

DIRECTORS' REPORT

Your Directors present this report on the Company for the financial year ended 30 June 2022.

Directors

The following persons were directors of the Company during the whole of the financial year and to the date of this report, unless otherwise stated:

Mr Colin Duff, Chairperson
Ms Jennifer Pouwer, Deputy Chair
Dr David Rowlands OAM
Mr Kieran Chilcott
Dr Tina Janamian
Ms Marilyn Strohfeldt
Ms Jane Williams

Company Secretary

Amanda Boland of Business Governance Solutions Pty Ltd held the position of entity secretary throughout the financial year.

Principal Activities

The company works in partnership with government, industry and the health care sector. It brings together a diverse range of health professionals and organisations to develop, facilitate and implement care solutions to meet local needs. The organisation provides members with strategic leadership and dynamic sector wide linkages.

Larter provides expert advice, support services and education to individuals and organisations working in the health sector. The company combines knowledge, technical expertise and hands-on primary health sector experience in assessing community health needs, engaging stakeholders, designing and evaluating health programs and services, health professional education and training and local health system plans and strategies.

Short-Term and Long-Term Objectives

The group's short-term & long-term objectives are:

- i. Improve access to health services and programs for rural and remote communities, particularly vulnerable and disadvantaged groups.
- ii. Strengthen partnerships with members, stakeholders and funders to design and deliver quality healthcare services tailored to local need.
- iii. Establish a leadership role in delivering measurable health and educational outcomes in vulnerable communities.
- iv. Develop industry led workforce solutions.

Strategies

To allow General Practice Queensland Limited to achieve its stated objectives, the company has adopted the following strategies:

- i. Growing and retaining an engaged membership base.
- ii. Establishing valued networks and connections across communities, organisations and professions.
- iii. Showcasing and supporting innovation and solutions that are making a difference.
- iv. Maintaining and expanding a regional model, targeting hard-to-reach and vulnerable populations to ensure appropriate consultation and their needs are identified.
- v. Developing and maintaining internal infrastructure, systems, and processes to support effective planning and commissioning.

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- vi. Supporting innovative and integrated healthcare solutions and continuously improving services.
- vii. Leveraging data, research, evidence and experience.
- viii. Developing and delivering training and education to build service and system capacity and capability
- ix. Developing new products and services to address identified market gaps
- x. Enhancing internal systems to support effective measurement and reporting of outcomes achieved.

Mr Colin Duff	— Director, Board Chair
Qualifications	— M Comm, B Comm, GAICD
Experience	— Involved with a number of Boards with a range of roles including Chair, Executive Director and Non-Executive Director. Has over 30 year's business experience in executive roles in many different industries specialising in business growth at both strategic and operational levels.
Special Responsibilities	— Member, Finance Audit and Risk Management Committee
Ms Jennifer Pouwer	— Director, Deputy Chair
Qualifications	— B Occ Thy, GAICD, Affiliate GIA
Experience	— Associate Consultant, C-Suite Consulting Group
Special Responsibilities	— Member, Finance Audit and Risk Management Committee
Dr David Rowlands OAM	— Director, FARM Chair
Qualifications	— M.B.,B.S. (Qld), MRACGP, FAICD General Practitioner.
Experience	— Member of the alliance Leadership Group (GCHHS& GCPHN), Board Member of Sunshine Coast Health and Hospital Service (SCHHS), Former Chair of Gold Coast PHN, Former Chair of Gold Coast Medicare Local, Former President of Gold Coast Division of General Practice, Former Chair of Gold Coast Health and Wellbeing Council
Special Responsibilities	— Chair & Member, Finance, Audit and Risk Management Committee
Mr Kieran Chilcott	— Director
Qualifications	— BEd, Dip Management, Cert IV Mental Health, Cert IV Project Management, Cert IV Business (Governance), Cert IV in Assessment and Workplace Training
Experience	— CEO Kalwun, Deputy Chair of Institute for Urban Indigenous Health, Director of Gold Coast PHN, Director of Central West Hospital and Health Service. Director of Ohana Youth
Special Responsibilities	— Chair, Aboriginal and Torres Strait Islander Advisory Committee
Dr Tina Janamian	— Director
Qualifications	— PhD (Public Health), MBA, GAICD, GCELead, MMedSc, BSc,C.Decs.
Experience	— CEO Client Focused Evaluation (CFEP) Surveys Australia. Adjunct Associate Professor, University of Queensland. Editorial Board Member, International Integrated Healthcare journal (BMJ); Editorial Board Member, International Journal of Health Economics and Policy; Director and Secretary, Brisbane Spiritual Assembly (NFP Board)

