



PRIMARY AND COMMUNITY CARE SERVICES LIMITED
ABN 92 154 673 793

Summary Financial Statements
For the Year Ended
30 June 2018

The financial statements and other specific disclosures have been derived from Primary and Community Care Services Limited's (the Company's) full financial statements for the financial year. Other information included in the Summary Financial Statements is consistent with the Company's full financial statements.

The Summary Financial Statements do not, and cannot be expected to, provide as full an understanding of the financial performance, financial position and financing and investment activities of the Company as the full financial statements.

A copy of the Company's 2018 full financial statements, including the independent audit report, is available to all members and will be sent to members without charge upon request.

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Primary and Community Care Services Limited

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Responsible Persons' Report

30 June 2018

Your Responsible Persons present their report on the Company for the financial year ended 30 June 2018.

1. General information

Responsible Persons

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

Names

Elizabeth Gavey

Dr Guan Yeo

Dr Kevin Wong

Gillian Summerbell

Carolynn Hodges

Andrew Crawford

Ramon del Carmen

Company Secretary

The following person held the position of Company Secretary at the end of the financial year:

Mr Ramon del Carmen has been the Company Secretary since 17 May 2012. His qualifications include MBA and MA, Macquarie University and a Bachelor of Economics, Sydney University.

Members guarantee

Primary and Community Care Services Limited is a company limited by guarantee. In the event of, and for the purpose of winding up of the Company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$50, subject to the provisions of the Company's constitution.

At 30 June 2018 the collective liability of members was \$1,550 (2017: \$14,450).

Principal activities

The principal activity of Primary and Community Care Services Limited during the financial year was to work with various people and organisations in its community – from health care professionals to local health districts, from local councils to local business – to drive better primary health care and make it easier for people to access the community services they need.

Operating results

The surplus from ordinary activities amounted to \$267,107 (2017: \$122,649).

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Responsible Persons' Report

30 June 2018

2. Other items

Significant changes in state of affairs

There have been no significant changes in the Company's state of affairs during the financial year.

After balance date events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Procurement of Services – Common Directorships

The Company works with various people and organisations in its community – from health care professionals to local health districts, from local councils to business – to drive better primary health care and make it easier for people to access the community services they need.

During the year services were provided directly with organisations whose Boards include some common Primary and Community Care Services Limited Directors or Key Management Personnel. Whilst these transactions are not classified as “related parties” for the purposes of financial reporting or PHN funding contract, for transparency the Board makes the following disclosures:

Payments to

Macquarie Psychological Services for the Psychological Access Plus Program \$10,063.

Auditors independence declaration

The lead auditors independence declaration in accordance with subdivision 60-C of the *Australian Charities and Not-for-profits Commission Act 2012* for the year ended 30 June 2018 has been received and can be found on page 7 of the financial report.

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Responsible Persons' Report

30 June 2018

Short and Long Term Objectives

The Company aims to improve the health outcomes of the community through providing health care and community services to organisations and members of the public.

The principal object for which the Company is formed is to promote the prevention and control of disease by:

- i.) Providing services aimed at health promotion, illness prevention, early intervention activities, disease management and any other services aimed at promoting better coordinated and integrated patient care and health outcomes;
- ii.) Supporting community members to have access to clinical services and promoting General Practice as the foundation of good healthcare;
- iii.) Providing support to healthcare clinicians and service providers to deliver best practice care for improved patient health outcomes;
- iv.) Identifying and responding to local population health care needs and service gaps and developing locally focused and responsive health and community services;
- v.) Improving communication between healthcare clinicians and service providers and across all sectors of the health system;
- vi.) Supporting the involvement of healthcare clinicians and service providers in all levels of health system planning and policy development;
- vii.) Providing and supporting high quality education, research and evaluation, and inter-professional learning among healthcare clinicians and community service providers;
- viii.) Improving chronic disease management;
- ix.) Facilitating the implementation and successful performance of healthcare and community initiatives and programs.

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Responsible Persons' Report

30 June 2018

3. Responsible Persons Information

Information on Responsible Persons

Elizabeth Gavey

Qualifications

BCom, LLB, GAICD

Experience

20+ years, experience in senior management with a focus on Risk Management, Corporate Governance and Compliance; Director of General Practice Network Northside for 3 years, and member of Finance and Audit Committee; Member of the Audit, Risk and Business Improvement Committees for Ryde, Georges River, Camden and Penrith Councils.

