable code of professional conduct in relation to the audit.

CROWE HORWATH AUDIT QUEENSLAND



Donna Sinanian (CA)
Partner

Townsville

Date this 3rd day of October 2017.

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The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Horwath external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

Townsville Aboriginal and Torres Strait Islander Corporation For Health Services
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2017

	Note	2017 \$	2016 \$
Revenues	3	18,128,914	16,389,302
Other revenue	3	3,281,167	3,065,018
Unexpired grants brought forward		458,780	986,596
Unexpired grants returned to funding bodies		-	(787,241)
Unexpired grants carried forward to next year		(503,185)	(677,236)
Expenses			
Employee benefits expense	4	(14,544,817)	(13,801,940)
Motor vehicle expense		(558,256)	(526,705)
Property expense		(1,442,775)	(983,793)
Administration expense		(1,782,101)	(1,339,907)
Meeting expense		(21,167)	(8,895)
Medical supplies expense		(167,397)	(272,077)
Client expense		(448,556)	(182,323)
Travel and training expense		(248,215)	(397,942)
Subcontractors		(1,115,289)	(791,380)
Depreciation expense	4	(401,205)	(312,517)
Return unspent funds / transfer to buffer		(67,798)	(62,499)
Surplus before income tax expense		568,100	296,460
Income tax expense		-	-
Surplus after income tax expense for the year attributable to the members of Townsville Aboriginal And Torres Strait Islander Corporation For Health Services		568,100	296,460
Other comprehensive income for the year, gain/(loss) on revaluation of land and buildings		(424,693)	253,004
Total comprehensive income for the year attributable to the members of Townsville Aboriginal And Torres Strait Islander Corporation For Health Services		143,407	549,464

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Townsville Aboriginal and Torres Strait Islander Corporation For Health Services
Statement of financial position
As at 30 June 2017

	Note	2017 \$	2016 \$
Assets			
Current assets			
Cash and cash equivalents	5	5,094,809	6,325,735
Trade and other receivables		122,613	278,379
Other	6	498,739	821,293
Total current assets		<u>5,716,161</u>	<u>7,425,407</u>
Non-current assets			
Property, plant and equipment	7	9,002,879	6,020,770
Total non-current assets		<u>9,002,879</u>	<u>6,020,770</u>
Total assets		<u>14,719,040</u>	<u>13,446,177</u>
Liabilities			
Current liabilities			
Trade and other payables	8	3,097,834	3,434,101
Short term provisions	9	882,073	1,021,635
Borrowings	10	204,200	-
Total current liabilities		<u>4,184,107</u>	<u>4,455,736</u>
Non-current liabilities			
Long term provisions	9	271,075	297,213
Borrowings	10	1,427,222	-
Total non-current liabilities		<u>1,698,297</u>	<u>297,213</u>
Total liabilities		<u>5,882,404</u>	<u>4,752,949</u>
Net assets		<u>8,836,636</u>	<u>8,693,228</u>
Equity			
Reserves		246,910	671,603
Retained earnings		8,589,726	8,021,625
Total equity		<u>8,836,636</u>	<u>8,693,228</u>

The above statement of financial position should be read in conjunction with the accompanying notes.



Townsville Aboriginal and Torres Strait Islander Corporation For Health Services
Statement of changes in equity
For the year ended 30 June 2017

	Retained Surpluses \$	Revaluation Surplus \$	Total Equity \$
Balance at 1 July 2015	7,725,165	418,599	8,143,764
Surplus after income tax expense for the year	296,460	-	296,460
Other comprehensive income for the year, gain on revaluation	-	253,004	253,004
Balance at 30 June 2016	<u>8,021,625</u>	<u>671,603</u>	<u>8,693,228</u>

	Retained Surpluses \$	Revaluation Surplus \$	Total Equity \$
Balance at 1 July 2016	8,021,625	671,603	8,693,228
Surplus after income tax expense for the year	568,100	-	568,100
Other comprehensive income for the year, loss on revaluation	-	(424,692)	(424,692)
Balance at 30 June 2017	<u>8,589,725</u>	<u>246,911</u>	<u>8,836,636</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Townsville Aboriginal and Torres Strait Islander Corporation For Health Services
Statement of cash flows
For the year ended 30 June 2017

