

# **Adelaide Primary Health Network Limited**

## **Financial Statements**

**For the Year Ended 30 June 2021**

## Adelaide Primary Health Network Limited

# Directors' Report

30 June 2021

The directors present their report on Adelaide Primary Health Network Limited for the financial year ended 30 June 2021.

### 1. General information

#### Information on directors

The names of each person who has been a director during the year and to the date of this report are:

Dr Nicholas Vlachoulis - General Practitioner in Salisbury

Qualifications	MBBS, FRACGP, GAICD
Resignation	Retired 31 October 2020
Experience	Immediate previous Chair of the Northern Adelaide Medicare Local. General Practitioner in the Northern region for over 20 years, previous member of the Clinical Senate and past Chair of the Northern Health Network (NHN) and Northern Region GP Council (NRGPC). Extensive professional medical practice experience along with extensive Board experience. Governance trained, GAICD.
Special responsibilities	APHN Board Chairperson until 31 August 2020, Finance & Audit Subcommittee until 31 October 2020

Mr Tom Symonds - Associate Director, Strategic Research Support at Flinders University (until November 2020)

Qualifications	BSc (Hons), MBA (Health), GAICD
Appointment	Commenced as Chair of Board 31 August 2020
Experience	Worked in health services management in the UK and SA for 20 years. Extensive experience and knowledge of the complexities and challenges of delivering today's healthcare. Strong interest in innovative service development such as maximising the benefits of digital health. Passionate about strong public involvement in the planning and delivery of health services, as an integral part of good clinical governance to ensure the highest quality care possible. Other roles include responsibilities for supporting the delivery of high quality health and medical teaching and research programs within the tertiary sector. Passion and keen interest in health workforce development, he was a previous establishing member of the APHN Central Community Advisory Council and serves as a Community Member of the South Australian Board of the Medical Board of Australia, the South Australian Board of the Nursing and Midwifery Board of Australia and the Australian Medical Council.
Special responsibilities	Commissioning Quality & Risk Subcommittee to November 2020, Governance & Remuneration Subcommittee and Nominations Subcommittee from November 2020

## Adelaide Primary Health Network Limited

# Directors' Report

30 June 2021

### 1. General information

#### Information on directors

Mr Wayne Oldfield - Aboriginal  
Community Health

Qualifications

Experience

Diploma Community Services Mental Health Non Clinical  
Extensive Board experience within SA Health sector. Has been employed by Community Support Incorporated SA, The Country Homes Advocacy Programme and Intellectual Disability Services Council. A member of the Health Consumer's Alliance of SA, The Aboriginal Health Council of SA Inc, Country Health SA Local Health Network Board Health Advisory Council Inc (Ministerial appointment) and a member of the SA Minister's Disability Advisory Council. The Aboriginal Consumer Representative to the National Mental Health Consumer and Carer Forum and a member of the Consumer Reference Group involved in creating a 'Peak' Mental Health Consumer Organisation. Board Director on the Country SA PHN Board.

Special responsibilities

Commissioning, Quality & Risk Subcommittee

Mr Enrico Albertini - Managing  
Partner at Brentnalls SA,  
Chartered Accountants &  
Advisors

Qualifications

Experience

BEC, DipFS, SA Fin, FCA

Extensive and sound Financial Accounting, Strategic and Business Management Experience. Previous Board Member of NAML and has strong links and associations with the Health Sector on many levels. Fellow of the Institute of Chartered Accountants; Member of the Institute of Company Directors; extensive Board experience.

Special responsibilities

Finance & Audit Subcommittee Chairperson, Commissioning, Quality & Risk Subcommittee from November 2020

Dr Vikas Jasoria - General  
Practitioner in Adelaide

Qualifications

Appointment

Experience

MBBS, DRCOG, BSc.(Hons.), MRCP, FRACGP, GAICD

Reappointed to Board 19 October 2019

Extensive professional medical practice experience as a GP in the Adelaide region for over 10 years. BSc. in Management and extensive Board and strategic governance experience. Graduate of the Australian Institute of Company Directors. Previously worked at headspace and in Aboriginal Health Care. Previous Board Director of the Northern Health Network, Northern Adelaide Medicare Local and former member of the Northern Region GP Council. Currently working as General Practitioner and Director at Arkaba Medical Centre and Craigmere Family Practice.

