



2016-2017

# ANNUAL Report

Carbal Aboriginal and  
Torres Strait Islander  
Health Services Limited

ACN: 611 551 369

Trading as - Carbal Medical Services

ABN: 50 275 271 535



**Carbal  
Medical  
Services**

NEW AOD SERVICE ESTABLISHED JANUARY 2017, WITH 30+ CLIENTS ALREADY RECEIVING REGULAR SUPPORT.

CARBAL HAS AGREEMENTS IN PLACE WITH 20 ALLIED HEALTH PROFESSIONALS.

WARWICK INDIGENOUS CLIENT NUMBERS HAVE GROWN 47.7% FROM JUNE 2016 TO JUNE 2017.

CARBAL OPERATES 2 FULL SERVICE GP CLINICS AND DELIVERS 18 HEALTH PROGRAMS ON BEHALF OF THE COMMONWEALTH AND STATE GOVERNMENTS AND DDWMPHN.

CARBAL PROVIDED OVER 11,000 TRANSPORTS FOR CLIENTS TO ACCESS HEALTH SERVICES.

COMPLETED EXTENSIVE MARY STREET GP CLINIC RENOVATIONS.

42 GROUP SESSIONS CONDUCTED BY THE STRONG FATHERS, STRONG FAMILIES PROGRAM.

FULL-TIME MIDWIFE COMMENCED IN WARWICK TO OFFER NEW DIRECTIONS TO THE SOUTHERN DOWNS.

CARBAL INCREASED THE DATA ACCURACY AND RECORDING OF CHILDREN WHO ARE FULLY IMMUNIZED FROM 55% TO 86%.

OVER 1700 CARE COORDINATION SERVICES HAVE BEEN DELIVERED THROUGH THE INTEGRATED TEAM CARE PROGRAM.

SCHOOL VISITS BY CARBAL HEALTH PROFESSIONALS CONDUCTED 715 HEALTH CHECKS ON 100+ INDIGENOUS STUDENTS.

CARBAL'S EARLY INTERVENTION SERVICE DELIVERED 532 CLINICAL SESSIONS DURING THE PAST YEAR.

CARBAL EMPLOYS 70 STAFF, 39 OF WHOM IDENTIFY AS INDIGENOUS.

CARBAL'S INDIGENOUS OUTREACH WORKER WORKED COLLABORATIVELY WITH 36 EXTERNAL PROVIDERS TO ASSIST IN ACHIEVING OUTCOMES FOR OUR MOB.

CARBAL BECAME A REGISTERED PROVIDER TO PROVIDE WIDE RANGE OF CULTURALLY APPROPRIATE SERVICES.

# CARBAL MEDICAL SERVICES ANNUAL REPORT



1. Chair's Report
2. CEO Report
3. Treasurer's Report
4. Audited Financial Statements  
as at June 30, 2017
5. Organisational Health Check
6. Process for appointing  
Directors and Members

**Carbal Aboriginal and  
Torres Strait Islander  
Health Services Limited**

**ABN: 50 275 271 535**

**PO Box 1879**

**Toowoomba QLD 4350**

**Ph: 07 4688 0500**

**Version 1 August 2017**





## FROM THE CHAIR: DR MAREE TOOMBS

The report card for Carbal this year is an A+. Carbal continues to consolidate and build a strong viable business model, with a strong financial base which has enabled us to go from strength to strength.

Highlights over the past 12 months include:

1. Established an Alcohol and Other Drugs Service that commenced operations in January 2017. This service is offering support to overcome addiction including withdrawal, rehabilitation and relapse prevention. This program supports a Drug and Alcohol Counsellor and Case Worker and is based at South Street.
2. Additional Care Coordinators for the Integrated Team Care program, and Indigenous Outreach Workers.
3. Self funded Murri Court support and expansion of the Strong Fathers Strong Families Program.
4. Consolidation of 2 full service GP clinics and 18 family health services programs.
5. Registered as an NDIS Provider.
  - » Provision of extensive information and support for community members during the lead up and roll out of the NDIS.
  - » Provision of a sustainable Personal Helpers and Mentors service to ensure that these vulnerable clients have continuity of support;
  - » Carbal will continue to expand on the range of services we provide to ensure that community members are receiving cost-effective and culturally appropriate support via the NDIS.
6. Establishment of national Key Performance Indicator tracking and improvements mechanisms

7. Successfully maintained:

- » ISO 9001 accreditation;
- » GPA Clinic Operations accreditation;
- » Human Service Quality Framework accreditation.

8. Expansion of our research program to include PRICKLE kids – immunisation provision and education.

As the Chair of the Board, it gives me great pleasure to report that Carbal is now delivering services to almost 6000 clients across our service region and this number continues to expand. More than two-thirds of our staff now identify as Aboriginal and/or Torres Strait Islanders and we have established a staff and Directors mentoring program that will provide the basis for efficient and seamless succession transition when required.

I thank my fellow Board members for the time they give so generously to being part of 'all things Carbal', their comradery, contributions and advice are very much valued.

Finally, on behalf of our Board, I would like to sincerely thank the CEO and our staff for the excellent work that has occurred over the past twelve months and I look forward to being able to report even greater achievements in the coming years.

I would also like to thank all those members of our community who have contributed in any way, either as a client or just simply by spreading the word that Carbal is here to provide the best service possible to those we need to assist.

*Thank you for your support, your commitment and your encouragement.*





## FROM THE CEO: BRIAN HEWITT

Carbal has completed the first full year of trading as a Company limited by guarantee and it certainly has been a very full and busy time! We have continued to grow in all aspects of operations and this growth directly transfers to increased and diversified services for our communities. I am extremely pleased to report that Carbal has gained re-accreditation for the clinical practices that are in place at our Warwick and Toowoomba clinics during this period and we have also met all of the organisational requirements to progress our ISO9001 accreditation to the new standards. It is a great credit to staff throughout the organisation that Carbal is regularly able to meet the quite rigorous requirements of these continual assessments and it certainly assists management in being able to maintain the legal, financial and operational structures that ensure that Carbal is sustainable into the future and that we remain fully accountable to our service community and to the relevant funding bodies for the programs that we deliver.

Carbal provides a vital Aboriginal and Torres Strait Islander community Health Service and remains at the forefront of delivering appropriate and culturally sensitive health services for over 6000 clients from the communities of our region. I encourage you to peruse the specific data relating to our performance in delivering 'Closing the Gap' health services that is contained within this annual report. There have been improvements recorded within a number of areas and our program has become extremely diversified. Our Chair, Dr Maree Toombs, has briefly outlined the scope of current Carbal activities in her report. I commend her leadership as a great strength of the organisation.

The Carbal Board of Directors are a very supportive and committed group of volunteers who give much of their time and expertise to develop and manage the strategic direction of Carbal activities. The Board and I work very closely to broaden the charter of operations to include extensive financial support for activities and programs that may fall outside of specific funding guidelines but which have been identified as areas of need in relation to the provision of health services for our indigenous communities. In this regard, Carbal supports the Murri Court initiative by providing health and well-being support services and Strong Fathers behaviour assistance directly within the court initiated program. Carbal is a partner with Mercy Services in the delivery of the Child and Family Connect strategy, assists and supports local activities during NAIDOC week, conducts an extensive Elders activities support program in both Toowoomba and Warwick which is also assisting further UQ research into the support required for Elders within our community, amongst many other initiatives. I must thank the Board of Directors on behalf of everyone at Carbal and on behalf of all those who benefit immeasurably from our assistance for their tireless efforts in this regard.

It is our success in maintaining the growth of significant self-generated funds which has allowed Carbal to support programs and services that have real outcomes when measured against the need to provide culturally-sensitive health services to the Indigenous communities of the Darling Downs and South-West and Carbal staff continue to identify gaps and the practical and sustainable solutions that may address these gaps. Carbal is working closely as a real partner with our main funding bodies; The Commonwealth Department of Health, The Qld Department of Health, The Department of Social Security and the Darling Downs and West Moreton Primary Health Network.

