



# TAIHS

Townsville Aboriginal &  
Islander Health Service

# 2018 Annual Report

More than a health service...



**TAIHS**  
Townsville Aboriginal &  
Islander Health Service



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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 people past, present and future.

The Townsville Aboriginal and Torres Strait Island Corporation for Health Services (Trading as TAIHS - Townsville Aboriginal and Islander 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 2018 Annual Report

#### Public Availability Statement:

Copies of this Publication can be obtained at [www.taihs.org.au](http://www.taihs.org.au) or by phoning (07) 4759 4000.

Please be warned, throughout this publication, there may be pictures of deceased people. All images used throughout this publication are owned by TAIHS. To reproduce or use images, authorisation must be sought.

# Chairperson's Report



**Morris Cloudy**

As I come to the end of my first term on the TAIHS board, I would like to thank the Directors on our Board and on our Financial and Audit (FAR) Committee for all their commitment and hard work throughout the year.

I would also like to acknowledge the commitment and work of all of our TAIHS staff. It was an honour to receive the AGPAL Aboriginal Medical Service of the Year Award for 2018, and so I would like to particularly thank the primary health staff for their efforts.

As we move into the new financial year, we are responding to the continued growth of the organisation by reviewing our infrastructure needs. Plans are underway to move out the residential clients from Peel Street, and move services in, so that we have more services on site at Gordon and Peel Streets.

In 2017-2018 TAIHS placed greater emphasis on community engagement, with further investment in our health promotion and health outreach teams.

This year we were very pleased to work with Bindal Sharks and other partner organisations – Arthur Beetson Foundation, Institute for Urban Indigenous Health and Queensland Rugby League work – to bring the Queensland Murri Carnival to the North. This was the first year that the QMR has been held in Townsville, and it was great to see everyone turn up to play some great football and enjoy the event.

Our youth services have continued to grow, with the new Supervised Community Accommodation commencing in January 2018, and the growth of our Youth Support Services at their new location at Peel Street.

We have listened to our members and increased the range of indicators that we report against in the 'TAIHS Report Card'. As we continue to respond to community needs in the development of services, we want to hear from our members about what services you want, and where you want them delivered. Over the upcoming year, we will be exploring new ways to collect feedback from our members and community.

Thank you to the members for your continued support of TAIHS over the year.

# Chief Executive Officer's Report



**Kathy Anderson**

In 2017-2018 TAIHS continued to work hard to implement the Strategic Vision of the Board, including growth in those areas identified as key priorities for the organisation. With the continued growth in services, including new youth programs, TAIHS made some changes to its organisational structure, so that we had an Executive Manager for each of the areas of Primary Health, Children and Families, and Youth and Accommodation Services.

In response to the clear evidence of need, our primary health services received support this financial year for our social, emotional and wellbeing services. With the Townsville Hospital Mental Health Services coming on site last year, for the new co-located model of service, we have been able to expand the range of services we can offer the community. The model includes General Counselling and Social Support, Alcohol and Other Drugs Counselling, Early Childhood Counselling, Financial Counselling and Complex Care Coordination Services.

We have continued to see an expansion of the specialist and allied health services operating from Gordon Street, with services now including: Endocrinologist, Nephrologist, Paediatrician, Cardiologist/Sonographer, and Dermatologist specialist clinics; and Podiatrist, Optometrist, Audiologist, Dietician, Diabetic Educator, Occupational Therapy, Speech Pathology, Physiotherapist and NDIS Registration and Care Coordination Services, Social Work/Counselling.

The Heatley clinic is now in its second year of operation, and client numbers continue to grow, and we are expanding our outreach clinics in Charters Towers, Ingham and Home Hill.

In Families and Children, we have seen an incredible response to the needs of families with young children, with the opening of Yamani Meta at 10 Peel Street. That service has continued to grow, with federal and state governments, through the Department of Prime Minister and Cabinet, and Queensland Education and Training, providing additional support to the Family Wellbeing Service, which is funded by the Queensland Department of Child Safety, Youth and Women. Our Foster & Kinship Service is responding 'above and beyond' its service agreement, and urgently needs more carers. The Recognised Entity program will be replaced by the Family Participation Program from 1 November 2018, and planning is underway for some significant changes.

In Youth and Accommodation we had the opening of the new Supervised Community Accommodation (SCA) Service in January 2018; the re-funding of the After Hours Diversionary Service in Garbutt; an expansion of our Youth Support Services to include Psychological and Alcohol and Other Drugs Counselling; and continued demand for accommodation services in our Youth Shelter and Adult Accommodation Services.