	Note	2017 \$	2016 \$
Cash flows from operating activities			
Receipts from customers (inclusive of goods and services tax)		23,209,260	21,056,222
Payments to suppliers and employees (inclusive of goods and services tax)		(22,221,754)	(20,156,637)
Interest paid on borrowings		(62,465)	-
Interest received		20,620	33,929
Net cash inflow from operating activities		945,661	933,514
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		-	203,000
Payment for property, plant and equipment		(3,808,007)	(432,599)
Net cash (outflow) from investing activities		(3,808,007)	(229,599)
Net cash provided by / (used in) financing activities			
Proceeds from bank loans		2,754,000	-
Deposits paid on bank loans		(1,018,000)	-
Repayment of bank loans		(104,578)	-
Net cash inflow/(outflow) from financing activities		1,631,422	-
Net increase in cash and cash equivalents		(1,230,926)	703,915
Cash and cash equivalents at the beginning of the financial year		6,325,735	5,621,820
Cash and cash equivalents at the end of the financial year	5	5,094,809	6,325,735

The above statement of cash flows should be read in conjunction with the accompanying notes.



Townsville Aboriginal and Torres Strait Islander Corporation For Health Services
Notes to the financial statements
30 June 2017

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the entity Townsville Aboriginal and Torres Strait Islander Corporation for Health Services.

Basis of preparation

The Townsville Aboriginal & Torres Strait Islander Corporation for Health Services is a not-for-profit entity, incorporated under the Corporations (Aboriginal and Torres Strait Islander) Act 2006 (CATSI Act).

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the Corporations (Aboriginal and Torres Strait Islander) Act 2006 (CATSI Act). The corporation is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

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

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

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

Revenue is recognised for the major business activities as follows:

(i) Grant income

Non-reciprocal grant revenue is recognised in profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

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

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

If Townsville Aboriginal & Torres Strait Islander Corporation for Health Services receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value, these assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in profit or loss.

(ii) Interest income

Interest income is recognised when it is earned.

(iii) Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Townsville Aboriginal and Torres Strait Islander Corporation For Health Services
Notes to the financial statements
30 June 2017

Note 1. Significant accounting policies (continued)

Income tax

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

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents

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

Trade and other receivables

Other receivables are recognised at amortised cost, less any provision for impairment.

Property, plant and equipment

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

Freehold property

Freehold land and buildings are shown at their fair value based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

In periods when the freehold land and buildings are not subject to an independent valuation, the directors conduct directors' valuations to ensure the carrying amount for the land and buildings is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in profit or loss.

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

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

Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(e) for details of impairment).

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

Townsville Aboriginal and Torres Strait Islander Corporation For Health Services
Notes to the financial statements
30 June 2017

Note 1. Significant accounting policies (continued)

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a diminishing value or straight line basis over the asset's useful life to the entity commencing from the time the asset is held.

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

Buildings	2.50%
Plant and equipment	10%-67%

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

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. When revalued assets are sold, amounts are included in the revaluation surplus.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Note 1. Significant accounting policies (continued)

Fair value measurement

The corporation measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

"Fair value" is the price the company would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability). In the absence of such a market, market information is extracted from the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (if any) may be valued, where there is no observable market price in relation to the transfer of such financial instrument, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and where significant, are detailed in the respective note to the financial statements.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Unexpended grants

The entity receives grant monies to fund projects either for contracted periods of time or for specific projects irrespective of the period of time required to complete those projects. It is the policy of the entity to treat grants monies as unexpended grants in the statement of financial position where the entity is contractually obliged to provide the services in a subsequent financial period to when the grant is received or in the case of specific project grants where the project has not been completed.

Note 2. 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.

Townsville Aboriginal and Torres Strait Islander Corporation For Health Services
Notes to the financial statements
30 June 2017

Note 2. Critical accounting judgements, estimates and assumptions (continued)

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.

Impairment of non-financial assets

The company assesses impairment of non-financial 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.