I would like to sincerely thank the staff of Carbal for their hard work throughout the year and in particular, the Senior Management team whose invaluable expertise, support and professionalism are the basis for our continued outstanding results. I must also extend my appreciation to the community members who continue to support Carbal in the delivery of services. The stakeholder surveys from across our service region clearly identify that the overwhelming majority of our clients are very happy with the services that Carbal provides and we have taken on board the constructive criticism received on occasion to further refine and develop our procedures. Apart from the full GP service clinics, we are now delivering an extensive variety of programs including Indigenous Young Parent Support, Early Intervention for Children, New Directions Child Health and Midwife Services, Tackling Indigenous Smoking, culturally appropriate Mental Skills Training for GP's and Health Workers, Integrated Team Care which currently supports between 500 and 600 clients of their own, Alcohol and Other Drugs Withdrawal, Counselling and Rehabilitation, Hearing tests in schools, In-school health checks, provision of services by more than 20 Allied Health professionals, facilitation of the QUMAX pharmaceuticals program, a variety of health outreach services and the list goes on.....

*Carbal is making a great difference in Closing the Gap between Indigenous and Non-Indigenous Health in our region and I sincerely thanks all those who have contributed in some way to these successes, may they be many more.*

**Brian Hewitt**  
**M.Ed., B.Ed., Dip Ed., JP Qual**  
**CEO**



# FROM THE TREASURER: CR BILL CAHILL

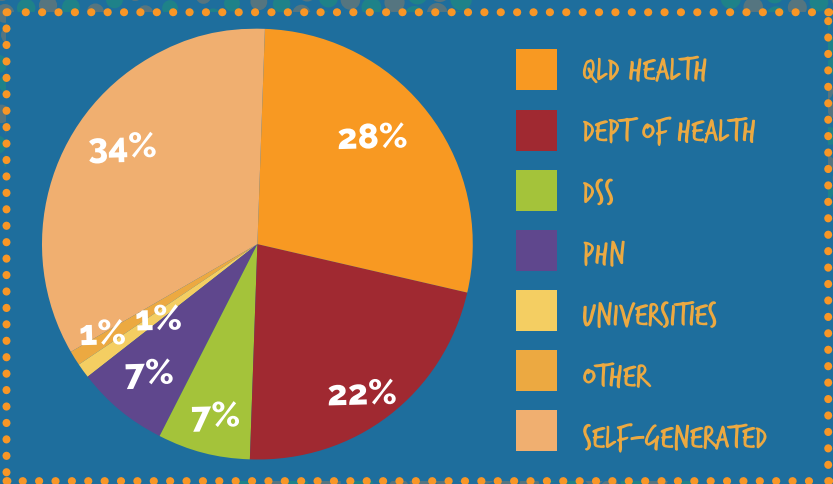
The attached audited financial statements for 2016-2017 reflect continued growth and excellent consolidation of Carbal resources and assets and this will provide an excellent platform for our new company to explore further opportunities for the provision of culturally sensitive health services to the communities of our service area. The positive change in the operational management of Carbal Medical Services has continued and we have again been successful in maintaining our ISO9001 accreditation. This accreditation is testament to the high-level operational practices and procedures that have been established at Carbal and is welcomed by our funding partners as a contributory factor to the establishment and maintenance of the ongoing confidence that they are entitled to feel. I would like to express my thanks, on behalf of the Board of Directors and the Members, to the Senior management and accounts team for their expertise and support in maintaining our financial position and accounts. The audited financial statements for 2016-2017 are attached. We ended the trading year with an increase in Net Assets of \$649 122 after depreciation which was an increase of \$12 961 on the previous financial period. Our revenue for the period decreased by \$34 349 due to a rise in program costs, clinic costs and employee benefits. Administration costs fell for the second year running. Carbal had accumulated cash and equivalent reserves of \$2 925 934 at the end of the period. This is a very good result remembering that the charter for Carbal as a Not-For-Profit, registered charity is to ensure that funding is predominantly directed at the direct provision of health services for our clients. The chart shows a breakdown of our income and it is most pleasing to report that more than one third of our income continues to be self-generated.

Much of our self-generated income is being used to 'value-add' to the various programs that we are funded to deliver and we have also funded a number of programs and activities that do not receive funding but that have been identified by Carbal as 'gaps' in the

provision of health services to Aboriginal and Torres Strait Islanders within our service region. The Board of Directors are extremely pleased that we have been able to expand our services within our charter due to the growth in our income and the professional management of our resources. Total assets, including cash term deposits and property, plant and equipment (equity) for the Company now stands at \$4 353 566.

As one of the measures adopted by the 2016-2018 Strategic Plan, Carbal will be investigating the purchase of property to be used as a multi-purpose administration centre and program hub over the coming 18 months – this will enable the Company to reduce the outgoings currently attributed to leased premises and allow an even greater proportion of our funds to be allocated to community services. It gives me great pleasure to note that the 'cost' to funding bodies for Carbal service administration of externally funded programs has averaged less than 7.5 per cent across all programs in the last financial year and this compares extremely well with a NFP industry average which is significantly higher.

Our staff numbers have risen to 70 and with 61% of all staff identifying as Aboriginal and/or Torres Strait Islanders, we have become one of the major employers of Indigenous workers in the region.



*On behalf of the Board of Directors of Carbal Aboriginal and Torres Strait Islander Health Services Limited it gives me great pleasure to commend the 2015-2016 audited financial statements and auditors report to you.*

**Cr Bill Cahill**  
**TREASURER**  
**2017-2018**

# FINANCIAL STATEMENTS.....

Carbal Aboriginal and Torres Strait Islander  
Health Services Ltd  
ABN 50 275 271 535  
Trading As Carbal Medical Services

## FINANCIAL STATEMENTS: YEAR ENDED 30 JUNE 2017

CARBAL ABORIGINAL AND  
TORRES STRAIT ISLANDER  
HEALTH SERVICES LTD

ABN 50 275 271 535

TRADING AS CARBAL MEDICAL SERVICES

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## DIRECTORS' REPORT.....

THE DIRECTORS PRESENT THEIR REPORT, TOGETHER WITH THE FINANCIAL STATEMENTS, ON THE COMPANY FOR THE YEAR ENDED 30 JUNE 2017.

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:

Dr Maree Toombs  
Cr Wayne Cahill  
Ronald Hampton  
Perry Miller

George Petroff - Appointed 22 March 2017  
Melanie Waters - Appointed 25 May 2017  
Judith Standen - Resigned 24 February 2017

### OBJECTIVES

To make a significant and growing contribution towards achieving equity in health outcomes for the Aboriginal and Torres Strait Islander communities of Toowoomba and our wider service region.

### STRATEGY FOR ACHIEVING THE OBJECTIVES

- » Delivery of tailored health services.
- » Provision of holistic, culturally appropriate health services.
- » Support for the social and emotional wellbeing of the individuals in our community.
- » Cultural connection with families and the broader community.
- » Commitment to continual and quality improvement in service delivery.
- » Modelling of responsible and representative governance.

The aim of the Company is to pursue the following purposes:

- a. to develop, coordinate and conduct services that provide for the care and support in meeting the needs of Aboriginal and Torres Strait Islander individuals and groups in Toowoomba and the Darling Downs region;
- b. to coordinate and conduct services aimed at improving the health and wellbeing that meets the needs of Aboriginal and Torres Strait Islander people in Toowoomba and the Darling Downs region;
- c. to collaborate with and support research professionals or entities in the development and implementation of translational research that will improve the health and well-being outcomes within Aboriginal and Torres Strait Islander communities;



# DIRECTOR'S .....

## PRINCIPAL ACTIVITIES

Carbal currently delivers seventeen funded programs on behalf of State and Commonwealth governments and the Darling Downs West Moreton Primary Health Network. This includes the maintenance of two fully operational general practice clinics in Toowoomba and Warwick. In addition to the broad spectrum of programs that we are involved with, Carbal hosts a number of Allied Health professionals and research teams from the University of Queensland and the Queensland University of Technology to assist with the collection of data related to preventative health measures in the fields of physical and mental health.