I'd like to thank the Board of Directors for their continued leadership and support, and all the hard-working, committed staff at TAIHS for their continued service to the community.

# Service Outcome and Performance Summary

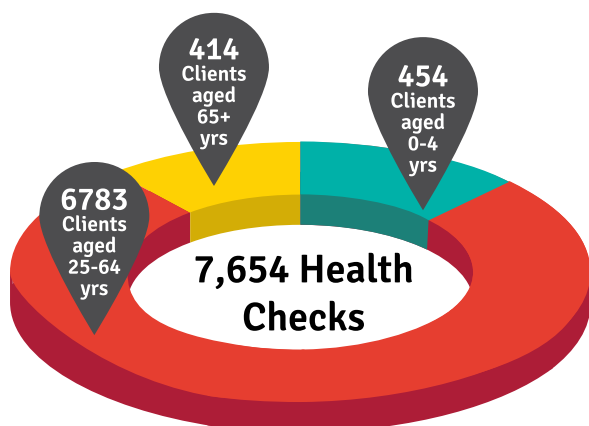
We are committed as an organisation to ensuring the continued provision of high quality and culturally appropriate primary health care, community and family support services to our community.

This year we have achieved...

**12,082**  
Patients  
seen by a  
General  
Practitioner



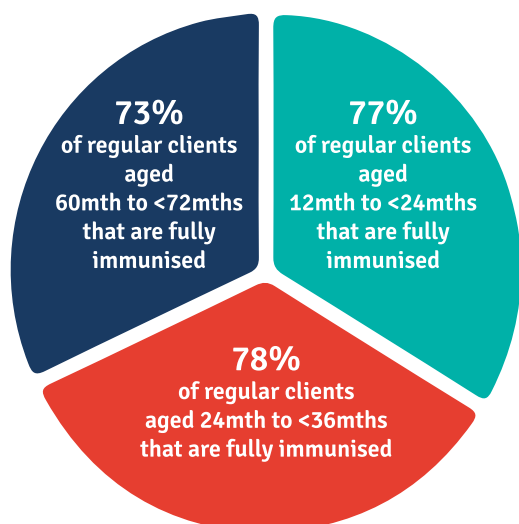
**Winner**  
**AGPAL**  
Aboriginal  
Medical Service  
of the Year



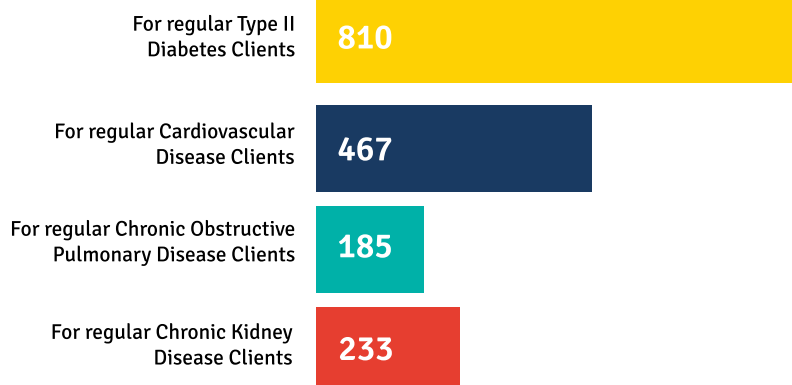
**\$2,268,469**  
Medicare  
income  
generated



## Child Immunisation Benchmark rate 80%



Aboriginal and Torres Strait Islander regular clients with a chronic disease for whom a GP Management Plan (MBS Item 721) was claimed in 2017-18



# Children and Family Services



# Youth & Accommodation Services



## Supervised Community Accommodation

Number of young people who have used the service since opening in January 2018: 17

In its first 18 months of operation, The Lighthouse provided 5,591 service contacts to 320 young clients



## TAIHS Youth Support Services

91 young people supported



## Youth Shelter

1,349 bed nights provided for 48 individual clients

## Adult and Family Accommodation

74 individual clients supported





# Board of Directors Information



## **Morris Cloudy** **Chairperson**

Elected at AGM 23/11/2016, appointed Chairperson 19/12/2017

Bachelor of Arts (Applied Science and Community Development Management)

Morris has a 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.



## **Sawere Reuben** **Deputy Chairperson**

Elected at AGM 22/11/2017, appointed Deputy Chairperson 19/12/2017

Masters of Business  
Bachelor of Education  
Associate Degree in Community Management  
Diploma of Government  
Cert IV Trainer and Assessor  
Cert IV Indigenous Leadership

Sam's family is a strong community contributor and he has done a lot of community work within Townsville and believes his knowledge and experience can contribute to this very important organisation. He currently runs the family business.