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Special Responsibilities	— Member, Ear and Eye Surgical Support (EESS) Patient Outcomes Project Advisory Group
Ms Merrilyn Strohfeldt	— Director
Qualifications	— M Public Admin, B SpPath
Experience	— Retired CEO Darling Downs West Moreton PHN. Previously Deputy Director General Qld Dept of Communities, Child Safety and Disability Services. Senior executive for over 20 years with extensive experience in the delivery of disability services, health and rehabilitation services in Australian and State Government jurisdictions, the NFP sector, and private industry.
Special Responsibilities	— Member, Finance Audit and Risk Management Committee
Ms Jane Williams	— Director
Qualifications	— Registered Nurse and Midwife, RIPEN Endorsed (Rural Isolated Registered Nurse) Grad Dip Rural and Remote Health, Dip Management, Dip, Dip Community Services Coordination, JP Qual
Experience	— Central West Hospital and Health Service (CWHHS): Board Chair since 2016, Board Member of CWHHS Executive Committee, Board Member of CWHHS Safety & Quality Committee. SunWater: Director. Health and Wellbeing Queensland: Director. Health Workforce Queensland: Director. RFDS Foundation: Board Member. Queensland Generalist Medical Training Strategic Leadership Council Member. Central West Rural Wellness Network Chair.
Special Responsibilities	—

Meetings of Directors

During the financial year, six meetings of directors were held. Attendances by each director were as follows:

	Number eligible to attend	Number attended
Mr Colin Duff	6	6
Ms Jennifer Pouwer	6	5
Dr David Rowlands OAM	6	6
Mr Kieran Chilcott	6	5
Dr Tina Janamian	6	6
Ms Marilyn Strohfeldt	6	5
Ms Jane Williams	6	5

During the financial year, six meetings of the Finance, Audit and Risk Management Subcommittee were held. Attendances by each director were as follows:

	Number eligible to attend	Number attended
Dr David Rowlands OAM	6	6
Mr Colin Duff	6	6
Ms Jennifer Pouwer	6	5
Ms Marilyn Strohfeldt	6	5

Membership Guarantee

The company is incorporated under the *Corporations Act 2001* and is an entity limited by guarantee. If the entity is wound up, the Constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the entity. At 30 June 2022 the number of members was 49.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2022 has been received and can be found on page 5.

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

Mr Colin Duff
Director



Dated this 23rd day of September, 2022

AUDITOR'S INDEPENDENCE DECLARATION



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DECLARATION OF INDEPENDENCE BY K L COLYER TO THE DIRECTORS OF GENERAL PRACTICE QUEENSLAND LIMITED

As lead auditor of General Practice Queensland Limited for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of section 60-40 of the *Australian Charities and Not-for-profit Commission Act 2012* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of General Practice Queensland Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'K L Colyer', with a stylized flourish at the end.

K L Colyer
Director

BDO Audit Pty Ltd

Brisbane, 23 September 2022

BDO Audit Pty Ltd ABN 33 134 022 870 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.

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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022**

	Note	2022	2021
		\$	\$
Revenue from contracts with customers	3(a)	25,816,547	25,819,721
Other income	3(b)	31,166	173,873
Total revenue and other income		25,847,713	25,993,594
Employee benefits expense	4	4,647,017	4,041,175
Depreciation and amortisation expense	4	355,674	366,566
Audit, legal and consultancy expenses	4	262,440	233,895
Property & rental expense		111,366	70,944
Meeting, training and workshop expenses		159,400	148,379
Administration & other expenses		628,434	680,996
Stakeholder payments		599,445	453,145
GP & specialist payments		18,815,021	19,337,570
Computer expenses		189,531	221,316
Total expenses		25,768,328	25,553,986
Surplus before income tax		79,385	439,608
Income tax expense	22	-	(74,327)
Surplus for the year		79,385	365,281
Other comprehensive income for the year		-	-
Total comprehensive income for the year		79,385	365,281
Surplus for the year is attributable to:			
Non-controlling interest (NCI)		(40,003)	74,502
Members of General Practice Queensland Limited		119,388	290,779
		79,385	365,281
Comprehensive income for the year is attributable to:			
Non-controlling interest (NCI)		(40,003)	74,502
Members of General Practice Queensland Limited		119,388	290,779
		79,385	365,281