Special responsibilities

Nominations Subcommittee, Governance & Remuneration Subcommittee to November 2020, Finance & Audit Subcommittee from November 2020

# Adelaide Primary Health Network Limited

## Directors' Report

30 June 2021

### 1. General information

#### Information on directors

Ms Fiona Raschella - Qualified Solicitor

Qualifications

Bachelor of Laws & Legal Practice (First Class Hons.), Bachelor of Arts (Hons.) and Bachelor of Science.

Experience

Qualified Solicitor with 13 years' experience in the private legal sector in the health, employment and insurance law arenas. Most recently, worked as a self-employed Solicitor and part time as TalentCode HR Senior Employment Relations Advisor. Previous corporate governance experience and financial account management through Basketball SA Finance Sub Committee. Member of the Law Society of Australia and previous member of the The Queen Elizabeth Hospital (TQEH) Consumer and Community Reference Group (dissolved in 2020). Consumer rep on the CALHN Human Research and Ethics Committee (HREC) and a number of CALHN Priority Care Committees and TQEH Redevelopment Groups. Previous APHN Disability Health Priority Group (HPG) member, establishing member of the Central Adelaide Community Advisory Council (CACAC) and CACAC Membership Advisory Council (MAC) representative.

Special responsibilities

Governance & Remuneration Subcommittee to November 2020, Service & Clinical Governance Subcommittee Chairperson from November 2020

Dr Lane Hinchcliffe - General Practitioner in Glenelg

Qualifications

MBBS, DCH, FRACGP

Experience

Graduated from Medicine at the University of Adelaide, becoming a Paediatric registrar and developing a strong interest in adolescent health. His career change to a GP led to work in both city and regional communities, including Elcho Island, a remote community in the Northern Territory. Opened his own Family Medical practice, 'The Health Hub,' in 2014 offering accessible healthcare with a holistic focus. Has established outreach clinics at the Aboriginal Family Clinic in Noarlunga and a local retirement village. Also runs offsite clinics at local schools along with a support group for teenagers.

Special responsibilities

Commissioning, Quality & Risk Subcommittee Chairperson, Governance & Remuneration Subcommittee from November 2020

## Adelaide Primary Health Network Limited

### Directors' Report

30 June 2021

#### 1. General information

##### Information on directors

Scott Williams - Chief Executive  
Officer of Police Health Group

Appointment 19 October 2019

Qualifications MBA, Company Directors Course, GAICD

Experience CEO at Police Health Group, operating both the Police Health and Emergency Services Health private health funds. Actively involved in representing the business in industry forums, public events and interactions with critical strategic partners. Previous role as CEO of over 4 years at the North Eastern Community Hospital, a not-for-profit hospital acute care and aged care organisation. Has worked for 30 years in health in both community and hospital settings in Australia and the United Kingdom holding a variety of senior executive roles including at the tertiary provider of health services for children, young people and women in South Australia. Successfully led and delivered several large scale capital and service redesign projects through cultural reform.

Special responsibilities Governance & Remuneration Subcommittee Chairperson,  
Nominations Subcommittee

Dr Haralambos (Harry) Kypreos

Appointment 19 October 2019

Qualifications Bpharm (HONS), BMBS, FRACGP

Experience Director and main practitioner at West Beach Medical Centre – the second GP clinic started on his own. Graduated from University of South Australia with a Bachelor of Pharmacy with first class honours. Went on to complete a Bachelor of Medicine / Bachelor of Surgery in 2007 at Flinders University making the Dean's Merit List. Trained at Flinders University, Royal Adelaide Hospital (RAH) and Royal Darwin Hospital, entering into General Practice training. Has held various locum positions, a number of unique roles such as a Medibank GP After Hours phone doctor and previous executive on the board of the Royal Australian College of General Practitioners (RACGP) SA/NT. Previous volunteer for the Big Brothers and Big Sisters (BBBS) Association.

Special responsibilities Finance & Audit Subcommittee

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

##### Principal activities

The principal activity of Adelaide Primary Health Network Limited during the financial year are to improve wellbeing and achieve measurable health outcomes in the region by:

- Increasing the efficiency and effectiveness of medical services for patients in its region, particularly those at risk of poor health outcomes;
- Improving coordination of care to ensure patients receive the right care in the right place at the right time.

No significant changes in the nature of the Company's activity occurred during the financial year.

