
SUNRISE HEALTH SERVICE
ABORIGINAL CORPORATION

# ANNUAL REPORT

2018/2019

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# Our Vision

"We will expand upon our commitment to ensure our people 'The Sun Come-Up Mob', continue to have access to equitable and culturally appropriate primary health care services into the future. We will build the capacity of each of our communities to enable a health care service that delivers programs for and by Aboriginal people, and to ensure local problems are addressed through local sustainable solutions. We will incorporate 'The Sunrise Way' philosophy into how we do business and how we deliver services and focus on the concept of Mind, Body and Spirit to address health issues at the community level". (SHSAC Vision)

# Geographical Location

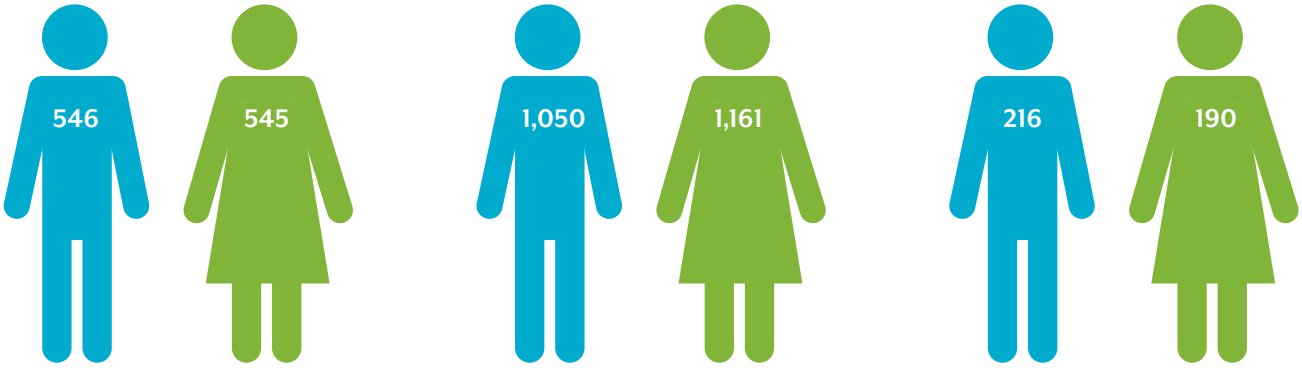
**Barunga, Manyallaluk (Eva Valley), Wugularr (Beswick), Bulman & Weemol (Central Arnhem Highway); Jilkminggan, Minyerri, Ngukurr and Urapunga (Roper Highway); Mataranka (Stuart Highway); and surrounding communities and outstations.**

**The region covers communities in a 300km radius of the Katherine East Region of the Northern Territory.**

# Demographics

**As at 30th June 2019**

## Population by age and gender

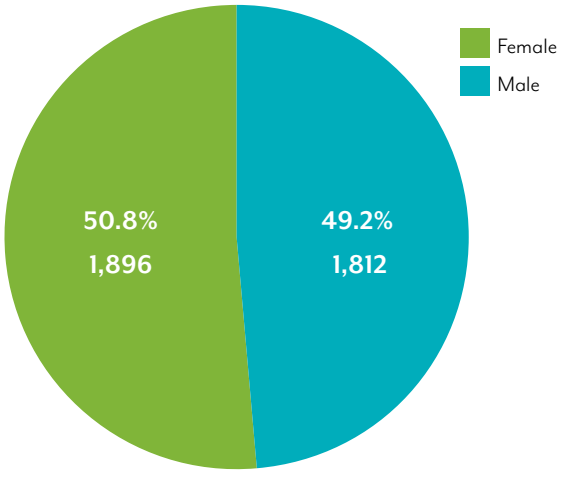



0 -14 years old
**Total 1,091**

15 - 54 years old
**Total 2,211**

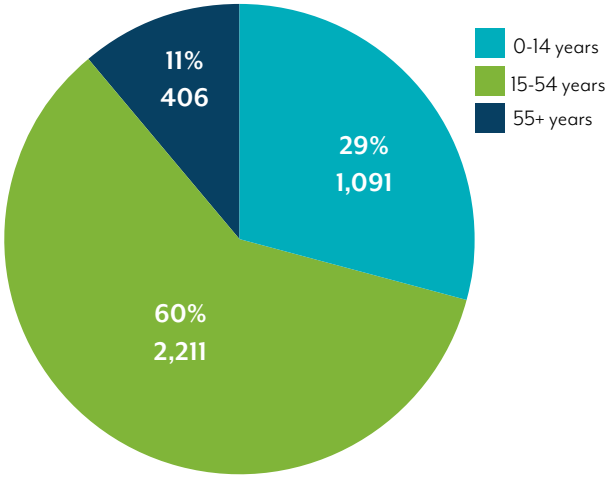
55+ years old
**Total 406**

## Population by gender




**TOTAL POPULATION = 3,708**

## Population by age




**TOTAL POPULATION = 3,688**

# Chairperson' Report

This financial year has been a year of hard work by the Board, with extensive training in governance and in understanding clinical data and identifying priority health issues in each community.

The Sunrise Health Service Aboriginal Corporation Board of Directors met four times during the year, holding meetings at Mataranka, CDU Campus Katherine and at Nitmiluk, with the Annual General Meeting being held in November 2018 at Godinymayin Yijard Rivers Arts & Culture Centre.

The Bottom Road Elections were held in October 2018 and at the November AGM we welcomed four new Directors to the Sunrise Health Service Aboriginal Corporation Board of Directors – Michelle Farrell (Ngukurr/Badawarrka), John O'Keefe (Minyerri), Timothy Baker (Jilkminggin) and Virginya Boon (Mataranka).

The Board thanks the Executive Management Team, and in particular Daniel Tyson and George Marin, for their continued work in reigning in costs and delivering an outstanding result. The Board also recognises that this work has not come without its costs – placing more demands on each manager, leaving key positions unfilled and having insufficient support staff to function effectively.

We would also personally like to thank Daniel Tyson for his work in rescuing the organisation and in the process establishing strong and supportive relationships with funding bodies, in particular the Commonwealth Department of Health. We were saddened by his departure as CEO but understand that family comes first.

Both the CEO and I spent considerable time in meetings with funding bodies, peak industry bodies, and Government agencies to ensure the ongoing viability of the organisation and the best possible service arrangements for our communities.

The Board and I have facilitated meetings in communities whenever there has been a need to address issues that have arisen in communities. After several instances where communities have been affected by the misuse of policy, it is clear that Sunrise Health must meld the social determinants of health into primary health care – whether there is an appetite by Government to address them or not. As part of this process, we have been reviewing the Murdi Paaki Regional Assembly COAG trial model for potential implementation with the National Indigenous Australians Agency as an initial model for our Community Health Committees.

For too long health care has been in isolation to the factors that undermine health and wellbeing such as overcrowding, poor water and sewerage and in most cases a complete shortage of housing – Minyerri and Mataranka to name a few. The implementation of the NT Housing policy is flawed and discriminatory leading to overcrowding and health issues as the primary tenant is often left to carry the burden of paying the maximum rent as the lack of English literacy does not allow them to have their rent levels adjusted if family members move out – this then leads to poor diet, malnourishment in children and adults and anaemia.

We can provide acute care but this does not prevent chronic disease nor improve the health overall of our communities. Our chronic disease load has increased another percentage point this year to 38% indicating again that the health model must change to address the social factors.

Looking long-term, we can see that the current pool of Remote Area Nurses is both diminishing and ageing and unless we create a career pathway for local Aboriginal people to achieve these same qualifications, we will be looking at a major shortage of appropriately qualified nursing staff. The organisation is engaging with stakeholders both Commonwealth and Territory to develop an integrated and comprehensive career pathway from driver to doctor.

Even if we do have a career pathway, our greatest operational impediment will still be the lack of accommodation for nursing, allied health and Aboriginal Health Practitioner staff. The lack of housing is having a significant impact on the delivery of social services in communities particularly in the area of family support.

Sadly, there has been no movement at all on the repairs and maintenance nor replacement schedule for clinics from the NT Department of Health. With our AGPAL re-accreditation occurring next financial year this is of great concern.

I look forward to working with the new Board, the Executive staff and the communities to address our health needs - both acute and social – and invite all of our stakeholders to join us in this journey!

**Anne-Marie Lee**
Chairperson
Sunrise Health Service Board of Directors

# Board of Directors

## Executive Directors

Chairperson:
Anne-Marie Lee

Deputy Chairperson:
Lorraine Bennett

Treasurer:
Michelle Farrell

Secretary:
Clifford Duncan

## Directors

### Ngukurr and Outstations

Michelle Farrell

Robin Rogers

### Urapunga

Clifford Duncan

### Minyerri and Outstations

John O'Keefe

Joaquin Huddleston

### Jilkminggan

Timothy Baker

### Mataranka

Virginya Boon

### Manyallaluk

Keisha Avalon

### Barunga

Anne-Marie Lee

### Wugularr

Lorraine Bennett

Peter Lindsay

### Bulman

Christine Curtis

### Weemol

John Dalywater

### Werenbun

Majella Friel

# Executive Summary

Sunrise Health Service Aboriginal Corporation has had an intense year, financially stabilising the organisation and developing retention strategies to ensure the viability of the organisation moving into the future.

As a team, I am proud to report that the projected profit for this year is a reality, although the national instability of the nursing workforce severely threatened our ability to do so. The profit also came at a cost and that cost was our inability to fund key positions that supported the skills development of staff, particularly Aboriginal staff, and improvement in the quality of service delivery. The Executive Management Team and all staff are to be congratulated for delivering outstanding results under very difficult circumstances – results that are ahead of the pack despite our limitations

It has also been a year of instability in some of our communities, leading to considerable malicious damage of Sunrise property and vehicles and threats of violence against staff. This resulted in two clinics being closed completely for a short period of time until we could guarantee the safety of staff. This has led to procuring funding through the Commonwealth Department of Health to provide de-escalation training for all staff and identified community members; and Certificate II & III in Security for selected drivers and identified community members. Already this training has resulted in potentially violent situations being de-escalated in community thus not only improving the safety of Sunrise staff but the safety of the community in general.

Once again, the Board is to be congratulated for the professional manner in which it has engaged with community to address these challenging issues as well as its commitment to identifying and addressing health priorities in the community they represent. As a Board they have demanded a greater transparency and understanding of the organisation's viability and operations, and I have enjoyed working with them to have Sunrise Health Service empower the health of their communities in a culturally safe and competent manner.

Staff costs and recruitment costs are the most significant part of the Sunrise budget and thus the greatest threat to viability unless appropriately constrained. To this end we have developed a ground-breaking enterprise agreement that fixes costs but rewards staff who stay with us permanently right across the workforce.

It is becoming increasingly clear that unless we are growing a workforce from within our communities there will be a significant shortage of nurses within the next 5-10 years.

We have been developing a workforce development strategy to provide a career pathway, with training and mentoring, from casual driver to doctor with the focus on growing a health skill-base in Aboriginal people in our communities.

Over the past year we have unsuccessfully tried to negotiate with both the Commonwealth and Territory Departments of Health to obtain a more equitable funding model. Whilst Sunrise Health continues to be funded at a level of only $2,300 per head of population (compared to most Aboriginal Community Controlled Organisations who receive twice as much), the communities of the Katherine East region will sadly be disadvantaged.

Despite this inequity, which severely constrains our operations, we are still delivering 5 out of the 13 National Health Implementation Plan 2023 targets and are consistently delivering above Territory and National averages in Key Performance Indicators as well. However, the challenges expressed in our population health report would indicate that we have reached our maximum capability unless we are able to employ additional clinical and support staff.

The integrity of our data is intensely managed and data on each community and its comparison to National or Territory averages is presented at each

Board meeting and prioritised by each community's Director. Subsequent action plans by clinics and population health ensure that any priority health issues are addressed at the community level.

Without addressing the social determinants of Indigenous health and wellbeing, it will be near impossible to deliver the full National Health Implementation Plan targets. The Board supports this view and will be developing community-based strategies to address these social determinants that impact community health and wellbeing in conjunction with other agencies.

Sunrise Health Service is grateful for the support and partnership of the Commonwealth and Territory Health Departments, the Commonwealth Department of Social Services, the Northern Territory Primary Health Network, the Commonwealth National Indigenous Australians Agency, the Northern Territory General Practice Education unit, and AMSANT.

Sunrise Health Services will continue to expand its community engagement in both primary and public health care delivery as well as addressing the social determinants of health through its Board and through its Community Health Committees.

**Mr Bill Palmer**
Acting CEO

## Executive Managers (2018-2019)

**Dr Daniel Tyson**
Chief Executive Officer

**Mr David Scholz**
Acting Director, Primary Health Care

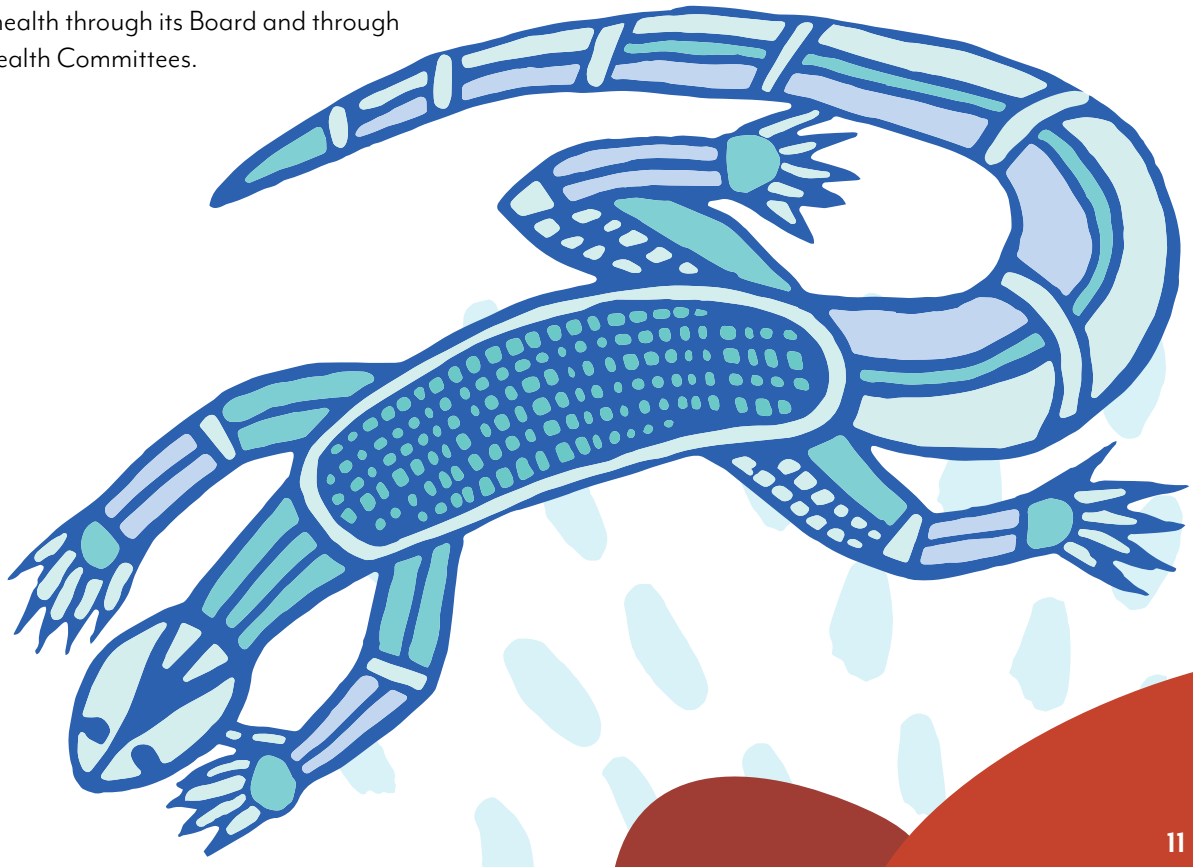
**Ms Michelle Mason**
Director, Primary Health Care

**Dr Tanya Davies**
Director, Public Health & Planning

**Mr George Marin**
Director, Finance & Business Operations

**Mr Steve Brown**
Assets Manager

**Mr Bill Palmer**
Corporate Governance Manager




Footwear

# Public Health and Planning

Throughout the 2018-2019 financial year, the General Practice (doctor) team as well as the Population Health team (allied health and programs) have seen significant changes but we have still continued to deliver high-quality services to the people of the Sunrise region. We had two full-time GPs and two positions that were filled with GP locums. We also had a GP Registrar in the team with two more commencing in January 2020.