Special Responsibilities

Chair of the Board from 16 June 2018

Dr Guan Yeo

Qualifications

M.B.B.S., FRACGP, GAICD

Experience

Director of General Practice Network Northside, and a member of Finance and Audit Committee, Succession Nomination and Remuneration, and Internal Compliance and Policy Committee. Board Director of the RACGP for 5 years, and member of the Finance and Risk Management Committee.

Special Responsibilities

Clinical Governance Committee

Dr Kevin Wong

Qualifications

M.B.B.S., FRACGP, FAICD, AMA(M), FPA Certificate

Experience

General Practitioner, Company Director, Chair of General Practice Network Northside for the last 3 years and Director since 2004, previous Chair of Finance and Audit Committee, and Succession Nomination and Remuneration Committee.

Special Responsibilities

Chair Finance, Audit, Risk Management Committee (FARM).
Chair Board Nominations Committee

Gillian Summerbell

Qualifications

Dip. Pty, Grad Dip Manipulative Therapy, AAICD

Experience

Independent Physiotherapy Consultant to SIRA NSW and Consultant to Specialist Opinion Group. Principal of a private practice in Hornsby Heights with previous experience in both private and public sectors.

Special Responsibilities

Finance, Audit, Risk Management Committee (FARM), Board Nominations Committee

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Responsible Persons' Report

30 June 2018

3. Responsible Persons Information

Information on Responsible Persons

Carolynn Hodges

Qualifications

BA (Hons), MCLinPsych, Dip Clin Hyp, MAPS, MASH, CEAP, MAICD

Experience

Allied Health background. Has worked in the public health system, organisational (EAP) consulting and private sector as a Clinical Psychologist. Presently working in own private practice in Hornsby. Member of the Clinical College of the Australian Psychological Society.

Special Responsibilities

Clinical Governance Committee

Andrew Crawford

Qualifications

BA Economics, MBA (Deakin) HR, International Business, Strategy, Not for Profit Management (ACU), Fellow CA, Fellow CPA Australia, Fellow AICD

Experience

Fellow with both CPA Australia and the Institute of Chartered Accountants (Aust. and NZ). Extensive experience in corporate governance, technology, finance and risk management. Experience across boards and professional committees including tertiary education, health, professional and mutual organisations with a skill set in economics, risk management, governance and accounting.

Ramon del Carmen

Qualifications

Master of Arts (Business Research) MGSM, MBA MGSM, Bachelor of Economics Sydney University, GAICD, Chartered Accountant Australia and New Zealand.

Experience

Ramon is a senior organisational leader with extensive experience in highly competitive and heavily regulated environments including commercial banking and telecommunications as well as the not-for-profit health sector. Ramon is currently the CFO of Sydney North Primary Health Network (SNPHN), which is one of 31 Primary Health Networks (PHNs) established by the Australian Government to increase the efficiency and effectiveness of health and medical services for the community.

Special Responsibilities

Chair of the Board until 16 June 2018; Finance, Audit, Risk Management Committee (FARM)

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Responsible Persons' Report 30 June 2018

3. Responsible Persons Information

Meetings of Responsible Persons

During the financial year, 16 meetings of Responsible Persons (including committees of Responsible Persons) were held. Attendances by each Director during the year were as follows:

	Responsible Persons' Meetings		Finance, Audit, Risk Management		Clinical Governance	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Elizabeth Gavey	6	6	-	-	-	-
Dr Guan Yeo	6	6	-	-	4	4
Dr Kevin Wong	6	6	6	6	1	1
Gillian Summerbell	6	6	4	4	-	-
Carolynn Hodges	6	6	-	-	4	4
Andrew Crawford	6	6	-	-	-	-
Ramon del Carmen	6	6	2	2	-	-

4. Indemnification and insurance of officers

Insurance premiums paid for Responsible Persons

The Company has paid premiums to insure each of the Responsible Persons against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Responsible Person of the Company, other than conduct involving a wilful breach of duty in relation to the Company. The amount of the premium is not disclosed due to the terms of the insurance contracts and to protect commercially sensitive information of the Company.

Signed in accordance with a resolution of the Responsible Persons:

Director: 

Director: 

3/
Dated 24 October 2018

Primary and Community Care Services Limited

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Auditors Independence Declaration

I declare to the best of my knowledge and belief, during the year ended 30 June 2018 there have been no contraventions of:

- (i) the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.



