



TAIHS

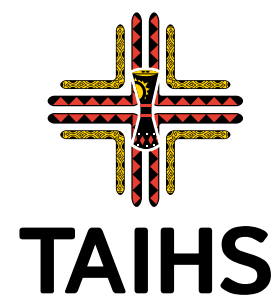
Townsville Aboriginal &
Islander Health Service



TAIHS Annual Report 2015

TAIHS... More than a health service





Contents

Chairperson's Report

CEO's Report

Financial Report



Chairperson's Report

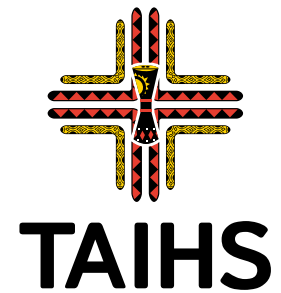
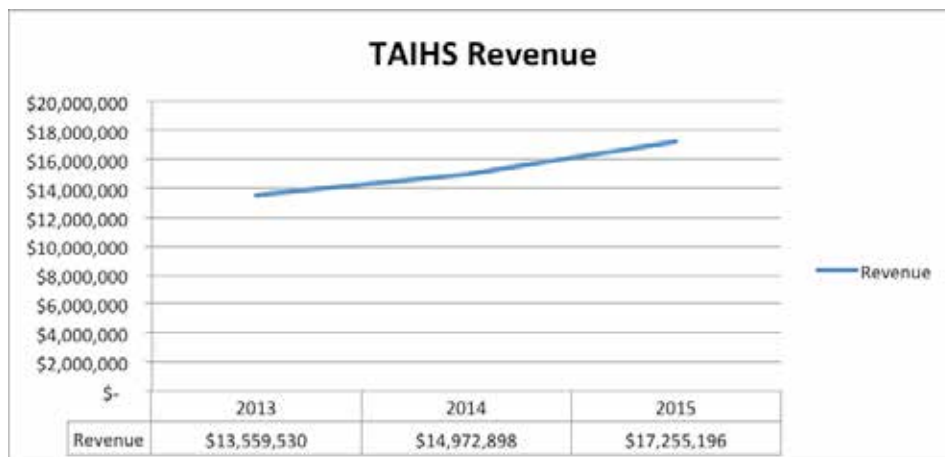
"On behalf of the Board of the Townsville Aboriginal and Torres Strait Islander Corporation for Health Services, I'm very pleased to present our annual report for 2014-2015".

As we went into our 40th year of operation, and prepared for the Anniversary Celebrations in August 2015, this was a time to reflect on where TAIHS has come from, and where it's going. I want to acknowledge the original steering committee and Board, without whom we wouldn't have this great health service today. As the Chair of the current TAIHS Board, I am proud of the contribution we are making to drive this organisation forward, and build on the work of everyone who has come before us.

During the year we reviewed our strategic direction, and the **TAIHS Strategic Plan 2015-2021** sets out this direction so that members, staff and all of our stakeholders have a clear blueprint for the future. We've revised our Vision Statement to reflect the fact that more than half of our workforce are employed in services that are not strictly 'health services', although all of these services contribute to a holistic model of health. "TAIHS... More than a Health Service" is a Vision that reflects our commitment to a comprehensive model of care that responds to the physical, social, emotional, cultural, and spiritual needs of our people.

There were some changes to the board during the year, with TAIHS Secretary, Frederick Yasso, resigning from the board and from his role as Chairperson of the Financial Audit and Risk Committee (FARC). The board elected Helen Akee as Secretary, and as a Director on FARC, and Jan Burns stepped up to become the FARC Chairperson. Director Burns was re-elected as Deputy Chairperson of the Queensland Aboriginal and Islander Health Council (QAIHC); and to the board of the National Aboriginal Community Controlled Health Organisation (NACCHO)

TAIHS continued to grow its revenue base, as indicated in the following graph:



The stability of funding has increased, with longer contracts for all existing services (3 years), and new funds coming into the service. New funding included financial commitments from Queensland Health and Queensland Department of Education and Training, to establish outreach health clinics in surrounding communities, youth health promotion services, and an early childhood program. The longer agreements and increase in revenue is a testimony to the confidence of funding bodies in the openness and integrity of our systems, and the quality of our services.

The TAIHS workforce has continued to grow during this period of growth and stability, and by the end of the financial year TAIHS employed 183 employees. Of these, 128 (70%) were full-time, and 139 (76%) were Aboriginal and Torres Strait Islander people. We continued to invest in future workforce, employing four school graduates as health trainees.

Investment in workforce, and particularly in our Aboriginal and Torres Strait Islander workforce, is a key priority in the **TAIHS Strategic Plan 2015-2021**. This investment will serve TAIHS well into the future, as we position ourselves to respond to health and other reforms, and be a leading provider of health and community services to Aboriginal and Torres Strait Islander people in the Townsville region.

I'd like to thank the members, the Chief Executive Officer - Katherine Anderson - and all the staff at TAIHS for their commitment.

Donald Whaleboat - Chairperson



CEO's Report

"The 2014-15 financial year was a very busy year for TAIHS, with continued workforce growth, a number of new programs being introduced, and some significant changes to existing services".

