SUNRISE HEALTH SERVICE
ABORIGINAL CORPORATION
ABN 26 778 213 582 • ICN 4170

SUNRISE HEALTH SERVICE ABORIGINAL CORPORATION

ANNUAL REPORT

2019/2020

CONTENTS

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

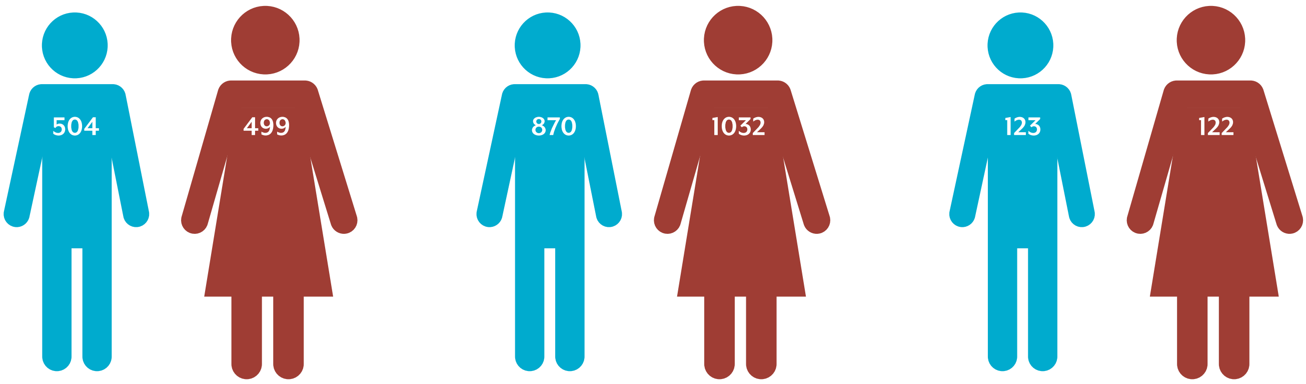
Barunga, Manyallaluk (Eva Valley), Wugularr (Beswick), Bulman & Weemol (Central Arnhem Highway); Jilkminggan, Minyerri, Ngukurr & Urapunga (Roper Highway); Mataranka (Stuart Highway); and surrounding communities and outstations.

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

Demographics

As at 30th June 2020

Population by age and gender

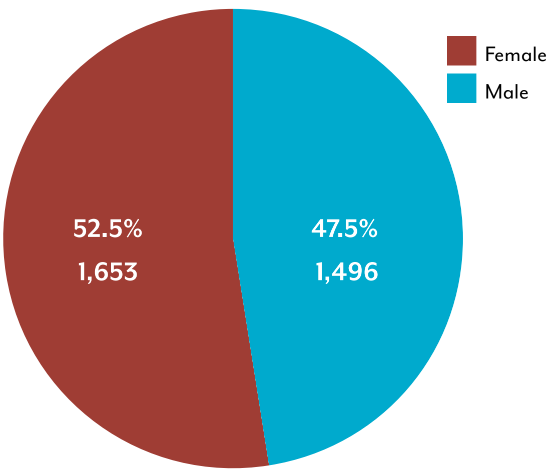


0 -14 years old
Total 1,003

15 - 54 years old
Total 1,902

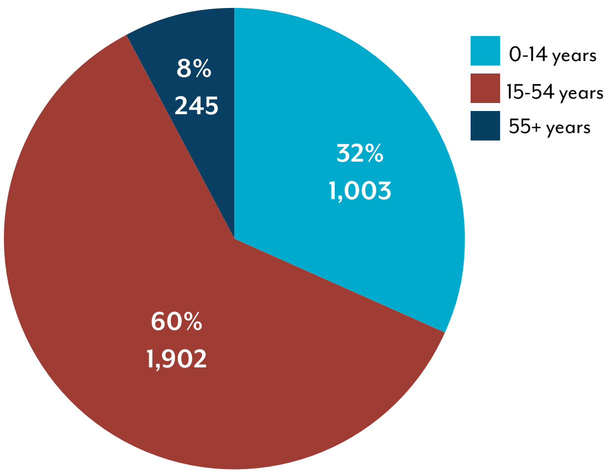
55+ years old
Total 245

Population by gender



TOTAL POPULATION = 3,150

Population by age



TOTAL POPULATION = 3,150

Chairperson's Report

This financial year has been a year of hard work by the Board, with high demands being made of each Director in COVID-19 and biosecurity zone lockdown issues in each community.