Director, Financial and Audit Risk Committee (FARC). Appointed 19/12/2017

# Board of Directors Information



**Esther Illin**  
**Secretary**

Elected at AGM 23/11/2016, appointed Secretary 15/12/2016

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.



**Desmond Cowburn**  
**Director**

Elected at AGM 17/11/2015, re-elected at AGM 22/11/2017

Diploma in Primary Health Care Practice

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.

Financial and Audit Risk Committee (FARC)  
Appointed FARC Chairperson 10/01/2017

# Board of Directors Information



**Eva Kennedy**  
**Director**

Elected at AGM 17/11/2015, re-elected at AGM 22/11/2017

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

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.



**Randal Ross**  
**Director**

Elected at AGM 23/11/2016

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, 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 15 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 Member on Castle Hill PCYC
- Indigenous Advisor for Townsville Australian Football League (AFL)

# Board of Directors Information



**Coralie Cassady**  
**Director**

Elected at AGM 22/11/2017  
Terminated 20/03/2018

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**  
**Director**

Elected at AGM 28/10/2013  
Deputy Chairperson 25/11/2014 to 15/12/2016  
Term ended at AGM 22/11/2017

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

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).

# Board of Directors Information



## Jacinta Elston Director

Elected at AGM 23/11/2016  
Chairperson 15/12/2016 to 19/12/2017  
Resigned 16/01/2018

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

Jacinta has 15 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 in the early 1990's was 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.

# Vision

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

**TAIHS...**  
**More than a**  
**Health Service**



# 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**

**Trading As  
TOWNSVILLE ABORIGINAL & ISLANDER HEALTH SERVICE**

**ABN 66 010 113 603**

**Annual Report - 30 June 2018**

**Townsville Aboriginal and Torres Strait Islander Corporation For Health Services**  
**Directors' report**  
**30 June 2018**

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2018.

**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:

Morris Cloudy  
Esther Illin  
Desmond Cowburn  
Eva Kennedy  
Randall Ross  
Sawere Reuben (elected at AGM 22/11/2017)  
Coralie Cassady (elected at AGM 22/11/2017, terminated 20/03/2018)  
Phillip Lynch-Harlow (term ended at AGM 22/11/2017)  
Jacinta Elston (resignation effective 16 January 2018)

**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
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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 2018**

**Information on Directors**

Name:	<b>Morris Cloudy</b>
Title:	Chairperson Elected at AGM 23/11/2016, appointed Chairperson 19/12/2017
Qualifications:	Bachelor of Arts (Applied Science and Community Development Management)
Experience and expertise:	<p>Morris has a 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.</p> <p>Morris has previously served as a Board member of TAIHS.</p>
Name:	<b>Sawere Reuben</b>
Title:	Deputy Chairperson Elected at AGM 22/11/2017, appointed Deputy Chairperson 19/12/2017
Qualifications:	Masters of Business Bachelor of Education Associate Degree in Community Management Diploma of Government Cert IV Trainer and Assessor Cert IV Indigenous Leadership
Experience and expertise:	Sam's family is a strong community contributor and he has done a lot of community work within Townsville and believes his knowledge and experience can contribute to this very important organisation. He currently runs the family business.
Special Responsibilities:	Director, Financial and Audit Risk Committee (FARC). Appointed 19/12/2017
Name:	<b>Esther Illin</b>
Title:	Secretary Elected at AGM 23/11/2016, appointed Secretary 15/12/2016
Experience and expertise:	<p>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.</p> <p>Esther has previously served as a Board Member on the TAIHS board.</p>

**Townsville Aboriginal and Torres Strait Islander Corporation For Health Services**  
**Directors' report**  
**30 June 2018**

**Information on Directors**

Name:	<b>Desmond Cowburn</b>
Title:	Director Elected at AGM 17/11/2015, re-elected at AGM 22/11/2017
Qualifications:	Diploma in Primary Health Care Practice
Experience and expertise:	<p>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.</p> <p>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.</p>
Special Responsibilities	Financial and Audit Risk Committee (FARC) Appointed FARC Chairperson 10/01/2017
<b>Name:</b>	<b>Eva Kennedy</b>
Title:	Director Elected at AGM 17/11/2015, re-elected at AGM 22/11/2017
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.