The Carbal Board of Directors is steadfastly supportive of broadening the charter of operations to include support for activities and programs that may fall outside of specific funding guidelines, but which have been identified as areas of need in relation to the provision of health services for our indigenous communities. Our success in maintaining significant self-generated funds has allowed Carbal to 'walk the talk' when it comes to providing programs and services that have real outcomes when measured against the need to provide culturally-sensitive health services to the Indigenous communities of the Darling Downs and South-West. Carbal will continue to identify gaps and attempt to address these gaps in a practical and sustainable way.

Carbal's operational region comprises of the three local government areas of Goondwindi Regional Council, Southern Downs Regional Council and Toowoomba Regional Council. Carbal's operational region has a total area of 39,384.0km<sup>2</sup>. Based on 2011 figures, 6,888 Aboriginal and Torres Strait Islander people live in Carbal's region. This represents 3.5% of the total resident population. (Data extracted from PENCAT, based on ABS and ASGS)

## PERFORMANCE MEASURES

The company measures its performance against the following aims:

- i. To become the major Primary Health Care service provider to Aboriginal and Torres Strait Islander peoples in Toowoomba and the South West Downs.
- ii. To maintain involvement in a range of innovative partnerships and service models with hospitals, private providers, other Indigenous health organisations, and non-Indigenous, non-government organisations, that promote improved access to comprehensive primary health care for the Aboriginal and Torres Strait Islander community in Toowoomba and the South West Downs.
- iii. To participate in a regional model for Primary Health Care delivery to the Aboriginal and Torres Strait Islander communities in Toowoomba and the South West Downs by working collaboratively with like-minded organisations.
- iv. To provide significant input into the local Aboriginal and Torres Strait Islander community understandings of their key health risk factors and expand our services in response to evidence-based community health needs.
- v. To Implement governance and management reforms for enhancing service models and maintaining sustainable financial independence.

The key performance measures are the NKPI data provided to the funding bodies, the maintenance of our ISO2009 operational practices and governance accreditation and the GPA clinic operations accreditation – all of which have been successfully maintained and delivered during the 2016-2017 financial year.

# DIRECTORS.....



**Name:**

**DR MAREE TOOMBS**

**Title:**

Non-Executive Chair

**Qualifications:**

PhD, B.Ed., Grad Cert Teaching and Learning

**Experience and expertise:**

Dr Maree Toombs is a Kamilaroi/Kooma woman from North Western NSW. Dr Toombs has lived in Toowoomba for the past 21 years and is married with 2 children.

Dr Toombs is passionate about improving the social and emotional wellbeing of Aboriginal peoples in the community.

Dr Toombs is a Senior Research Fellow with the University of Queensland, Adjunct Professor, School of Medicine, Dalhousie University, Halifax, Nova Scotia, Adjunct Associate Professor, Queensland University of Technology and Associate Professor Menzies School of Health Research.



**Name:**

**(R) WAYNE (BILL) CAHILL**

**Title:**

Non-Executive Deputy Chair (and Treasurer as of 24 February 2017)

**Experience and expertise:**

Bill is a proud Awabakal man born in Quilpie and is committed to assisting the Indigenous Community. Bill has a successful technical and corporate management background and brings a breadth of experience to his elected position. He is in his third term as a councillor with the Toowoomba Regional Council following a 4 year term as a councillor with the former Crow's Nest Shire Council - representing Highfields.

**Special responsibilities:**

Company secretary



**Name:**

**RONALD HAMPTON**

**Title:**

Non-Executive Director

**Qualifications:**

M.Ed., B.A. Soc Sci., Grad Dip Arts

**Qualifications:**

Ron is a long-time educator with a Master in Education from the University of Southern Queensland. He was born in Perth. His maternal grandmother was from Narrindjeri country in South Australia, and his grandfather from Karachi.

Ron is recognised as an Elder in the Toowoomba Indigenous community, and is a past chairperson of Carbal Medical Centre and past Vice President of Kulila Indigenous Kindergarten. His ongoing commitments include: community member of Queensland's Mental Health Review Tribunal; Director of Lifeline Darling Downs & South West Queensland; and cultural educator and mentor.

Together with his wife Helen, Ron is a Pyjama Angel working with and mentoring children on foster care under The Pyjama Foundation.





**Name:**

**PERRY MILLER**

**Title:**

Non-Executive Director

**Qualifications:**

Dip Welfare

**Experience and expertise:**

Perry is a proud Indigenous member of the North Queensland mob and has spent his working career assisting Aboriginal and Torres Strait Islander communities to access better health and well-being outcomes. He currently works at Mercy Community Services Toowoomba within the Family and Child Connect program.



**Name:**

**GEORGE PETROFF** (appointed 22 March 2017)

**Title:**

Non-Executive Director

**Qualifications:**

M Psych. Clinical, B.A.

**Experience and expertise:**

Mr George Petroff is an experienced Clinical Psychologist who has worked in both the public and private systems for over thirty years. During this time he has excelled in an extensive range of roles within alcohol and other drugs units, universities, psychiatric and acquired brain injury centres and acute mental health units. He currently provides services to a wide variety of clients including many Aboriginal and Torres Strait Islander community members at his practice, Toowoomba Psychology Services.



**Name:**

**MELANIE WATERS** (appointed 25 May 2017)

**Title:**

Non-Executive Director

**Qualifications:**

Associate Diploma of Social Science (Welfare)

**Experience and expertise:**

Melanie Waters is a Kamilaroi woman from St. George who continues to hold strong cultural links to her country. Melanie has worked across all levels of Government and in private enterprise within the areas of law and justice, education, social housing, community development, social justice, food and fuel supply. Mel is passionate about improving Aboriginal and Torres Strait Islander emotional, physical and spiritual health which she believes may empower communities and individuals to tackle the health and educational disadvantages which remains at unacceptable levels within our communities. Mel currently works for the University of Southern Queensland administering educational and health initiatives targeted at Aboriginal and Torres Strait Islander children's in year 4-12.



**Name:**

**JUDITH STANDEN** (resigned on 23 February 2017)

**Title:**

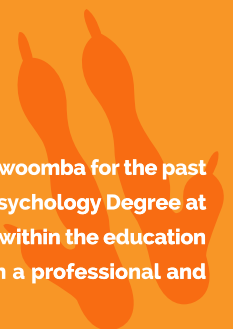
Former Non-Executive Treasurer

**Qualifications:**

BSc

**Experience and expertise:**

Judith is a Gunditjmara woman from Victoria and has resided in Toowoomba for the past 35 years and is now a Toowoomba Elder. She studied her Applied Psychology Degree at the University of Southern Queensland. Her experiences have been within the education system and not-for-profit organizations where she has worked on a professional and voluntary basis for the last 30 years.



# DIRECTOR'S .....

## MEETINGS OF DIRECTORS .....

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

	Full Board	
	Attended	Eligible to attend
Dr Maree Toombs	7	8
Cr Wayne (Bill) Cahill	7	8
Judith Standen	2	4
Ronald Hampton	8	8
Perry Miller	8	8
George Petroff	3	4
Melanie Waters	1	1

### Contributions on winding up

In the event of the company being wound up, ordinary members are required to contribute a maximum of \$10 each.

The total amount that members of the company are liable to contribute if the company is wound up is \$140, based on 14 current ordinary members.