The Sunrise Health Service Aboriginal Corporation Board of Directors met five times during the year, holding meetings at CDU Campus Katherine, Flying Fox Station and at Katherine, with the Annual General Meeting being held in November 2019 at Godinymayin Yijard Rivers Arts & Culture Centre.

The Top Road Elections were held in October 2019 and at the November AGM we were unable to fill the elected position for Bulman, as Ms Christine Curtis moved to and was elected as the representative for Wugularr, and Ms Keisha Avalon resigned at the AGM (but later reappointed back into her former position).

The Board thanks the Executive Management team, for their tireless effort and performance under very difficult circumstances. The Board also recognises that this work, plus the threat of COVID-19 has not come without its costs – placing more demands on each manager, leaving key positions unfilled and having insufficient support staff to function effectively.

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 – particularly around COVID-19. After several instances where communities have been affected by the failings of Government 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. 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 – Ngukurr, Minyerri and Mataranka to name a few.

It became very clear during the biosecurity zone lockdown that Australia's welfare payments were insufficient as the two rounds of additional payments were quickly spent on food - leading to a shortage of supplies in the remote stores. What we saw was a marked improvement in both the physical and mental health of people in our communities – not cabin fever – which was what we were expecting.

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 situation is not helped by there being no nursing training in the NT. The organisation is engaging with stakeholders both Commonwealth and Territory to develop an integrated and comprehensive career pathway from driver to doctor including an on-job training for the Batchelor of Nursing.

Our greatest operational impediment is still 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 primary health care in communities particularly in the area of maternal, family and community services support.

I look forward to continuing to work with the 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!

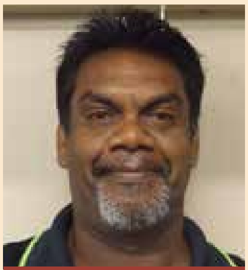
Anne-Marie Lee

Anne-Marie Lee
Chairperson
Sunrise Health Service Board of Directors

Board of Directors

Executive Directors


Chairperson:
Anne-Marie Lee


Deputy Chairperson:
Peter Lindsay


Treasurer:
Michelle Farrell


Secretary:
Timothy Baker

Directors

Ngukurr and Outstations


Michelle Farrell


Robin Rogers

Urapunga

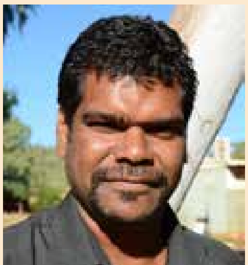

Clifford Duncan

Minyerri and Outstations


John O'Keefe


Joaquin Huddleston (resigned)

Jilkminggan


Timothy Baker

Mataranka


Virginya Boon

Manyallaluk

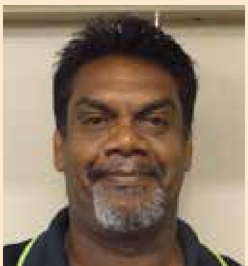

Keisha Avalon

Barunga


Anne-Marie Lee

Wugularr


Christine Curtis


Peter Lindsay

Bulman

Unfilled

Weemol


John Dalywater

Werenbun


Majella Friel

Executive Summary

Sunrise Health Service Aboriginal Corporation has had an interesting year, it started out as my first year as CEO working with the Executive team and the Board on a new strategic plan, enhancing our relationships with funding bodies to provide integrated client service and then along came COVID-19.