**Information on Directors**

<b>Name:</b>	<b>Randall Ross</b>
<b>Title:</b>	Director Elected at AGM 23/11/2016
<b>Experience and expertise:</b>	<p>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, Ambryn and Santo Islands in the South Pacific.</p> <p>He originally started working in Juvenile Justice and Child Protection in both Queensland and New South Wales, and for the past 15 years he has been instrumental in the development of Indigenous Men's Leadership Programs in Canberra through FaCSIA (Department of Families, Community Services &amp; Indigenous Affairs).</p> <p>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:</p> <ul style="list-style-type: none"><li>• Board Member of Central Aboriginal Land Council Dubbo as Board Secretary</li><li>• Board Member of Indigenous Men's Health Council Northern Territory</li><li>• Board Member of Jezzine Barrack's Community Trust</li><li>• Member of Ausco Modular Homes Reconciliation Action Plan Indigenous Steering Committee</li><li>• Board Member on Townsville Aboriginal and Torres Strait Islander Corporation for Media (4K1G)</li><li>• Board Member on Castle Hill PCYC</li><li>• Indigenous Advisor for Townsville Australian Football League (AFL)</li></ul>
<b>Name:</b>	<b>Coralie Cassady</b>
<b>Title:</b>	Director Elected at AGM 22/11/2017 Terminated 20/03/2018
<b>Qualifications:</b>	Graduate Diploma in Communications Diploma in radio-broadcasting Advanced Diploma in Primary Health Care
<b>Experience and expertise:</b>	Coralie is a published author, former mainstream newspaper columnist, carer and long-standing advocate for mental health issues.

**Townsville Aboriginal and Torres Strait Islander Corporation For Health Services**  
**Directors' report**  
**30 June 2018**

**Name:** **Phillip Lynch-Harlow**  
**Title:** Director  
Elected at AGM 28/10/2013  
Deputy Chairperson 25/11/2014 to 15/12/2016  
Term ended at AGM 22/11/2017

**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 7<sup>th</sup> 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:** **Jacinta Elston**  
**Title:** Director  
Elected at AGM 23/11/2016  
Chairperson 15/12/2016 to 19/12/2017  
Resigned 16/01/2018

**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 has 15 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.

**Townsville Aboriginal and Torres Strait Islander Corporation For Health Services**  
**Directors' report**  
**30 June 2018**

**Meetings of directors**

The number of meetings of the corporation's Board of Directors ('the Board') held during the year ended 30 June 2018, and the number of meetings attended by each director were:

	<b>Position</b>	<b>Held</b>	<b>Attended</b>
Morris Cloudy	Chairperson	16	16
Sawere Reuben (elected at AGM 22/11/2017)	Deputy-Chairperson	7	4
Esther Illin	Secretary	16	14
Desmond Cowburn	Director	16	16
Eva Kennedy	Director	16	15
Randall Ross	Director	16	11
Coralie Cassady (elected at AGM 22/11/2017, terminated 20/03/2018)	Director	5	4
Phillip Lynch-Harlow (term ended at AGM 22/11/2017)	Director	8	8
Jacinta Elston (resignation effective 16 January 2018)	Director	11	2

**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 2018, the total amount that members of the corporation are liable to contribute if the corporation is wound up is \$Nil (2017: \$Nil).

**Auditor's independence declaration**

A copy of the auditor's independence declaration has been received and can be found on page 7.

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

On behalf of the directors



Morris Cloudy  
Director

19 September 2018  
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 2018**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2018 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 11 day of October 2018.

*Crowe Horwath Audit Queensland is a member of Crowe Horwath International, a Swiss Verein. Each member of Crowe Horwath is a separate and independent legal entity. Liability limited by a scheme approved under Professional Standards Legislation. Liability Limited other than for the acts or omissions of financial services licensees.*

*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**  
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**30 June 2018**

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**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 2018**

	<b>Note</b>	<b>2018</b> <b>\$</b>	<b>2017</b> <b>\$</b>
<b>Revenues</b>	3	20,509,426	18,128,914
<b>Other revenue</b>	3	3,557,960	3,281,167
<b>Unexpired grants brought forward</b>		503,185	458,780
<b>Unexpired grants returned to funding bodies</b>		(97,253)	-
<b>Unexpired grants carried forward to next year</b>		(963,406)	(503,185)
<b>Expenses</b>			
Employee benefits expense	4	(16,177,399)	(14,544,817)
Motor vehicle expense		(617,984)	(558,256)
Property expense		(1,213,300)	(1,442,775)
Administration expense		(1,411,868)	(1,782,101)
Meeting expense		(17,752)	(21,167)
Medical supplies expense		(131,999)	(167,397)
Client expense		(504,802)	(448,556)
Travel and training expense		(391,868)	(248,215)
Subcontractors		(1,494,666)	(1,115,289)
Depreciation expense	4	(501,599)	(401,205)
Return unspent funds / transfer to buffer		119,851	(67,798)
<b>Surplus before income tax expense</b>		1,166,526	568,100
Income tax expense		-	-
<b>Surplus after income tax expense for the year attributable to the members of Townsville Aboriginal And Torres Strait Islander Corporation For Health Services</b>		1,166,526	568,100
Other comprehensive income for the year, gain/(loss) on revaluation of land and buildings		(53,534)	(424,693)
<b>Total comprehensive income for the year attributable to the members of Townsville Aboriginal And Torres Strait Islander Corporation For Health Services</b>		<u>1,112,992</u>	<u>143,407</u>