Health Services Expanding

- While some of our Community Service programs cover North Queensland, 2015 marks the beginning of an exciting new expansion strategy for our health services.
- In April 2015 we opened our second school-based clinic, at St Teresa's Catholic College Abergowrie in Ingham. This complements the school-based clinic at Shalom Christian College in Townsville.
- Arrangements were also finalised for the commencement of new satellite clinics in July and August 2015:
 - Home Hill clinic: to operate every Friday from the Home Hill Hospital
 - Charters Towers clinic: to operate Wednesday –Thursday from the Eventide Residential Service, Charters Towers
 - Ingham clinic: to operate Monday –Tuesday from the Ingham hospital
- TAIHS welcomes the support of the Townsville Hospital and Health Service (THHS) in providing sites for these new clinics, and acknowledges Queensland Health in providing funds to support the expansion.
- We also acknowledge the support of the Federal Department of Health in the continued delivery and expansion of health care services.
- Our existing services continue to grow, with the range of specialist and allied health services increasing.
- New staff included a psychologist and a diabetic educator/ dietician, to expand the range of allied services available to our clients (existing services include podiatry, physiotherapy, optometry, audiology, and exercise physiology).
- TAIHS continued to work with Townsville Hospital and Health Service (THHS) and other providers to ensure that TAIHS clients have access, at TAIHS, to medical specialists that include paediatric, physiotherapy, and psychiatric services.
- Services continue to increase, as shown by regular service outcomes and performance surveys.

TYSS

Are you young and seeking support?



TAIHS

Youth Programs

- On 1 April 2015, the TAIHS Volatile Substance Misuse (VSM) service became the TAIHS Youth Support Service (TYSS).
- Under the state's youth reform agenda, TAIHS ceased the provision of 24/7 rest and recovery services (a crisis response service for young people who abuse volatile substances), to focus on case management.
- The reformed service has a broader regional coverage.



The Youth Festival Logo was designed by Year 11 & 12 Students from Bwgcolman Community School currently also completing their Certificate II in Primary Health Care - Palm Island



Bwgcolman Community School
Yr 11 Student - Lyndsey Parker



Palm Island Youth Engaged in Health
Promotion Workshops



Painting the new youth van at the
youth festival launch

- Another new program for TAIHS this year was the Youth Health Promotion program, which is funded by Queensland Health.
- We've been working closely with young people, schools and a range of government and non-government agencies to develop a regional youth health promotion strategy.
- This strategy is being launched at a number of youth events in Townsville and surrounding communities, starting with the inaugural Bwgcolman Youth Festival in September 2015.
- Staff were busy planning for this event in the 2014-15 financial year, in partnership with the Palm Island Aboriginal Shire Council, the Palm Island Youth Council, Townsville Hospital and Health Service, and numerous sponsors.

New Focus on Early Childhood

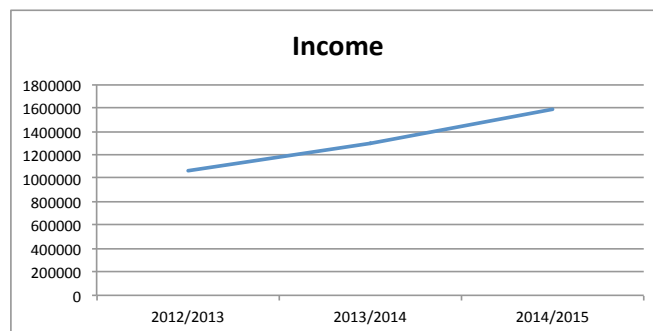
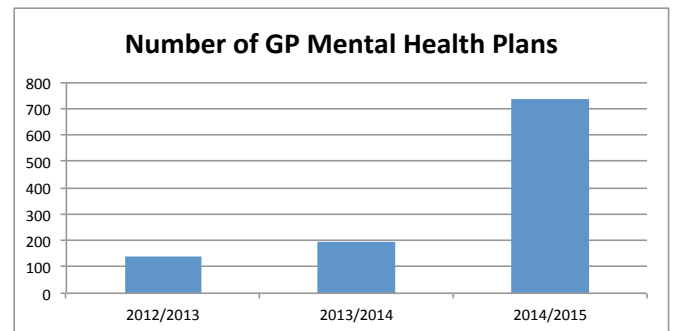
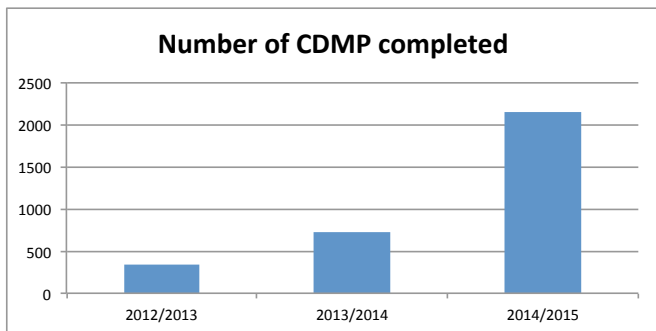
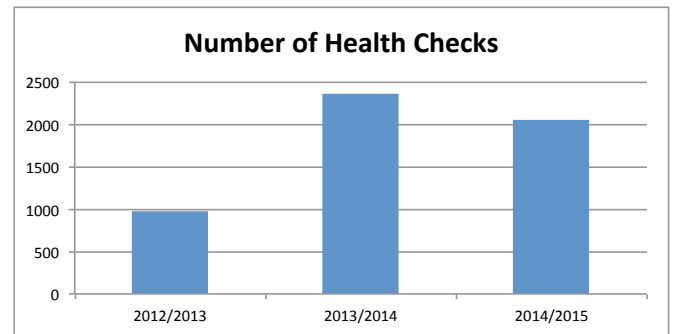
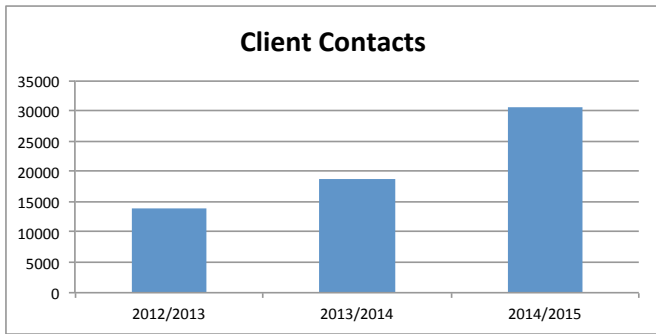
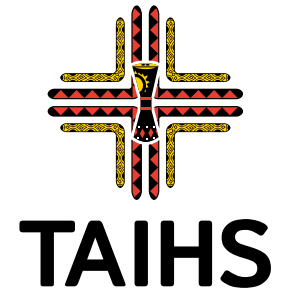
- Two new programs that we received funding for in the 2014-15 financial year are the Stronger Families and Early Childhood Programs. These programs give, for the first time, real capacity in the early childhood space.
- The Stronger Families program is funded by the Federal Department of Prime Minister & Cabinet, and from 1 July 2015 will replace the former Townsville Indigenous Parenting Service (TIPS) and Social and Emotional Wellbeing (SEWB) programs.
- The Stronger Families program will allow us to provide greater support to our vulnerable Aboriginal and Torres Strait Islander families. It will focus on families with children under 12 years of age with social and emotional wellbeing and learning and development needs.
- In 2015 we received funding from the Queensland Department of Education and Training (DET) to establish an Intensive Early Childhood Development Support Program (IECDSP).
- This pilot program will be integrated into the TAIHS Family Support Services (FSS), which is funded by the Queensland Department of Communities, Child Safety, and Disability Services (DCCSDS) to support families engaged with the child protection system.
- The new IECDSP allows us to provide greater support for parents and all members of the household/family, along with intensive early development and learning for children under 5.