## **Directors' Report**

**30 June 2021**

### **1. General information**

#### **Objectives and strategy**

Adelaide PHN is dedicated to improving the health of people living in the Adelaide metropolitan region, with a focus on seven national priority areas. These are:

- Mental Health
- Aboriginal & Torres Strait Islander Health
- Population Health
- Health Workforce
- eHealth
- Aged Care
- Drug and Alcohol Treatment Services

The aim of the Adelaide PHN is to understand the health care needs of communities through broad engagement and consultation, collaborative analysis, planning and working in partnership. Adelaide PHN will implement innovative approaches to address identified gaps and avoid duplication and maximise efficiencies. Adelaide PHN is driven by a set of national and locally assessed needs. Adelaide PHN is working closely with the wider Adelaide community as well as public and private stakeholders, to identify, analyse and prioritise their primary health care needs.

#### **Performance measures**

Adelaide Primary Health Network Limited is bound by the key performance measures required by the Commonwealth Department of Health under Primary Health Networks Deed for Funding and the various additional schedules attached to the same.

#### **Members' guarantee**

Adelaide Primary Health Network 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 \$ NIL for members that are corporations and \$ NIL for all other members, subject to the provisions of the company's constitution.

At 30 June 2021 the collective liability of members was \$ NIL (2020: \$ NIL)

#### **Operating results and review of operations for the year**

##### **Operating results**

The loss of the Company after providing for income tax amounted to \$ (148,273) (2020: \$ (420,122)), however after accounting for other comprehensive income, net of income tax, Total comprehensive income was \$39,984 (2020: (\$510,883)).

##### **Review of operations**

The Company continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

## Directors' Report

30 June 2021

### 2. Other items

#### Significant changes in state of affairs

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

#### Matters or circumstances arising after the end of the year

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

#### Future developments and results

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

#### Environmental matters

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory.

#### Company secretary

The following persons held the position of Company secretary at the end of the financial year:

Ms Debra Lee held the position of company secretary until 24 May 2021. Ms Sarah Murray was appointed company secretary on 25 May 2021.

#### Meetings of directors

During the financial year, 10 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Dr Nicholas Vlachoulis	4	4
Mr Wayne Oldfield	10	9
Mr Enrico Albertini	10	9
Dr Vikas Jasoria	10	8
Mr Tom Symonds	10	9
Ms Fiona Raschella	10	9
Dr Lane Hinchcliffe	10	7
Scott Williams	10	9
Dr Harry Kypreos	10	6

**Adelaide Primary Health Network Limited**

**Directors' Report**

**30 June 2021**


**Indemnification and insurance of officers and auditors**


No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of Adelaide Primary Health Network Limited.

**Auditor's independence declaration**

The lead auditor's independence declaration in accordance with section 60-40 of the Australian Charities and Not-for-profits Commissions Act 2012, for the year ended 30 June 2021 has been received and can be found on page 8 of the financial report.

Signed in accordance with a resolution of the Board of Directors:

Director:  .....  
Mr Tom Symonds

Director:  .....  
Mr Enrieo Albertini

Dated this 27 day of September 2021



**AUDITOR'S INDEPENDENCE DECLARATION  
AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012**

To the Directors of Adelaide Primary Health Network Limited:

As lead auditor for the audit of Adelaide Primary Health Network Limited for the year ended 30 June 2021, I declare that to the best of my knowledge and belief, there have been:

- + no contraventions of the independence requirements of S.60-40 of the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
- + no contraventions of any applicable code of professional conduct in relation to the audit.



**ACCRU+ HARRIS ORCHARD**



**LUKE BOLLMEYER  
DIRECTOR**

Dulwich, 27 September 2021

## Adelaide Primary Health Network Limited

### Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2021

		2021	2020
	Note	\$	\$
Grant revenue	4	55,638,719	54,408,403
Other income	4	669,761	721,424
Employee benefits expense		(6,895,693)	(7,230,928)
Depreciation and amortisation expense		(817,791)	(959,331)
Subcontractors		(46,633,881)	(45,431,961)
Information technology costs		(1,037,603)	(893,424)
Other expenses		(982,354)	(933,609)
Finance expenses	5	(89,431)	(100,696)
<b>Profit (loss) for the year</b>		<u>(148,273)</u>	<u>(420,122)</u>
<b>Other comprehensive income, net of income tax</b>			
<b>Items that will be reclassified to profit or loss when specific conditions are met</b>			
Fair value movements on investments held at FVOCI		188,167	(90,761)
<b>Other comprehensive income for the year, net of tax</b>		<u>188,167</u>	<u>(90,761)</u>
<b>Total comprehensive income for the year</b>		<u>39,894</u>	<u>(510,883)</u>

The accompanying notes form part of these financial statements.