*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 2018**

	<b>Note</b>	<b>2018 \$</b>	<b>2017 \$</b>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	5	6,222,963	5,094,809
Trade and other receivables		555,216	122,613
Other	6	422,946	498,739
Total current assets		<u>7,201,125</u>	<u>5,716,161</u>
<b>Non-current assets</b>			
Property, plant and equipment	7	<u>9,130,324</u>	<u>9,002,879</u>
Total non-current assets		<u>9,130,324</u>	<u>9,002,879</u>
<b>Total assets</b>		<u>16,331,449</u>	<u>14,719,040</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	8	3,813,038	3,097,834
Short term provisions	9	760,903	882,073
Borrowings	10	204,200	204,200
Total current liabilities		<u>4,778,141</u>	<u>4,184,107</u>
<b>Non-current liabilities</b>			
Long term provisions	9	308,206	271,075
Borrowings	10	<u>1,295,474</u>	<u>1,427,222</u>
Total non-current liabilities		<u>1,603,680</u>	<u>1,698,297</u>
<b>Total liabilities</b>		<u>6,381,821</u>	<u>5,882,404</u>
<b>Net assets</b>		<u><u>9,949,628</u></u>	<u><u>8,836,636</u></u>
<b>Equity</b>			
Reserves		193,376	246,910
Retained earnings		<u>9,756,252</u>	<u>8,589,726</u>
<b>Total equity</b>		<u><u>9,949,628</u></u>	<u><u>8,836,636</u></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 2018**

	<b>Retained Surpluses \$</b>	<b>Revaluation Surplus \$</b>	<b>Total Equity \$</b>
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, gain 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>

	<b>Retained Surpluses \$</b>	<b>Revaluation Surplus \$</b>	<b>Total Equity \$</b>
Balance at 1 July 2017	8,589,725	246,911	8,836,636
Surplus after income tax expense for the year	1,166,526	-	1,166,526
Other comprehensive income for the year, loss on revaluation	-	(53,534)	(53,534)
Balance at 30 June 2018	<u>9,756,251</u>	<u>193,377</u>	<u>9,949,628</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 2018**

	<b>Note</b>	<b>2018</b> <b>\$</b>	<b>2017</b> <b>\$</b>
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of goods and services tax)		26,034,417	23,209,260
Payments to suppliers and employees (inclusive of goods and services tax)		(24,037,729)	(22,221,754)
Interest paid on borrowings		(72,452)	(62,465)
Interest received		18,245	20,620
Net cash inflow from operating activities		<u>1,942,481</u>	<u>945,661</u>
<b>Cash flows from investing activities</b>			
Proceeds from sale of property, plant and equipment		-	-
Payment for property, plant and equipment		<u>(682,580)</u>	<u>(3,808,007)</u>
Net cash (outflow) from investing activities		<u>(682,580)</u>	<u>(3,808,007)</u>
<b>Net cash provided by / (used in) financing activities</b>			
Proceeds from bank loans		-	2,754,000
Deposits paid on bank loans		-	(1,018,000)
Repayment of bank loans		<u>(131,747)</u>	<u>(104,578)</u>
Net cash inflow/(outflow) from financing activities		<u>(131,747)</u>	<u>1,631,422</u>
Net increase in cash and cash equivalents		1,128,154	(1,230,926)
Cash and cash equivalents at the beginning of the financial year		<u>5,094,809</u>	<u>6,325,735</u>
Cash and cash equivalents at the end of the financial year	5	<u><u>6,222,963</u></u>	<u><u>5,094,809</u></u>