In the first few months of 2019, we undertook recruitment of over 12 people to the Population Health team including Mental Health, Sexual Health, a Diabetes Educator, a Dietitian, a Maternal Early Childhood Sustained Home-visiting (MECSH) manager and others.

Despite the high level of recruitment and the difficulty in obtaining permanent GPs we have still produced outstanding results:

- We are achieving 5 of the targets for the national Closing the Gap Key Performance Indicators (December 2018.).
  - Antenatal visit before 13 weeks
  - Child immunisation (3 groups)
  - Blood pressure recorded
  - HbA1c recorded
  - Kidney function test (diabetes)
- With the NT AHKPIs (Northern Territory Aboriginal Health Key Performance Indicators) we are performing better compared to the rest of the NT in quite a few indicators:
- First Antenatal visit <13 weeks
- Fully Immunised children
- Chronic Disease Care Plans and Adult Health checks
- Rheumatic Heart Disease Bicillins
- Retinal Eye Exams
- And others

The following points to some of the clinical challenges we have faced throughout the past year:

- Clinics with unstable staff have not performed as well as clinics with a stable workforce.
- Even though we have relatively high rates of Bicillin injections for Rhuematic Heart Disease, they are not as high as in previous years.
- We are performing well in measuring things such as blood pressure, smoking status, HbA1c rates, but the results are showing a greater burden of disease than in the past.
- Antenatal presentations under 13 weeks have improved in a number of clinics, but overall have stayed the same, as have the birth weights.
- Anaemia rates have decreased a bit during the past two years, however are still on average, higher than the rest of the NT.
- We haven't been able to stem the tide of the syphilis outbreak. We continue to have new cases.

These challenges have been partly caused by a high rotation of locum nurses, changing health centre management and lack of staffing in both head office and in our communities.

We have a new outreach manager for a group of the population health team who are not part of a set program. This is bringing structure and coordination to the team. We are also reviewing the professional mixture of allied health professionals we have in the team due to funding restrictions and our move towards a more community and family driven approach.

## Intensive Family Support Service

The IFSS (Intensive Family Support Service) program in Ngukurr has suffered from difficulties of hiring management staff to support the community-based workers. Despite this difficulty the local staff have continued to work with and support families. We hope to re-invigorate this program over the next year with additional staff and a community-focussed framework.

## Future Directions

Moving forward, we are implementing a health literacy/ health promotion program delivered through locally employed workers in our six major communities. Their role will be to focus on Rheumatic Heart Disease prevention (for which we have received funding to address), sexually transmitted infections awareness and prevention, and mental health. We see this program as creating a career pathway for community members wishing to enter the health sector. The staff will be supported in obtaining a Certificate III in Community Services as well as in service training on delivering awareness in these three specific areas. The intent of this program is to address three of the greatest impacts on health, wellbeing and longevity.

We have also received two new retinal cameras and training for remote staff in their use, in order that we can detect early eye damage being caused by Type II diabetes. Our Diabetes Educator is running this program. Early detection and the subsequent management of diabetes to prevent any further damage go hand in hand.

## Child Health Program Coordination

Early childhood illness often leads to long term complications and predisposes to the development of chronic conditions, thus early detection and appropriate management may prevent the development of complications.

Our delivery of high-quality child health care is an important component of primary health care. We conduct child health checks as a prevention, and for the early detection, diagnosis and intervention for common and treatable conditions that can cause considerable morbidity and early mortality.

Our clinics have trend data for underweight children from our Healthy Under 5 Kids (HU5K) reports. The proportion of children underweight reflects both low birth weight and poor growth during infancy. Anaemia in children is also monitored. Remembering that anaemia in children may be a direct reflection of anaemia in mothers during pregnancy, 281 (33.7%) of our records were of children with low haemoglobin levels. This reflects a huge increase in anaemia rates in the community. By the end of September 2018 (end of this audit period) 195 of the anaemic children were still anaemic.

Childhood immunisation is highly effective in reducing the incidence of vaccine-preventable diseases thus reducing morbidity and mortality associated with them. Immunisation has been effective in reducing the disparities between Indigenous and non-Indigenous Australians, despite differences in socioeconomic situation of these two population groups (Menzies & Singleton 2009). Sunrise Health Service continues to exceed above the National Key Performance indicators for children under six years of age.

We are working hard to reduce the incidence of low birthweight babies in our communities, as low birthweight babies may be more vulnerable to illness throughout childhood and into adulthood.

The evidence suggests an association between low birthweight and an increased risk of type 2 diabetes and high blood pressure (AIHW 2011). Evidence also suggests that low birthweight may be associated with higher mortality from pulmonary causes in both childhood and adulthood (Hoy et al. 2010) and from cardiovascular and renal diseases in adulthood (White et al. 2010). Thus it is an imperative in our communities to provide early antenatal care to expectant mothers to ensure that babies are born with a normal birthweight and thus reducing the risk of more serious chronic disease in later life.

## Maternal Early Childhood Sustained Home – Visiting (MECSH) Program

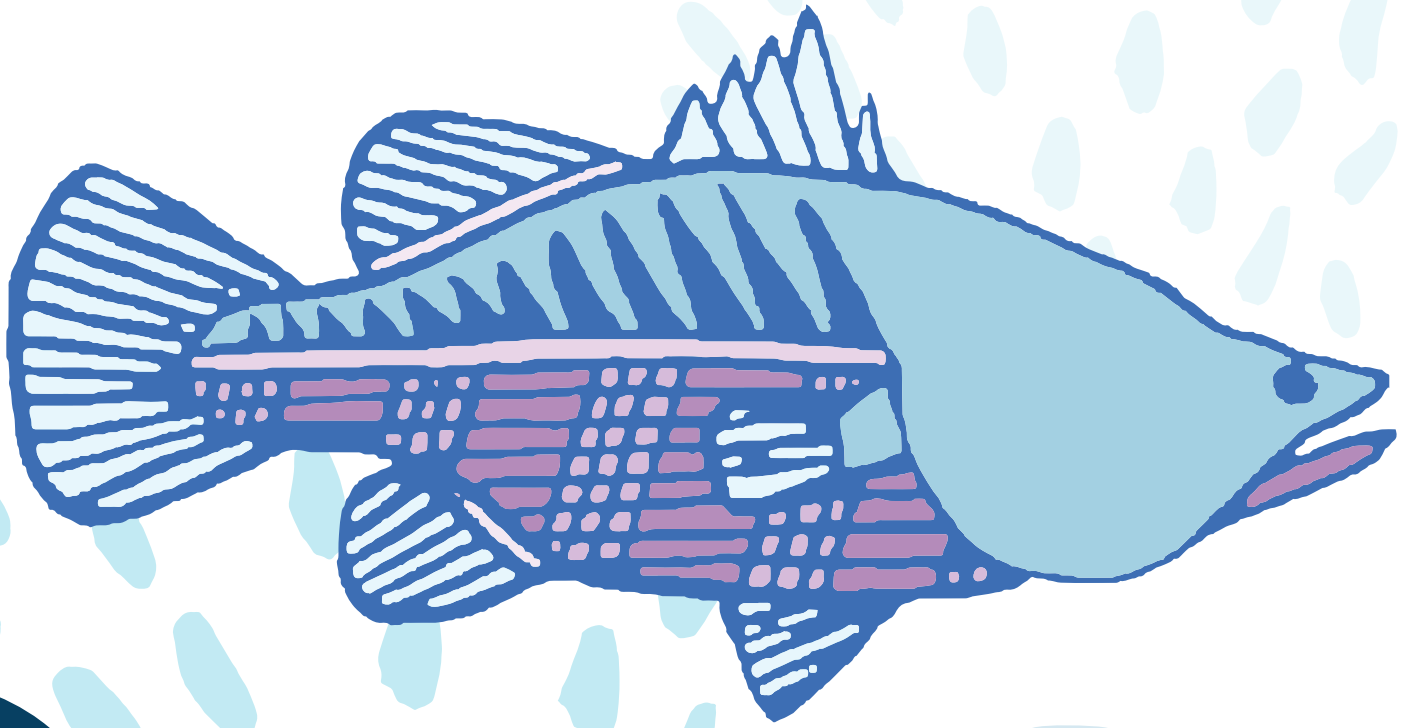
Maternal Early Childhood Sustained Home-visiting (MECSH) is a structured program of sustained nurse-led home visiting, group work and service integration and referral that can improve outcomes for the broad range of families dealing with complex issues and who are at risk of poorer maternal and child health and development outcomes.

Families are eligible to begin the MECSH program during pregnancy or up to 6-8 weeks postnatal for term and well-infant births. The best outcomes for MECSH families are achieved when families engage with their Home Visitor prenatally and receive continuity of care from postpartum care to the child's third birthday.

MECSH is a voluntary program for families. Families who are currently engaged with Territory Families are not excluded, however as MECSH provides early invention services to prevent children from entering into out of home care, it is anticipated that most MECSH children will not be in out of home care.

All families within Sunrise are eligible for the MECSH program. Sunrise Health Service will engage with the communities to identify families that are eligible for the program. Through regular review of antenatal lists, and antenatal case conferences, families are prioritised based on current caseload and benefits of program. Families are also identified in post-natal clinic visits. Staff across Sunrise Health Services are encouraged to identify families and refer them to the MECSH nurse. Nurses then assess and review caseload prior to offering the program. If there is no capacity to accept the family, they will still be linked with local supports and clinic support.

So far, MECSH has been rolled out in the Wugularr community. It has been up and running since May 2019. With the new MECSH Nurse and Community Base Worker on board the MECSH Manager can now focus on implementing the program into the Barunga community.



# Population and Preventative Health Unit

## Personal Helpers and Mentors (PHaMs) and National Disability Insurance Scheme (NDIS) Programs

The Personal Helpers and Mentors (PHaMs) Program in Ngukurr has had a very busy, productive and successful year. In the beginning of the 2018/19 financial year the PHaMs program focused on delivering high quality services to its male and female PHaMs Clients and the six National Disability Insurance Scheme (NDIS) participants. Clients enjoyed participating in a range of activities at the Well Being Centre with access to breakfast and lunch. The clients' uptake of hygiene education and safe hygiene practices has increased significantly. Each client now has their own named hygiene kit kept at the Centre. The contents of the kits are agreed between clients and staff and differ for men, women and our single child client. Staff help the clients make sure they replace used hygiene items in their kits before they run out. Clients are encouraged to have regular showers and each week to wash their dirty laundry, dry and fold it and take it home. The Centre is a much-welcomed hub for the clients' personal hygiene and laundry.

Clients learnt how to shop, prepare, cook and store meals; and participated in handcrafts and beauty sessions. The five newly repaired desktops in the media room provide access to the internet and are used for entertainment and educational purposes. There are many online resources about Ngukurr and the Roper Region that the clients' regularly access. The clients also work closely with the staff to keep the Centre clean and tidy. Female staff help the women work together to clean, mop, wash dishes, shop, prepare breakfast and lunch and pack and lock up. Male staff help the men maintain the garden, pick up rubbish, put the bins out, maintain the stock for bush outings such as fishing gear and keep the men's laundry and bathrooms clean.

External service providers visit the Centre and the clients participate in individual and group activities including physio, speech and occupational therapy. All the clients, the PHaMs and the NDIS, enjoyed many regional outings to Katherine, to Darwin, to Numbulwar, to Mission Gorge and to local fishing spots such as Yellow Water, Roper Bar and Wilton. The male staff members travel with the men and the female staff members with the women. Often each group will have separate trips that involve men or women only cultural and other activities.

The plans of the six NDIS Participants fund additional activities. These include an NDIS Participant's trip to Melbourne to visit the Geelong Football Club and watch a game. She was later interviewed by the Katherine Times and described the trip as "life changing". One little girl's NDIS Plan funded a three week stay in Katherine where she attended the Kintore Street School. At this special school, she accessed specialised services to help improve her mobility, speech and communication that are not readily available in Ngukurr. The school reports that she made excellent progress in that short period.

Other NDIS Plans have funded respite; educational software for NDIS participants; specialised equipment such as beds and chairs and repairs for assistive technology such as wheelchairs.

During this very busy year the local staff participated in training delivered in Ngukurr and Katherine for their Certificate III Qualification in Individual Care. All staff graduated in May 2019. This qualification is important because it links to Sunrise's NDIS Registration which was completed in November 2018. As a registered NDIS Provider SHS is expected to employ qualified staff. In addition, SHS is expected to "transition" all its PHaMs Clients to the NDIS by June 30 2019. It's very pleasing to report that all of the 16 PHaMs clients have been tested for eligibility for the NDIS in February 2019 and currently only two are yet to be approved. The process for testing requires a GP and for the whole team to work together with the GP and Clients. Dr. Deb Hough made herself available and thanks to the hard work of the whole team, Sunrise was able to achieve one of the highest success rates for transitioning PHaMs Clients to the NDIS.