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	Note	2022 \$	2021 \$
ASSETS:			
CURRENT ASSETS			
Cash and cash equivalents	5	3,390,995	9,058,731
Financial assets	6	7,056,018	2,556,018
Trade and other receivables	7	818,648	873,423
Other assets		85,487	107,968
TOTAL CURRENT ASSETS		11,351,148	12,596,140
NON-CURRENT ASSETS			
Property, plant and equipment	8	29,013	24,649
Right of Use Asset	9	1,229,315	1,426,006
Intangible assets		309,253	415,085
Deferred tax asset		12,222	12,222
TOTAL NON-CURRENT ASSETS		1,579,803	1,877,962
TOTAL ASSETS		12,930,951	14,474,102
LIABILITIES:			
CURRENT LIABILITIES			
Trade and other payables	10	3,256,772	4,902,120
Contract liabilities	3(c)	5,083,714	4,807,630
Current tax liability		-	74,327
Employee benefits	11	455,175	474,673
Lease liability	9	171,739	161,849
TOTAL CURRENT LIABILITIES		8,967,400	10,420,599
NON-CURRENT LIABILITIES			
Employee benefits	11	35,129	37,424
Lease liability	9	1,209,108	1,376,180
Make good provision		25,000	25,000
TOTAL NON-CURRENT LIABILITIES		1,269,237	1,438,604
TOTAL LIABILITIES		10,236,637	11,859,203
NET ASSETS		2,694,314	2,614,899
EQUITY:			
Accumulated surplus		2,610,367	2,490,979
Non-controlling interest		83,947	123,920
TOTAL EQUITY		2,694,314	2,614,899

The accompanying notes form part of these financial statements

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022**

	Accumulated Surplus	Non- Controlling Interest (NCI)	Total
	\$	\$	\$
Balance at 30 June 2020	2,200,200	49,418	2,249,618
Surplus attributable to the entity	290,779	74,502	365,281
Other comprehensive income for the year	-	-	-
Total comprehensive income	290,779	74,502	365,281
Balance at 30 June 2021	2,490,979	123,920	2,614,899
Share capital	-	30	30
Surplus attributable to the entity	119,388	(40,003)	79,385
Other comprehensive income for the year	-	-	-
Total comprehensive income	119,388	(40,003)	79,385
Balance at 30 June 2022	2,610,367	83,947	2,694,314

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022	2021
		\$	\$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipt of grants and other income		27,211,191	27,171,843
Payments to suppliers and employees		(28,114,531)	(22,658,715)
Income tax paid		(74,327)	-
Interest received		24,664	88,424
Net cash generated/ (used) from operating activities	16b	(953,003)	4,601,552
CASH FLOW FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(23,550)	(4,521)
Payment for intangible assets		(34,001)	(110,103)
Investment in term deposits		(4,500,000)	(2,500,000)
Payment of earn-out provision		-	(26,250)
Net cash used in investing activities		(4,557,551)	(2,640,874)
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of lease liabilities		(157,182)	(217,969)
Net cash used in financing activities		(157,182)	(217,969)
Net increase in cash held		(5,667,736)	1,742,709
Cash and cash equivalents at beginning of the financial year		9,058,731	7,316,022
Cash and cash equivalents at the end of the financial year	16a	3,390,995	9,058,731

The accompanying notes form part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

COMPANY INFORMATION

General Practice Queensland Limited is a public company limited by guarantee, incorporated and domiciled in Australia, and is a not-for-profit entity for the purposes of preparing the financial statements.

The consolidated financial statements are for the consolidated entity consisting of General Practice Queensland Limited (Company) and its subsidiary Larter Consulting Pty Ltd, and together are referred to as the Group.

The consolidated financial statements were authorised for issue on 23rd of September 2022 by the directors of the Company.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

These general purpose financial statements have been prepared in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The financial statements are presented in Australian dollars, which is the Group's functional and presentation currency.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

a. New or Amended Accounting Standards and Interpretations Adopted

The consolidated entity 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.

There are no other new interpretations expected to have any significant impact on the Group Financial Report that are issued and not yet applicable.

b. Principles of consolidation

The general purpose consolidated financial statements incorporate all of the assets, liabilities and results of the parent (General Practice Queensland Limited) and ownership interest in the subsidiaries (including any structured entities). Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 19.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

c. Comparative Figures

Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

When an entity applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period must be disclosed.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

d. Business combinations

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued, or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the consolidated entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the consolidated entity's operating or accounting policies and other pertinent conditions in existence at the acquisition date.