The entire Executive team has been engaged in COVID-19 planning responses since the outbreak in late February working tirelessly to ensure that our communities are safe, informed, and the appropriate response mechanisms have been developed if there ever was an outbreak in one of our communities. It also included scouring the country for personal protection equipment to keep our staff safe. Thanks to the Assets team we now have a chilled warehouse devoted to emergency PPE in the event of an outbreak.

Special thanks to Dr Tanya Davies, and Dr Ahmed Latif who have put in hours and hours of work developing COVID-19 Pandemic Plans and reviewing our public health responses as our understanding of and the spread of the virus grew.

Once again, I am proud to report that the projected profit for this year is a reality. The profit still comes at a cost and that cost is our inability to fund key positions that support the skills development of 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 still ahead of the pack despite our limitations and COVID-19 constraints.

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 implemented 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 clinical staff 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.

We are still working towards a more equitable funding model. We have had a win in that the Australian Department of Health is increasing our revenue every year for the next three years, whilst some other Aboriginal Community Controlled Organisations received no increase.

Despite the 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 has appointed an operational Director to develop community-based strategies to address these social determinants that impact community health and wellbeing in conjunction with other agencies.

Our new strategic plan, promotes greater workforce development and a family centric primary health care delivery model and is consistent with the The Sunrise Way – a benchmark document written ten years ago defining the ideal service delivery/ community engagement model of health reform in remote communities.

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
CEO

Executive Managers (2019-2020)

Mr Bill Palmer
Chief Executive Officer

Ms Michelle Mason
Director, Primary Health Care

Dr Tanya Davies
Director, Public Health & Planning

Ms Clare Murray
Director, Strategy & Development

Mr George Marin
Director, Finance & Business Operations

Mr Steve Brown
Assets Manager

Public Health and Planning

The 2019- 2020 presented additional challenges through the impact of COVID-19 on the delivery of services to the people of the Sunrise region.

General Practioners:

Despite only having two long-term General Practitioners (GPs) in the team, Sunrise has been lucky to have a group of GP locums who have been willing to give long-term services to our communities for most of the year including the COVID lockdown period. The group have been very helpful in not only providing individual care to clients but have also contributed to our internal systems such as clinical audits and best practice recommendations.

Clinical Governance and Clinical Case Reviews:

The Clinical Governance Group has been meeting regularly most of this year. It has addressed issues to do with Communicare (patient record system) to facilitate best practice by clinicians. It has also focused on systems issues, both organisational and policies.

We have also added monthly Clinical Case Reviews where a group of clinician's review cases – either ones that have been raised through the clinical, incident or complaints processes, or random case reviews.

COVID-19:

As with all other Health Services in the country, Sunrise has been grappling with how to respond to the COVID-19 pandemic. We have had no COVID community transmission in the NT so far, which has allowed Sunrise time to prepare for when it does. There was a period of 'lock-down' in our communities in April/May/June 2020, with a Biosecurity Zone around our remote communities. It was a very stressful time, with ever-changing rules about what type and how many different permits our staff were required to have so they could provide services into the Zone. This was in addition to the separate permits that were required to get into the closed NT border. We had to be a bit creative about how we used our GPs in quarantine.

During that time, our remote clinics have developed their COVID emergency plans, while those of us in the Katherine office have been advocating for broader support if/when COVID arrives in our communities. The NT Government has now released its plan and we are reviewing how we will operate with that in place.

Population Health team:

The year 2019-2020 has been one of positive change for the Population Health team with it embedding 'The Sunrise Way' into its practises. We have spent time reviewing our current services and moving to having a more communal vision and a variety of goals. This incorporates the 16 different funding streams which have very different outcomes to report on. We are focusing on outcomes based on The Sunrise Way and Board priorities for the Population Health team, balanced with the government agendas. But at the same time still achieving the aims of the funding.