## Women's and Maternal Health

This role has been established to coordinate and support Primary Health Care Centres to deliver culturally appropriate and safe Maternal Health Programs in all Sunrise Communities. The position provides a link to both the secondary and tertiary services providing assistance and follow up for clinic staff and women needing access. Coordinating care for women with complex needs, women moving to other communities and women reluctant to engage with the health service is an essential component of the role. The increasing burden of complications in pregnancy, chronic disease and continuing rise in sexual health concerns requires greater monitoring and service delivery adaptation.

The Women's Health Coordinator work this year included direct client care, intensive case management, advocacy work, collaboration with internal and external providers and support to staff providing maternity care in all communities.

The maternal and infant service provision was the imperative due to the turnover of remote clinic staff and fewer midwives in Sunrise Health Service and the chronic shortage of permanent staff nationally. Increased support to women during pregnancy and midwives/nurses taking responsibility for the Women's Portfolio was vital. The increased incident of complications during pregnancy; more episodes of ante natal monitoring in secondary and tertiary services, earlier gestation survival, plus increased care requirements in early postnatal period has required a much greater need for skill, and monitoring by clinic staff.

The evidence shows NT wide there are fewer stillbirths per annum but premature birth numbers continue to increase. Due to ongoing advancement in technology infants born early are being saved at younger gestational age and birth weights. Mothers and their Infants require extended stays in Darwin while receiving intensive care. This is a very stressful time for all family members and mothers often become very homesick and anxious. Women who have given birth to very premature infants have a higher incidence of postnatal depression. This places further strain on the family unit.

Having women present early (before 12 weeks) for first ante natal visit remains a challenge. First presentation in late months of pregnancy is still occurring. A strategy to address this is to hold women's focus groups in each community. Ideas of how to inform women of the advantages to presenting early with regard to greater choices, social assistance, early intervention and treatment of complications ensure best outcome for mother and baby. Pressure on housing and not having a permanent place to live is often a contributing factor to personal care not taking priority.

There are now a number of RANs and AHPs across SHS who have attended the week long Women's and Sexual Health Course improving the numbers of providers across the service. The improved Cervical Screen will dramatically reduce the pressure on clinics once every woman is on a five year schedule. The annual mobile Breast Screen service to Katherine is being well patronised and an important service for rural and remote women in the region. Clinic Managers go out of their way to facilitate women attending and any follow up appointments necessitating a trip to Darwin.

It is exciting to know the IFSS program is to be re-established and Maternal Early Childhood Sustained Home Visit Program established. Once these programs are providing effective service to this group some pressure on clinics through less acute presentations will be measurable.

Knowing there will be greater demand on health services and decreasing supply of providers, particularly midwives, we are developing a strategy to make use of telehealth, digital devices, video link, facetime/mobile devices as they are available now. Climate change, with even minimal increase in temperatures, will be a challenge for remote community dwellers, particularly pregnant women, infants and the elderly thus innovation in health care delivery will be of the essence.

## Alcohol and Other Drugs

SHSAC continues to make progress with regards to Remote Alcohol and Other Drugs (AOD) and the Tackling Indigenous Smoking programs. We, as a program are increasing the capability of our AOD and Tobacco workers at SHSAC, to respond appropriately to AOD and related issues through continued training to sustain and improve health outcomes for indigenous people in the SHSAC jurisdiction. AOD and Tobacco workers are working collaboratively with community stakeholders and support AOD and Tobacco projects for substance misuse issues across all the SHSAC communities.

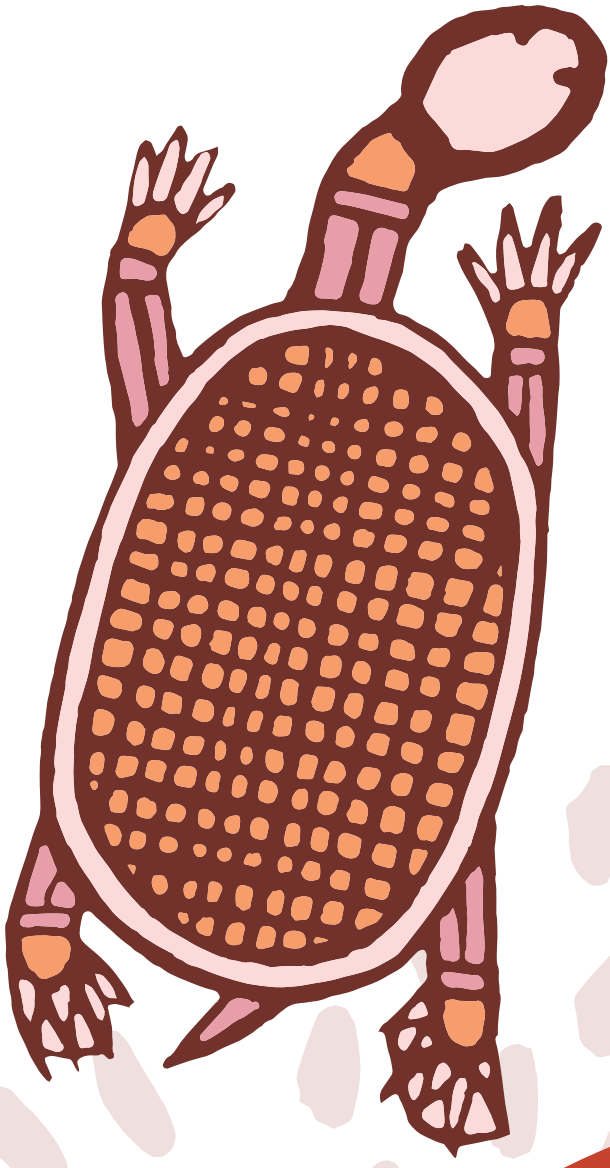
This financial year has seen significant progress with regards the AOD and Tackling Indigenous Smoking (TIS) programs.

New Activity Work Plans for Tackling Indigenous Smoking have been completed and are awaiting sign off by the National Best Practice Unit and the Department of Social Services. Staff have attended a myriad of teachings including Quitline Brief Interventions, AOD First Steps in Family work, De-escalation, Mediation and Foetal Alcohol Syndrome training.

In terms of health promotion, the Barunga Festival, World No Tobacco Day and NAIDOC day saw our staff set up displays. We have also attended Men's camps, Jilkminggan School "Walk for Suicide" camp and the Banatjarl Strong Women's Group at King Valley Station. AOD and Tobacco presentations in all SHSAC communities including schools continue and the "Tackling Indigenous Smoking Cup" AFL game between the communities of Wugullar and Barunga, organised by AOD and Tobacco staff was a huge success and is now an annual event. These are just a few of the health promotion activities undertaken this year.

The predominant focus on pregnant mum's and smoke free homes remains extant and increasing the capability of our AOD and Tobacco workers to respond appropriately to AOD related issues is paramount. Staff attendance at out of state training has included Alice Springs, Sydney and Melbourne with the Remote AOD Workforce Forum in Darwin late October gives the opportunity for five staff to present on the issues of AOD in our remotest communities.

A new Team Leader (Cheryl Birch) and a new AOD and Tobacco worker (Kathy Ryan) have been welcomed to the team this reporting period with the resignation of Catherine McArthur (former Team Leader) and an old stalwart of the AOD and Tobacco team Stuart Martin, with his recent move to Nhulunbuy.



## Syphilis Enhanced Response: Test and Treat program

Sunrise Health Service employed a Female STI Coordinator in March 2019 specifically to tackle the prevention of a Syphilis epidemic in the Katherine East region. The 'Test and Treat' model being deployed by the STI Coordinator, includes the use of a rapid point-of-care test (PoCT) and enables immediate treatment, if a positive test is detected, as compared to the up to two-week turnaround for a traditional blood test in some areas. The funding provided by the Commonwealth Department of Health is to facilitate the delivery of best practice, culturally appropriate, sexual health and blood borne virus (BBV) prevention and management services.

The response strategy includes having the STI Coordinator provide leadership and support to clinicians, to enable the development, implementation, monitoring and evaluation of an integrated, comprehensive, primary-care centered sexual health and BBV program, based on the "Eights Ways' model below.

Training has been provided at Ngukurr, Bulman, and Barunga as well as to staff within the Sunrise Health Outreach Team. Point of care testing has commenced within our Sunrise Health Service regional communities.

Implementation of the program is highlighting the difficulties in approaching the subject of STI BBV in our Aboriginal communities, as it is culturally shameful for both men and women alike. At this point only having a female STI Aboriginal Health Practitioner trying to cover both genders is culturally inappropriate and thus we are working to train male clinicians as well as recruit a male STI coordinator.

## Male Health Program

The Men's Health program covers a wide range of health-related areas. The topics below indicate a continuation of health service provision to Aboriginal men within the Sunrise Health Service delivery.

It is culturally appropriate and necessary to provide services for males (Men's health program) and for females (Women's health program) separately.

Trachoma screening for schools – (Clean faces strong eyes) – Child and Male Health Programs undertook house to house visits to obtain parental consent for trachoma to be screened at schools in: Bulman, Wugularr, Eva-valley, Barunga, Jilkminggan, Minyerri, Ngukurr and Urapunga. Trachoma is the world's leading cause of preventable blindness. Caused by the bacterium Chlamydia trachomatis, trachoma is easily spread through direct personal contact, shared towels and cloths, and flies that have come in contact with the eyes or nose of an infected person thus the focus on the campaign of clean faces, strong eyes.

### Strongbala Men's Camp

The first Strongbala Men's camp was held at Wugularr water falls (20 males), the second camp at Katherine George (20+males), the third camp at Wugularr waterfalls (16 males), and final camp Eva-valley 3 junction (10 males).

The main theme for the camps were providing education and addressing the health issues associated with alcohol and other. Camps are away from community environments providing the enjoyment of getting back to country without being influenced by alcohol and other drugs.

The education components included: Alcohol and other drugs (what does it do to the body short term and long term) + other relevant health promotions, bush tucker hunting excursions (crocodile, bream, catfish, turtles, fresh water mussels etc.), sexual health flip chart, nutritional education and cook ups, fire demonstration and painting were some of the activities that were included in these camps.

### Point of Care Testing (Syphilis outbreak)

Wherever possible the Male Health Program has been assisting in the point-of-care testing of Aboriginal men in Sunrise communities for the detection and treatment of Syphilis following an outbreak of the disease in the general Darwin and Katherine regions.

### Immunisation Programs

MMR (Measles Mumps Rubella): To combat the MMR outbreak across Australia, the Child and Male Health programs undertook house to house visits for MMR immunisation.

Flu-vax (influenza): Throughout the flu season, the H1N1 has constituted the majority (67.2%) of samples taken since September 30, 2018. However, in the tenth week of 2019, H3N2 was in 61.3% of the samples. This second strain could dramatically affect the health and wellbeing of both young and old people and thus it was very important for the young and old to get their flu-vax to be immune against the flu.

## Primary Health Care

Primary Health care remains the centre focus across all nine Health Centres within Sunrise Health Service. Continuous quality improvement is required to ensure this focus remains, which is currently being performed by a reallocation of portfolios within each Health centre as we recruit staff, primary health care being discussed monthly at our Health Centre Manager meetings as well as our up and coming Managers workshop in November, our PowerPoint presentation to clinicians in orientation and further education to our new clinical staff on our recall management system, which is also occurring at our up and coming Managers workshop.

Staffing across all nine Health Centres remain a current focus in recruiting permanent Remote Area Nurses. This allows stability in each Health Centre to ensure continuity of care, a more sustainable approach to systems and processes already in place and an overall coordinated approach to the delivery of primary health care.

As we have had four new Health Centre Managers commence within Sunrise Health Service in 2019, one of our current focuses is to get education and transparency across those clinics with current systems such as continuous quality improvement documentation reviews, KPI data reviews each month within each clinic, regular morning briefs and monthly team meetings and regular training and in-service education, this all of course will contribute towards our primary health care service.

Some of the clinical governance areas that we are currently focusing on is a review of our triage system to refine the triaging process and become a more standardised approach where possible, reviewing the clinical competency checklist and identify continuous professional development for our staff and reviewing our clinical and non-clinical orientations at each health centre.

Trainee Aboriginal Health Practitioners still remain a focus for recruitment across all Sunrise Health Centres, whilst ensuring a permanent workforce is established, to provide a supportive and mentoring environment for our trainees.

Our three year AGPAL accreditation is due in 2020, therefore one other of our main focuses is to ensure our Health Centres meet the standards required to successfully pass the accreditation!

During this financial year we have been without a clinical educator which is a necessary but unaffordable position to support our trainee Aboriginal Health Practitioners, our Aboriginal Health Practitioners and our new-to-remote Remote Area Nurses, getting our AHP workshops up and running, clinical audits and case reviews for education and clinical upskilling for all clinicians

Some of the bigger challenges in delivering primary health care remain, including establishing networks with local stakeholders, addressing areas of social determinants of health, recruitment and retainment of staff including RANS, AHPS, trainee AHPS and local ancillary staff and a further community engagement process for the health centres to meet the needs of each community. These however will remain a Continuous Quality Improvement focus for the remainder of 2019, going into 2020!

## Assets Management Unit

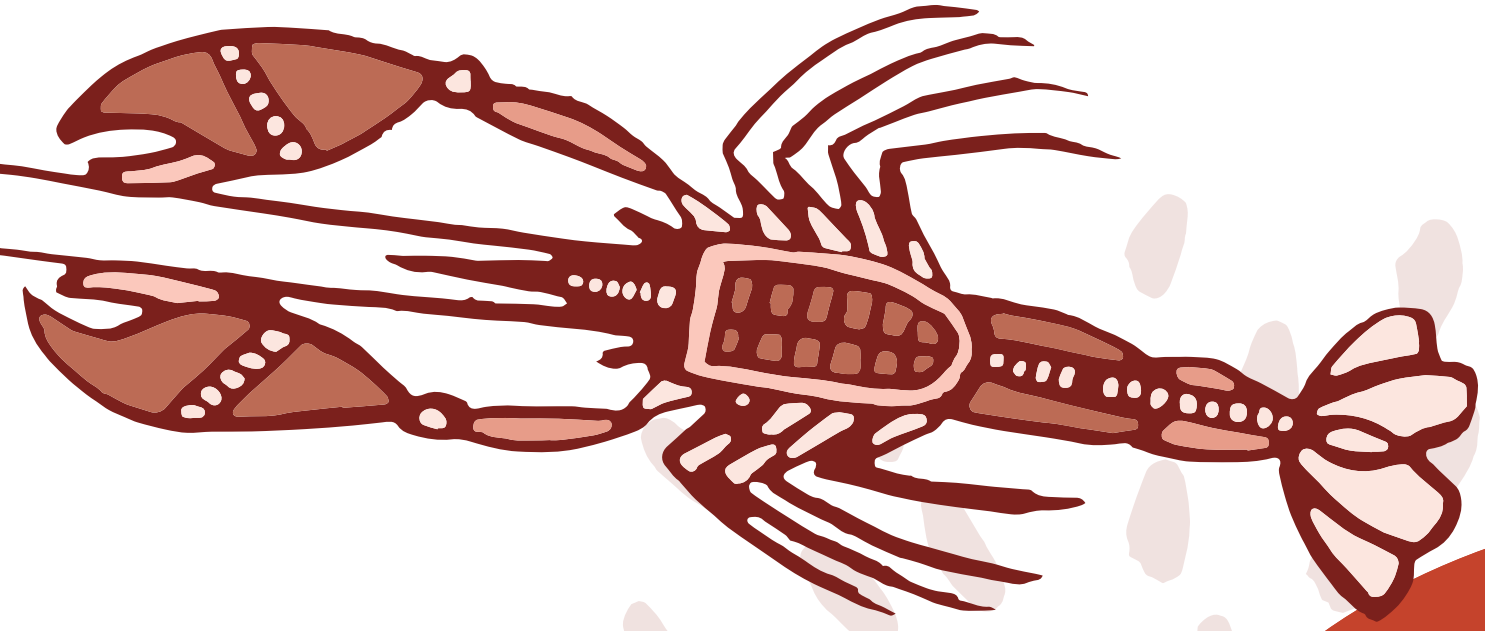
The Assets Management Unit (AMU) is an integral part of the organisation's operational effectiveness in providing: Housing, Vehicles, Information Technology, Medical Equipment and Logistics support.