Cutcher & Neale Assurance Pty Ltd
(An authorised audit company)



M.J. O'Connor
Director

NEWCASTLE

18 October 2018

Primary and Community Care Services Limited

ABN 92 154 673 793

Report of the Independent Auditor on the Summary Financial Statements

Opinion

The summary financial statements, which comprise the summary statement of financial position as at 30 June 2018, the summary statement of surplus or deficit and other comprehensive income, summary statement of changes in funds and summary cash flow statement for the year then ended, and related notes, are derived from the audited financial report of Primary and Community Care Services Limited for the year ended 30 June 2018.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial report, on the basis described in Note 1.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by Australian Accounting Standards – Reduced Disclosure Requirements. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial report and the auditor's report thereon. The summary financial statements and audited financial report do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial report.

The Audited Financial Report and Our Report Thereon

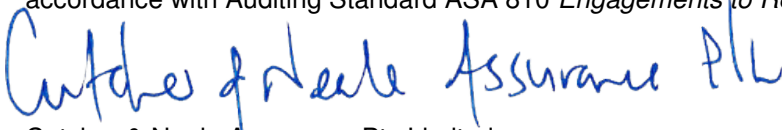
We expressed an unmodified audit opinion on the audited financial report in our report dated 25 October 2018.

Responsibilities of Responsible Persons for the Summary Financial Statements

The Responsible Persons of the Company are responsible for the preparation of the summary financial report on the basis described in Note 1.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial report based on our procedures, which were conducted in accordance with Auditing Standard ASA 810 *Engagements to Report on Summary Financial Statements*.



Cutcher & Neale Assurance Pty Limited
(an authorised audit company)



M.J. O'Connor
Director

NEWCASTLE

01 November 2018

Primary and Community Care Services Limited

ABN 92 154 673 793

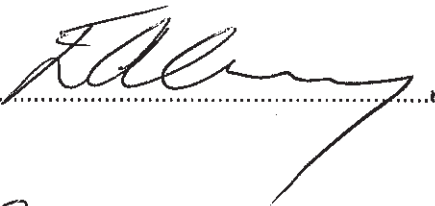
Responsible Persons' Declaration

The Responsible Persons of the Company declare that the summary financial statements and notes, as set out on pages 10 to 15:

- (a) comply with accounting policies described in Note 1; and
- (b) have been derived from and are consistent with the full financial statements of Primary and Community Care Services Limited for the year ended 30 June 2018.

This declaration is made in accordance with a resolution of the Responsible Persons.

Director



Director



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Dated 24 October 2018

Primary and Community Care Services Limited

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Summary Statement of Surplus or Deficit and other Comprehensive Income For the Year Ended 30 June 2018

		2018	2017
	Note	\$	\$
Revenue	2	6,298,178	2,402,020
Other income	2	182,811	132,783
Employee benefits expense		(2,627,646)	(1,740,261)
Depreciation and amortisation expense		(38,510)	(32,850)
Occupancy expense		(452,768)	(172,976)
Program delivery expenses		(2,773,081)	(331,616)
Management and administration expense		(321,877)	(134,451)
Surplus / (deficit) before income tax		267,107	122,649
Income tax expense		-	-
Other comprehensive income for the year		-	-
Total comprehensive income		267,107	122,649

The accompanying notes form part of these financial statements.

Primary and Community Care Services Limited

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Summary Statement of Financial Position

As At 30 June 2018

	2018	2017
	\$	\$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	3,730,038	2,657,217
Trade and other receivables	591,148	241,298
Prepayments	154,624	88,089
TOTAL CURRENT ASSETS	4,475,810	2,986,604
NON-CURRENT ASSETS		
Property, plant and equipment	10,908	45,666
TOTAL NON-CURRENT ASSETS	10,908	45,666
TOTAL ASSETS	4,486,718	3,032,270
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	1,472,116	633,334
Provisions	14,608	80,641
Other liabilities	1,518,594	1,227,262
Employee benefits	243,657	127,013
TOTAL CURRENT LIABILITIES	3,248,975	2,068,250
NON-CURRENT LIABILITIES		
Employee benefits	29,927	23,311
TOTAL NON-CURRENT LIABILITIES	29,927	23,311
TOTAL LIABILITIES	3,278,902	2,091,561
NET ASSETS	1,207,816	940,709
FUNDS		
Accumulated Surplus	1,207,816	940,709
TOTAL FUNDS	1,207,816	940,709

The accompanying notes form part of these financial statements.

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Summary Statement of Changes in Funds For the Year Ended 30 June 2018

2018

	Accumulated Surplus
	\$
Balance at 1 July 2017	<u>940,709</u>
Total comprehensive income	<u>267,107</u>
Balance at 30 June 2018	<u><u>1,207,816</u></u>

2017

	Accumulated Surplus
	\$
Balance at 1 July 2016	<u>818,060</u>
Total comprehensive income	<u>122,649</u>
Balance at 30 June 2017	<u><u>940,709</u></u>

The accompanying notes form part of these financial statements.