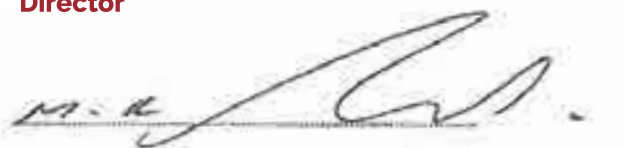
### Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

Director



Dr Maree Toombs

Dated: 20th July 2017

Director



Cr Wayne Cahill

Dated: 20th July 2017

DECLARATION .....



## AUDITOR'S INDEPENDENCE DECLARATION.....

### AUDITOR'S INDEPENDENCE DECLARATION

As auditor of Carbal Aboriginal and Torres Strait Islander Health Services Ltd for the year ended 30 June 2017, I declare that, to the best of my knowledge and belief, there have been:

- i. no contraventions of the independence requirements as set out in the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Carbal Aboriginal and Torres Strait Islander Health Services Ltd during the year.

**Crowe Horwath South QLD**

Signed:  Signature

**Jessica Galvin**  
**Partner**

Signed at Toowoomba, 20 July 2017

# STATEMENT OF COMPREHENSIVE INCOME...

## FOR THE YEAR ENDED 30 JUNE 2017...

	NOTE	2017	2016
<b>Revenue</b>	3	7,199,301	7,233,650
<b>Expenses</b>			
Administration costs		(295,057)	(301,956)
Clinic costs		(122,403)	(150,433)
Employee benefits expense		(5,160,133)	(4,751,553)
Occupancy costs		(344,323)	(414,534)
Programming costs		(495,901)	(408,907)
Repairs and maintenance		(68,243)	(34,946)
Depreciation expense	4	(7,799)	(91,454)
Motor vehicle expenses		(235,563)	(235,563)
Impairment of obsolete stock		-	(140,593)
Impairment of property, plant and equipment	4	(206,611)	-
Other expenses		(142,146)	(97,333)
<b>Surplus before income tax expense</b>		<b>121,122</b>	<b>636,161</b>
Income tax expense		-	-
<b>Surplus after income tax expense for the year attributable to the members of Carbal Aboriginal and Torres Strait Islander Health Services Ltd</b>	12	<b>121,122</b>	<b>636,161</b>
<b>Other comprehensive income for the year</b>			
Items that will not be reclassified subsequently to profit or loss. Gain on the revaluation of land and buildings, net of tax	8	528,000	-
<b>Other comprehensive income for the year, net of tax</b>		<b>528,000</b>	<b>-</b>
<b>Total comprehensive income for the year attributable to the members of Carbal Aboriginal and Torres Strait Islander Health Services Ltd</b>		<b>649,122</b>	<b>636,161</b>

THE ACCOMPANYING NOTES FORM PART OF THESE FINANCIAL STATEMENTS.

# STATEMENT OF FINANCIAL POSITION.....

## FOR THE YEAR ENDED 30 JUNE 2017...

ASSETS	NOTE	2017	2016
<b>Current Assets</b>			
Cash and cash equivalents	5	2,925,934	2,418,608
Trade and other receivables	6	16,742	89,068
Other	7	23,520	29,895
<b>Total Current Assets</b>		<b>2,966,196</b>	<b>2,537,571</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	8	1,932,337	1,617,033
<b>Total Non-Current Assets</b>		<b>1,932,337</b>	<b>1,617,033</b>
<b>TOTAL ASSETS</b>		<b>4,898,533</b>	<b>4,154,604</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	9	332,172	262,443
Employee benefits	10	178,884	167,653
<b>Total Current Liabilities</b>		<b>511,056</b>	<b>430,096</b>
<b>NON-CURRENT LIABILITIES</b>			
Employee benefits	11	33,911	20,064
<b>Total Non-Current Liabilities</b>		<b>33,911</b>	<b>20,064</b>
<b>Total Liabilities</b>		<b>544,967</b>	<b>450,160</b>
<b>NET ASSETS</b>		<b>4,353,566</b>	<b>3,704,444</b>
<b>EQUITY</b>			
Retained surpluses	12	3,825,566	3,704,444
Reserves	13	528,000	-
<b>Total Equity</b>		<b>4,353,566</b>	<b>3,704,444</b>

THE ACCOMPANYING NOTES FORM PART OF THESE FINANCIAL STATEMENTS.

# STATEMENT OF CASH FLOWS.....

## FOR THE YEAR ENDED 30 JUNE 2017...

	2017	2016
	Retained Surpluses	Reserves Total Equity
	\$	\$ \$
Balance at 1 July 2015	3,068,283	- 3,068,283
Surplus after income tax expense for the year	636,161	- 636,161
Other comprehensive income for the year, net of tax	-	- -
Total comprehensive income for the year	636,161	- 636,161
<b>Balance at 30 June 2016</b>	<b>3,704,444</b>	<b>- 3,704,444</b>
	Retained Surpluses	Reserves Total Equity
	\$	\$ \$
Balance at 1 July 2016	3,704,444	- 3,704,444
Surplus after income tax expense for the year	121,122	- 121,122
Other comprehensive income for the year, net of tax	-	528,000 528,000
Total comprehensive income for the year	121,122	528,000 649,122
<b>Balance at 30 June 2017</b>	<b>3,825,566</b>	<b>528,000 4,353,566</b>

THE ACCOMPANYING NOTES FORM PART OF THESE FINANCIAL STATEMENTS.



# STATEMENT OF CASH FLOWS.....

## FOR THE YEAR ENDED 30 JUNE 2017...

		2017	2016
<b>(CASH FLOW FROM OPERATING ACTIVITIES)</b>			
Receipts from customers		2,311,133	2,607,760
Payments to suppliers and employees		(6,763,660)	(6,397,299)
Interest received		47,073	49,528
Grants received		4,914,494	4,527,654
<b>Net cash provided by operating activities</b>	<b>17</b>	<b>509,040</b>	<b>787,643</b>
<b>(CASH FLOW FROM INVESTING ACTIVITIES)</b>			
Purchase of property, plant and equipment	8	(1,714)	(264,839)
<b>Net cash used in investing activities</b>		<b>(1,714)</b>	<b>(264,839)</b>
<b>(CASH FLOWS FROM FINANCING ACTIVITIES)</b>			
Net cash provided by financing activities		-	-
<b>Net increase in cash and cash equivalents</b>		<b>507,326</b>	<b>522,804</b>
Cash and cash equivalents at the beginning of the financial year		2,418,608	1,895,804
<b>Cash and cash equivalents at the end of the financial year</b>	<b>5</b>	<b>2,925,934</b>	<b>2,418,608</b>

THE ACCOMPANYING NOTES FORM PART OF THESE FINANCIAL STATEMENTS.

# NOTES TO FINANCIAL STATEMENTS ... ..

## NOTE 1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements cover Carbal Aboriginal and Torres Strait Islander Health Services Ltd as an individual entity. The financial statements are presented in Australian dollars, which is Carbal Aboriginal and Torres Strait Islander Health Services Ltd's functional and presentation currency.

Carbal Aboriginal and Torres Strait Islander Health Services Ltd is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia.

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on the date the director's report was signed. The directors have the power to amend and reissue the financial statements.

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.

### **New or amended Accounting Standards and Interpretations adopted**

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

### **New Accounting Standards and Interpretations not yet mandatory or early adopted**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 30 June 2017. The company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

### **Basis of preparation**

In the directors' opinion, the company is not a reporting entity because there are no users dependent on general purpose financial statements.