The Assets Management Team is always looking at how they can better support their customers through the implementation of new infrastructure or technology.

Strengthening our partnership with Telstra, Telstra Health and our IT Contract communications provider enables us to maintain a robust, secure and medical standards-compliant platform. We continually evaluate new technology to support SHSAC Primary Health Care Service delivery.

Some of the AMU's key activities during 2018-2019 include:

- Relocation & Installation of old Ngukurr Clinic Demountable to Crawford Street
- Construction of two single bedroom units Beswick
- NLC Submission and consultation for Vacant Land at Ngukurr for the purpose of constructing four self-contained single units for staff
- Security Upgrade completion - Sunrise Health Service owned Housing
- Security Upgrade – IFSS Program Office / Accommodation – LOT 297c Ngukurr
- Transient Accommodation Ngukurr - Construction of Secure Vehicle Garages
- Construction of Secure Vehicle Garage – Urapunga Health Centre
- Upgrade Windows 10 Completed, In Progress - Migrate to Office 365 and Merge to Cloud
- Motor Vehicle rationalisation / standardisation & Satellite Navigation Install completion
- Ambulance Fitouts and Upgrades, including new Ferno Mondial Stretcher
- Residential Accommodation rationalisation
- Rollout and installation of Temptale devices to manage cold chain of medications and vaccines
- Annual Remote Health Centre & Accommodation Audits
- Annual Bio Medical Engineering Service Visits
- Managing personnel and patient travel with logistic and transport of goods and services
- Descalation Training support



## Finance and Business Operations

We are pleased to report that Sunrise Health Service Aboriginal Corporation is back in a financial surplus!

After three consecutive years of deficits and facing a possible $1.2 million deficit (and the end of Sunrise) in 2017-18, we have averted a financial crisis by reducing costs by $1 million without any redundancies.

In this financial year, Sunrise Health Service has achieved a surplus a year ahead of schedule. This financial year was budgeted to be the break-even year. I am pleased to advise that the Audited Financial Report for the year 2018-19 is completed, showing a surplus of $243,766.

This is an outstanding turnaround and everyone at Sunrise needs to be congratulated for the improvement.

I again thank my CEO during the past 2 years of this recovery phase, Dan Tyson, for giving me the full power to deal with all suppliers and negotiate better pricing outcomes for Sunrise on critical supply items. Dan's good nature, and trusting and empowering leadership style, got the best out of me. Dan and I made a pledge 2 years ago that we would see Sunrise break-even in 2018-19 and report a Surplus in 2019-20 – we are a year ahead of where we had planned and that is a remarkable achievement. I also thank all the suppliers for working with us, and ensuring our survival as an ongoing Health Service.

I thank all of my support team who have worked in Finance over the past year. I also thank our Human Resources (HR) staff for rebuilding the HR department with integrity. HR was also faced with additional pressures due to the changing nature of the Nurse employment nationally this year. Our expenditure on Agency Nursing Staff increased by an $1.5 million on the previous year, which placed significant pressure on our financial performance (and the HR team in particular), with the need for increased induction, orientation, and contract and travel processing of a vast number of new staff members.

I again thank the Assets team, led magnificently by Steven Brown and his dedicated team. Often taken for granted, the ability of Sunrise to offer a first-class Health Service would not be possible without the Assets team.

I look forward to the coming year when we can increase our surplus and improve the facilities and Health Services offered by Sunrise.

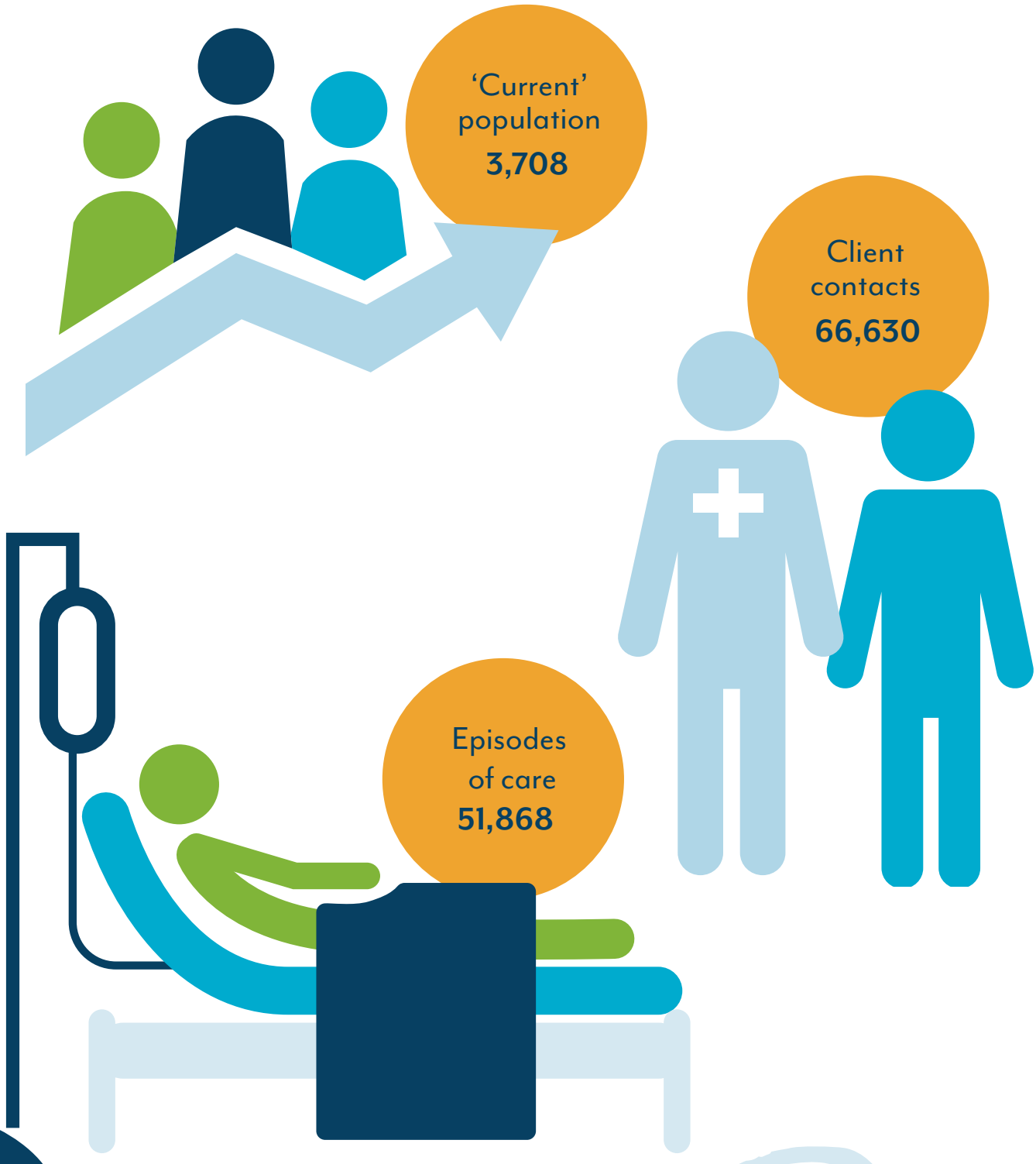
I thank the Board of Sunrise for giving me the opportunity to continue to see this most beautiful part of Australia and experience visiting the world class natural wonders of the Northern Territory.

**George Marin**
Director - Finance & Business Operations.

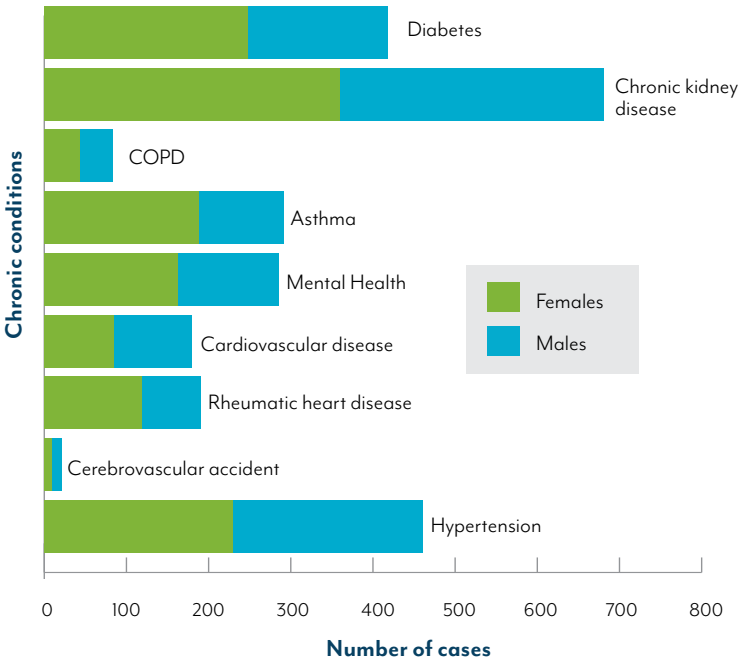

SMOKING KILLS

## The Status of Health in Our Region

Client contacts and episodes of care

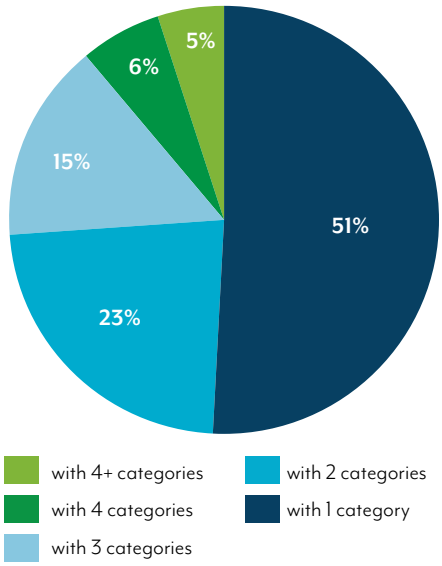


## Chronic Disease Conditions by Gender




## Co-morbidities - Diagnosis Categories per patient

**Patient with Diabetes, Respiratory, Cardiovascular, Musculoskeletal, Renal Impairment &/or Mental Health**




## Chronic conditions - data

| Chronic Conditions Recorded | Females | Males | % of total population |
|---|---|---|---|
| Diabetes | 248 | 170 | 11% |
| Chronic Kidney Disease | 360 | 321 | 18% |
| COPD | 43 | 40 | 2% |
| Asthma | 188 | 103 | 8% |
| Mental Health | 163 | 122 | 8% |
| Cardiovascular Disease | 84 | 96 | 5% |
| Rheumatic Heart Disease | 119 | 71 | 5% |
| Cerebrovascular Accident | 9 | 12 | 1% |
| Hypertension | 229 | 232 | 12% |
| **Total "Current" Population** | | | **3,708** |

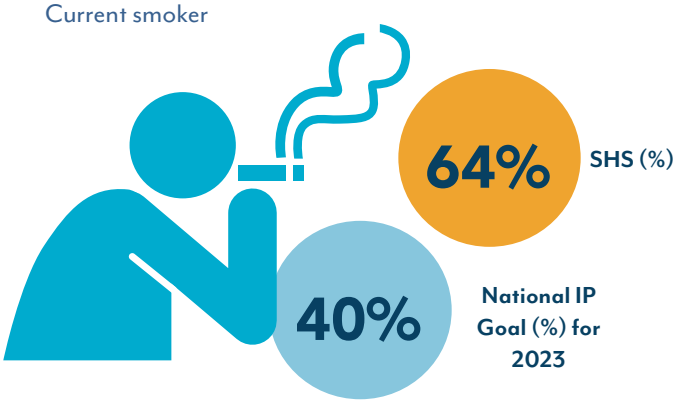
**Patients may have more than 1 Chronic Condition Recorded**

## Co-morbidities - data

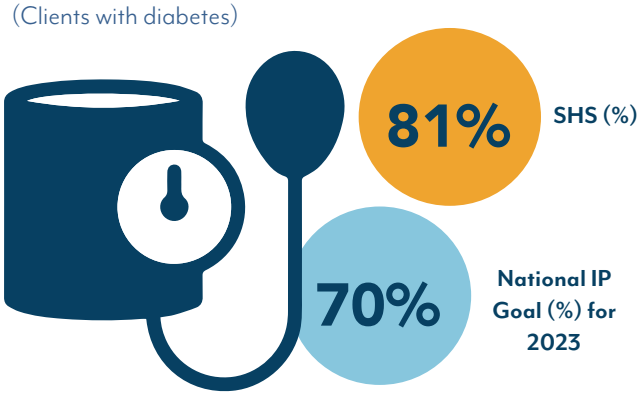
| | Number of categories | | | | | |
|---|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 4+ | Population |
| **SHS Total** | 636 | 317 | 168 | 76 | 18 | **1,215** |