I would like to thank the Board of Directors for their support throughout the year, and acknowledge the TAIHS staff for their continued commitment and hard work.



Kath Anderson - CEO

Service Outcomes & Performance Summary



TAIHS Board of Directors



Donald Whaleboat
Chairperson

Elected 27/10/2009, appointed Company Secretary 21/04/2010; appointed Chairperson 22/02/2011 and has held Chair since that time; re-elected at a Special General Meeting on the 13/12/2011 (interim board); re-elected on 3/07/2012 (permanent board) and 12/11/2015.

Bachelor of Health Science (Indigenous Health)
Masters in Public Health

Donald has over 20 years' experience in the health service sector including primary health care, health promotion and strategic service and workforce planning and development. Donald is also a Board Member of Townsville Hospital & Health Service.



Helen Akee
Secretary

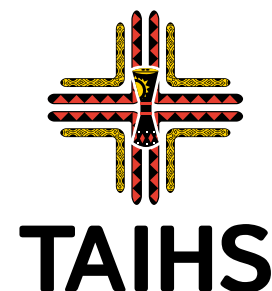
Board appointment to vacancy 22/02/2012; elected 27/06/2012 and re-elected 12/11/2014. Elected Secretary 25/11/2014.

Graduate Diploma Health Promotion

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

Director, FARC. Appointed 17/02/2015

TAIHS Board of Directors



Janice Burns
Director

Board appointment to fill vacancy 28/06/2011; re-elected at a Special General Meeting on the 13/12/2011 (interim board); re-elected on 3/07/2012 (permanent board) and 12/11/2014.

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).

Chairperson, Financial Audit and Risk Committee (FARC)
Director of FARC from inaugural meeting on 12/02/2013; appointed Chairperson 17/02/2015.



Liela Murison
Director

Board appointment to vacancy 31/10/2011; re-elected 27/6/2012 and 12/11/2014.

Graduate Diploma of Health Promotion
Certificate IV in Primary Health
Associate Diploma in Primary Health
Enrolled Nurse

Liela has over 40 years' experience in the health sector.

TAIHS Board of Directors



Coralie Cassady
Director

Elected at the Annual Genral Meeting on the 27/06/2012 and re-elected 12/11/2015

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

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



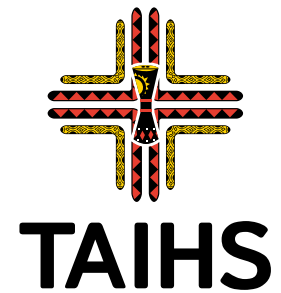
Phillip Lynch-Harlow
Deputy Chairperson

Elected at the Annual General Meeting on the 28/10/2013. Elected Vice-Chairperson 25/11/2014

Bachelor of Science (Chemistry)
Bachelor of Arts (psychology)
Graduate Diploma in Education

Phillip has over 30 years' experience in the education sector.

TAIHS Board of Directors



Peninah Saukuru
Director

Elected at the Annual General Meeting on the 28/10/2013

Graduate Certificate in Public Sector Management

Peninah has more than 20 years' experience in senior leadership roles and is currently employed in the public sector as an executive-level senior manager.



Frederick Yasso
Secretary - (resigned on 17 February 2015)

Board appointment to fill vacancy 28/06/2011; re-elected at a Special General Meeting on the 13/12/2011 (interim board); re-elected on 3/07/2012 (permanent board) and 12/11/2014.

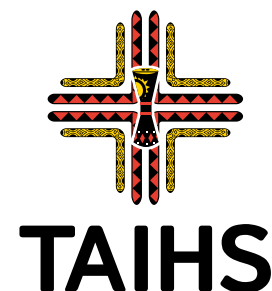
Bachelor of Applied Science (Indigenous Community Health)
Associate Degree in Aboriginal Health

Federick has over 7 years' experience working in Health and 20 years in Public Service in NT, WA and QLD for both Federal and State Governments.