Main Issues to address:

- Review the aims of the Population Health team in lines with what Sunrise priorities are rather than funding body priorities.
- Re-structure of the Population Health team to make it more efficient and collaborative and a more supportive environment for the team members.
- The Sunrise Way: Bring the team more in line with The Sunrise Way. That includes employment as well as recruitment for clinical staff and work-readiness.
- Amalgamate three separate streams/ programs with Health Promotion Community Based Workers (CBWs).
- A flexible use of various program funding streams that don't have enough funding for one clinician or allied health role.
- Increase local community support for the Allied Health team members.
- Coordination of service delivery with the health care provided by the clinics.
- Improve Health Literacy in the communities.

The 16 funding streams/programs for the Population Health team are:

A. NTPHN:

- MHSRRA – Mental Health
- SEWB – Social Emotional Wellbeing
- MOICD – Outreach Allied Health
- ITC – Chronic Disease ITC program
- RPHS – Flexible around Allied Health and Health Promotion
- LIMH – Low Intensity Mental Health (one year from 1st July 2020)

B. NTG

- Child Health
- Remote AOD
- Sexual Health and BBV
- MECSH – Maternal Home Visiting Service

C. IAHP - NIAA

- Syphilis
- Rheumatic Fever
- Tobacco
- AOD (NIAA)

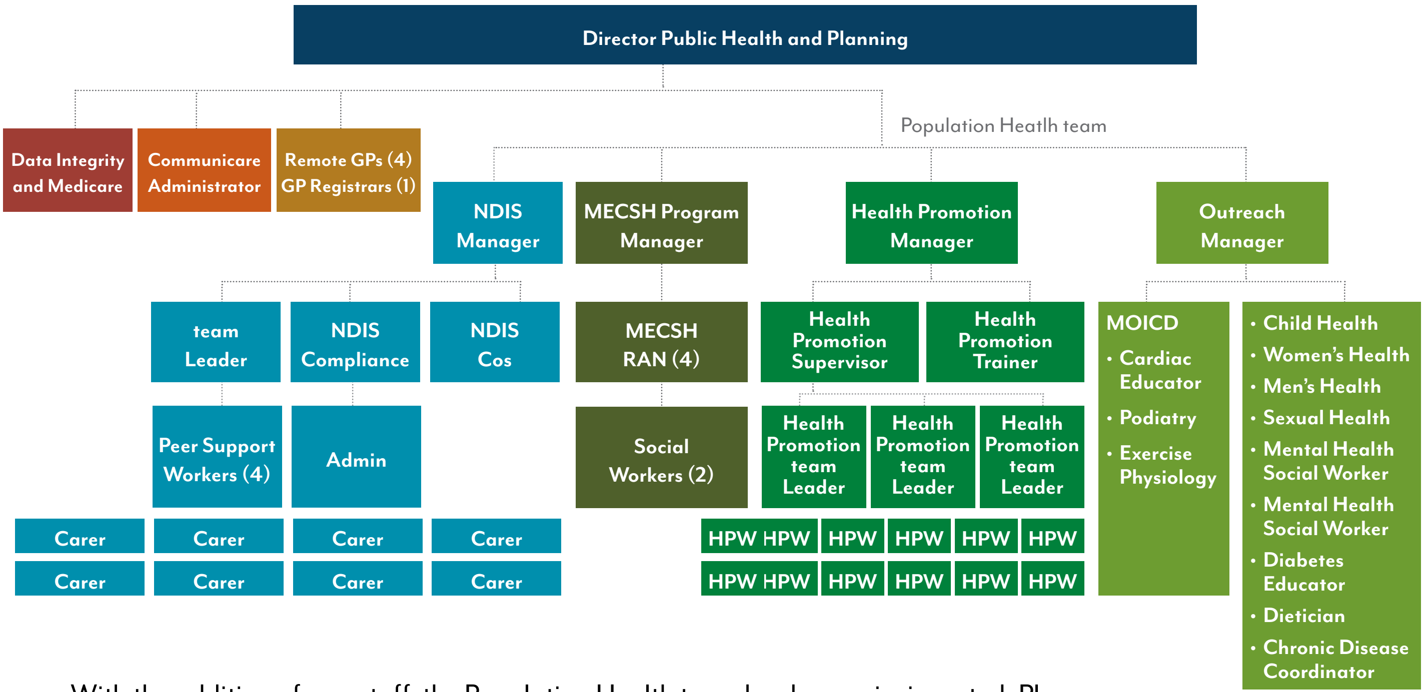
D. NDIS (Disability – Ngukurr only)