Primary and Community Care Services Limited

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Summary Statement of Cash Flows For the Year Ended 30 June 2018

	2018	2017
Note	\$	\$
Cash flows from operating activities:		
Receipts from government grants and services	6,965,956	3,558,557
Payments to suppliers and employees	(5,931,151)	(2,750,835)
Interest received	41,768	34,014
Net cash provided by (used in) operating activities	<u>1,076,573</u>	<u>841,736</u>
Cash flows from investing activities:		
Purchase of property, plant and equipment	<u>(3,752)</u>	<u>(17,713)</u>
Net cash used by investing activities	<u>(3,752)</u>	<u>(17,713)</u>
Net increase / (decrease) in cash and cash equivalents held	1,072,821	824,023
Cash and cash equivalents at beginning of year	<u>2,657,217</u>	<u>1,833,194</u>
Cash and cash equivalents at end of financial year	<u><u>3,730,038</u></u>	<u><u>2,657,217</u></u>

The accompanying notes form part of these financial statements.

Primary and Community Care Services Limited

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Notes to the Summary Financial Statements For the Year Ended 30 June 2018

1. Summary of Significant Accounting Policies

(a) Basis of preparation

The summary financial statements have been derived from the audited financial report of Primary and Community Care Services Limited for the year ended 30 June 2018. The audited financial report for the year ended 30 June 2018 is available on request from the registered office.

The financial statements, specific disclosures and the other information included in the summary financial statements are derived from, and are consistent with, the full financial statements of Primary and Community Care Services Limited. The summary financial statements cannot be expected to provide as detailed an understanding of the financial performance, financial position and financing and investing activities of Primary and Community Care Services Limited as the full financial statements.

The accounting policies have been consistently applied to Primary and Community Care Services Limited and are consistent with those of the previous financial year in their entirety. The presentation currency used in the financial report is Australian dollars.

2 Revenue and Other Income

	2018	2017
	\$	\$
Operating activities		
- Operating grants	<u>6,298,178</u>	2,402,020
Other revenue		
- Interest income	41,768	34,014
- Gain on disposal	460	10,620
- Sundry income	<u>140,583</u>	88,149
	<u>182,811</u>	132,783
	<u>6,480,989</u>	<u>2,534,803</u>

3 Discussion and Analysis

Statement of Surplus or Deficit and Other Comprehensive Income

The surplus from operating activities for the year was \$267,107 (2017: \$122,649).

Revenue

Revenue for the year was \$6,480,989 (2017: \$2,534,803). Operating grant revenue has increased due to a full year of service delivery of the Psychological Support Services contract, as well as continued business growth and development.

Primary and Community Care Services Limited

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Notes to the Summary Financial Statements For the Year Ended 30 June 2018

Expenditure

Total expenses for the year were \$6,213,882 (2017: \$2,412,154). The majority of costs for 2018 related to employee benefits expense (\$2,627,646) and program delivery expenses (\$2,773,081).

Employee benefits expense increased \$887,385 due mainly to growth in the workforce, reflecting an increase in growth in various programs.

Program delivery expenses increased \$2,441,465 as a result of payments to clinicians for provision of the Psychological Support Service in 2018.

Statement of Financial Position

Total assets increased by \$1,454,448 to \$4,486,718 (2017: 3,032,270). This increase is reflected in cash and cash equivalents and trade and other receivables which increased by \$1,072,821 and \$349,850 respectively. These increases have arisen from grant funding received, and funding receivables for costs incurred in expanding the Company's operations.

Total liabilities increased by \$1,187,341 to \$3,278,902 (2017: \$2,091,561). Increases in liabilities mainly reflected an increase in trade and other payables of \$838,782, other liabilities of \$291,332 representing unexpended grants and employee benefits of \$123,260. Trade and other payables have increased due to accrued clinical services for the Psychological Support Services program. Employee benefits liability increased in line with the increase in staff numbers to deliver the various programs.

Statement of Changes in Funds

The total funds of the Company increased solely due to the operating surplus of \$267,107 (2017: \$122,649).

Statement of Cash Flows

The Company's cash position has increased to \$3,730,038 (2017: \$2,657,217).

Net cash inflows from operating activities totalled \$1,076,573, with increases in cash received from grant funding during the year. Cash payments to suppliers and employees also increased compared with 2017, in line with increased service delivery.

Cash invested in company assets during the year totalled a net outflow of \$3,752 (2017: \$17,713).