Chairperson, FARC. Member from inaugural meeting on 12/02/2013.
Resigned 17/02/2015



TAIHS 2015 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 2015

CONTENTS

Auditors Independence Declaration	Pg 20
Statement of Profit or Loss and Other Comprehensive Income	Pg 21
Statement of Financial Position	Pg 22
Statement Changes in Equity	Pg 23
Statement of Cash Flows	Pg 24
Notes to the Financial Statements	Pg 25
Directors Declaration	Pg 39
Independent Auditors Review Report to the members of Townsville and Torres Strait Islander Corporation for Health Services	Pg 40 - 41

TOWNSVILLE ABORIGINAL AND TORRES STRAIT ISLANDER CORPORATION FOR HEALTH SERVICES

DIRECTORS REPORT FOR THE YEAR ENDED 30TH JUNE 2015

DIRECTORS REPORT



The director's present their report, together with the financial statements, on the company for the year ended 30 June 2015.

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:

Donald Whaleboat
Janice Burns
Liela Murison
Helen Akee
Coralie Cassidy
Phillip Lynch-Harlow
Peninah Saukuru
Frederick Yasso (resigned on 17 February 2015)

Objectives

The principal activities of the corporation during the financial year were:

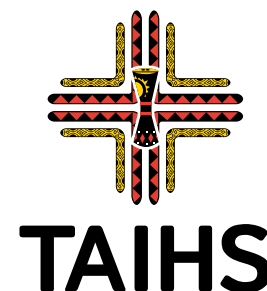
To provide a holistic primary health care service primarily for Aboriginal and Torres Strait Islander people in Townsville and surrounding communities, incorporating a bulk-billing general practice medical clinic, a dental clinic, mental health counselling, community health screening and health promotion activities. To provide a range of community services, including crisis accommodation, child safety and early family intervention programs, and a specialist service for young people misusing volatile substances. Two of the corporation's child protection services cover all of North Queensland; other services target clients in Townsville and surrounding communities.

Short-term and Long-term Objectives

The corporation's objectives are to:

- meet client needs in line with National priorities, Government reforms and relevant Standards;
- support effective and efficient delivery of services;
- examine work functions across TATSICHS to identify the functions, responsibilities and support our people need so they can build and deliver our services;
- invest the time and resources required to build the skills and capabilities necessary in our people to fulfil the roles we identify as necessary to meet our service delivery goals;
- strengthen our leadership group by driving accountability and enhancing our leadership capabilities across all levels of the corporation;
- encourage and support strong internal collaboration so we operate as a single corporation;
- through community and clients involvement, build services that better meet the needs of our clients;
- work closely with our partner agencies to shape government policy on service delivery and to develop new and innovative services;
- continue to evaluate the effectiveness of our services using input from the community, clients, service providers and our partner agencies;

- seek input from relevant specialist sources, including service providers and medical practitioners during the development of our services;
- implement a marketing and promotions strategy;
- ensure the governance framework supports the corporation to operate strategically and to respond to community needs; and
- ensure the corporation remains compliant with its statutory and mandatory requirements



Strategies

To achieve its stated objectives, the corporation has identified the following strategic priority areas:

1. Quality service delivery
2. People and workforce capability
3. Community and stakeholder engagement
4. Governance and sustainability

Information on Directors

Name: Donald Whaleboat
Title: Chairperson
 Elected 27/10/2009, appointed Company Secretary 21/04/2010; appointed Chairperson 22/02/2011 and has held Chair since that time; re-elected at a Special General Meeting (SGM) on 13/12/2011 (interim board); re-elected on 3/07/2012 (permanent board) and 12/11/2014.

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 and 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 12/11/2014.

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 Audit and Risk Committee (FARC)
 Director of FARC from inaugural meeting on 12/02/2013; appointed Chairperson 17/02/2015.

Name: Liela Murison
Title: Director
Board appointment to vacancy 31/10/2011; re-elected 27/6/2012 and 12/11/2014.

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: Secretary
Board appointment to vacancy 22/02/2012; elected 27/06/2012 and re-elected 12/11/2014. Elected Secretary 25/11/2014.

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 17/02/2015

Name: Coralie Cassady
Title: Director
Elected at Annual General Meeting (AGM) 27/06/2012 and re-elected 12/11/2014

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.

Name: Phillip Lynch-Harlow
Title: Deputy Chairperson
Elected at AGM 28/10/2013. Elected Vice-Chairperson 25/11/2014

Qualifications: Bachelor of Science (Chemistry)
Bachelor of Arts (Psychology)
Graduate Diploma in Education

Experience and expertise: Phillip has over 30 years' experience in the education sector.

Name: Peninah Saukuru
Title: Director
Elected at AGM 28/10/2013

Qualifications: Graduate Certificate in Public Sector Management

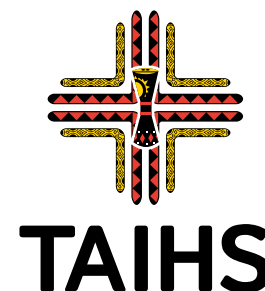
Experience and expertise: Peninah has more than 20 years' experience in senior leadership roles and is currently employed in the public sector as an executive-level senior manager.

Name: Frederick Yasso (resigned on 17 February 2015)
Title: Company Secretary
 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 12/11/2014.

Qualifications: Bachelor Applied Science (Indigenous Community Health)
 Associate Degree in Aboriginal Health

Experience and expertise: Frederick has over 7 years' experience working in Health and 20 years in Public Service in NT, WA and QLD for both Federal and State Governments.

Special responsibilities: Chairperson, FARC. Member from inaugural meeting on 12/02/2013. Resigned 17/02/2015.