Where the business combination is achieved in stages, the consolidated entity remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

e. Revenue recognition

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised. For an arrangement that is not within the scope of AASB 15, and not otherwise within the scope of other standards, it would be treated as contribution income under AASB 1058 (for example a cash donation without conditions).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

e. Revenue recognition (continued)

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Grant revenue

Revenue from grants received under enforceable agreements, where there are sufficiently specific performance obligations imposed, is deferred in the statement of financial position as a 'contract liability' until the obligations are satisfied. If the performance obligations are not sufficiently specific, revenue will be recognised immediately under AASB 1058 when the company obtains control of the cash.

If conditions are attached to the grant which must be satisfied before the company is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a 'contract liability' until those conditions are satisfied.

Services revenue

Revenue from the rendering of a service is recognised over time as the performance obligations in the contract are satisfied.

Interest income

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.

All revenue is stated net of the amount of goods and services tax (GST).

f. 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 consolidated entity'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 consolidated entity'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.

Deferred tax assets and liabilities are always classified as non-current.

g. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, and 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

h. Trade and Other Receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Receivables expected to be paid within 12 months of the end of the reporting period are classified as current assets.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue. Refer to Note 7(i) for further discussion on the determination of expected credit loss.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

i. Contract assets

Contract assets are recognised when the consolidated entity has transferred goods or services to the customer but where the consolidated entity is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

j. Financial assets

Financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the consolidated entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Impairment of financial assets

The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

j. Financial assets (continued)

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

k. Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost, less, where applicable, accumulated depreciation and impairment losses.

Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(s) for details of impairment).

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss in the financial period in which they are incurred.

Plant and equipment that have been contributed at no cost or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all property, plant and equipment, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Asset classes carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

l. Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

m. Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period. Intangibles asset are amortised using the rate of 20%.

Software

Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 years.

n. Trade and Other Payables

These amounts represent liabilities for goods and services provided to the consolidated entity 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.

o. Contract liabilities

Contract liabilities represent the consolidated entity's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the consolidated entity recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the consolidated entity has transferred the goods or services to the customer.

p. Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

q. Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

r. Provisions

Provisions are recognised when the consolidated entity has a present (legal or constructive) obligation as a result of a past event, it is probable the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

s. Impairment of Assets

At the end of each reporting period, the entity reviews the carrying values of its tangible assets and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is recognised through profit and loss.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an assets class, the entity estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

t. Employee Provisions

Short-term employee provisions

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 provisions

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 corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

u. 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.

v. Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest dollar.

w. Income Tax

General Practice Queensland Limited is exempt from income tax within the terms of Subdivision 50-5 of the Income Tax Assessment Act 1997 (Cth).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

NOTE 2: CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience, historical collection rates, the impact of the Coronavirus (COVID-19) pandemic and forward-looking information that is available. The allowance for expected credit losses, as disclosed in note 7, is calculated based on the information available at the time of preparation. The actual credit losses in future years may be higher or lower.

Estimation of useful lives of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the consolidated entity's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The consolidated entity reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

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.

Economic Dependence

General Practice Queensland Limited is dependent on the Department of Health for the majority of its revenue used to operate the business. At the date of this report, the Board of Directors has no reason to believe the Department will not continue to support General Practice Queensland Limited.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

NOTE 3: REVENUE AND OTHER INCOME

		2022	2021
		\$	\$
(a) Revenue from contracts with customers:			
<i>Grant revenue</i>			
· Federal government revenue	(i)	22,926,182	22,932,673
· State government revenue	(i)	823,142	409,394
· Other organisations	(i)	152,532	241,126
<i>Service revenue:</i>			
Events revenue	(i)	3,659	380
Training revenue	(i)	1,911,032	2,236,148
		<u>25,816,547</u>	<u>25,819,721</u>
(b) Other income:			
· Interest received - banks		24,664	88,424
· Other revenue		6,502	85,449
		<u>31,166</u>	<u>173,873</u>
Total Revenue and other income		<u>25,847,713</u>	<u>25,993,594</u>

(i) The group derives revenue from the transfer of goods and services over-time.

(c) Contract liabilities

Unsatisfied performance obligations

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied at the end of the reporting period was \$5,083,714 as at 30 June 2022 (\$4,807,630 as at 30 June 2021) and is expected to be recognised as revenue in future periods as follows:

	2022	2021
	\$	\$
Within 12 months	5,083,714	4,807,630
Amounts recognised as revenue included in opening balance	4,807,630	4,443,565

NOTE 4: SURPLUS / (DEFICIT) FOR THE YEAR

Surplus / (Deficit) for the year is determined after including the following significant items:

Expenses	\$	\$
Depreciation and Amortisation		
- right of use assets	196,691	204,572
- plant and equipment	19,149	29,322
- Intangible assets – customer contracts	21,872	29,202
- Intangible assets - software	117,962	103,470
Total Depreciation and Amortisation	<u>355,674</u>	<u>366,566</u>
Employee benefits expense	4,224,021	3,683,857
Employee superannuation contributions	422,996	357,318
Total employee benefits expense	<u>4,647,017</u>	<u>4,041,175</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

NOTE 4: SURPLUS / (DEFICIT) FOR THE YEAR

Surplus / (Deficit) for the year is determined after including the following significant items:

	2022	2021
	\$	\$
Expenses		
Audit, legal & consultancy expenses		
- audit and accounting services	70,176	51,253
- legal & consultancy costs	192,264	182,642
Total Audit, legal & consultancy expenses	262,440	233,895

NOTE 5: CASH AND CASH EQUIVALENTS

	2022	2021
	\$	\$
CURRENT		
Cash at bank	3,390,495	9,051,955
Cash on hand	500	500
Credit card debit balance	-	6,276
Total cash and cash equivalents	3,390,995	9,058,731

NOTE 6: FINANCIAL ASSETS

	2022	2021
	\$	\$
Term deposits greater than 3 months	7,056,018	2,556,018
Total Financial Assets	7,056,018	2,556,018

NOTE 7: TRADE AND OTHER RECEIVABLES

	Note	2022	2021
		\$	\$
CURRENT			
Trade receivables		481,706	622,415
Allowance for expected credit loss	7(i)	-	-
Net trade receivables		481,706	622,415
GST and other receivables		336,942	251,008
Total current trade and other receivables		818,648	873,423

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

NOTE 7: TRADE AND OTHER RECEIVABLES (CONTINUED)

(i) Allowance for expected credit loss

Current trade receivables are generally on 30-day terms. These receivables are assessed for recoverability and allowance for expected credit loss is recognised when there is objective evidence that an individual trade receivable is impaired. These amounts have been included in other expense items.

(ii) Credit Risk — Trade and Other Receivables

The company does not have any material credit risk exposure to any single receivable or group of receivables.

Trade receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the group, and a failure to make contractual payments for a period of greater than 120 days past due.

As there were not amounts greater than 120 days past due, no allowance expected credit loss was recognised. Balances of receivables that remain within initial trade terms are considered to be of high credit quality.

The company does not hold any financial assets whose terms have been renegotiated, but which would otherwise be past due or impaired.

NOTE 8: PROPERTY, PLANT AND EQUIPMENT

	2022	2021
	\$	\$
Leasehold improvements		
Leasehold Improvements – at cost	25,000	25,000
Less accumulated depreciation	(16,672)	(11,120)
Total leasehold improvements	8,328	13,880
 Plant and equipment		
Plant and equipment – at cost	143,103	119,749
Less accumulated depreciation	(122,418)	(108,980)
Total plant and equipment	20,685	10,769
 Total Property, Plant and Equipment	29,013	24,649

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

NOTE 8: PROPERTY, PLANT AND EQUIPMENT (Continued)

a. Movements in Carrying Amounts

Movement in carrying amounts for each class of property, plant and equipment between the beginning and the end of the financial year:

	Leasehold Improvements	Plant and Equipment	Total
	\$	\$	\$
2021			
Balance at the beginning of the year	20,900	27,856	48,756
Additions at cost	-	4,522	4,522
Disposals	(5,000)	(2,159)	(7,159)
Depreciation expense	(2,020)	(19,450)	(21,470)
Carrying amount at end of year	13,880	10,769	24,649
2022			
Balance at the beginning of the year	13,880	10,769	24,649
Additions at cost	-	23,550	23,550
Disposals	-	(37)	(37)
Depreciation expense	(5,552)	(13,597)	(19,149)
Carrying amount at end of year	8,328	20,685	29,013

NOTE 9: LEASES

	2022	2021
	\$	\$
Right-of-use assets		
Property	1,819,388	1,819,388
Less: Accumulated Depreciation	(590,073)	(393,382)
Total right-of-use	1,229,315	1,426,006
Lease Liabilities		
Current	171,739	161,849
Non-Current	1,209,108	1,376,180
Total lease liabilities	1,380,847	1,538,029

Additions to Right-of-use assets during the year - -

The consolidated entity leases land and buildings for its offices, under various lease agreements including a month to month agreement for the Townsville office, and a lease with a five year term with an option to extend for a further five years (South Brisbane Head Office). The lease has rental review dates every 30 September of each year.