E. IFSS (finished June 2020)

The Population Health team will focus on improving health outcomes and the client experience. This will be achieved by strengthening community engagement and improving health literacy. An increase in activities across the communities will improve engagement and client satisfaction. The combination of a family focused clinical plan with health promotion activities will empower clients to take charge of their health.

The success of the new service delivery model will be evaluated with the aim of establishing a decrease in risk factors across community. Sunrise is committed to increasing its indigenous community based workforce which will ensure more community participation and that all activities and services are delivered in a culturally safe way.

New Organisational Chart (August 2020)



With the addition of new staff, the Population Health team has been reinvigorated. Plans are being implemented to ensure better coordination of service delivery by the teams. The new service delivery model will be focused on family focused health care and a social and emotional wellbeing model is being developed.

Health Promotion team

Restructure:

During the 2019-2020 year the SHSAC Health Promotion team underwent a considerable restructure. The Alcohol and Other Drugs (AOD) and Tobacco (TIS) team and the Health Promotion team combined in February 2020 creating one Health Promotion team covering a more comprehensive, holistic portfolio. SHSAC Health Promotion team priority areas now include AOD/TIS, Rheumatic Heart Disease, Sexual Health, Mental Health (Social and Emotional Wellbeing). The new structure fits well with the SHSAC strategic direction and commitment to Holistic Health Promotion and Care and the Strategic Goals of the Sunrise Board encompassing 'Mind - Body - Spirit'.

The structure of the Health Promotion team currently includes:

- Health Promotion Manager
- Health Promotion Supervisor
- 3 team Leaders
- 11 Community Based Workers

We are also planning a recruitment drive in Beswick & Bulman throughout September and October to increase our Community Based Worker numbers to fifteen across our 9 communities.

Health Promotion in Community:

As well as concentrating on our priority health areas, COVID-19 awareness and education has been a focus for our team as this was and continues to be a priority for SHSAC and its footprint. The restrictions placed upon staff regarding travel into Community during this time have been quite stressful for our remote staff. The COVID-19 restrictions regarding social distancing and other COVID-19 measures have unfortunately meant that any large events or projects planned during the past 6 months had to be cancelled for the safety of Community members.

Our team continued to support our Communities as best they could under the circumstances by conducting visits throughout Communities explaining the risks associated with drugs, smoking and drinking and how

to prevent the spread of COVID-19 by not sharing cigarettes and drinks. We also focussed on the importance of hand hygiene, social and emotional wellbeing and self-care during these trying and unprecedented times. Head office staff ensured a constant supply of health promotion resources to our remote staff. Our Community Based Workers also developed appropriate resources which highlighted health messages around COVID-19 as well as concentrating on our health priority areas. Many of these resources were translated into Kriol for dissemination.

Our team also worked closely with SHSAC Dietitian to distribute food hampers to vulnerable community members during the bio-security restrictions. Partnerships were developed with Foodbank NT and the MECSH program manager, to organise and deliver the food hampers for all MECSH program participants.

Professional Development:

Our commitment to professional development has been evident throughout the past 6 months. Despite the travel restrictions associated with COVID-19 we continued to provide our staff with eLearns and resources to initiate self-learning during this time.