These are special purpose financial statements that have been prepared for the purposes of complying with the Australian

Charities and Not-for-profits Commission Act 2012 to prepare and distribute financial statements to the members of Carbal Aboriginal and Torres Strait Islander Health Services Ltd. The directors have determined that the accounting policies adopted are appropriate to meet the needs of the members of Carbal Aboriginal and Torres Strait Islander Health Services Ltd.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the disclosure requirements of AASB 101 'Presentation of Financial Statements', AASB 107 'Statement of Cash Flows', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors', AASB 1048 'Interpretation of Standards' and AASB 1054 'Australian Additional Disclosures', as appropriate for not-for-profit oriented entities.

### **Historical cost convention**

The financial statements have been prepared under the historical cost convention.

### **Critical accounting estimates**

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

### **Revenue recognition**

Revenue is recognised when it is probable that the economic benefit will flow to the company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

### **Sales revenue**

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

### **Donations**

Donations are recognised at the time the pledge is made.

### **Grants**

Grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and all attached conditions will be complied with.

# NOTES TO FINANCIAL STATEMENTS ... . . . . .

## Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

## Other revenue

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

## Income tax

As the company is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

## 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 the company's 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 the company's 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 financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## Trade and other receivables

Trade and other receivables include amounts due from funding bodies as well as amounts receivable from customers for services delivered in the ordinary course of business. Other receivables are recognised at amortised cost, less any provision for impairment.

## Property, plant and equipment

Land and buildings are shown at fair value, based on periodic, at least every 3 years, valuations by directors, less subsequent depreciation and impairment for buildings. The valuations are undertaken more frequently if there is a material change in the fair value relative to the carrying amount. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Increases in the carrying amounts arising on revaluation of land and buildings are credited in other comprehensive income through to the revaluation surplus reserve in equity. Any revaluation decrements are initially taken in other comprehensive income through to the revaluation surplus reserve to the extent of any previous revaluation surplus of the same asset. Thereafter the decrements are taken to profit or loss.

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

<b>Buildings</b>	<b>40 years</b>
<b>Leasehold improvements</b>	<b>10 - 40 years</b>
<b>Health promotion equipment</b>	<b>3 - 30 years</b>
<b>Office and computer equipment</b>	<b>4 - 25 years</b>
<b>Medical equipment</b>	<b>2 - 13 years</b>
<b>Motor vehicles</b>	<b>8 years</b>

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.

## Change in accounting policy

During the year, the company changed its accounting policy with respect to the treatment of plant and equipment to accurately record the written down value and reduce the risk that plant and equipment may not reasonably reflect fair value. The company now applies a policy by which items of plant and equipment over a \$1,000 threshold, with the exception of computer equipment which has a threshold of \$5,000, shall be carried at cost less any accumulated depreciation and any accumulated impairment losses.

# NOTES TO FINANCIAL STATEMENTS ... . . . . .

Prior to this change in accounting policy, the company had previously capitalised some items of plant and equipment, irrespective of value. The company also did not previously maintain a fixed asset register and depreciation was calculated based on the cost of property, plant and equipment held in the prior year audited financial statements with adjustments for current year acquisitions using an average depreciation rate for each class. A detailed fixed asset register has been compiled in the 2017 financial year as at 30 June 2017 following a full stocktake of all property, plant and equipment items.

The company has recorded depreciation expense and accumulated depreciation on some items of leasehold improvements and computer equipment in the current financial year where adequate records of purchase price and purchase date had been maintained. All other plant and equipment has been capitalised at deemed cost less any impairment as at 30 June 2017 with depreciation to be recorded for future years until the items of plant and equipment are either fully depreciated or disposed.

The impact of this change in accounting policy on the financial statements has resulted in an amendment to the plant and equipment balance as at 30 June 2017 of \$206,611 to accurately reflect written down values at balance date. This adjustment has been recognised as an impairment expense in the current financial year.

Comparative figures have not been adjusted, as reliable and accurate information regarding plant and equipment was unable to be obtained.

## 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 wholly 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 at 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.

## Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

## 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.

# NOTES TO FINANCIAL STATEMENTS .....

## **Note 2. Critical accounting judgements, estimates and assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

## **Estimation of useful lives of assets**

The company determines the estimated useful lives and related depreciation charges for its property, plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation 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.

## **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.

# NOTES TO THE FINANCIAL STATEMENTS.....

## FOR THE YEAR ENDED 30 JUNE 2017...

### NOTE 3: REVENUE

#### Revenue:

	2017	2016
Grant Income	4,914,494	4,527,654
Medicare Billings	1,873,853	2,550,458
Other income	363,881	106,010
Interest income	47,073	49,528
<b>Revenue</b>	<b>7,199,301</b>	<b>7,233,650</b>

### NOTE 4 - EXPENSES

#### Surplus before income tax includes the following specific expenses:

Depreciation	7,799	91,454
Motor vehicle leasing costs	167,160	133,676
Rental expense	195,159	246,329
Write off of obsolete stock	-	140,593
Impairment of property, plant and equipment	206,611	-

### NOTE 5. CURRENT ASSETS - CASH AND CASH EQUIVALENTS

Cash at bank	2,925,934	2,418,608
	<b>2,925,934</b>	<b>2,418,608</b>

### NOTE 7. CURRENT ASSETS - OTHER

Short term deposits	330	19,400
Prepayments	23,190	10,495
	<b>23,520</b>	<b>29,895</b>

Inventory on hand was written off for obsolescence on 30 June 2016. The shirts are not branded with Carbal Aboriginal and Torres Strait Islander Health Services Ltd and as such management believes it is appropriate to write off this stock.

# NOTES TO THE FINANCIAL STATEMENTS...

## FOR THE YEAR ENDED 30 JUNE 2017...

NOTE 8. NON-CURRENT ASSETS – PROPERTY, PLANT AND EQUIPMENT	2017	2016
Land and buildings – at directors' valuation	1,700,000	1,200,000
Less: Accumulated depreciation	-	(28,000)
	<b>1,700,000</b>	<b>1,172,000</b>
Leasehold improvements - at cost	110,912	205,895
Less: Accumulated depreciation	(6,665)	(4,531)
	<b>104,247</b>	<b>201,364</b>
Health promotion equipment- at cost	-	15,000
Less: Accumulated depreciation	-	(10,557)
	-	<b>4,443</b>
Office & computer equipment - at deemed cost	42,786	297,294
Less: Accumulated depreciation	(7,840)	(123,223)
	<b>34,946</b>	<b>174,071</b>
Medical equipment - at deemed cost	93,144	77,012
Less: Accumulated depreciation	-	(42,482)
	<b>93,144</b>	<b>34,530</b>
Motor vehicles - at cost	-	35,000
Less: Accumulated depreciation	-	(4,375)
	-	<b>30,625</b>
	<b>1,932,337</b>	<b>1,617,033</b>

The company's property, 104 Mary Street was revalued as at 30 June 2017 by directors with a valuation of \$1,700,000. Director's formed the basis of this valuation through consideration of recent market prices and further confirming their deemed valuation by obtaining a market appraisal as at 3 July 2017 obtained from LJ Hooker Commercial, Toowoomba.