## National Implementation Plan Goals

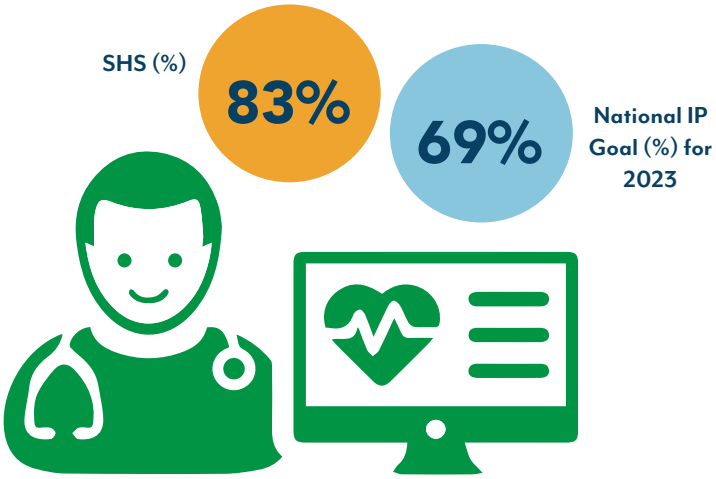
Current smoker



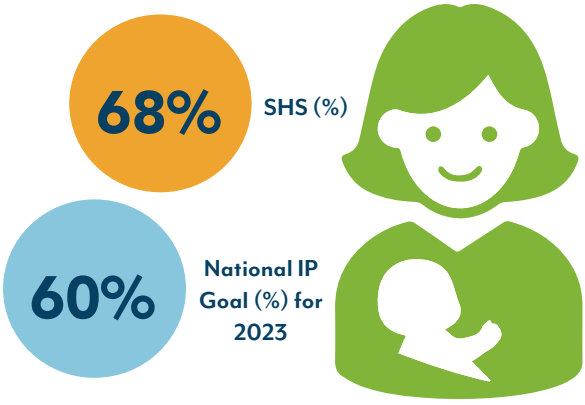

Blood pressure recorded
(Clients with diabetes)



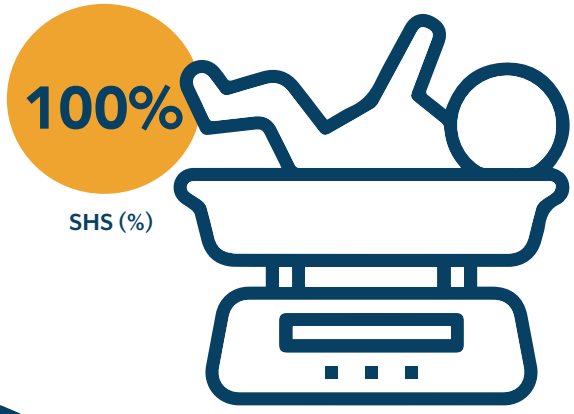

HbA1C recorded last 12 months




First antenatal visit (<13 weeks)




Birthweight recorded




Fully immunised children

<1 year

| SHS (%) | National IP Goal (%) for 2023 |
|---|---|
| 100% | 88% |

1 year but <2 years

| SHS (%) | National IP Goal (%) for 2023 |
|---|---|
| 94% | 96% |

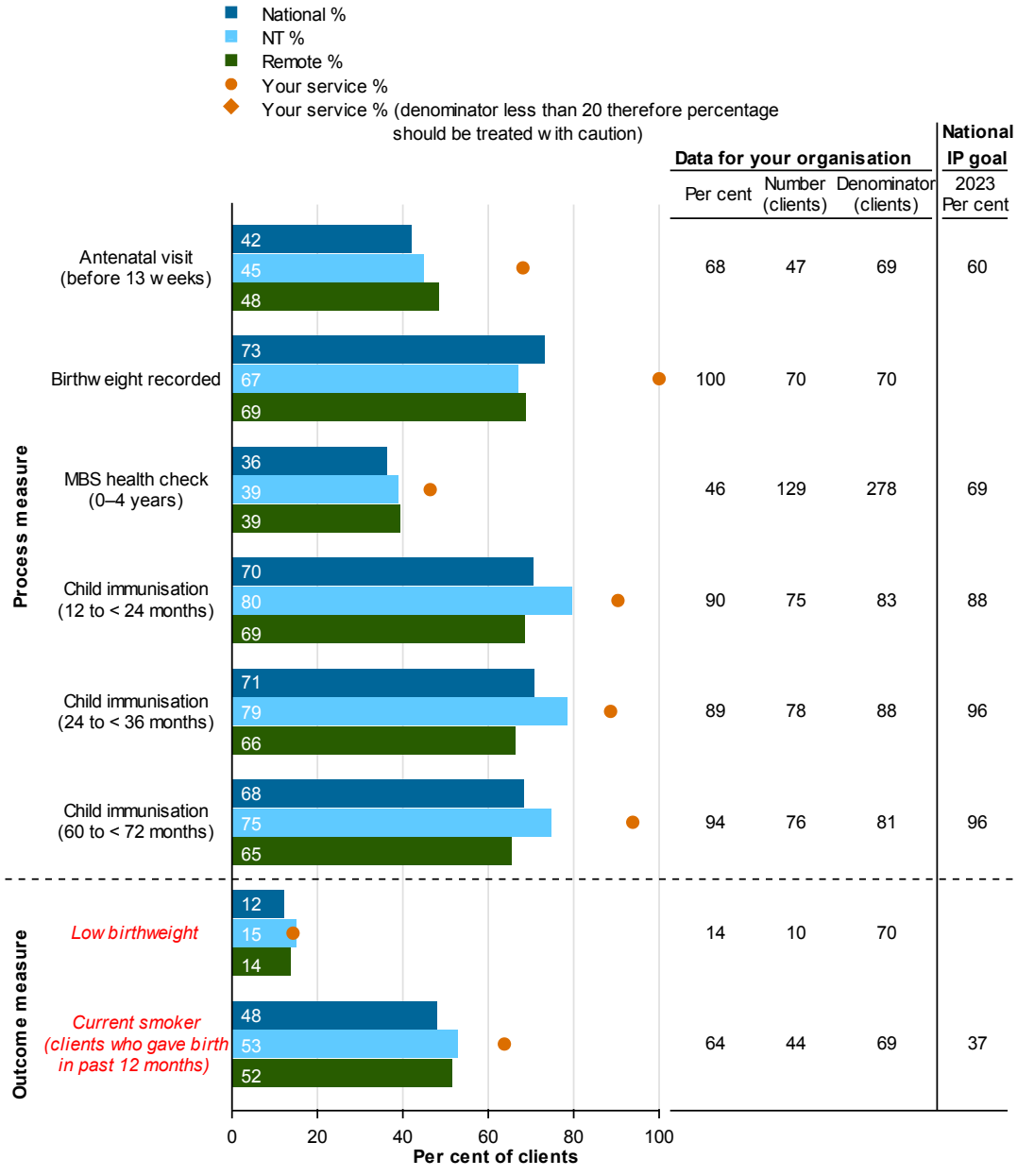
2 years but <5 years

| SHS (%) | National IP Goal (%) for 2023 |
|---|---|
| 99% | 96% |

# Summary of Service Data

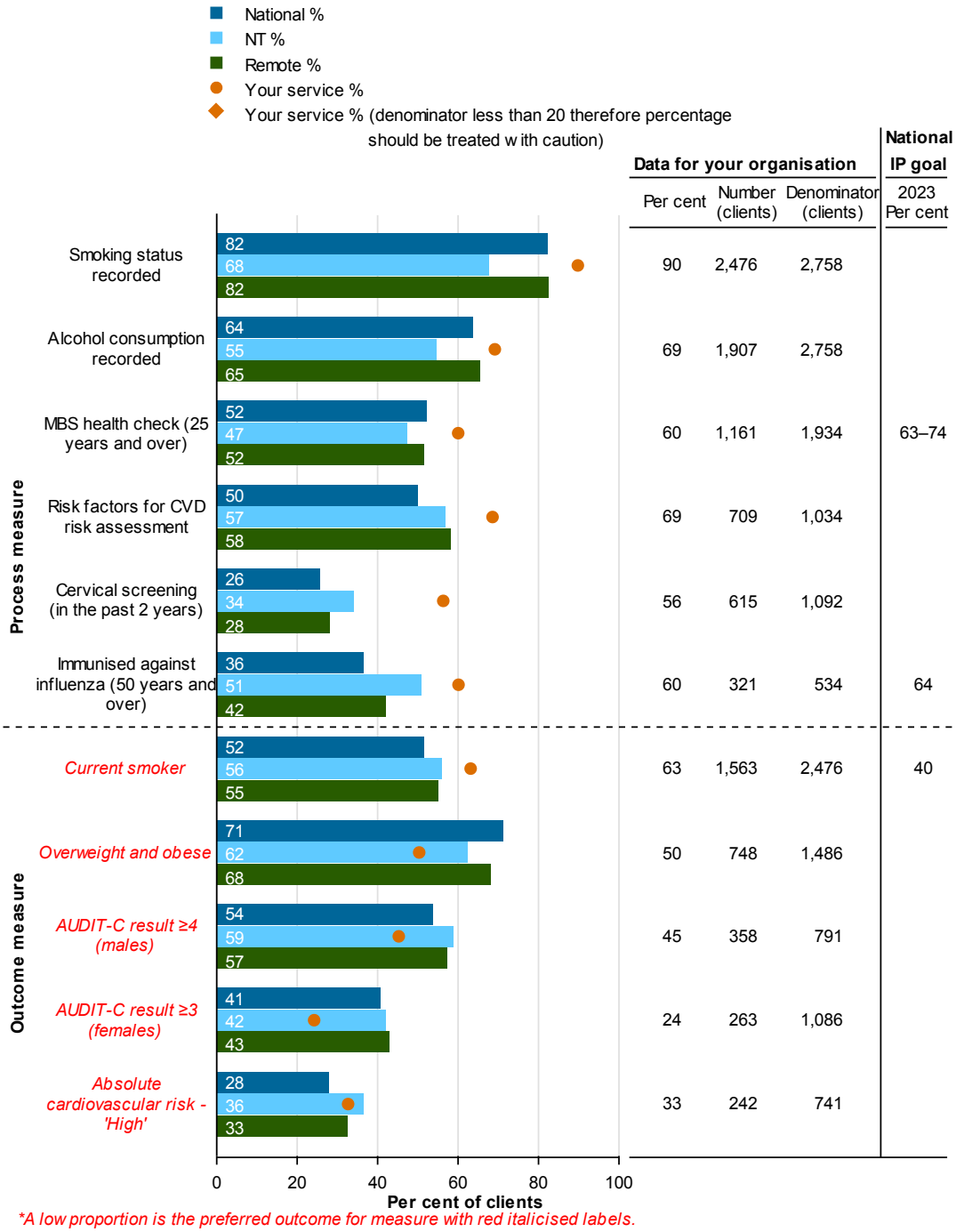
National, state and regional results for reporting period ending December 2018 compared to most recent results for your service

## Maternal and child health indicators



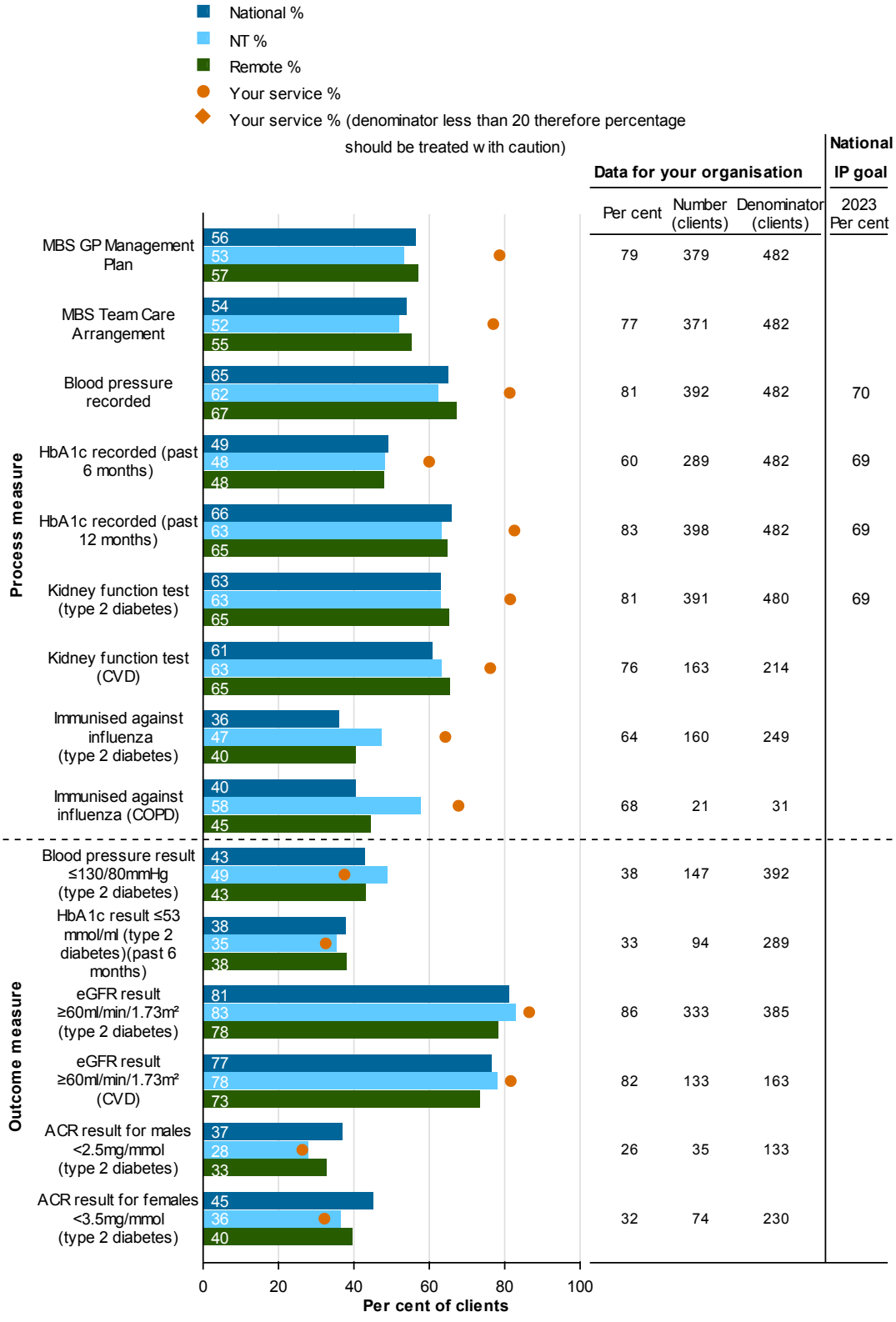

*A low proportion is the preferred outcome for measure with red italicised labels.

## Preventative health indicators




*A low proportion is the preferred outcome for measure with red italicised labels.

## Chronic disease management indicators



# SUNRISE HEALTH SERVICE ABORIGINAL CORPORATION

**ABN: 26 778 213 582**

**Financial Report For The Year Ended**

**30 June 2019**

# SUNRISE HEALTH SERVICE ABORIGINAL CORPORATION

**ABN: 26 778 213 582**

## Financial Report For The Year Ended 30 June 2019

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**SUNRISE HEALTH SERVICE ABORIGINAL CORPORATION**
**ABN: 26 778 213 582**
**Directors Report**

Your board of directors submit the financial report on the Sunrise Health Service Aboriginal Corporation for the financial year ended 30 June 2019.