## Adelaide Primary Health Network Limited

### Statement of Financial Position

As At 30 June 2021

	Note	2021 \$	2020 \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	7	22,321,936	24,438,887
Trade and other receivables	8	54,930	217,147
Other assets	11	518,701	55,757
TOTAL CURRENT ASSETS		<u>22,895,567</u>	<u>24,711,791</u>
NON-CURRENT ASSETS			
Other financial assets	9	945,420	795,903
Property, plant and equipment	10	525,313	581,967
Right-of-use assets	12	3,249,940	3,922,083
TOTAL NON-CURRENT ASSETS		<u>4,720,673</u>	<u>5,299,953</u>
TOTAL ASSETS		<u>27,616,240</u>	<u>30,011,744</u>
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	13	11,458,732	13,806,033
Borrowings	14	28,352	28,856
Lease liabilities	12	567,679	708,710
Employee benefits	15	742,463	764,787
Deferred income	15	6,229,021	5,653,498
TOTAL CURRENT LIABILITIES		<u>19,026,247</u>	<u>20,961,884</u>
NON-CURRENT LIABILITIES			
Borrowings	14	33,451	53,498
Lease liabilities	12	3,228,310	3,740,784
Employee benefits	16	366,728	333,968
TOTAL NON-CURRENT LIABILITIES		<u>3,628,489</u>	<u>4,128,250</u>
TOTAL LIABILITIES		<u>22,654,736</u>	<u>25,090,134</u>
NET ASSETS		<u>4,961,504</u>	<u>4,921,610</u>
<b>EQUITY</b>			
Reserves		143,461	(44,706)
Retained earnings		4,818,043	4,966,316
TOTAL EQUITY		<u>4,961,504</u>	<u>4,921,610</u>

The accompanying notes form part of these financial statements.

## Adelaide Primary Health Network Limited

### Statement of Changes in Equity

For the Year Ended 30 June 2021

2021

	Retained Earnings	FVOCI Reserve	Total
Note	\$	\$	\$
<b>Balance at 1 July 2020</b>	4,966,316	(44,706)	4,921,610
Current year profit (loss)	(148,273)	-	(148,273)
Revaluation increment (decrement)	-	188,167	188,167
<b>Balance at 30 June 2021</b>	<b>4,818,043</b>	<b>143,461</b>	<b>4,961,504</b>

2020

	Retained Earnings	FVOCI Reserve	Total
Note	\$	\$	\$
<b>Balance at 1 July 2019</b>	5,794,121	46,055	5,840,176
Restatement due to adoption of AASB 16	(407,683)	-	(407,683)
<b>Balance at 1 July 2019 restated</b>	5,386,438	46,055	5,432,493
Current year profit (loss)	(420,122)	-	(420,122)
Revaluation increment (decrement)	-	(90,761)	(90,761)
<b>Balance at 30 June 2020</b>	<b>4,966,316</b>	<b>(44,706)</b>	<b>4,921,610</b>

The accompanying notes form part of these financial statements.

**Adelaide Primary Health Network Limited**

**Directors' Declaration**

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 9 to 30, are in accordance with the *Corporations Act 2001* and:
  - a. comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
  - b. give a true and fair view of the financial position as at 30 June 2021 and of the performance for the year ended on that date of the Company.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

Director .....  .....  
Mr Tom Symonds

Director .....  .....  
Mr Enrico Albertini

Dated this 27 ..... day of September 2021

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF ADELAIDE PRIMARY HEALTH NETWORK LIMITED**

**Opinion**

We have audited the financial report of Adelaide Primary Health Network Limited (the Entity), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and director's declaration.

In our opinion the financial report of Adelaide Primary Health Network Limited 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 registered entity's financial position as at 30 June 2021 and of its financial performance and cash flows for the year ended on that date; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

**Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Entity in accordance with 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 and the independence requirements of Division 60-40 of the Australian Charities and Not-for-profits Commission Act 2012.

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

**Responsibilities of Management and Those Charged with Governance for the Financial Report**

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the Australian Accounting Standards – Reduced Disclosure Requirements and *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as management 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, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

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

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

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

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

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



**ACCRU<sup>+</sup> HARRIS ORCHARD**



**LUKE BOLLMEYER  
DIRECTOR**

Dulwich, 28 September 2021