Meetings of Directors

The number of meetings of the corporation's Board of Directors ('the Board') held during the year ended 30 June 2015, and the number of meetings attended by each director were:

Board Member	Position	Held	Attended
Donald Whaleboat	Chairperson	12	11
Janice Burns	Director	12	12
Liela Murison	Director	12	12
Frederick Yasso	Director	8	5
Helen Akee	Director	12	10
Coralie Cassady	Director	12	12
Peninah Saukuru	Director	12	11
Phillip Lynch-Harlow	Director	12	12

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 2015, the total amount that members of the corporation are liable to contribute if the corporation is wound up is \$Nil (2014: \$Nil).

Auditor's independence declaration

A copy of the auditor's independence declaration has been received and can be found on page 20.

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

Donald Whaleboat
 Chairperson

October 2015
 Townsville

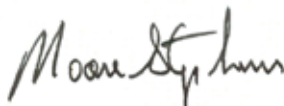
**AUDITOR'S INDEPENDENCE DECLARATION UNDER S 339B OF THE
CORPORATIONS (ABORIGINAL AND TORRES STRAIT ISLANDER) ACT 2006**

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

FOR THE YEAR ENDED 30 JUNE 2015

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2015 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.



MOORE STEPHENS
Chartered Accountants



John Zabala (FCA)
Director
Townsville

Dated this 21st day of October 2015.

Office locations: Brisbane / Burdekin / Cairns / Gold Coast / Innisfail / Toowoomba / Townsville



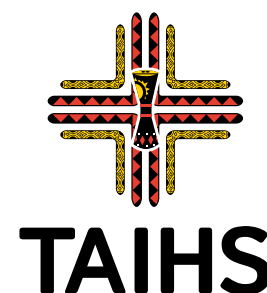
Moore Stephens (Queensland) Audit Pty Ltd ABN 62 126 208 179. Liability limited by a scheme approved under Professional Standards Legislation. The Queensland Moore Stephens firm is not a partner or agent of any other Moore Stephens firms. An independent member of Moore Stephens International Limited – members in principal cities throughout the world.

Serious about Success™

www.moorestephens.com.au

**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 2015**



STATEMENT OF PROFIT OF LOSS AND OTHER COMPREHENSIVE INCOME

	Note	2015 \$	2014 \$
Revenues	3	14,683,480	12,990,586
Other Revenue	3	2,571,716	1,982,314
Unexpired grants brought forward		66,057	-
Unexpired grants carried forward to next year		(986,596)	(66,059)
Expenses			
Employee benefits expense	4	(11,283,347)	(10,478,036)
Motor vehicle expense		(195,920)	(166,722)
Property expense		(688,044)	(620,254)
Administration expense		(1,508,759)	(1,309,603)
Meeting expense		(57,887)	(46,737)
Medical supplies expense		(200,169)	(147,873)
Client expense		(172,829)	(156,511)
Travel and training expense		(570,516)	(663,694)
Depreciation expense	4	(523,211)	(374,598)
Return unspent funds / transfer to buffer		(30,603)	(182,280)
Surplus before income tax expense		1,103,372	760,532
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		1,103,372	760,532
Other comprehensive income for the year, net of tax		-	5,000
Total comprehensive income for the year attributable to the members of Townsville Aboriginal And Torres Strait Islander Corporation For Health Services		1,103,372	765,532

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 FOR THE YEAR ENDED 30TH JUNE 2015

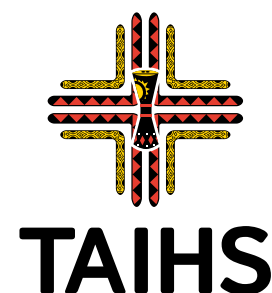
STATEMENT OF FINANCIAL POSITION

	Note	2015 \$	2014 \$
Assets			
Current assets			
Cash and cash equivalents	5	5,621,820	2,875,122
Trade and other receivables		74,310	70,868
Other	6	717,864	443,072
Total current assets		<u>6,413,994</u>	<u>3,389,062</u>
Non-current assets			
Capital works in progress	7	-	50,462
Property, plant and equipment	8	5,813,655	6,217,050
Total non-current assets		<u>5,813,655</u>	<u>6,267,512</u>
Total Assets		<u>12,227,649</u>	<u>9,656,574</u>
Liabilities			
Current liabilities			
Trade and other payables	9	3,072,105	1,656,468
Short term provisions	10	796,958	791,586
Total current liabilities		<u>3,869,064</u>	<u>2,448,054</u>
Non-current liabilities			
Long term provisions	10	214,821	168,128
Total non-current liabilities		<u>214,821</u>	<u>168,128</u>
Total liabilities		<u>4,083,885</u>	<u>2,616,182</u>
Net assets		<u>8,143,764</u>	<u>7,040,392</u>
Equity			
Reserves		418,599	418,599
Retained earnings		7,725,165	6,621,792
Total Equity		<u>8,143,764</u>	<u>7,040,392</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 2015**



STATEMENT OF CHANGES IN EQUITY

	Retained Surpluses \$	Revaluation Surplus \$	Total Equity \$
Balance at 1 July 2013	5,861,260	413,599	6,274,859
Surplus after income tax expense for the year	760,532	-	760,533
Other comprehensive income for the year, net of tax	-	5,000	5,000
Balance at 30 June 2014	<u>6,621,792</u>	<u>418,599</u>	<u>7,040,392</u>

	Retained Surpluses \$	Revaluation Surplus \$	Total Equity \$
Balance at 1 July 2014	6,621,792	418,599	7,040,392
Surplus after income tax expense for the year	1,103,372	-	1,103,372
Other comprehensive income for the year, net of tax	-	-	-
Balance at 30 June 2015	<u>7,725,163</u>	<u>418,599</u>	<u>8,143,764</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 30TH JUNE 2015**

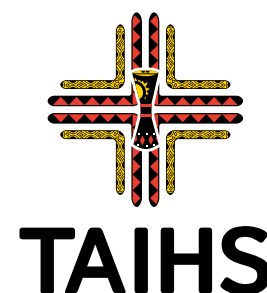
STATEMENT OF CASH FLOWS

	Note	2015 \$	2014 \$
Cash flows from operating activities			
Receipts from customers (inclusive of goods and services tax)		18,835,885	15,528,626
Payments to suppliers and employees		(16,123,042)	(13,376,211)
Interest received		67,844	88,980
Net cash inflow from operating activities		2,780,687	2,241,395
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		381,181	70,182
Payment for property, plant and equipment		(415,172)	(2,186,120)
Net cash (outflow) from investing activities		(33,991)	(2,115,938)
Net increase in cash and cash equivalents		2,746,696	125,456
Cash and cash equivalents at the beginning of the financial year		2,875,122	2,749,665
Cash and cash equivalents at the end of the financial year	5	5,621,819	2,875,122

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 FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**



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.