**Executive Members:**

| | |
|---|---|
| Anne Marie Lee | Chairperson |
| Lorraine Bennett | Deputy Chairperson |
| Michelle Farrell | Treasurer |
| Clifford Duncan | Secretary |

**Directors**

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

| **List of directors:** | **Community:** |
|---|---|
| Anne Marie Lee - Chairperson | Barunga |
| Lorraine Bennett - Deputy Chairperson | Beswick / Wugular |
| Steven Rory - Deputy Chairperson (resigned November 2018) | Jilkminggan |
| Michelle Farrell - Treasurer (appointed November 2018) | Ngukurr & Outstations |
| Clifford Duncan - Secretary | Urapunga |
| Peter Lindsay | Beswick / Wugular |
| Christine Curtis | Bulman & Outstations |
| John Dalywater | Weemol (Bulman) |
| Majella Friel | Werenbun |
| Joaquin (Jojo) Huddleston | Minyerri & Outstations |
| Robin Rogers | Ngukurr & Outstations |
| John O'Keefe | Minyerri & Outstations |
| Richard Sandy (resigned November 2018) | Mataranka |
| Christine Farrar (resigned November 2018) | Minyerri & Outstations |
| Timothy Baker (appointed November 2018) | Jilkminggan |
| Virginya Boon (appointed November 2018) | Mataranka |
| Keisha Avalon (appointed November 2018) | Eva Valley / Manyallaluk |

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 the Corporation during the financial year was operation of health services for the benefit of indigenous people living in the Katherine East Region.

**Significant Changes**

No Significant changes in the nature of these activities occurred during the year.

**Operating Result**

The operating profit for the year amounted to $243,766 (2018: Loss of $180,986).

**Auditor's Independence Declaration**

The lead auditor's independence declaration for the year ended 30 June 2019 has been received and can be found on page 2 of the financial report.

Signed in accordance with a resolution of the Board of Directors

Director ..... Date: 21st day of October 2019

Director ..... Date: 21st day of October 2019

Nexia Edwards Marshall NT

**SUNRISE HEALTH SERVICE ABORIGINAL CORPORATION**
**ABN: 26 778 213 582**
**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 339-50**
**THE CORPORATIONS (ABORIGINAL AND TORRES STRAIGHT ISLANDERS) ACT 2006 AND**
**THE AUSTRALIAN CHARITIES AND NOT -FOR- PROFITS COMMISSIONS ACT 2012**

**TO THE DIRECTORS OF SUNRISE HEALTH SERVICE ABORIGINAL CORPORATION**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2019 there have been no contraventions of:

(i) the auditor independence requirements as set out in the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* and section *60-40 of the Australian Charities and Not- for- Profit Commissions Act 2012,* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Nexia Edwards Marshall NT
**Chartered Accountants**

Noel Clifford
Partner

Darwin
Northern Territory

Date : 24 October 2019

**SUNRISE HEALTH SERVICE ABORIGINAL CORPORATION**
**ABN: 26 778 213 582**
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**
**FOR THE YEAR ENDED 30 JUNE 2019**

| | Note | 2019 | 2018 |
|---|---|---|---|
| | | $ | $ |
| **Revenue** | | | |
| Commonwealth Government Grants | | 11,940,027 | 11,459,636 |
| NT Government Grants | | 5,073,204 | 4,943,586 |
| Other Non Government SVC Related Income | | 1,845,005 | 2,410,229 |
| Miscellaneous Income | | 1,618,269 | 1,938,286 |
| **Total Revenue and Other Income** | | **20,476,505** | **20,751,737** |
| **Expenses** | | | |
| Clinical Service Costs | | 520,853 | 495,375 |
| Depreciation Expenses | 2b | 192,716 | 147,764 |
| Employee Benefit Expenses | 2a | 12,278,778 | 14,262,878 |
| Agency Staff Costs | | 1,837,273 | 307,322 |
| Insurance Expenses | | 729,146 | 511,351 |
| Office and Clinic Infrustructure Costs | | 305,155 | 768,355 |
| Property Operating Costs | | 1,172,199 | 1,163,183 |
| Repairs, Maintenance and Vehicle Running Expenses | | 1,136,923 | 1,227,306 |
| Service Delivery Expenses | | 204,631 | 113,650 |
| Staff Recruitment and Associated Relocation Costs | | 241,515 | 158,110 |
| Training and Education Expenses | | 166,419 | 124,588 |
| Other Administration Expenses | 2c | 1,447,131 | 1,652,841 |
| **Total expenses** | | **20,232,739** | **20,932,723** |
| **Net current year profit / (loss)** | | **243,766** | **(180,986)** |
| **Other comprehensive income** | | | |
| **Items that will not be reclassified subsequently to profit or loss :** | | | |
| Gains on revaluation of buildings and demountables for the year | 16 | - | - |
| **Total Other Comprehensive Income (Loss)** | | - | - |
| **Total Comprehensive Income (Loss) for the year** | | 243,766 | (180,986) |
| **PROFIT / (LOSS) ATTRIBUTABLE TO MEMBERS OF THE ENTITY** | | **243,766** | **(180,986)** |
| **TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO MEMBERS OF THE ENTITY** | | **243,766** | **(180,986)** |

The accompanying notes form part of these financial statements.

**SUNRISE HEALTH SERVICE ABORIGINAL CORPORATION**
**ABN: 26 778 213 582**
**STATEMENT OF FINANCIAL POSITION**
**AS AT 30 JUNE 2019**

| | Note | 2019 | 2018 |
|---|---|---|---|
| | | $ | $ |
| **ASSETS** | | | |
| **CURRENT ASSETS** | | | |
| Cash on Hand and at Bank | 3 | 3,165,561 | 929,751 |
| Trade and Other Receivables | 4 | 40,994 | 117,455 |
| Inventories | 5 | 125,374 | 91,363 |
| Other Assets | 6 | 494,775 | 97,444 |
| **TOTAL CURRENT ASSETS** | | **3,826,704** | **1,236,013** |
| **NON-CURRENT ASSETS** | | | |
| Property, Plant and Equipment | 7 | 4,326,780 | 3,876,517 |
| **TOTAL NON-CURRENT ASSETS** | | **4,326,780** | **3,876,517** |
| **TOTAL ASSETS** | | **8,153,484** | **5,112,530** |
| **LIABILITIES** | | | |
| **CURRENT LIABILITIES** | | | |
| Trade and Other Payables | 8 | 5,251,857 | 2,413,683 |
| Employee Provisions | 9 | 1,032,033 | 1,009,374 |
| **TOTAL CURRENT LIABILITIES** | | **6,283,890** | **3,423,057** |
| **NON-CURRENT LIABILITIES** | | | |
| Employee Provisions | 9 | - | 63,645 |
| **TOTAL NON-CURRENT LIABILITIES** | | **-** | **63,645** |
| **TOTAL LIABILITIES** | | **6,283,890** | **3,486,702** |
| **NET ASSETS** | | **1,869,594** | **1,625,828** |
| **EQUITY** | | | |
| Retained Earnings (Accumulated Losses) | | (97,041) | (340,807) |
| Reserves | 16 | 1,966,635 | 1,966,635 |
| **TOTAL EQUITY** | | **1,869,594** | **1,625,828** |

The accompanying notes form part of these financial statements.

**SUNRISE HEALTH SERVICE ABORIGINAL CORPORATION**
**ABN: 26 778 213 582**
**STATEMENT OF CHANGES IN EQUITY**
**FOR THE YEAR ENDED 30 JUNE 2019**

| | Note | Retained Earnings / (Accumulated Losses) | Asset Revaluation Reserve | Total Equity |
|---|---|---|---|---|
| | | $ | $ | $ |
| **Balance at 1 July 2017** | | (159,821) | 1,966,635 | 1,806,814 |
| **Comprehensive income:** | | | | |
| Net loss for the year | | (180,986) | - | (180,986) |
| Other comprehensive income for the year | 18 | - | - | - |
| **Total comprehensive loss attributable to Members of the entity for the year** | | (180,986) | - | (180,986) |
| **Balance at 30 June 2018** | | (340,807) | 1,966,635 | 1,625,828 |
| **Balance at 1 July 2018** | | (340,807) | 1,966,635 | 1,625,828 |
| **Comprehensive income:** | | | | |
| Net profit for the year | | 243,766 | - | 243,766 |
| Other comprehensive income for the year | 18 | - | - | - |
| **Total comprehensive income (loss) attributable to Members of the entity for the year** | | 243,766 | - | 243,766 |
| **Balance at 30 June 2019** | | (97,041) | 1,966,635 | 1,869,594 |

The accompanying notes form part of these financial statements.

**SUNRISE HEALTH SERVICE ABORIGINAL CORPORATION**
**ABN: 26 778 213 582**
**STATEMENT OF CASH FLOWS**
**FOR YEAR ENDED 30 JUNE 2019**

| | Note | 2019 | 2018 |
|---|---|---|---|
| | | $ | $ |
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | |
| Commonwealth, Territory, Local Government grants, Medicare and other receipts | | 23,384,178 | 20,995,588 |
| Payments to suppliers and employees | | (20,505,389) | (20,700,973) |
| Interest received | | - | 26,165 |
| Net cash provided by (used in) operating activities | 13 | **2,878,789** | **320,780** |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | |
| Proceeds from sale of property, plant and equipment | | - | - |
| Payment for property, plant and equipment | | (642,979) | (379,070) |
| Net cash (used in) investing activities | | **(642,979)** | **(379,070)** |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | |
| Advances of borrowings received | | - | - |
| Payment of borrowings | | - | - |
| Net cash provided by (used in) financing activities | | - | - |
| Net increase / (decrease) in cash held | | 2,235,810 | (58,290) |
| Cash and cash equivalents at beginning of the financial year | | 929,751 | 988,041 |
| Cash and cash equivalents at end of the financial year | 13 | **3,165,561** | **929,751** |

The accompanying notes form part of these financial statements.

**SUNRISE HEALTH SERVICE ABORIGINAL CORPORATION**
**ABN: 26 778 213 582**
**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2019**

The financial statements cover Sunrise Health Service Aboriginal Corporation as an individual entity, incorporated and domiciled in Australia. Sunrise Health Service Aboriginal Corporation is operating pursuant to the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* (CATSI Act) and the *Australian Charities and Not for Profits Commission Act 2012* (ACNC Act).

The financial statements were authorised for issue on 21st October 2019 by the Directors of the Corporation.

**Note 1 Summary of Significant Accounting Policies**

**Basis of Preparation**

Sunrise Health Service Aboriginal Corporation (ACNC RDR) applies Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: *Application of Tiers of Australian Accounting Standards*.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) ,the *CATSI Act 2006* and *ACNC Act 2012*. The Corporation is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals 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) Revenue**

Non-reciprocal grant revenue is recognised in profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Sunrise Health Service Aboriginal Corporation receives non-reciprocal contributions of assets from the government and other parties for a zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in profit or loss.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

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

**Note 1 Summary of Significant Accounting Policies (Cont.)**

**(b) Inventories**

Inventories held for sale are measured at the lower of cost and net realisable value. Inventories held for distribution are measured at cost adjusted, when applicable, for any loss of service potential.

Inventories acquired at no cost, or for nominal consideration, are valued at the current replacement cost as at the date of acquisition.

**(c) Property, Plant and Equipment**

Each class of property, plant and equipment is carried at cost or fair value as indicated, less, where applicable, accumulated depreciation and any impairment losses.

**Freehold Property**

Freehold land and Buildings are shown at their fair value based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

In periods when the Freehold Land and Buildings are not subject to an independent valuation, the Directors conduct Directors' valuations to ensure the carrying amount for the Land and Buildings is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of Land and Buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in profit or loss.

Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Freehold Land and Buildings that have been contributed at no cost, or for nominal cost, are initially recognised and measured at the fair value of the asset at the date it is acquired.

**Plant and Equipment**

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

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 fixed assets, including buildings and capitalised lease assets but excluding freehold land, 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. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

| Class of Fixed Asset | Depreciation Rate |
|---|---|
| Buildings | 3-10% |
| Plant and equipment | 10-40% |
| equipment | 20-25% |

**Note 1 Summary of Significant Accounting Policies (Cont.)**

**(c) Property, Plant and Equipment (cont.)**

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

**(d) Leases**

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the entity, are classified as finance leases.

Finance leases are capitalised, recognising an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the entity will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

**(e) Financial Instruments**

***Initial Recognition and Measurement***

Financial assets and financial liabilities are recognised when the Corporation becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Corporation commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).
Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.
Trade receivables are initially measured at the transaction price if the trade receivables do not contain significant financing component or if the practical expedient was applied as specified in *AASB 15: Revenue from Contracts with Customers.*

***Classification and Subsequent Measurement***

*Financial liabilities*
Financial liabilities are subsequently measured at:

- amortised cost; or
- fair value through profit or loss.

A financial liability is measured at fair value through profit or loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which *AASB 3: Business Combinations* applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense over in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

**Note 1 Summary of Significant Accounting Policies (Cont.)**

**(e) Financial Instruments (Cont.)**

A financial liability is held for trading if it is:

- incurred for the purpose of repurchasing or repaying in the near term;
- part of a portfolio where there is an actual pattern of short-term profit-taking; or
- a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in effective hedging relationships).

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial liability.

If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses should be taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.

*Financial assets*

Financial assets are subsequently measured at:

- amortised cost; or
- fair value through comprehensive income; or
- fair value through profit or loss.

Measurement is on the basis of two primary criteria:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset that meets the following conditions is subsequently measured at other comprehensive income:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

The Corporation initially designates a financial instrument as measured at fair value through profit or loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as an "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
- it is in accordance with the documented risk management or investment strategy and information about the groupings is documented appropriately, so the performance of the financial liability that is part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis; and
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial designation of financial instruments to measure at fair value through profit or loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

**Note 1 Summary of Significant Accounting Policies (Cont.)**

**(e) Financial Instruments (Cont.)**

*Equity instruments*

At initial recognition, as long as the equity instrument is not held for trading or not a contingent consideration recognised by an acquirer in a business combination to which AASB 3 applies, the Corporation made an irrevocable election to measure any subsequent changes in fair value of the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investment will still be recognised in profit or loss.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the Corporation's accounting policy.

***Derecognition***

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

*Derecognition of financial liabilities*

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

*Derecognition of financial assets*

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All the following criteria need to be satisfied for the derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Corporation no longer controls the asset (ie has no practical ability to make unilateral decision to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity which the Corporation elected to classify under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

**Impairment**

The Corporation recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets (eg amount due from customers under construction contracts);
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

**Note 1 Summary of Significant Accounting Policies (Cont.)**

**(e) Financial Instruments (Cont.)**

The Corporation uses the following approaches to impairment, as applicable under AASB 9: Financial Instruments:
- the general approach;
- the simplified approach;
- the purchased or originated credit-impaired approach; and
- low credit risk operational simplification.