## NOTES TO THE FINANCIAL STATEMENTS.....

### FOR THE YEAR ENDED 30 JUNE 2017...

#### NOTE 8. NON-CURRENT ASSETS – PROPERTY, PLANT AND EQUIPMENT RECONCILIATIONS

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

	Land and buildings	Leasehold improvements	Health promotion equipment	Office & computer equipment	Medical equipment	Motor Vehicles	Total
Balance at 1 July 2015 valuation	1,186,000	80,735	7,632	83,164	51,117	35,000	1,443,648
Additions	-	124,066	-	140,123	650	-	264,839
Depreciation expense	4 (14,000)	(3,438)	(3,189)	(49,216)	(17,237)	(4,375)	(91,455)
<b>Balance at 30 June 2016</b>	<b>1,172,000</b>	<b>201,364</b>	<b>4,443</b>	<b>174,071</b>	<b>34,530</b>	<b>30,625</b>	<b>1,617,033</b>
Additions	-	-	-	1,714	-	-	1,714
Impairment adjustment	1 -	(93,854)	4,443	(136,303)	58,614	(30,625)	(206,611)
Revaluation increments	13 528,000	-	-	-	-	-	528,000
Depreciation expense	4 -	(3,263)	-	(4,536)	-	-	(7,799)
<b>Balance at 30 June 2017</b>	<b>1,700,000</b>	<b>104,247</b>	<b>-</b>	<b>34,946</b>	<b>93,144</b>	<b>-</b>	<b>1,932,337</b>



# NOTES TO THE FINANCIAL STATEMENTS.....

## FOR THE YEAR ENDED 30 JUNE 2017...

	2017	2016
<b>NOTE 9. (URRENT LIABILITIES – TRADE AND OTHER PAYABLES)</b>		
Trade payables	59,678	45,648
Payroll liabilities	175,022	151,133
Other payables	43,617	63,318
Unexpended grants	53,855	2,344
	<b>332,172</b>	<b>262,443</b>

### NOTE 10. (URRENT LIABILITIES – EMPLOYEE BENEFITS)

Annual leave	175,175	164,175
Time owed in lieu	3,709	3,478
	<b>178,884</b>	<b>167,653</b>

### NOTE 11. NON-(URRENT LIABILITIES – EMPLOYEE BENEFITS)

Long service leave provision	33,911	20,064
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### NOTE 12. EQUITY – RETAINED SURPLUSES

Retained surpluses at the beginning of the financial year	3,704,444	3,068,283
Surplus after income tax expense for the year	121,122	636,161
	<b>3,825,566</b>	<b>3,704,444</b>

### NOTE 13. EQUITY – RESERVES

Revaluation surplus reserve	528,000	-
	<b>528,000</b>	<b>-</b>

#### Revaluation surplus reserve

The reserve is used to recognise increments and decrements in the fair value of land and buildings.

# NOTES TO THE FINANCIAL STATEMENTS.....

## FOR THE YEAR ENDED 30 JUNE 2017...

	2017	2016
<b>NOTE 13. EQUITY – RESERVES (CONT)</b>		
Movements in reserves - Movements in each class of reserve during the current and previous financial year are set out below:		
Balance at 1 July 2015	-	-
	-	-
Balance at 30 June 2016	528,000	528,000
	<b>528,000</b>	<b>528,000</b>

### NOTE 14. REMUNERATION OF AUDITORS

During the financial year the following fees were paid or payable for services provided by Crowe Horwath South QLD, the auditor of the company, its network firms and unrelated firms:

#### Audit services – Crowe Horwath South QLD

Audit of the financial statements	15,000	-
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#### Other services

Preparation of financial statements - Crowe Horwath South QLD	2,500	
Preparation of fixed asset register - Crowe Horwath	2,000	
	<b>4,500</b>	

#### Audit services - unrelated firms

Audit of the financial statements	-	21,818
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# NOTES TO THE FINANCIAL STATEMENTS...

## FOR THE YEAR ENDED 30 JUNE 2017...

### NOTE 15. (COMMITMENTS)

Movements in reserves - Movements in each class of reserve during the current and previous financial year are set out below:

#### Lease commitments - operating

Committed at the reporting date but not recognised as liabilities, payable:

	2017
Within one year	208,281
One to five years	649,287
	<b>857,568</b>

Operating lease commitments includes leases for motor vehicles by which transfer of title does not pass to the company at the end of the lease and rental commitments for leased properties

### NOTE 16. EVENTS AFTER THE REPORTING PERIOD

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

### NOTE 17. RECONCILIATION OF SURPLUS AFTER INCOME TAX TO NET CASH FROM OPERATING ACTIVITIES

	2017	2016
Surplus after income tax expense for the year	121,122	636,163
<b>Adjustments for:</b>		
Depreciation	7,799	91,454
Loss on impairment of property, plant and equipment	206,611	-
Loss on obsolete stock	-	140,593
<b>Change in operating assets and liabilities:</b>		
Decrease/(increase) in trade and other receivables	73,399	(56,683)
Decrease/(increase) in other receivables	-	10,830
Decrease/(increase) in GST	-	(2,906)
Decrease/(increase) in prepayments	6,375	-
(Decrease)/increase in trade and other payables	68,655	(26,593)
(Decrease)/increase in unexpended grants	-	(5,492)
(Decrease) /Increase in employee benefits	25,079	277
<b>Net cash from operating activities</b>	<b>509,040</b>	<b>787,643</b>

# NOTES TO THE FINANCIAL STATEMENTS...

## FOR THE YEAR ENDED 30 JUNE 2017...

### NOTE 18. CONTINGENT LIABILITIES

The company receives significant funding from Federal and State Agencies in the form of grant funding to further their objectives. Under the terms of these Deeds of Grant Funding, the company may be liable to repay the funds if certain conditions and criteria are not met. At the time of signing this report the company is unable to estimate with sufficient reliability any funds which may be repayable, if at all, under existing funding agreements.

The company has no other contingent liabilities at the date of the financial report.

### NOTE 19. ECONOMIC DEPENDENCE

The company is dependent on both the Federal Department of Health and Queensland Health for the majority of its revenue used to operate the business. At the date of this report, the directors have no reason to believe the departments will not continue to support the company.

In the directors' opinion:

- » the company is not a reporting entity because there are no users dependent on general purpose financial statements. Accordingly, as described in note 1 to the financial statements, the attached special purpose financial statements have been prepared for the purposes of complying with the Australian Charities and Not-for-profits Commission Act 2012 and associated regulations to prepare and distribute financial statements to the members of Carbal Aboriginal and Torres Strait Islander Health Services Ltd;
- » the attached financial statements and notes comply with the Australian Charities and Not-for-profits Commission Act 2012, the Accounting Standards as described in note 1 to the financial statements and other mandatory professional reporting requirements;
- » the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2017 and of its performance for the financial year ended on that date; and
- » there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors.

Director



Dr Maree Toombs

Dated: 20th July 2017

Director



Cr Wayne Cahill

Dated: 20th July 2017

# INDEPENDENT AUDITOR'S REPORT.....

## FOR THE YEAR ENDED 30 JUNE 2017...

### CARBAL ABORIGINAL AND TORRES STRAIT ISLANDER HEALTH SERVICES LTD INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARBAL ABORIGINAL AND TORRES STRAIT ISLANDER HEALTH SERVICES LTD

#### Qualified Opinion

We have audited the financial report of Carbal Aboriginal and Torres Strait Islander Health Services Ltd (the Company), which comprises the statement of financial position as at 30 June 2017, the statement of 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, except for the possible effects of the matters described in the Basis for qualified opinion paragraph, the accompanying financial report of the Company has been prepared in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012 including:

- a. Giving a true and fair view of the Company's financial position as at 30 June 2017 and of its financial performance and cash flows for the year then ended.
- b. Complying with Australian Accounting Standards to the extent described in Note 1 and Division 60 of the Australian Charities and Not-for-profits Commission Regulation.

#### Basis for Qualified Opinion

We were not the auditor of the company for the year ended 30 June 2016. The preceding auditor was unable to obtain a fixed asset register as at 30 June 2016 to support the carrying amount of property, plant and equipment as at 30 June 2016 of \$1,617,034. Depreciation expense for the year ended 30 June 2016 was calculated on the cost of equipment held in the 2015 year audited financial statements with adjustments for current year acquisitions using the average depreciation rate for each class. Consequently we have been unable to obtain sufficient and appropriate evidence over the comparative values of property, plant and equipment in the statement of financial position and the depreciation expense recorded in the statement of comprehensive income.