TOWNSVILLE ABORIGINAL AND TORRES STRAIT ISLANDER CORPORATION FOR HEALTH SERVICES

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

Note 1. Significant accounting policies (continued)

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.

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

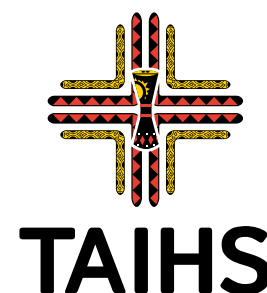
Other receivables are recognised at amortised cost, less any provision for impairment.

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.

**TOWNSVILLE ABORIGINAL AND TORRES STRAIT ISLANDER
CORPORATION FOR HEALTH SERVICES**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**



Note 1. Significant accounting policies (continued)

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.

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 assets are:

Buildings	2.50%
Plant and equipment	10%-67%

The 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 included in the revaluation surplus.

TOWNSVILLE ABORIGINAL AND TORRES STRAIT ISLANDER CORPORATION FOR HEALTH SERVICES

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

Note 1. Significant accounting policies (continued)

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.

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.

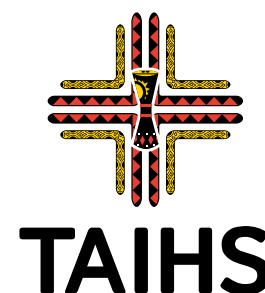
Fair value measurement

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.

**TOWNSVILLE ABORIGINAL AND TORRES STRAIT ISLANDER
CORPORATION FOR HEALTH SERVICES**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**



Note 1. Significant accounting policies (continued)

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.

TOWNSVILLE ABORIGINAL AND TORRES STRAIT ISLANDER CORPORATION FOR HEALTH SERVICES

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

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.

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 other than goodwill and other indefinite life intangible assets

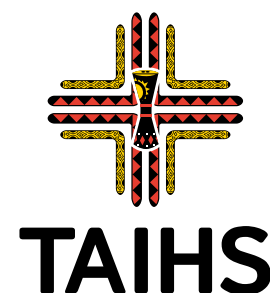
The company assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount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

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.

**TOWNSVILLE ABORIGINAL AND TORRES STRAIT ISLANDER
CORPORATION FOR HEALTH SERVICES**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**



Note 3. Revenue

	Note	2015 \$	2014 \$
Revenue from (non-reciprocal) government grants and other grants:			
Commonwealth Government Grants			
Department of Health		4,463,882	6,398,981
Department of Families, Housing, Community Services & Indigenous Affairs		-	337,884
Department of Prime Ministers and Cabinet		2,407,378	-
State Government Grants			
Department of Communities		6,160,337	5,753,999
Queensland Health		1,546,949	262,831
Other Grants			
Pharmacy Guild of Australia		-	3,806
Menzies School of Research		-	11,601
Healing Foundation		-	2,342
Queensland Aboriginal & Islander Health Council		-	130,160
Department of Social Services		15,491	-
Townsville Correctional Services		21,600	-
Other Revenue			
Interest income		67,844	88,980
		14,683,480	12,990,584
Other revenue			
Project generated medicare receipts		1,593,167	1,256,091
Practice incentive payments		323,799	288,409
Profit/(loss) on disposal of assets	4b	85,827	(7,620)
Other revenue		568,123	445,434
		2,571,716	1,982,314
Revenue		17,255,196	14,972,898

TOWNSVILLE ABORIGINAL AND TORRES STRAIT ISLANDER CORPORATION FOR HEALTH SERVICES

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

Note 4. Profit for the year

	2015	2014
	\$	\$
a) Expenses:		
Depreciation and amortisation		
Land and buildings	74,246	47,625
Motor vehicles	239,084	171,619
Plant and equipment	209,881	155,355
Total depreciation and amortisation	<u>523,211</u>	<u>374,599</u>
Employee benefits expense	11,283,347	10,478,036
Audit or review services	19,810	29,000
Rental expense on operating leases	51,181	91,028
b) Significant revenue and expenses:		
Property, plant and equipment		
Proceeds on disposal	381,181	70,181
Disposal at cost	(295,354)	(77,801)
Net gain / (loss) on disposals as at 30 June 2015	<u>85,827</u>	<u>(7,620)</u>

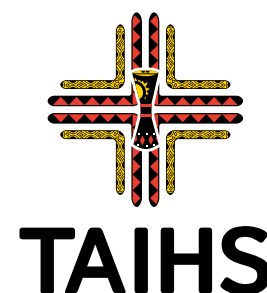
Note 5. Current assets - cash and cash equivalents

	2015	2014
	\$	\$
Cash on hand	4,121	1,941
Cash at bank	5,617,699	2,873,181
	<u>5,621,820</u>	<u>2,875,122</u>

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, \$1,474,692 has been released by funding bodies, but remains unexpended at 30 June 2015. Of this, \$488,096 has been committed to expenditure during financial year ended 30 June 2016 (refer to Note 9(b)).