*General approach*
Under the general approach, at each reporting period, the Corporation assesses whether the financial instruments are credit-impaired, and:
- if the credit risk of the financial instrument has increased significantly since initial recognition, the Corporation measures the loss allowance of the financial instruments at an amount equal to the lifetime expected credit losses; and
- if there is no significant increase in credit risk since initial recognition, the Corporation measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

*Simplified approach*
The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times.

This approach is applicable to:
- trade receivables; and
- lease receivables.

In measuring the expected credit loss, a provision matrix for trade receivables is used taking into consideration various data to get to an expected credit loss (ie diversity of its customer base, appropriate groupings of its historical loss experience, etc).

*Purchased or originated credit-impaired approach*
For financial assets that are considered to be credit-impaired (not on acquisition or originations), the Corporation measures any change in its lifetime expected credit loss as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment is recognised in profit or loss as an impairment gain or loss.

Evidence of credit impairment includes:
- significant financial difficulty of the issuer or borrower;
- a breach of contract (eg default or past due event);
- a lender has granted to the borrower a concession, due to the borrower's financial difficulty, that the lender would not otherwise consider;
- the likelihood that the borrower will enter bankruptcy or other financial reorganisation; and
- the disappearance of an active market for the financial asset because of financial difficulties.

*Low credit risk operational simplification approach*
If a financial asset is determined to have low credit risk at the initial reporting date, the Corporation assumes that the credit risk has not increased significantly since initial recognition and, accordingly, can continue to recognise a loss allowance of 12-month expected credit loss.

**Note 1 Summary of Significant Accounting Policies (Cont.)**

**(e) Financial Instruments (Cont.)**

In order to make such a determination that the financial asset has low credit risk, the Corporation applies its internal credit risk ratings or other methodologies using a globally comparable definition of low credit risk.

A financial asset is considered to have low credit risk if:

- there is a low risk of default by the borrower;
- the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and
- adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

A financial asset is not considered to carry low credit risk merely due to existence of collateral, or because a borrower has a lower risk of default than the risk inherent in the financial assets, or relative to the credit risk of the jurisdiction in which it operates.

**Recognition of expected credit losses in financial statements**

At each reporting date, the Corporation recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. The amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

For financial assets that are unrecognised (eg loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

**(f) Impairment of Non-Financial Assets**

At the end of each reporting period, the entity assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

**(g) Employee Benefits**

**Short-term employee benefits**

Provision is made for the Corporation's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

**Note 1 Summary of Significant Accounting Policies (Cont.)**

**(g) Employee Benefits (cont.)**

The Corporation's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

**Other long-term employee benefits**

The Corporation classifies employees' long service leave and annual leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the Corporation's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefits expense.

The Corporation's obligations for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the Corporation does not have an unconditional right to defer settlement for at least twelve months after the reporting date, in which case the obligations are presented as current liabilities.

**Retirement benefit obligations**

*Defined contribution superannuation benefits*

All employees of the Corporation receive defined contribution superannuation entitlements, for which the Corporation pays the fixed superannuation guarantee contribution (currently 9.5% of the employee's ordinary average salary) to the employee's superannuation fund of choice. All contributions in respect of employees' defined contribution entitlements are recognised as an expense when they become payable. The Corporation's obligation with respect to employees' defined contribution entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the Corporation's statement of financial position.

**(h) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

**(i) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

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 ATO is included with other receivables or 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 ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

**Note 1 Summary of Significant Accounting Policies (Cont.)**

**(j) Income Tax**

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

**(k) Intangibles**

Software is initially recognised at cost. It has a finite life and is carried at cost less any accumulated amortisation and impairment losses. Software has an estimated useful life of between one and three years. It is assessed annually for impairment.

**(l) Provisions**

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of reporting period.

**(m) Comparative Figures**

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

**(n) Trade and Other Payables**

Trade and other payables represent the liabilities for goods and services received by the Corporation during the reporting period that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

**(o) Critical Accounting Estimates and Judgements**

The Directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Corporation.

**Key Estimates**

Valuation of buildings and demountable

The buildings and demountables were independently valued at 30 June 2017 by Herron Todd White (Northern Territory) Pty Ltd. The valuation was based on the fair value less cost of disposals. The valuations resulted in a revaluation increment of $710,533 being recognised for the year ended 30 June 2017 (refer to Note 17(ii) and 18).

**(p) Fair Value of Assets and Liabilities**

The Corporation measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable accounting standard.

Fair value' is the price the Corporation would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transactions between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

**Note 1 Summary of Significant Accounting Policies (Cont.)**

**(p) Fair Value of Assets and Liabilities (cont.)**

To the extent possible, market information is extracted from the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability). In the absence of such a market, market information is extracted from the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (if any) may be valued, where there is no observable market price in relation to the transfer of such financial instrument, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and where significant, are detailed in the respective note to the financial statements.

**(q) Economic Dependence**

The Corporation is dependent on the Commonwealth Departments of Prime Minister and Cabinet, and the NT Government for the majority of its revenue to operate its programs and business. At the date of this report, the Board of Directors has no reason to believe that the above government departments will not continue to support the Corporation. The operations and future success of the Corporation is dependent upon the continued support and funding by the government bodies and the achievement of operating surpluses and positive operating cash flows.

**(r) Going Concern**

The financial report has been prepared on a going concern assumption.

The current year's results shows an increase in net assets resulting from a net profit of $243,766 (2018: a reduction and loss of $180,986). The statement of financial position reports current assets of $3,826,704 (2018: $1,236,013) and current liabilities of $6,283,890 (2018: $3,423,057). As at 30 June 2019, the current liabilities are greater than the current assets by $2,457,186 (2018: $2,160,044).

The Corporation's cashflows statement reports an increase in cashflows of $2,235,810 (2018: decrease of $58,290).

The future operations of the Corporation's are dependent upon funding from the Commonwealth Department of Prime Minster and Cabinet and the Northern Territory Government for the majority of its revenue to operate its programs and business. At the date of this report, the Board of Directors has no reason to believe that the above government departments will not continue to support the Corporation. Notwithstanding, the Corporation receives major funding from the Department of Health and the funding for 2019/20 will be subject to approval from the Department of Health. The management has been in negotiation with funding body to renewed its grant agreement for 2019/20 funding.

The Directors and Management believe that the Corporation will continue as a going concern.

No adjustment has been made to the value of assets and liabilities reported in the financial statements.

**SUNRISE HEALTH SERVICE ABORIGINAL CORPORATION**
**ABN: 26 778 213 582**
**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2019**

## Note 2 Expenses

| | | 2019 $ | 2018 $ |
|---|---|---|---|
| (a) | **Employee Benefits Expenses:** | | |
| | — Staff remuneration expenses | 11,447,616 | 13,261,889 |
| | — Contributions to defined contribution superannuation funds | 831,162 | 1,000,989 |
| | Total employee benefits expense | 12,278,778 | 14,262,878 |
| (b) | **Depreciation and amortisation:** | | |
| | - Buildings and demountable | 143,856 | 135,134 |
| | - Furniture and equipment | 16,996 | 11,866 |
| | - Motor vehicles | 31,864 | 764 |
| | Total depreciation and amortisation | 192,716 | 147,764 |
| (c) | **Other Administrative Expenses** | | |
| | — Accountancy and finance costs | 59,722 | 84,644 |
| | — Communication expenses | 477,891 | 429,681 |
| | — Community consultation cost | 240 | (234) |
| | — Consultancy expense | 146,463 | 168,385 |
| | — IT Services | 110,182 | 252,191 |
| | — Meetings costs | 164,348 | 131,698 |
| | — Staff Accommodation costs | 12,084 | 32,302 |
| | — Staff travel costs | 476,201 | 554,174 |
| | **Total other administrative expenses** | 1,447,131 | 1,652,841 |
| | Postage cost | - | 19,464 |

## Note 3 Cash on Hand and at Bank

| | | | |
|---|---|---|---|
| | **CURRENT** | | |
| | Cash at bank | 3,164,946 | 929,251 |
| | Cash on hand | 615 | 500 |
| | **Total Cash on hand and at bank** | 13(a), 14 3,165,561 | 929,751 |

## Note 4 Trade and Other Receivables

| | Note | 2019 $ | 2018 $ |
|---|---|---|---|
| **CURRENT** | | | |
| **Receivables :** | | | |
| Trade receivables | | 49,063 | 122,692 |
| Less :Provision for impairment of receivables | | (9,000) | (6,000) |
| **Total Trade Receivables** | | 40,063 | 116,692 |
| **Other Receivables :** | | | |
| Other receivables | | 931 | 763 |
| **Total Other receivables** | | 931 | 763 |
| **Total current trade and other receivables** | 14 | 40,994 | 117,455 |

**4(a) Provision for doubtful debts**

Movement in the provision for doubtful debts is as follows:

| | |
|---|---|
| **Provision for doubtful debts as at 1 July 2017** | - |
| — Charge for year | (6,000) |
| — Written off | - |
| **Provision for doubtful debts as at 1 July 2018** | (6,000) |
| — Charge for year | (3,000) |
| — Written off | - |
| **Provision for doubtful debts as at 30 June 2019** | (9,000) |

## Note 5 Inventories

| | 2019 | 2018 |
|---|---|---|
| **CURRENT** | | |
| Inventory on hand at cost | 125,374 | 91,363 |
| **Total Inventory** | 125,374 | 91,363 |

## Note 6 Other Assets

| | 2019 | 2018 |
|---|---|---|
| **CURRENT** | | |
| Prepayments | 494,775 | 97,444 |
| **Total other assets** | 494,775 | 97,444 |

## Note 7 Property, Plant and Equipment

| | 2019 $ | 2018 $ |
|---|---|---|
| **Buildings and demountable** | | |
| — Independent valuation in 2017 | 3,961,598 | 3,961,598 |
| — At cost | 93,328 | - |
| | 4,054,926 | 3,961,598 |
| Less Accumulated depreciation | (280,618) | (135,133) |
| **Total Buildings and Demountables** | 3,774,308 - | 3,826,465 |
| **FURNITURE, PLANT AND EQUIPMENT** | | |
| Furniture, Plant and equipment: | | |
| At cost | 763,684 | 348,300 |
| Less Accumulated depreciation | (339,257) | (323,248) |
| | 424,427 | 25,052 |
| **Motor vehicles:** | | |
| At Cost | 201,014 | 65,559 |
| Less Accumulated depreciation | (72,969) | (40,559) |
| | 128,045 | 25,000 |
| **Total Furniture, Plant and Equipment & Vehicles** | 552,472 | 50,052 |
| **Total property, plant and equipment** | 4,326,780 | 3,876,517 |

The buildings and demountables located in the East Arnhem Regional Council Area, were revalued by an independent valuer, Mr. Will Johnson, AAPI, Certified Practising Valuer and Director of Herron Todd White(NT) Pty Ltd, as at 30 June 2017. The valuation of the buildings and demountables is based on the fair value of each identifiable property. The revalued amount of buildings and demountable is $2,386,000 and $1,231,000 respectively (refer to Note 17 (ii) for details on revaluations).

**Movements in Carrying Amounts**

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

| | Buildings & Demountable $ | Furniture, Plant and Equipment $ | Motor Vehicles $ | Total $ |
|---|---|---|---|---|
| **Carrying amount at 1 July 2018** | 3,826,465 | 25,052 | 25,000 | 3,876,517 |
| Revaluations (increments) | - | - | - | - |
| Additions at cost | 91,699 | 416,371 | 134,909 | 642,979 |
| Disposals | - | - | - | - |
| Depreciation expense | (143,856) | (16,996) | (31,864) | (192,716) |
| **Carrying amount at 30 June 2019** | 3,774,308 | 424,427 | 128,045 | 4,326,780 |

## Note 8 Trade and Other Payables

| | Note | 2019 $ | 2018 $ |
|---|---|---|---|
| **CURRENT** | | | |
| Trade payables | | 838,196 | 531,069 |
| Employee payroll liabilities payable | | 256,035 | 328,733 |
| Other payables | | 117,848 | 456,555 |
| GST payable (net amount of GST payable) | | 465,475 | 357,067 |
| Unexpended funding | | 3,574,303 | 740,259 |
| **Total Trade and Other Payables** | | 5,251,857 | 2,413,683 |
| (a) Financial liabilities at amortised cost are classified as trade and other payables. | | | |
| **Trade and other payables:** | | | |
| — Total Current | | 5,251,857 | 2,413,683 |
| — Total Non Current | | - | - |
| **Total trade and other payables** | | 5,251,857 | 2,413,683 |
| **Less:** | | | |
| — Unexpended funding | | (3,574,303) | (740,259) |
| **Financial liabilities as trade and other payables** | 14 | 1,677,554 | 1,673,424 |

## Note 9 Employee Provisions

| | | |
|---|---|---|
| **CURRENT** | | |
| Provision for employee benefits: sick leave | 83,500 | - |
| Provision for employee benefits: annual leave | 556,065 | 628,158 |
| Provision for employee benefits: long service leave | 356,793 | 366,446 |
| Provision for employee benefits: TIL | 35,675 | 14,770 |
| | 1,032,033 | 1,009,374 |
| **NON-CURRENT** | | |
| Provision for employee benefits: long service leave | - | 63,645 |
| | - | 63,645 |
| **Total provisions for employee benefits** | 1,032,033 | 1,073,019 |

| **Analysis of total provisions:** | **Total** |
|---|---|
| **Opening balance at 1 July 2018** | 1,073,019 |
| Additional provisions raised during the year | |
| Amounts used during the year | (40,986) |
| **Balance at 30 June 2019** | 1,032,033 |

## Note 9 Employee Provisions (Cont.)

**Provision For Employee Benefits**
Employee provisions represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amount accrued for long service leave entitlements that have existed due to employees having completed the required period of service. Based on past experience, the Corporation does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the Corporation does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits have been discussed in Note 1(g).

## Note 10 Capital and Leasing Commitments

**(a) Operating Lease Commitments**
Non-cancellable operating leases contracted for but not capitalised in the financial statements:

| | 2019 | 2018 |
|---|---|---|
| Payable – minimum lease payments | $ | $ |
| — not later than 12 months | 346,025 | 1,450,001 |
| — later than 12 months but not later than five years | 1,811,845 | 1,529,394 |
| — later than five years | 864,142 | 54,998 |
| **Total Operating Lease Commitments** | 3,022,012 | 3,034,393 |

The major leasing commitments comprise the Corporation's main office, other accommodation facilities for staff and the hire of the Corporation's car fleet. The Corporation's main office lease has an option for renewal of the lease term for a further 5 years when the initial term expires on 31st December 2019.