SHSAC engaged an external consultant trainer/educator in March who fortunately was able to travel to Ngukurr just prior to the COVID-19 bio-security zone restrictions coming into force. This enabled her to stay within the bio-security zones and work with some of our team to deliver leadership development, life skills and presentation skills. Our educator also helped our Community Based Workers deliver COVID-19 awareness messages in community thereby developing their presentation skills further.

Just prior to the COVID-19 restrictions, 5 Community Based Workers, 1 team Leader and SHSAC AOD Manager completed Aboriginal Mental Health First Aid Training in Katherine. The remainder of our Health Promotion team completed this training in July 2020.

SHSAC are committed to investing in our Health Promotion staff, prioritising education and training, and improving self-efficacy and empowerment. The next six months see an intensive period of training for our team. SHSAC Aboriginal Health Practitioners and external educators have been engaged to work with our team in external settings as well as mentoring in community.

Planning and Development:
In June 2020 our team Leaders, Administrative Assistant and the Program Manager participated in a strategic planning day conducted by an external consultant. This event focused on strategies to help improve communication between our team Leaders and their team and improve capacity ensuring thorough planning of upcoming events in line with Health Promotion theory and frameworks. Working closely alongside our Community Based Workers our team Leaders have begun community consultation for all upcoming programs and events creating a strong relationship with our communities. Thorough community consultation will help ensure delivery of events and support services that are specific to each location.

Data Integrity:
In May/June of 2020 SHSAC Health Promotion Manager, Administrative Support Coordinator and Data Integrity Coordinator completed an audit and review of the current reporting templates being utilised in Communicare (PIRS) by SHSAC Community Based Workers. As a result of this review some templates were amended or integrated with other templates, this now allows staff to not only more accurately report on services provided, but to include a more comprehensive, holistic, approach to health and wellbeing services in line with SHSAC the "Sunrise Way". The Sunrise Way expands the concept of holistic health care from comprehensive and coordinated to bio-psychosocial "Mind, Body, Spirit, Healing Families Together' and underpins the SHSAC's Quality Statement. Harm minimisation strategies and 'Stages of Change' Model were integrated into the templates to improve service delivery and ensure referral processes are robust. This also ensures our staff are supporting community members along the stages of change and helps to strengthen harm minimisation practices.

Dietician:
While it has been a challenging and unexpected time due to the COVID-19 pandemic with the lockdown of all remote communities, important connections have

been made with stakeholders such as Foodbank NT, the Banatjarl Strongbala Wimun Group and Foodladder. Responding to the Food Security issues when the Biosecurity Zone was established, Sunrise worked with Foodbank NT and the MECSH program manager, to organise and deliver food hampers for all MECSH program participants. The Sunrise Board recognised that while it has been a tough time for all community members, expecting mothers and mothers with newborn babies have been particularly vulnerable.

With the roads open again, visits to all communities and clinic managers provided the opportunity to identify the level of need and priority so as to establish a longer 3-6 month plan to engage the communities to adopt healthy lifestyles.

The National Disability Insurance Scheme (NDIS):
The NDIS program's aim for this year was to demonstrate that it is a viable program which delivers culturally safe, quality services. Thanks to the hard work of the entire NDIS team, the program has succeeded in achieving this goal.

At the community level the program has consolidated its reputation as a provider of culturally secure, quality services. Several milestones deserve a mention. In the first 3 months of 2020, the program finalised the recruitment of 20 local cultural carers for each participant who deliver home based care. The selection process was led by the participants with support of the local team. This strength-based approach empowered the participants and provided much needed local employment. At the same time the NDIA finalised funding for its Remote Community Connector (RCC) Program that seeks to employ community members to support the roll out of the NDIS. The RCCs recently attended their first training session in Katherine.

Our program's innovative model is strengthened by its culturally safe services. We are very privileged to have such a strong local team made up of community leaders, advocates and cultural brokers. Daniel Wilfred is a song man who travels the world sharing his songs with other First Nations People. Angelina Joshua is an active advocate for the preservation of Indigenous languages,

jointly producing documentaries for SBS and ABC. Together Daniel, Ange, Glenda Robertson and Angelo Manggurra design and deliver our services while walking alongside the participants. Our participants increased social and emotional well being is evidence of the hard work of the local team.