Employee benefits provision

As discussed in note 1, 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.

Note 3. Revenue

	2017 \$	2016 \$
Revenue from (non-reciprocal) Government Grants and Other Grants:		
Commonwealth Government Grants		
Department of Health	5,307,322	4,835,982
Department of Housing and Public Works	1,340,564	1,299,759
Department of the Prime Minister and Cabinet	2,138,912	2,149,912
State Government Grants		
Department of Communities, Child Safety and Disability Services	5,146,515	5,126,171
Queensland Health	2,232,034	1,941,030
Department of Education and Training	324,095	533,200
Department of Justice and Attorney-General	401,890	-
Other Grants		
North Queensland Primary Healthcare Network	653,057	423,460
CheckUP	238,419	139,671
Northern Aboriginal and Torres Strait Islander Health Alliance	226,681	-
Sundry grants	41,361	-
Pharmacy Guild of Australia	21,971	9,580
General Medical Training	21,725	23,680
Department of Social Services	13,748	12,600
Other Revenue		
Interest income	20,620	33,928
	<u>18,128,914</u>	<u>16,528,973</u>
Other Revenue		
Project generated Medicare receipts	2,016,382	1,903,636
Practice incentive payments	463,482	384,979
Profit/(loss) on disposal of assets	4b -	37,028
Other revenue	801,303	599,704
	<u>3,281,167</u>	<u>2,925,347</u>
Revenue	<u>21,410,081</u>	<u>19,454,320</u>

Townsville Aboriginal and Torres Strait Islander Corporation For Health Services
Notes to the financial statements
30 June 2017

Note 4. Profit for the year

	2017 \$	2016 \$
a) Expenses:		
Depreciation and amortisation		
Land and buildings	110,374	77,236
Leasehold buildings	22,564	
Motor vehicles	11,011	18,792
Plant and equipment	257,256	216,488
Total depreciation and amortisation	401,205	312,516
Employee benefits expense	14,544,817	13,801,940
Audit or review services	32,000	30,000
Rental expense on operating leases	464,016	418,587
b) Significant revenue and expenses:		
Property, plant and equipment		
Proceeds on disposal	-	203,000
Disposal at cost	-	(165,972)
Net gain / (loss) on disposals as at 30 June 2017	-	37,028

Note 5. Current assets - cash and cash equivalents

	2017 \$	2016 \$
Cash on hand	4,045	3,465
Cash at bank	5,090,764	6,322,270
	5,094,809	6,325,735

Cash at bank is a "restricted asset" in that amounts representing unexpended grants may only be applied for the purpose specified in the Program Funding Agreement. Of the cash and cash equivalents, \$503,185 has been released by funding bodies, but remains unexpended at 30 June 2017.

Note 6. Current assets - other

	2017 \$	2016 \$
Prepayments	180,793	195,214
Goods and services tax paid	223,947	251,191
Security deposit – property acquisitions	-	25,000
Security deposit – electricity	583	583
Loan establishment fees	12,826	-
Deferred income	80,590	-
Funds held in trust	-	349,305
	498,739	821,293

Townsville Aboriginal and Torres Strait Islander Corporation For Health Services
Notes to the financial statements
30 June 2017

Note 7. Non-current assets - property, plant and equipment

	2017 \$	2016 \$
Buildings		
Freehold land at fair value:		
Independent valuation June 2017	3,338,500	1,688,500
Total land	<u>3,338,500</u>	<u>1,688,500</u>
Buildings at fair value		
Independent valuation June 2017	4,168,369	3,378,369
Building additions and improvements	-	100,761
Less: Accumulated depreciation	-	-
Total buildings	<u>4,168,369</u>	<u>3,479,130</u>
Leasehold buildings at cost		
Improvements at cost	452,520	-
Less: Accumulated depreciation	<u>(22,564)</u>	<u>-</u>
	429,956	-
Total land and buildings	<u>7,936,825</u>	<u>5,167,630</u>
Plant and equipment		
Plant and equipment		
At cost	2,780,792	2,434,764
Less accumulated depreciation	<u>(1,874,696)</u>	<u>(1,617,440)</u>
Total plant and equipment	<u>906,096</u>	<u>817,324</u>
Motor vehicles		
At cost	169,376	137,262
Less accumulated depreciation	<u>(112,457)</u>	<u>(101,446)</u>
Total motor vehicles	<u>56,919</u>	<u>35,816</u>
Total plant and equipment	<u>963,015</u>	<u>853,140</u>
Capital Works In Progress		
Capital works in progress	103,039	-
Total capital works in progress	<u>103,039</u>	<u>-</u>
Total property, plant and equipment	<u>9,002,879</u>	<u>6,020,770</u>