General Practice Queensland Limited ABN 56 123 426 111

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

NOTE 10: TRADE AND OTHER PAYABLES

	2022	2021
CURRENT	\$	\$
Trade payables	2,573,762	4,005,613
Other current payables	683,010	896,507
Total trade and other payables	3,256,772	4,902,120

NOTE 11: EMPLOYEE BENEFITS

	2022	2021
	\$	\$
Employee benefits		
CURRENT		
Annual leave	268,718	281,661
Long service leave	186,457	193,012
Total Current employee benefits	455,175	474,673
NON-CURRENT		
Long service leave	35,129	37,424
Total Non-Current employee benefits	35,129	37,424
Total	490,304	512,097

NOTE 12: CONTINGENT LIABILITIES AND ASSETS

No contingent liabilities exist or are known to exist for the entity, and therefore no liability has been taken up as at the balance date.

NOTE 13: EVENTS ARISING AFTER BALANCE DATE

No events have arisen since the end of the financial year to the date of this report that have or may significantly affect the activities of the entity, the results of those activities or the state of affairs of the entity in the ensuing or subsequent financial year.

The financial report was authorised for issue on the date the Directors' Report was signed. The directors have the power to amend and re-issue the financial report.

NOTE 14: KEY MANAGEMENT PERSONNEL COMPENSATION

The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	2022	2021
	\$	\$
Short-term employee benefits	787,162	745,165
Post-employment benefits	76,308	111,541
	863,470	856,706

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

NOTE 15: RELATED PARTY TRANSACTIONS

The company's main related parties are as follows:

a. Key management personnel

Any person(s), having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director of that entity is considered key management personnel.

For details of disclosures relating to key management personnel, refer to Note 14: Key Management Personnel Compensation.

b. Other related parties

Other related parties include immediate family members of key management personnel and entities that are controlled or significantly influenced by the company or those key management personnel, individually or collectively with their immediate family members.

c. Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. All related party transactions are at arm's length.

The following transactions occurred with related parties (which are at arm's length):

	2022	2021
	\$	\$
Disbursement payments made to directors		
Payment to director related entity for services	2,993	4,995
	<u>2,993</u>	<u>4,995</u>

NOTE 16: CASH FLOW INFORMATION

	Note	2022	2021
		\$	\$
a. Reconciliation of Cash			
Cash at bank and on hand	5	3,390,995	9,052,455
Credit card debit balance	5	-	6,276
		<u>3,390,995</u>	<u>9,058,731</u>
b. Reconciliation of cash flow from Operations with Surplus after Income Tax			
Surplus after income tax		79,385	365,281
Non cash flows			
Depreciation and amortisation		355,674	366,566
Assets disposed off		37	56,716
Changes in assets and liabilities			
(Increase)/decrease in receivables and other assets		77,256	(184,122)
Increase/(decrease) in trade and other payables		(1,369,266)	3,868,192
Changes to provisions		(21,762)	87,826
Increase/(decrease) in tax liabilities		(74,327)	41,093
Cash flows provided by operating activities		<u>(953,003)</u>	<u>4,601,552</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

NOTE 16: CASH FLOW INFORMATION (continued)

c. Reconciliation of cash and non-cash movements in liabilities from financing activities

Lease liabilities	1,538,029	1,755,998
Non-cash flows		
Additions	-	-
Cashflows	(157,182)	(217,969)
Closing balance	<u>1,380,847</u>	<u>1,538,029</u>

NOTE 17: FINANCIAL RISK MANAGEMENT

The company's financial instruments consist mainly of deposits with banks, accounts receivable and payable and leases.

The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2022	2021
		\$	\$
Financial Assets at amortised cost			
Cash and cash equivalents			
- Non-interest bearing	5	32,241	38,230
- Variable interest rate	5	3,358,753	9,020,501
- Fixed interest rate	5	-	-
Other financial asset:			
- Term Deposits (fixed rate interest)	6	7,056,018	2,556,018
Trade and other receivables	7	818,648	873,423
Total Financial Assets		<u>11,265,660</u>	<u>12,488,172</u>
 Financial liabilities at amortised cost:			
Trade and other payables		<u>3,256,772</u>	<u>4,902,120</u>
Total Financial Liabilities		<u>3,256,772</u>	<u>4,902,120</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTE 17: FINANCIAL RISK MANAGEMENT (Continued)

Financial Risk Management Policies

Specific Financial Risk Exposures and Management

The main risks the company is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk and equity price risk.

a. **Credit risk**

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss for the company.

The company does not have any material credit risk exposure as its major source of revenue is the receipt of government funding. Credit risk is further mitigated as the funding being received from state and federal governments are in accordance with funding agreements which ensure regular funding for a period of 1 to 3 years.