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Company in accordance with the Australian Charities and Not-for profits Commission Act 2012 (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

#### Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Carbal Aboriginal and Torres Strait Islander Health Services Ltd to meet the requirements of the Australian Charities and Not-for-profits Commission Act 2012. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

#### Other Information

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

# INDEPENDENT AUDITOR'S REPORT.....

## FOR THE YEAR ENDED 30 JUNE 2017...

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

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

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

### **Responsibilities of the Board of Directors for the Financial Report**

The directors of the company are responsible for the preparation and fair presentation of the financial report and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and the needs of the members and for such internal control as the Board of Directors determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

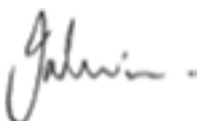
In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company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

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

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [http://www.auasb.gov.au/auditors\\_fi1es/ar3.pdf](http://www.auasb.gov.au/auditors_fi1es/ar3.pdf). This description forms part of our auditor's report.

**Crowe Horwath South QLD**



**Jessica Galvin**  
Partner

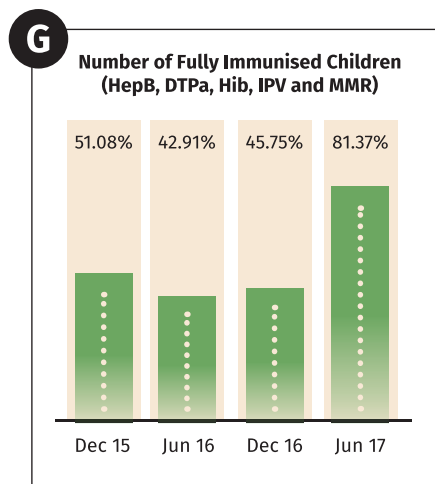
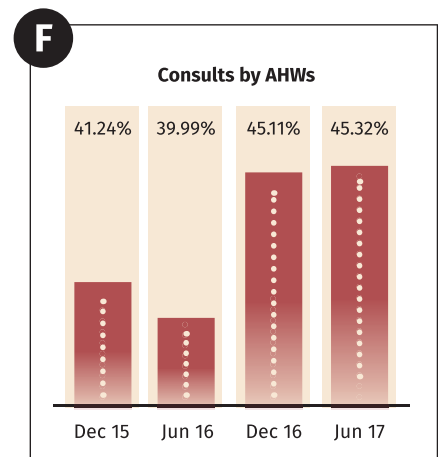
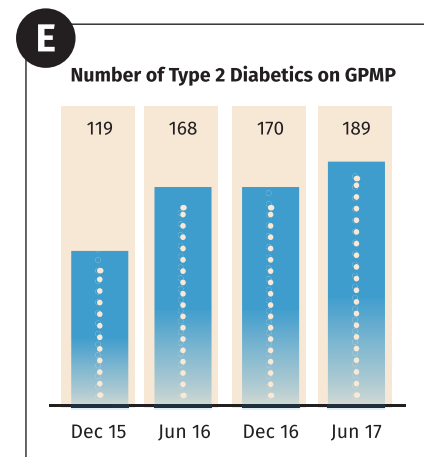
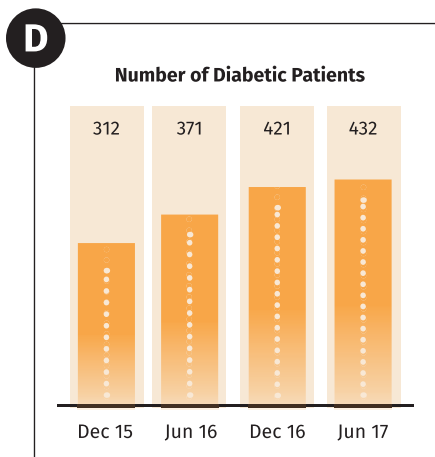
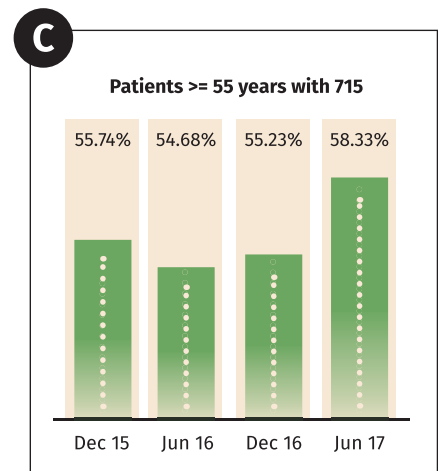
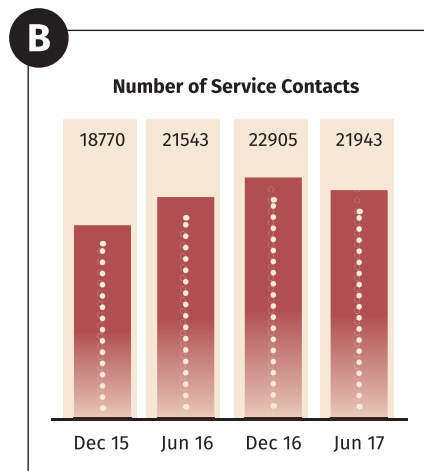
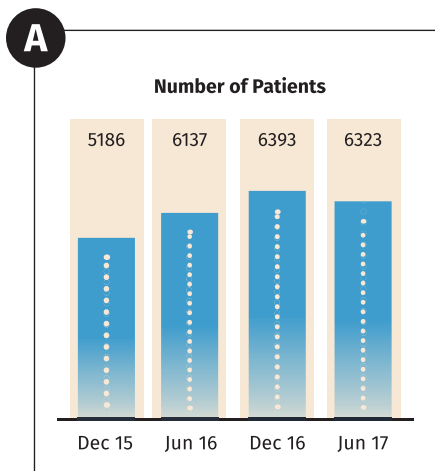
**Dated at Toowoomba this 20 day of July 2017**

# Organisational Health Check

## Service Outcomes and Performance Summary

Like everyone who has a regular health check, at Carbal Medical Services we are committed as an organisation to our own health checks to let you know how we have been going over the past two years.

### Clinical Services



### Service Improvements

- Toowoomba Sexual Health Clinic established 2017
- Continued to expand services to include 2 GP Clinics & 15 Community Programs
- Carbal reobtained Accreditation status with GPA & ISO 9001
- Additional Aboriginal Health Workers, Outreach Workers to provide culturally appropriate services
- 94% of clients rate our services, good, very good & excellent



**Toowoomba Medical Centre**  
104 Mary Street, Toowoomba. Phone. 4639 7300  
**Warwick Medical Centre**  
55 Wood Street, Warwick. Phone. 4661 0800

# PROCESS FOR APPOINTING NEW BOARD DIRECTORS AND MEMBERS



**Under the new Carbal Aboriginal and Torres Strait Islander Health Services Limited constitution, there is no longer a limit on membership numbers.**

The new Board will accept applications for membership and Director vacancies at any time and these will be presented for discussion and ratification at the next available Board of Directors meeting following lodgement of the application. There are a number of criteria that need to be met upon application and these are outlined below in extracts from the new Company Constitution which is available electronically by emailing [bhewitt@carbal.com.au](mailto:bhewitt@carbal.com.au)

Application forms for Board or Company membership will be forwarded upon request.

## **Constitution (extract pertaining to Director suitability)**

### **17. Appointment and Retirement of Directors**

- 17.1. The Company must have at least five (5), but no more than seven (7) Directors at any one time.
- 17.2. At least fifty per cent (50%) of the Directors must identify as an Aboriginal or Torres Strait Islander.
- 17.3. The initial Directors are the people who have agreed to act as Directors and who are named as proposed Directors in the application for registration of the Company.
- 17.4. Apart from the initial Directors and Directors appointed under clause 17.7, the Members may elect a Director by a resolution passed in a General Meeting.
- 17.5. Each of the Directors must be appointed by a separate resolution, unless:
  - a. the Members present have first passed a resolution that the appointments may be voted on together, and
  - b. no votes were cast against that resolution.
- 17.6. A person is eligible for election as a Director of the Company if they:
  - a. are a Member of the Company;
  - b. are nominated by two Members entitled to vote (unless the person was previously elected as a Director at a General Meeting and has been a Director since that meeting);
  - c. give the Company their signed consent to act as a Director of the Company, and
  - d. are not ineligible to be a Director under the Corporations Act or the ACNC Act.