Asset Revaluations:

The freehold land and buildings were independently valued at 30 June 2017 by Herron Todd White. The valuation has resulted in an increment to freehold land of \$5,000 and a decrement to freehold buildings of \$429,692, resulting in a net decrement of \$424,692 being recognised in the revaluation surplus for the year ended 30 June 2017.

Townsville Aboriginal And Torres Strait Islander Corporation For Health Services
Notes to the financial statements
30 June 2016

Note 7. Non-current assets - property, plant and equipment (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Land	Buildings	Leasehold Buildings	Motor Vehicles	Plant & Equipment	Total
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2016	1,688,500	3,479,130	-	35,816	817,324	6,020,770
Additions	1,645,000	848,517	-	32,114	346,028	2,871,659
Improvements	-	380,789	452,520	-	-	833,309
Works in progress	-	103,039	-	-	-	103,039
Disposals	-	-	-	-	-	-
Revaluation increment/decrement	5,000	(429,692)	-	-	-	(424,692)
Depreciation expense	-	(110,374)	(22,564)	(11,011)	(257,256)	(401,205)
Balance at 30 June 2017	3,338,500	4,271,408	429,956	56,919	906,096	9,002,879

Note 8. Current liabilities - trade and other payables

	2017 \$	2016 \$
Trade payables	121,244	208,635
Goods and services tax collected	629,429	541,114
Prepaid income	890,117	1,053,655
Credit card	2,481	6,550
Payroll liabilities	151,607	95,506
Accrued expenses	467,414	436,743
Buffers held	332,357	414,662
Unexpired grants current year	8(b) 503,185	677,236
	<u>3,097,834</u>	<u>3,434,101</u>

Townsville Aboriginal And Torres Strait Islander Corporation For Health Services
Notes to the financial statements
30 June 2017

Note 8. Current liabilities - trade and other payables (continued)

Note 8(b). Schedule of unexpended grants

	2017 \$	2016 \$
Government Grants:		
Department of Health		
New Directions Townsville	426	-
New Directions Palm Island	9,741	86,362
Total Department of Health	10,167	86,362
Department of Housing and Public Works		
Specialist Homelessness Services	336	-
Total Department of Housing and Public Works	336	-
Department of Communities		
Youth Support Services	1,267	-
Recognised Entity	87,160	98,588
Recognised Entity – RE Camps	58,627	66,330
Recognised Entity – FGM Convenor	-	58,531
Foster and Kinship Service	198	53,226
Family Support Service	-	18,459
Total Department of Communities	147,252	295,134
Department of Prime Minister and Cabinet		
Stronger Families – Smart Healthy Kids	73,944	7,675
Stronger Families – Strong Healthy Families	4,317	5,870
Ferdy's Haven	1,252	-
Mabo Day grant	10,093	-
Total Department of Prime Minister and Cabinet	89,606	13,545
Primary Health Network		
New Directions Townsville	-	16,900
AOD Townsville	58,273	-
AOD Palm Island	47,472	-
AOD MCH	55,931	-
Active Health (Palm Island)	40,870	-
Total Primary Health Network	202,546	16,900
Queensland Health		
Outreach and Youth	37	-
Total Queensland Health	37	-
Other Grants		
Department of Education & Training – Early Childhood Development	-	221,370
Department of Education & Training – VET Partnerships	-	43,925
NATSIHA – Care Coordination Supplementary Services	44,531	-
Department of Social Services – Emergency Relief	106	-
General Medical Training – Training	8,604	-
Total Other Grants	53,241	265,295
Total unexpended grants	503,185	677,236