Credit Risk Exposures

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying value and classification of those financial assets (net of any impairments) as presented in the statement of financial position.

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed at Note 7.

The company has no significant concentration of credit risk exposure to any single counterparty or group of counterparties. Details with respect to credit risk of Trade and Other Receivables are provided in Note 7.

Credit risk related to balances with banks and other financial institutions is managed by the Finance Audit and Risk Management (FARM) Committee in accordance with approved Board policy. Such policy requires that surplus funds are only invested with counterparties with a Standard & Poor's rating of at least AA. The following table provides information regarding the credit risk relating to cash and money market securities based on Standard & Poor's counterparty credit ratings.

	Note	2022 \$	2021 \$
Cash and cash equivalents			
– AA rated		3,390,995	9,058,731
		<u>3,390,995</u>	<u>9,058,731</u>

b. **Liquidity risk**

Liquidity risk arises from the possibility that the company might encounter difficulty in settling its debts or otherwise meeting its obligations in relation to financial liabilities. The company manages this risk through the following mechanisms:

- preparing forward looking cash flow analysis in relation to its operational, investing and financing activities;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

General Practice Queensland Limited ABN 56 123 426 111

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

NOTE 17: FINANCIAL RISK MANAGEMENT (continued)

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

Financial liability and financial asset maturity analysis:

	Within 1 Year	Within 1 Year	Great er than 1 year	Greater than 1 year	Total	Total
	2022	2021	2022	2021	2022	2021
	\$	\$	\$	\$	\$	\$
Financial liabilities due for payment						
Trade and other payables	3,256,772	4,902,120	-	-	3,256,772	4,902,120
Total expected outflows	3,256,772	4,902,120	-	-	3,256,772	4,902,120
Financial Assets — cash flows realisable						
Cash and cash equivalents	3,390,995	9,058,731	-	-	3,390,995	9,058,731
Term Deposits 3 months or greater	7,056,018	2,556,018	-	-	7,056,018	2,556,018
Trade, term and loans receivables	818,647	873,423	-	-	818,647	873,423
Total anticipated inflows	11,265,660	12,488,172	-	-	11,265,660	12,488,172
Net (outflow)/inflow on financial instruments	8,008,888	7,586,052	-	-	8,008,888	7,586,052

c. Market Risk

i. Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The company is also exposed to earnings volatility on floating rate instruments.

As at 30 June 2022 and 30 June 2021 the company has no debt commitments.

ii. Price risk

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices of securities held.

As at 30 June 2022 and 30 June 2021 the company has no market linked or trading investments.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

NOTE 17: FINANCIAL RISK MANAGEMENT (continued)

Sensitivity Analysis

The following table illustrates sensitivities to the group's exposures to changes in interest rates. The table indicates the impact on how profit and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

	Profit	Equity
	\$	\$
Year ended 30 June 2022		
+/- 1% in interest rates	+/- 33,588	+/- 33,588
Year ended 30 June 2021		
+/- 1% in interest rates	+/- 90,205	+/- 90,205

Fair Values

Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Cash and cash equivalents, term deposits, trade and other receivables and trade and other payables are short-term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables exclude amounts provided for annual leave and deferred income, which are not considered financial instruments.

NOTE 18: CAPITAL MANAGEMENT

Management controls the capital of the entity to ensure that adequate cash flows are generated to fund its mentoring programs and that returns from investments are maximised. The Finance Audit and Risk Management (FARM) Committee ensures that the overall risk management strategy is in line with this objective.

The Finance Audit and Risk Management (FARM) Committee operates under policies approved by the Board of Directors. Risk management policies are approved and reviewed by the Board on a regular basis. These include credit risk policies and future cash flow requirements.

The entity's capital consists of financial liabilities, supported by financial assets.

As at 30 June 2022, the entity has no issued capital as it is a company limited by guarantee. The capital management of the entity is monitored by cash flow forecasts which in turn monitored by regular meetings of the Finance Audit and Risk Management (FARM) Committee.