- 17. 7.** The Directors may appoint a person as a Director to fill a casual vacancy if that person:
- a. is a Member of the Company;
  - b. gives the Company their signed consent to act as a Director of the Company, and
  - c. is not ineligible to be a Director under the Corporations Act or the ACNC Act.
- 17. 8.** If the number of Directors is reduced to fewer than five, the continuing Directors may act for the purpose of increasing the number of Directors to a minimum of five or calling a General Meeting, but for no other purpose.
- 17. 9.** The Directors must elect a Director as the Company's Elected Chairperson, who must identify as an Aboriginal or Torres Strait Islander.
- 17. 10.** At the first Annual General Meeting of the Company any Director appointed by the Directors to fill a casual vacancy must retire.
- 17. 11.** The Directors who must retire at the first Annual General Meeting under clause 17.10(b) will be the Directors who have been longest in office since last being elected, including the time which the Directors held office in the former incorporated association, Darling Downs Shared Care Incorporated. Where Directors were elected on the same day, the Director(s) to retire will be decided by majority vote of the other Directors unless they agree otherwise.
- 17. 12.** At each Annual General Meeting (except for the first Annual General Meeting) any Director appointed by the Directors to fill a casual vacancy must retire.
- 17. 13.** A Director who retires under clause 17.10 may nominate for election or re-election, subject to clauses 17.15 and 17.16.
- 17. 14.** Other than a Director appointed under clause 17.7, a Director's term of office starts at the end of the annual General Meeting at which they are elected and ends at the end of the annual General Meeting at which they retire.
- 17. 15.** A person becomes ineligible for nomination as a Director if they have served as a Director of the Company for six (6) consecutive years, unless at least two (2) years has passed since they last served as a Director of the Company.
- 17. 16.** A Director stops being a Director if they:
- a. give written notice of resignation as a Director to the Company;
  - b. die or become mentally incapacitated;
  - c. are removed as a Director by a resolution of the Members;
  - d. stop being a Member of the Company;
  - e. are absent for three Directors' meetings in a calendar year without approval from the Directors, or
  - f. become ineligible to be a Director of the Company under the Corporations Act or the ACNC Act.

# MEMBERSHIP



## Constitution (extract pertaining to member suitability)

### 10 Membership

- 10.1. The Members of the Company are:
  - a. the Initial Members, and
  - b. any other person that the Directors allow to be a Member, in accordance with this Constitution
- 10.2. Membership of the Company must be maintained at a minimum of seven (7) Members in total, comprised of:
  - a. Members who live, work or otherwise represent the operational region for Carbal activities. ('representation' to be determined by the Directors, in their sole discretion);
  - b. Members who formally identify as an Aboriginal or Torres Strait Islander (minimum 90% of total membership); and
  - c. Members who do not formally identify as an Aboriginal or Torres Strait Islander but have been accepted by the Directors as meeting the requirements of clause 10.5 (maximum of 10% of total membership).
- 10.3. A person who supports the purposes of the Company is eligible to apply to be a Member of the Company under this clause, provided:
  - a. they are not currently employed by the Company in any capacity; and
  - b. they do not have more than three immediate family members who are already Members of the Company. In this clause, 'immediate family member' includes children, spouses or de factos, siblings (including step-siblings), parents (including step-parents), grandparents (including step-grandparents), first cousins, aunts or uncles.
- 10.4. In this clause, 'person' means an individual.
- 10.5. A person may apply to become a Member of the Company by writing to the Secretary stating that they:
  - a. wish to become a Member;
  - b. (support the purposes, operations and best interests of the Company, and
  - c. agree to comply with this Constitution, including paying the guarantee under clause 4 if required.
- 10.6. The Directors must consider an application for Membership within a reasonable time after the Secretary receives the application. The Directors may approve or reject any applicant in the Directors' sole discretion.
- 10.7. An applicant for Membership must provide in writing, any other information in addition to that contained in the application, as the Directors require.
- 10.8. If the Directors approve an application, the Secretary must as soon as possible:
  - a. enter the new Member on the register of Members, and
  - b. write to the applicant to advise that their application was approved, and the date that their Membership started.
- 10.9. If the Directors reject an application, the Secretary must write to the applicant as soon as possible to advise that their application has been rejected, stating reasons for the decision.
- 10.10. For the avoidance of doubt, the Directors may approve an application even if the application does not state the matters listed in clause 10.5. In that case, by applying to be a Member, the applicant agrees to those three matters.
- 10.11. Other than Initial Members, an applicant will become a Member when they are entered on the register of Members.
- 10.12. A person immediately stops being a Member if they:
  - a. die or are found to be of unsound mind;
  - b. commits an act of bankruptcy or if declared bankrupt;
  - c. resign or surrender their membership, by writing to the Secretary;
  - d. are expelled under clause 28; or
  - e. have not responded within three months to a written request from the Secretary that they confirm in writing that they want to remain a Member.
- 10.13. Membership of the Company is not transferable by operation of law or otherwise. All rights and privileges of Membership of the Company will cease immediately upon a person ceasing to be a Member for any reason.

90% OF PHAMS CLIENTS HAVE BEEN SUPPORTED TO TRANSITION TO THE NDIS.

ACHIEVED ISO 9001 AND CLINIC GPA ACCREDITATION WITH NO IMPROVEMENT RECOMMENDATIONS.

60 NEW BABIES WELCOMED TO THE NEW DIRECTIONS FAMILY DURING 2016-17.

AL EMPLOYS 11 ABORIGINAL HEALTH WORKERS WITH AN ADDITIONAL 4 UNDERTAKING THEIR QUALIFICATION.

STAKEHOLDER SURVEY CONDUCTED, 83.9% OF THE 73 RESPONDENTS WERE VERY OR COMPLETELY SATISFIED WITH THE SERVICES CARBAL PROVIDED.

CARBAL'S INDIGENOUS CHILD HEALTH WORKER SCREENED 778 CHILDREN DURING OVER 40 VISITS TO SCHOOLS.

94% OF ALL PATIENTS RATE OUR GP PRACTICES GOOD, VERY GOOD OR EXCELLENT.

CARBAL PARTNERED WITH UQ RURAL CLINICAL SCHOOL AND QUT TO CONDUCT RESEARCH PROGRAMS.

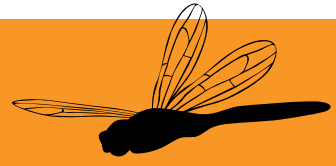
2017 ESTABLISHED A REGULAR SEXUAL HEALTH CLINIC COMMENCED IN OUR TOOWOOMBA CLINIC.

CARBAL'S INDIGENOUS YOUNG PARENT SERVICE DELIVERED 1937 SERVICES DURING THE PAST YEAR.

2017 ESTABLISHED A REGULAR SEXUAL HEALTH CLINIC COMMENCED IN OUR TOOWOOMBA CLINIC.

STRONG FATHERS PROGRAM HAS RECEIVED AND SUPPORTED 35 MURRI COURT REFERRALS SINCE OCTOBER 2016, WITH NONE OF THE MEN RE-OFFENDING.

OUT OF THE 306 REFERRALS TO THE TIS PROGRAM, 9.28% OR 22 PEOPLE HAVE SUCCESSFULLY QUIT SMOKING.



[www.carbal.com.au](http://www.carbal.com.au)