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

**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.

**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.

**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.

**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**

	2018 \$	2017 \$
<b>Revenue from (non-reciprocal) Government Grants and Other Grants:</b>		
<b>Commonwealth Government Grants</b>		
Department of Health	5,587,605	5,307,322
Department of the Prime Minister and Cabinet	2,010,998	2,138,912
Department of Housing and Public Works	1,395,229	1,340,564
<b>State Government Grants</b>		
Department of Child Safety, Youth and Women	5,369,795	5,146,515
Department of Justice and Attorney-General	2,639,545	401,890
Queensland Health	1,918,325	2,232,034
Department of Education and Training	110,000	324,095
<b>Other Grants</b>		
Northern Queensland Primary Health Network	685,763	653,057
Northern Aboriginal and Torres Strait Islander Health Alliance	342,996	226,681
CheckUP	218,281	238,419
Institute for Indigenous Health	113,333	-
Sundry Grants	53,120	41,361
Pharmacy Guild of Australia	22,274	21,971
General Medical Training	11,230	21,725
Department of Social Services	12,688	13,748
<b>Other Revenue</b>		
Interest income	18,244	20,620
	<u>20,509,426</u>	<u>18,128,914</u>
<b>Other Revenue</b>		
Project generated Medicare receipts	2,268,469	2,016,382
Practice incentive payments	511,188	463,482
Other revenue	778,303	801,303
	<u>3,557,960</u>	<u>3,281,167</u>
<b>Revenue</b>	<u>24,067,386</u>	<u>21,410,081</u>

**Townsville Aboriginal and Torres Strait Islander Corporation For Health Services**  
**Notes to the financial statements**  
**30 June 2018**

**Note 4. Profit for the year**

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
<b>a) Expenses:</b>		
<b>Depreciation and amortisation</b>		
Land and buildings	110,240	110,374
Leasehold buildings	91,333	22,564
Motor vehicles	21,872	11,011
Plant and equipment	287,154	257,256
Total depreciation and amortisation	<u>501,599</u>	<u>401,205</u>
Employee benefits expense	16,177,399	14,544,817
Audit or review services	31,500	32,000
Rental expense on operating leases	478,390	464,016

**Note 5. Current assets - cash and cash equivalents**

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
Cash on hand	4,831	4,045
Cash at bank	6,218,132	5,090,764
	<u>6,222,963</u>	<u>5,094,809</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, \$963,406 has been released by funding bodies, but remains unexpended at 30 June 2018.

**Note 6. Current assets - other**

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
Prepayments	194,250	180,793
Goods and services tax paid	195,614	223,947
Security deposit – electricity	583	583
Loan establishment fees	6,779	12,826
Deferred income	20,720	80,590
Funds held in trust	5,000	-
	<u>422,946</u>	<u>498,739</u>

**Townsville Aboriginal and Torres Strait Islander Corporation For Health Services**  
**Notes to the financial statements**  
**30 June 2018**

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

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
<b>Buildings</b>		
Freehold land at fair value:		
Independent valuation June 2018	3,428,500	3,338,500
Total land	<u>3,428,500</u>	<u>3,338,500</u>
Buildings at fair value		
Independent valuation June 2018	4,234,280	4,168,369
Total buildings	<u>4,234,280</u>	<u>4,168,369</u>
Leasehold buildings at cost		
Improvements at cost	463,323	452,520
Less: Accumulated depreciation	<u>(113,897)</u>	<u>(22,564)</u>
	<u>349,426</u>	<u>429,956</u>
Total land and buildings	<u>8,012,206</u>	<u>7,936,825</u>
<b>Plant and equipment</b>		
Plant and equipment		
At cost	2,993,372	2,780,792
Less accumulated depreciation	<u>(2,152,850)</u>	<u>(1,874,696)</u>
Total plant and equipment	<u>840,522</u>	<u>906,096</u>
Motor vehicles		
At cost	181,194	169,376
Less accumulated depreciation	<u>(134,329)</u>	<u>(112,457)</u>
Total motor vehicles	<u>46,865</u>	<u>56,919</u>
Total plant and equipment	<u>887,387</u>	<u>963,015</u>
<b>Capital Works In Progress</b>		
Capital expenditure projects	110,153	103,039
Plant and equipment purchases	<u>120,579</u>	<u>-</u>
Total capital works in progress	<u>230,732</u>	<u>103,039</u>
Total property, plant and equipment	<u>9,130,324</u>	<u>9,002,879</u>

**Asset Revaluations:**

The freehold land and buildings were independently valued at 30 June 2018 by Herron Todd White. The valuation has resulted in an increment to freehold land of \$90,000 and a decrement to freehold buildings of \$143,534, resulting in a net decrement of \$53,534 being recognised in the revaluation surplus for the year ended 30 June 2018.