Townsville Aboriginal and Torres Strait Islander Corporation For Health Services
Notes to the financial statements
30 June 2017

Note 9. Provisions – employee benefits

	2017 \$	2016 \$
Current		
Provision for employee benefits: annual leave	579,076	593,912
Provision for employee benefits: replacement wages	136,359	287,514
Provision for employee benefits: long service leave	166,638	140,209
	<u>882,073</u>	<u>1,021,635</u>
Non-Current		
Provision for employee benefits: long service leave	<u>271,075</u>	<u>297,213</u>
Total provisions for employee benefits	<u>1,153,148</u>	<u>1,318,848</u>
		Total \$
Analysis of annual leave provision:		
Opening balance at 1 July 2016		593,912
Additional provisions raised during the year		808,059
Amounts utilised during the year		<u>(822,895)</u>
Balance at 30 June 2017		<u>579,076</u>
Analysis of long service leave provision:		
Opening balance at 1 July 2016		437,422
Additional provisions raised during the year		40,853
Amounts utilised during the year		<u>(40,562)</u>
Balance at 30 June 2017		<u>437,713</u>
Analysis of replacement wages provision:		
Opening balance at 1 July 2016		287,514
Provisions reversed during the year		<u>(151,155)</u>
Amounts utilised during the year		-
Balance at 30 June 2017		<u>136,359</u>
Analysis of employee provisions:		
Opening balance at 1 July 2016		1,318,848
Additional provisions raised during the year		697,757
Amounts utilised during the year		<u>(863,457)</u>
Balance at 30 June 2017		<u>1,153,148</u>

Note 10. Borrowings

Borrowings consist of the following:

Current		
Bank Loan – Peel Street	164,790	-
Bank Loan – Fulham Road	39,410	-
	<u>204,200</u>	<u>-</u>
Non-Current		
Bank Loan – Peel Street	1,061,996	-
Bank Loan – Fulham Road	365,226	-
	<u>1,427,222</u>	<u>-</u>
Total Borrowings	<u>1,631,422</u>	<u>-</u>

The bank loans are secured by a first registered mortgage over the freehold properties located at 10 Peel Street, Garbutt and 421 Fulham Road, Heatley QLD 4814.

Townsville Aboriginal and Torres Strait Islander Corporation For Health Services
Notes to the financial statements
30 June 2017

Note 11. Capital and leasing commitments

- (a) Non-cancellable operating leases contracted for but not recognised in the financial statements:

	2017 \$	2016 \$
Payable – minimum lease payments		
- not later than 12 months	729,866	625,699
- between 12 months and 5 years	1,192,635	1,677,033
	<u>1,922,501</u>	<u>2,302,732</u>

At reporting date, the following obligations under non-cancellable operating leases were in place: (a) lease of photocopiers, commenced in December 2015 and is a five year agreement; (b) lease of motor vehicles (fleet of 48 vehicles), commenced in 2014/2015 and is a five year agreement; (c) lease of commercial premise, commenced in July 2016 and is a three year agreement; (d) lease of telephone system, commenced in July 2016 and is a five year agreement; and (e) lease of solar panel system, commenced in August 2016 and is a five year agreement.

- (b) Other Commitments recognised in the financial statements:

	2017 \$	2016 \$
- Ferdy's Haven repairs and maintenance	-	349,303
	<u>-</u>	<u>349,303</u>

- (c) Capital Expenditure committed to in 2017/2018:

	2017 \$	2016 \$
- 10 Peel Street, Garbutt	-	1,880,000
- 421 Fulham Road, Heatley	-	600,000
Total committed capital expenditure	<u>-</u>	<u>2,480,000</u>

Note 12. Key management personnel disclosures

Compensation

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the corporation, directly or indirectly, including any director (whether executive or otherwise) is considered key management personnel.