General Practice Queensland Limited ABN 56 123 426 111

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 19: INTEREST IN SUBSIDIARIES

The Group's subsidiary that was controlled during the year is set out below:

Subsidiaries	Principal place of business / Country of Incorporation	Percentage Owned (%)	
		2022	2021
Larter Consulting Pty Ltd	Australia	70%	70%
		2022	2021
<i>Non-controlling interests:</i>		\$	\$
Issued capital	30		30
Retained profits	83,917		123,890
	83,947		123,920

NOTE 20: PARENT DISCLOSURES

The parent entity of the Group is General Practice Queensland Limited

(a) Summary financial information

The individual financial statements for the parent entity show the following aggregated amounts as follows:

	Note	2022	2021
		\$	\$
Current assets		10,773,142	12,063,931
Non-current assets		1,668,650	1,948,866
Total assets		12,441,792	14,012,797
Current liabilities		(8,584,893)	(10,208,993)
Non-current liabilities		(1,257,066)	(1,438,572)
Total liabilities		(9,841,959)	(11,647,565)
Net Assets		2,599,833	2,365,232
Accumulated surplus		2,599,833	2,365,232
Total equity		2,599,833	2,365,232
Surplus/(deficit) for the year		234,600	146,143
Total comprehensive income for the year		234,600	146,143

(b) Guarantees

The parent entity has not provided any guarantees to third parties in relation to the obligations of controlled entities.

(c) Contractual commitments

There were no contractual commitments for the acquisition of property, plant and equipment entered into by the parent entity at 30 June 2022 (2021: \$Nil).

(d) Contingent liabilities

The parent entity has no contingent liabilities as at 30 June 2022 (2021: \$Nil)

General Practice Queensland Limited ABN 56 123 426 111**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022****NOTE 20: PARENT DISCLOSURES (continued)****(e) Recognition and measurement**

The financial information for the parent entity has been prepared on the same basis as the consolidated financial statements.

(f) Investments in subsidiaries and associates

Investments in subsidiaries and associates are accounted for at cost in the financial statements of General Practice Queensland Limited.

NOTE 21: REMUNERATION OF AUDITORS

During the financial year the following fees were paid or payable for services provided by BDO Audit Pty Limited, the auditor of the company, and its network firms:

	2022	2021
	\$	\$
Audit services:		
- Audit and review of financial statements	50,700	43,382
Other services:		
- Review of I.T policies and processes and digital strategy	670	23,313
- Consulting services – systems advisory	-	21,143
- Consulting services – economic advisory services	45,000	-
- Other consulting services	2,311	6,869
Total remuneration	47,981	51,325
	98,681	94,707

NOTE 22: INCOME TAX

	2022	2021
	\$	\$
<u>Larter Consulting Pty Ltd:</u>		
Income tax expense:		
Current tax	-	74,327
Deferred tax	-	-
Aggregate income tax expense	-	74,327
Tax losses carried forward	105,260	-
Franking credits available for subsequent financial years	82,080	7,754

NOTE 23: ENTITY DETAILS

The registered office of the entity is:

General Practice Queensland Limited
Level 2, 36 Russell Street.
South Brisbane Queensland 4101

The principal place of business is:

General Practice Queensland Limited
Level 2, 36 Russell Street.
South Brisbane Queensland 4101

General Practice Queensland Limited ABN 56 123 426 111

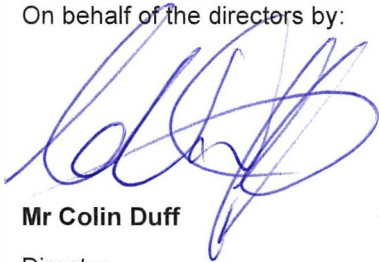
DIRECTORS' DECLARATION

The directors of General Practice Queensland Limited declare that:

- 1) The financial statements, comprising the statement of profit or loss and other comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity, and accompanying notes, are in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012* and:
 - a) Comply with Australian Accounting Standards and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013; and
 - b) Give a true and fair view of the entity's financial position as at 30 June 2022 and of its performance for the year ended on that date.
- 2) In the directors' opinion, there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors.

On behalf of the directors by:



Mr Colin Duff

Director

Dated this 23rd day of September, 2022

INDEPENDENT AUDITOR'S REPORT

To the members of General Practice Queensland Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of General Practice Queensland Limited (the registered entity) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the responsible entities' declaration.

In our opinion the accompanying financial report of General Practice Queensland Limited, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards 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 Group in accordance with the auditor independence requirements of 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 (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other information

Those charged with governance are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Directors' Report, but does not include the financial report and our auditor's report thereon.

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 on the other information obtained prior to the date of this auditor's report, 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 Directors for the Financial Report

The directors of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the ACNC Act, and for such internal control as the responsible entities determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, responsible entities are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the responsible entities either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the registered 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at: http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf

This description forms part of our auditor's report.

BDO Audit Pty Ltd

A handwritten signature in black ink, appearing to read 'K L Colyer', is written over the BDO logo.

K L Colyer
Director

Brisbane, 23 September 2022