**Townsville Aboriginal And Torres Strait Islander Corporation For Health Services**  
**Notes to the financial statements**  
**30 June 2018**

**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 2017	3,338,500	4,271,408	429,956	56,919	906,096	9,002,879
Additions	-	-	10,803	11,818	212,581	235,202
Improvements	-	216,646	-	-	-	216,646
Works in progress	-	110,153	-	58,619	61,960	230,732
Disposals	-	-	-	-	-	-
Revaluation increment/decrement	90,000	(143,534)	-	-	-	(53,534)
Depreciation expense	-	(110,240)	(91,333)	(21,872)	(278,154)	(501,599)
Balance at 30 June 2018	<u>3,428,500</u>	<u>4,344,433</u>	<u>349,426</u>	<u>105,484</u>	<u>902,483</u>	<u>9,130,326</u>

**Note 8. Current liabilities - trade and other payables**

	2018 \$	2017 \$
Trade payables	211,387	121,244
Goods and services tax collected	664,638	629,429
Prepaid income	660,397	890,117
Credit card	2,690	2,481
Payroll liabilities	176,602	151,607
Accrued expenses	579,320	467,414
Buffers held	323,866	332,357
Capital commitments	230,732	-
Unexpired grants current year	8(b) <u>963,406</u>	<u>503,185</u>
	<u>3,813,038</u>	<u>3,097,834</u>

**Townsville Aboriginal And Torres Strait Islander Corporation For Health Services**  
**Notes to the financial statements**  
**30 June 2018**

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

**Note 8(b). Schedule of unexpended grants**

	2018 \$	2017 \$
<b>Government Grants:</b>		
<b>Department of Health</b>		
New Directions Palm Island	40,012	9,741
New Directions Townsville	-	426
Total Department of Health	<u>40,012</u>	<u>10,167</u>
<b>Department of Housing and Public Works</b>		
Specialist Homelessness Services	-	336
Total Department of Housing and Public Works	<u>-</u>	<u>336</u>
<b>Department of Child Safety, Youth and Women</b>		
Family Wellbeing Services	79,952	-
Recognised Entity	79,052	87,160
Family Wellbeing Packages	34,768	-
Foster and Kinship Service	10,862	198
Recognised Entity – RE Camps	-	58,627
Youth Support Services	-	1,267
Total Department of Child Safety, Youth and Women	<u>204,634</u>	<u>147,252</u>
<b>Department of Prime Minister and Cabinet</b>		
Stronger Families – Smart Healthy Kids	8,659	73,944
Stronger Families – Strong Healthy Families	1,163	4,317
Ferdy's Haven	673	1,252
Mabo Day grant	-	10,093
Total Department of Prime Minister and Cabinet	<u>10,495</u>	<u>89,606</u>
<b>Northern Queensland Primary Health Network</b>		
Youth Mental Health Services	77,431	-
AOD Palm Island	37,896	47,472
AOD Clinical Youth Service	36,245	-
ATSI Primary Mental Health and Complex Care	30,635	-
Maternal Child Health Service Development	10,415	55,931
Active Healthy Northern Queensland – Palm Island	4,755	40,870
AOD Townsville	4,549	58,273
Total Northern Queensland Primary Health Network	<u>201,926</u>	<u>202,546</u>
<b>Queensland Health</b>		
Outreach and Youth	161,087	37
Illicit Drug Diversion Initiative	1,944	-
Total Queensland Health	<u>163,031</u>	<u>37</u>
<b>Department of Justice and Attorney-General</b>		
Supervised Community Accommodation Service	187,884	-
Supervised Community Accommodation Service – non-recurrent capital	29,089	-
After Hours Diversion Service	12,603	-
Ferdy's Haven Youth Service	6,136	-
Total Department of Justice and Attorney-General	<u>235,712</u>	<u>89,606</u>

**Note 8(b). Schedule of unexpended grants (continued)**

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
<b>Other Grants</b>		
Department of Education & Training – Pathways To Early Learning Development	102,028	-
Northern Aboriginal and Torres Strait Islander Health Alliance – Integrated Team Care	4,400	44,531
CheckUp – Tucka Time	587	-
Institute for Indigenous Health – Deadly Choices	577	-
Department of Social Services – Emergency Relief	4	106
General Medical Training	-	8,604
Total Other Grants	<u>107,596</u>	<u>53,241</u>
Total unexpended grants	<u>963,406</u>	<u>503,185</u>