The aggregate compensation made to directors and other members of key management personnel of the corporation is set out below:

	2017 \$	2016 \$
Aggregate compensation	<u>890,495</u>	<u>747,031</u>

Townsville Aboriginal and Torres Strait Islander Corporation For Health Services
Notes to the financial statements
30 June 2017

Note 13. Contingent liabilities and contingent assets

The corporation has outstanding legal claims at the time of preparing this report, however sufficient insurance coverage exists to alleviate any financial risk posed to the corporation. Therefore, the value of any contingent liabilities at the time of preparing this report is deemed to be no greater than \$2,000, being the excess component on the insurance cover if a claim against the corporation was likely to succeed.

There are no known contingent assets at the time of preparing this report.

Note 14. Fair value measurements

The corporation has the following assets, as set out in the table below, that are measured at fair value on a recurring basis after their initial recognition. The company does not subsequently measure any liabilities at fair value on a recurring basis and has no assets or liabilities that are measured at fair value on a non-recurring basis.

	2017 \$	2016 \$
Recurring fair value measurements		
Property, plant and equipment:		
Freehold land	3,338,500	1,688,500
Freehold buildings	4,168,369	3,378,369
	<u>7,506,869</u>	<u>5,066,869</u>

For freehold land and buildings, the fair values are based on an external independent valuation performed in the 2017 year, which had used comparable market data for similar purposes.

Note 15. Reserves

Revaluation surplus

The revaluation surplus records the revaluations of non-current assets. Where revaluations are deemed to represent profits of a permanent nature, distributions may not be declared from this surplus.

Note 16. Events after the reporting period

No matter or circumstance has arisen since 30 June 2017 that has significantly affected, or may significantly affect the corporation's operations, the results of those operations, or the corporation's state of affairs in future financial years.

Townsville Aboriginal and Torres Strait Islander Corporation For Health Services
Directors' declaration
30 June 2017

In accordance with a resolution of the directors of The Townsville Aboriginal and Torres Strait Islander Corporation for Health Services, the directors of the corporation declare that:

1. The financial statements and notes, as set out on pages 9 to 25, are in accordance with the Corporations (Aboriginal and Torres Strait Islander) Act 2006; and
 - (a) comply with Australian Accounting Standards – Reduced Disclosure Requirements; and
 - (b) give a true and fair view of the financial position of the company as at 30 June 2017 and of its performance for the year ended on that date.
- 2 In the directors' opinion there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