**TOWNSVILLE ABORIGINAL AND TORRES STRAIT ISLANDER
CORPORATION FOR HEALTH SERVICES**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**



Note 6. Current assets - other

	2015	2014
	\$	\$
Prepayments	56,877	54,013
Goods and services tax paid	95,908	182,930
Electronic clearing account	-	(964)
Security deposit – electricity	583	583
Security deposit – rent	2,224	4,723
Funds held in trust	562,272	201,787
	717,864	443,072

Funds held in trust represent monies paid to NQ Legal. Funds will be drawn from the trust account and committed to the repairs and maintenance works at Ferdys Haven, Palm Island, as per the terms of the funding agreement with the Department of Health. It is anticipated that the funds held in trust will be fully expended between 1 July 2015 and 30 June 2016.

Note 7. Capital Works in progress

	2015	2014
	\$	\$
Building additions/improvements in progress – 57-59 Gordon Street	-	50,462
	-	50,462

TOWNSVILLE ABORIGINAL AND TORRES STRAIT ISLANDER CORPORATION FOR HEALTH SERVICES

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

Note 8. Non-current assets - property, plant and equipment

	2015 \$	2014 \$
BUILDINGS		
Freehold land at fair value:		
Independent valuation May 2013	2,040,000	2,040,000
Total land	<u>2,040,000</u>	<u>2,040,000</u>
Buildings at fair value		
Independent valuation May 2013	1,810,000	1,810,000
Building additions and improvements	1,107,632	957,854
Less: Accumulated depreciation	(127,142)	(52,896)
Total buildings	<u>2,790,490</u>	<u>2,714,959</u>
Total land and buildings	<u>4,830,490</u>	<u>4,754,959</u>
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	2,165,335	1,934,258
Less accumulated depreciation	(1,402,750)	(1,192,869)
Total plant and equipment	<u>762,585</u>	<u>741,388</u>
Motor vehicles		
At cost	510,592	1,062,750
Less accumulated depreciation	(290,013)	(342,048)
Total motor vehicles	<u>220,580</u>	<u>720,702</u>
Total plant and equipment	<u>983,165</u>	<u>1,462,089</u>
Total property, plant and equipment	<u>5,813,655</u>	<u>6,217,050</u>

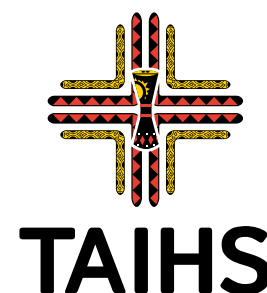
Reconciliations

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

	Land \$	Buildings \$	Motor Vehicles \$	Plant & Equipment \$	Total \$
Balance at 1 July 2014	2,040,000	2,714,959	720,702	741,388	6,217,050
Additions	-	149,778	34,316	231,078	415,172
Disposals	-	-	(295,355)	-	(295,355)
Depreciation expense	-	(74,246)	(239,084)	(209,881)	(523,211)
Balance at 30 June 2015	<u>2,040,000</u>	<u>2,790,490</u>	<u>220,580</u>	<u>762,585</u>	<u>5,813,655</u>

**TOWNSVILLE ABORIGINAL AND TORRES STRAIT ISLANDER
CORPORATION FOR HEALTH SERVICES**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**



Note 9. Current liabilities - trade and other payables

	Note	2015 \$	2014 \$
Trade payables		397,021	554,227
Goods and services tax collected		422,088	348,666
Prepaid income		396,000	3,000
Credit card		3,894	1,292
Payroll liabilities		130,121	41,233
Accrued expenses		376,772	312,981
Buffers held		359,613	329,011
Unexpired grants current year	9(b)	986,596	66,059
		3,072,105	1,656,468

Note 9(b). Schedule of unexpected grants

	2015 \$
Government Grants:	
Comm. Department of Prime Ministers and Cabinet	
Ferdy's Haven	39,740
Total Comm. Department of Prime Ministers and Cabinet	39,740
Department of Communities	
Volatile Substance Misuse	13,802
Youth Support Services	18,118
Recognised Entity	66,330
Foster and Kinship Service	38,563
Total Department of Communities	136,814
Queensland Health	
Outreach and Youth	810,042
Total Queensland Health	810,042
Total unexpended grants	986,596
Schedule of grants committed for expenditure in 2016:	
Department of Prime Minister and Cabinet	
Ferdy's Haven repairs and maintenance	360,485
Total Department of Prime Minister and Cabinet	360,485
Department of Communities	
SACS adjustment – one off	111,610
Volatile Substance Misuse	16,001
Total Department of Communities	127,611
Total committed funding*	488,096

* Refer note 5 Restricted Assets.

TOWNSVILLE ABORIGINAL AND TORRES STRAIT ISLANDER CORPORATION FOR HEALTH SERVICES

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

Note 10. Provisions - employee benefits

	2015 \$	2014 \$
Current		
Provision for employee benefits: annual leave	477,065	435,870
Provision for employee benefits: replacement wages	216,929	272,136
Provision for employee benefits: long service leave	102,965	83,580
	<u>796,958</u>	<u>791,586</u>
Non-Current		
Provision for employee benefits: long service leave	<u>214,821</u>	<u>168,128</u>
Total provisions for employee benefits	<u>1,011,779</u>	<u>959,713</u>
		Total \$
Analysis of total provisions:		
Opening balance at 1 July 2014		959,713
Additional provisions raised during the year		107,274
Amounts utilised during the year		(55,207)
Balance at 30 June 2015		<u>1,011,779</u>

Note 11. Capital and leasing commitments

	2015 \$	2014 \$
(a) Non-cancellable operating leases contracted for but not recognised in the financial statements:		
Payable – minimum lease payments		
- not later than 12 months	340,707	90,360
- between 12 months and 5 years	1,015,672	148,085
	<u>1,356,379</u>	<u>238,445</u>

At reporting date, the following obligations under non-cancellable operating leases were in place: (a) lease of photocopiers, commenced in 2012/13 and is a five year agreement; and (b) lease of motor vehicles (fleet of 33 vehicles), commenced in 2014/15 and is a five year agreement.