**(b) Capital Expenditure Commitments**

The Corporation has no capital expenditure commitments as at 30 June 2019 (2018:$Nil).

## Note 11 Contingent Liabilities and Contingent Assets

The Board is not aware of any contingent liabilities or assets as at 30 June 2019 (2018:$Nil).

## Note 12 Events After the Reporting Period

The Board is not aware of any significant events since the end of the reporting period (2018: Nil)

## Note 13 Cash Flow Information

| | Note | 2019 $ | 2018 $ |
|---|---|---|---|
| **(a) Reconciliation of cash and cash equivalents to Statement of Cash Flows :** | | | |
| Cash on hand and at bank | 3 | 3,165,561 | 929,751 |
| **Total cash as stated in the Statement of cash flows** | | 3,165,561 | 929,751 |
| **(b) Reconciliation of Cash Flow from Operating Activities with Current Year Profit /(Loss)** | | | |
| Profit/(Loss) for the current year | | 243,766 | (180,986) |
| **Non-cash flows:** | | | |
| Depreciation and amortisation expense | | 192,716 | 147,764 |
| Loss (Profit) on disposal of assets | | - | - |
| Increase (Decrease) in Provision for impairment of receivables | | 3,000 | 6,000 |
| **Changes in assets and liabilities:** | | | |
| (Increase)/decrease in trade and other receivables | | 73,461 | 30,293 |
| (Increase)/decrease in inventories on hand | | (34,011) | 52,523 |
| (Increase)/decrease in other current assets | | (397,331) | 109,725 |
| Increase/(decrease) in accounts payable and other payables | | 2,838,174 | 317,413 |
| Increase/(decrease) in employee provisions | | (40,986) | (161,952) |
| **Net cash provided by( used in) operating activities** | | 2,878,789 | 320,780 |

## Note 14 Financial Risk Management

The Corporation's financial instruments consist mainly of deposits with banks accounts, receivables and payables.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

| | Note | 2019 $ | 2018 $ |
|---|---|---|---|
| **Financial assets** | | | |
| Cash on hand | 3 | 3,165,561 | 929,751 |
| Trade and other receivables | 4 | 40,994 | 117,455 |
| **Total financial assets** | | 3,206,555 | 1,047,206 |
| **Financial liabilities** | | | |
| Financial liabilities at amortised cost: | | | |
| Trade and other payables | 8 | 1,677,554 | 1,673,424 |
| **Total financial liabilities** | | 1,677,554 | 1,673,424 |

Refer to Note 15 for detailed disclosures regarding the fair value measurements of the Corporation's financial assets.

## Note 15 Fair Values Measurements

### Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the statement of financial position.

| | | 2019 | | 2018 | |
|---|---|---|---|---|---|
| | Note | Carrying Amount $ | Fair Value $ | Carrying Amount $ | Fair Value $ |
| **Financial assets** | | | | | |
| Cash on hand and at bank | 3, 14 | 3,165,561 | 3,165,561 | 929,751 | 929,751 |
| Trade and other receivables | 4, 14 | 40,994 | 40,994 | 117,455 | 117,455 |
| Total financial assets | | 3,206,555 | 3,206,555 | 1,047,206 | 1,047,206 |
| **Financial liabilities** | | | | | |
| Trade and other payables | 8, 14 | 1,677,554 | 1,677,554 | 1,673,424 | 1,673,424 |
| **Total financial liabilities** | | 1,677,554 | 1,677,554 | 1,673,424 | 1,673,424 |

**Note 15 Fair Values Measurements (Cont.)**

(i) Cash on hand, accounts receivable and other debtors, and accounts payable 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, which is outside the scope of AASB 139.

(ii) The fair value of the buildings and demountables were determined by an independent valuation performed as at 30 June 2017, Mr. Will Johnson AAPI, Certified Practising Valuer and Director of - Herron Todd White Pty Ltd. The fair vlaues used by the vauer are based on the fair market values for each identifiable property. The critical assumption adopted by the Independent Valuer is that " A fair value measurement assumes that the asset or liability is exchanged in an orderly transaction between market participants to sell the asset or transfer the liability at the measurement date under current market conditions.

A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:
(a) in the principal market for the asset or liability; or
(b) in the absence of a principal market, in the most advantageous market for the asset or liability."

| | | 2019 | | 2018 | |
|---|---|---|---|---|---|
| | Note | Carrying Amount $ | Fair Value $ | Carrying Amount $ | Fair Value $ |
| **Non - Financial assets** | | | | | |
| Buildings & Demountables | 7 | 3,774,308 | 3,774,308 | 3,826,465 | 2,386,000 |
| **Total non- financial assets** | | 3,774,308 | 3,774,308 | 3,826,465 | 2,386,000 |

**Note 16 Reserves**

| **Asset revaluation reserves** | 2019 $ |
|---|---|
| — Balance at the beginning of financial year 1 July 2018 | 1,966,635 |
| — Revaluation increment during the year | - |
| — Balance at the end of financial year 30 June 2019 | 1,966,635 |

The asset revaluation reserve records the revaluation of non-current assets.

**Note 17 Key Management Remuneration**

| The totals of remuneration paid to KMP of the Corporation: | 2019 $ | 2018 $ |
|---|---|---|
| Wages | 968,668 | 1,008,166 |
| Superannuation | 98,626 | 101,938 |
| Other entitlements | 69,495 | 64,871 |
| **Total key management remuneration** | **1,136,789** | **1,174,975** |

**Note 18 Other Related Party Disclosure**

Other related parties include close family members of ley management personnel and entities that are controlled or jointly controlled by those key management personnel or individual or collectively with their close family members.

Transactions between related parties are on commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

There were no other related party transactions in 2019 (2018 :$Nil).

## Note 19 Corporation Details

**The Registered Office of the corporation is:**

Sunrise Health Service Aboriginal Corporation
Pandamus Plaza
25 First Street , Katherine NT 0850

**The Principal place of business is:**

Sunrise Health Service Aboriginal Corporation
Pandamus Plaza
25 First Street , Katherine NT 0850

**SUNRISE HEALTH SERVICE ABORIGINAL CORPORATION**
**ABN: 26 778 213 582**
**DIRECTORS DECLARATION**

The Directors of Sunrise Health Service Aboriginal Corporation , declare that in the Directors' opinion :

1. The financial statements and notes, as set out on pages 3 to 25, are in accordance with the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* (CATSI Act 2006) and with the *Australian Charites and Not-for-Profits Commission Act 2012* (ACNC Act) and :

   (a) comply with Australian Accounting Standards - Reduced Disclosure Requirements; and

   (b) give a true and fair view of the financial position of the Corporation as at 30 June 2019, its performance and cash flows for the year ended on that date.

2. In the directors' opinion there are reasonable grounds to believe that the Corporation 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 and with subsection 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Dated 21st October 2019

Dated 21st October 2019

Nexia Edwards Marshall NT

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SUNRISE HEALTH SERVICE ABORIGINAL CORPORATION

### Opinion

We have audited the financial report of Sunrise Health Service Aboriginal Corporation ("the Corporation") which comprises the Statement of Financial Position as at 30 June 2019, the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, Notes to the Financial Statements, including a summary of significant accounting policies, and the Directors' Declaration.

In our opinion, the accompanying financial report of Sunrise Health Service Aboriginal Corporation is in accordance with the requirements of Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and the *Corporations (Aboriginal and Torres Strait Islander) Act 2006*, including:

(i) giving a true and fair view of the Corporation's financial position as at 30 June 2019 and of its financial performance and its cash flows for the year then ended; and

(ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements, the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* and *Australian Charities and Not-for-profits Commission Regulations 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 Corporation in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the *Corporations (Aboriginal and Torres Strait Islander) Act 2006,* and the independence 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. 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.

**Material Uncertainty Related to Going Concern**

We draw attention to Note 1(r) "Going Concern", to the financial report, which indicates that the Corporation reported an operating profit of $243,766 (2018: loss of $(180,986)) and a comprehensive income of $243,766 (2018: loss of $(180,986)). The statement of financial position reports current assets of $3,826,704 (2018: $1,236,013) and current liabilities of $6,283,890 (2018: $3,423,057). As at 30 June 2019, the current liabilities are greater than the current assets by $2,457,186 (2018: $2,160,044). These events or conditions along with other matter as set forth in Note 1(r), indicate that a material uncertainty exists, that may cast significant doubt on the Corporation's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

**Directors' Responsibility for the Financial Report**

The Directors of Sunrise Health Service Aboriginal Corporation are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* and *Australian Charities and Not-for-profits Commission Act 2012*. This responsibility includes such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view so that it is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Corporation'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 Directors either intend to liquidate the Corporation or to cease operations, or have no realistic alternative but to do so.

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

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation'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 Corporation'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 Corporation 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.

Nexia Edwards Marshall NT
Chartered Accountants

Noel Clifford
Partner

Dated: 24 October 2019

# Acknowledgements

Sunrise Health Service Aboriginal Corporation would like to acknowledge the support received from our sponsors, supporters, funding agencies and partners; without their support we would not be able to deliver a primary health care service at the local level:

- Northern Territory Government Department of Health
- Commonwealth Department of Health
- Commonwealth Department of Social Services
- National Indigenous Australians Agency
- Brien Holden Vision Institute
- Healing Foundation
- NT Primary Health Networks (NT PHN)
- Northern Territory General Practice Education
- Aboriginal Medical Services Alliance of Northern Territory (AMSANT)
- National Disability Insurance Agency

AFL NT, BodyFit NT, Centre of Disease Control (Darwin and Katherine), Community Schools, Good Beginnings - Katherine, Royal Darwin Hospital, Katherine District Hospital, Katherine Hostel, Katherine Mental Health Team and Disability Services, Life Education NT, Menzies School of Health, Ngukurr General Business Manager, North Australian Aboriginal Justice Agency, Northern Land Council, NT Department of Children and Families, NT Department of Education, NT Environmental Health, NT Family Planning and Welfare, NT Department of Justice, NT Police, Remote Jobs Community Program, Roper Gulf Regional Council, Stronger Communities for Children, University of Western Sydney, Wurli-Wurlinjang Health Service, Batchelor Institute of Indigenous Tertiary Education, National Aboriginal Community Controlled Health Organisation, Chamber of Commerce Northern Territory, Flinders University, Royal Melbourne Institute of Technology, Charles Darwin University, Griffith University, Australian Human Resources Institute, Fair Work Commission, Global Reconciliation, Remote Area Health Corps (RAHC) AMSANT, Katherine Regional Aboriginal Health and Related Services, Outback Stores Bulman and Wugularr, NT Breast Screen Mobil Service, Top End Integrated Maternity Services, Skinnyfish Music, Telstra Health, Emerge IT Solutions and others not mentioned.

Photography: Thank you to current and former SHSAC staff members for the contribution of photo's provided for this Annual Report.

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Sarah Martin Design
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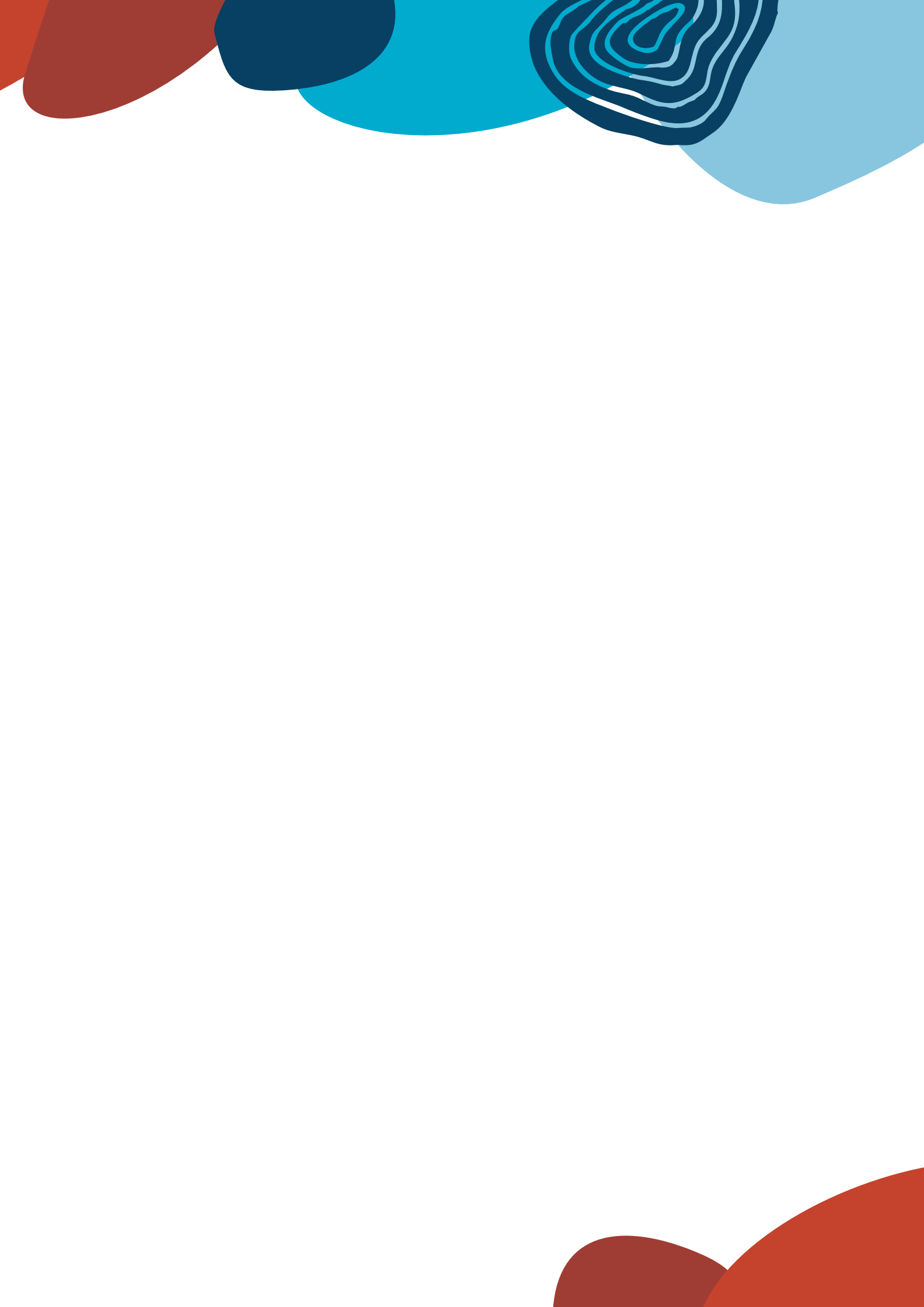

SUNRISE HEALTH SERVICE
ABORIGINAL CORPORATION

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