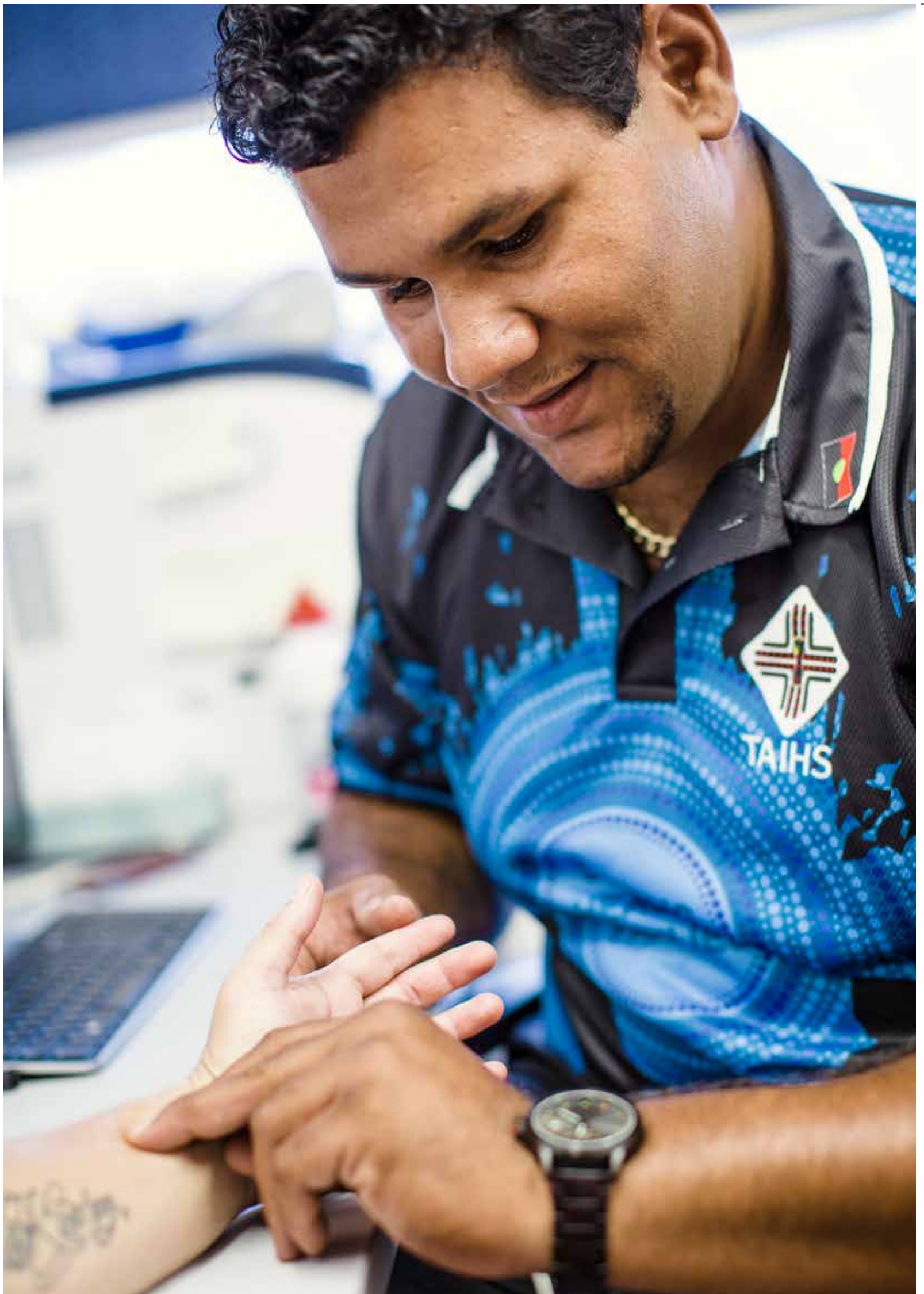
This declaration is made in accordance with a resolution of the Board of Directors.

On behalf of the directors



Morris Cloudy
Chairperson

September 2017
Townsville



Townsville Aboriginal and Torres Strait Islander Corporation for Health Services

Independent Auditor's Report to the Members of Townsville Aboriginal and Torres Strait Islander Corporation for Health Services

Opinion

We have audited the financial report of Townsville Aboriginal and Torres Strait Islander Corporation for Health Services (the Corporation), which comprises the statement of financial position as at 30 June 2017, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the 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,

- a) the financial report of Townsville Aboriginal and Torres Strait Islander Corporation for Health Services Limited is in accordance with the Corporations (Aboriginal and Torres Strait Islander) Act 2006, including:
 - i. giving a true and fair view of the company's financial position as at 30 June 2017 and of its performance for the period ended on that date; and
 - ii. complying with Australian Accounting Standards and the *Corporations (Aboriginal and Torres Strait Islander) Regulations 2007*; and
- b) The Registrar has not imposed any additional/increased reporting requirements which the company is required to comply with;
- c) We have been provided all the information, explanations and assistance necessary to conduct the audit;
- d) The company has kept sufficient financial records to enable the financial report to be prepared and audited; and
- e) The company has kept all other records and registers as required by the Corporations (Aboriginal and Torres Strait Islander) Act 2006.

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 Corporation in accordance with the auditor independence requirements of the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* 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.

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Townsville Aboriginal and Torres Strait Islander Corporation for Health Services

Independent Auditor's Report to the Members of Townsville Aboriginal and Torres Strait Islander Corporation for Health Services (Cont.)

Responsibilities of the Directors for the Financial Report

The directors of the Corporation are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations (Aboriginal and Torres Strait Islander) Act 2006*, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_files/ar3.pdf. This description forms part of our auditor's report.

CROWE HORWATH AUDIT QUEENSLAND



Donna Sinanian
Partner

Townsville, 03 / 10 / 2017.

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Horwath external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

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