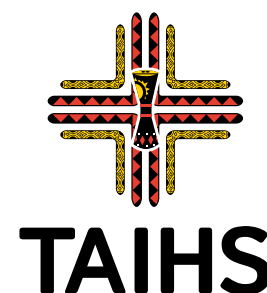
(b) Other Commitments recognised in the financial statements:

- Ferdy's Haven repairs and maintenance	562,272	201,787
	<u>562,272</u>	<u>201,787</u>

Please refer to the Funds Held in Trust Disclosure contained within Note 6 for detailed information regarding the Ferdy's Haven commitments.

**TOWNSVILLE ABORIGINAL AND TORRES STRAIT ISLANDER
CORPORATION FOR HEALTH SERVICES**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**



Note 12. Equity - retained surpluses

	2015 \$	2014 \$
Retained surpluses at the beginning of the financial year	7,040,392	6,274,859
Surplus after income tax expense for the year	1,103,372	760,533
Other comprehensive income for the financial year	-	5,000
Retained surpluses at the end of the financial year	<u>8,143,764</u>	<u>7,040,392</u>

Note 13. Key management personnel disclosures

	2015 \$	2014 \$
Aggregate compensation	<u>525,042</u>	<u>580,591</u>

Note 14. 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.

TOWNSVILLE ABORIGINAL AND TORRES STRAIT ISLANDER CORPORATION FOR HEALTH SERVICES

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

Note 15. Fair value measurements

	2015	2014
	\$	\$

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.

Recurring fair value measurements

Property, plant and equipment:

Freehold land	2,040,000	2,040,000
Freehold buildings	1,810,000	1,810,000
	<u>3,850,000</u>	<u>3,850,000</u>

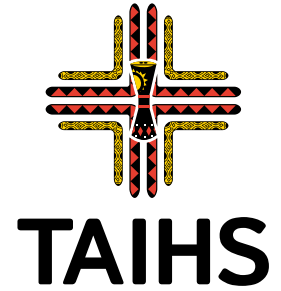
For freehold land and buildings, the fair values are based on a directors' valuation taking into account an external independent valuation performed in the 2013 year, which had used comparable market data for similar purposes.

Note 16. Events after the reporting period

No matter or circumstance has arisen since 30 June 2015 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
FOR THE YEAR ENDED 30 JUNE 2015**



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 5 to 19, 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 2015 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

A handwritten signature in blue ink, appearing to read "Donald Whaleboat", is written over a horizontal line.

Donald Whaleboat
Chairperson

October 2015
Townsville

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Report

We have audited the accompanying financial report of Townsville Aboriginal and Torres Strait Islander Corporation for Health Services Limited, which comprises the statement of financial position as at 30 June 2015, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and 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 is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations (Aboriginal and Torres Strait Islander) Act 2006.

Office locations: Brisbane / Burdekin / Cairns / Gold Coast / Innisfail / Toowoomba / Townsville



CHARTERED ACCOUNTANTS
AUSTRALIA - NEW ZEALAND

Moore Stephens (Queensland) Audit Pty Ltd ABN 62 126 208 179. Liability limited by a scheme approved under Professional Standards Legislation. The Queensland Moore Stephens firm is not a partner or agent of any other Moore Stephens firm. An independent member of Moore Stephens International Limited - members in principal cities throughout the world.

Serious about Success™

www.moorestephens.com.au

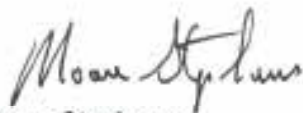
INDEPENDENT AUDITOR'S REPORT

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

Opinion

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 2015 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.



Moore Stephens
Chartered Accountants



John Zabala (ECA)
Director
Townsville

Dated this 21st day of October 2015.

Office locations: Brisbane / Bundaberg / Cairns / Gold Coast / Innisfail / Townsville



Moore Stephens (Queensland) Audit Pty Ltd ABN 62 226 208 275. Liability limited by a scheme approved under Professional Standards Legislation. The Queensland Moore Stephens firm is not a partner or agent of any other Moore Stephens firm. An independent member of Moore Stephens International Limited - members in principal cities throughout the world.

Serious about Success™

www.moorestephens.com.au

Funded By:

Qld Dept of Communities, Child Safety and Disability Services

Qld Dept of Housing and Public Works

Qld Health

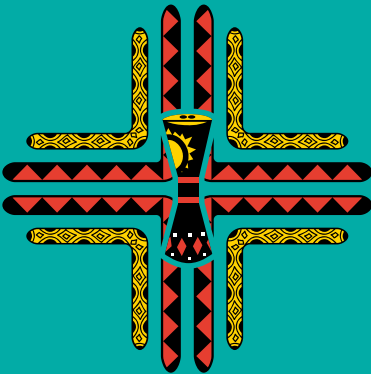
Australian Government

Australian Dept of Prime Minister and Cabinet

Australian Dept of Health

Australian Dept of Social Services

Australian Dept of Education and Training



TAIHS

**Townsville Aboriginal &
Islander Health Service**

Townsville Aboriginal & Islander Health Service

A. 57 -59 Gordon Street, Garbutt, QLD 4814

P. +61 7 4759 4001

F. +61 7 4759 4055

E. admin@taihs.net.au

W. www.taihs.org.au