**Note 9. Provisions – employee benefits**

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
<b>Current</b>		
Provision for employee benefits: annual leave	601,637	579,076
Provision for employee benefits: replacement wages	-	136,359
Provision for employee benefits: long service leave	159,266	166,638
	<u>760,903</u>	<u>882,073</u>
<b>Non-Current</b>		
Provision for employee benefits: long service leave	<u>308,206</u>	<u>271,075</u>
Total provisions for employee benefits	<u>1,069,109</u>	<u>1,153,148</u>

	<b>Total</b>
	<b>\$</b>
Analysis of annual leave provision:	
Opening balance at 1 July 2017	579,076
Additional provisions raised during the year	905,513
Amounts utilised during the year	(882,952)
Balance at 30 June 2018	<u>601,637</u>
Analysis of long service leave provision:	
Opening balance at 1 July 2017	437,713
Additional provisions raised during the year	127,981
Amounts utilised during the year	(98,222)
Balance at 30 June 2018	<u>467,472</u>
Analysis of replacement wages provision:	
Opening balance at 1 July 2017	136,359
Provisions reversed during the year	(136,359)
Amounts utilised during the year	-
Balance at 30 June 2018	<u>-</u>
Analysis of employee provisions:	
Opening balance at 1 July 2017	1,153,148
Additional provisions raised during the year	897,135
Amounts utilised during the year	(981,174)
Balance at 30 June 2018	<u>1,069,109</u>

**Townsville Aboriginal And Torres Strait Islander Corporation For Health Services**  
**Notes to the financial statements**  
**30 June 2018**

**Note 10. Borrowings**

Borrowings consist of the following:

	2018 \$	2017 \$
Current		
Bank Loan – Peel Street	164,790	164,790
Bank Loan – Fulham Road	39,410	39,410
	<u>204,200</u>	<u>204,200</u>
Non-Current	951,931	1,061,996
Bank Loan – Peel Street	343,543	365,226
Bank Loan – Fulham Road	<u>1,295,474</u>	<u>1,427,222</u>
Total Borrowings	<u>1,499,674</u>	<u>1,631,422</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.

**Note 11. Capital and leasing commitments**

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

	2018 \$	2017 \$
Payable – minimum lease payments		
- not later than 12 months	782,901	729,866
- between 12 months and 5 years	<u>755,822</u>	<u>1,192,635</u>
	<u>1,538,723</u>	<u>1,922,501</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 55 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) Capital Expenditure committed to in 2018/2019:

	2018 \$	2017 \$
- Capital works	110,153	103,039
- Equipment purchases	<u>120,579</u>	<u>-</u>
Total committed capital expenditure	<u>230,732</u>	<u>103,039</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:

	2018 \$	2017 \$
Aggregate compensation	<u>934,805</u>	<u>890,495</u>

## Note 13. Contingent liabilities and contingent assets

At the time of preparing this report, the corporation has an outstanding legal claim with Fair Work Australia, 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.

	2018 \$	2017 \$
<b>Recurring fair value measurements</b>		
Property, plant and equipment:		
Freehold land	3,428,500	3,338,500
Freehold buildings	<u>4,234,280</u>	<u>4,168,369</u>
	<u>7,662,780</u>	<u>7,506,869</u>

For freehold land and buildings, the fair values are based on an external independent valuation performed in the 2018 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 2018 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 2018**

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 2018 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

19 September 2018  
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 2018, 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 2018 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.

**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.

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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.)**

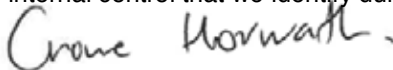
**Auditor's Responsibilities for the Audit of the Financial Report**

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by those charged with governance.
- Conclude on the appropriateness of those charged with governance's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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



**CROWE HORWATH AUDIT QUEENSLAND**



**Donna Sinanian**

Partner

Townsville, 11 / 10 / 2018.

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.

# Funding Bodies

## Commonwealth Government

Department of Health  
Department of Prime Minister and Cabinet  
Department of Housing and Public Works

## State Government Grants

Department of Child Safety, Youth and Women  
Department of Justice and Attorney-General  
Queensland Health  
Department of Education and Training

## Other

Northern Queensland Primary Health Network  
Northern Aboriginal and Torres Strait Islander Health  
Alliance  
CheckUP  
Institute for Indigenous Health  
Pharmacy Guild of Australia  
General Medical Training  
Department of Social Services







# TAIHS

Townsville Aboriginal &  
Islander Health Service

**Townsville Aboriginal & Islander Health Service**  
**2018 Annual Report**  
**[www.taihs.org.au](http://www.taihs.org.au)**