Our service delivery model is respected and supported by the local community. It has been shared with the Commonwealth Department of Health, the local NDIS office and the NDIA in Darwin. We have been inundated with requests for interviews with our participants and team and with requests to visit our program.

In July this year the program hosted Bill Palmer, our CEO and Dan English, the NDIA Territory Manager. The local team and the participants designed the schedule and over 3 days they led the activities. Highlights included an evening performance by Daniel Wilfred, supported by his didgeridoo player and dancers on the banks of Yellow Water and a bush trip to Wuyagiba, the site of the Macquarie University bush hub, to meet the Elders and Traditional Owners and to fish and feast in the ocean and estuary.

Dan's appreciation of our approach is evident in his feedback:

"I'd like to thank Sunrise Health Services, Bill Palmer and the Sunrise team for hosting me in Ngukurr. It was such a pleasure to spend some time with our participants and the Sunrise team, and to learn more about the extensive range of services Sunrise provide. Service providers, like Sunrise, who are exploring opportunities to extend culturally appropriate services for participants are vital, not just for the success of the NDIS, but more importantly for the contribution towards improving the lives of people in remote communities. The engagement of participants as part of the Remote Community Connector program was wonderful to witness and presents purposeful and meaningful work for participants in Ngukurr. Over time, Sunrise's Remote Community Connectors will become an integral part of how the NDIS engages with Ngukurr and the surrounding communities."

MECSH - Maternal Early Childhood Sustained Home-visiting program:

Maternal Early Childhood Sustained Home-visiting (MECSH) is a nurse-led structured program for families who would benefit from additional support and improve outcomes for those at risk. MECSH is a licenced program, developed in Australia and has three guiding principles: 1. a core program that allows local adaptation, 2. building parents' capacity and 3. embeds a health promotion orientation (as opposed to illness treating).

Mothers are supported through pregnancy with a focus on improving maternal health and the health and development of the child.

The program can only be delivered by MECSH-trained nurses within a universal child, family and community service system. The postnatal component focusses primarily on increasing parents' capacities to parent effectively and support their child's development. Delivery is tailored to the mother through individual, group activities and/or community links to facilitate parent networking. All women who are pregnant or have a baby up to eight weeks discharged from hospital, can enrol in the MECSH Program. MECSH is voluntary and verbal consent is required to participate although mothers can withdraw from the program at any stage. While the program starts with a pregnancy or new baby, it focuses on the whole family and the number of participating family members increases once the mother gives birth.

MECSH Staffing ratio is 3 Registered Nurses (RNs) and 1 Social Care Practitioner to 100 clients (a Social Care Practitioner can be either a Registered Aboriginal Health Practitioner or a Social Worker) The case load of one RN to 33 clients over the 3 years.

The program has now been operating at Sunrise Health Service since 2008. At present Sunrise Health Service has one MECSH Nurse working at Wugularr who due to demand is currently exceeding her case load numbers. Therefore, Sunrise has employed another Nurse to assist with the high demands of antenatal and new-born. Sunrise is recruiting for a MESCH Manager and another MESCH Nurse. At present that Program is running at Wugularr with the aim to extend it to Bulman, Barunga and then in the near future, Ngukurr.

Sexual Health Blood Borne Virus

Men's and Women's Health:

There has been continuous screening and treatment for Blood Borne Viruses (BBV) throughout the Sunrise Health Service Aboriginal communities in this financial year. By utilising Communicare data systems to capture data, recalls are completed by our Sunrise Health staff. This includes our Aboriginal Health Practitioners and our Registered Nurses. The health assessments are completed by our GP's At the same time the GP's review whether there are any other health issues that require attention or further assessments.

Sunrise Slogan: Be Safe, Have a Health Check:

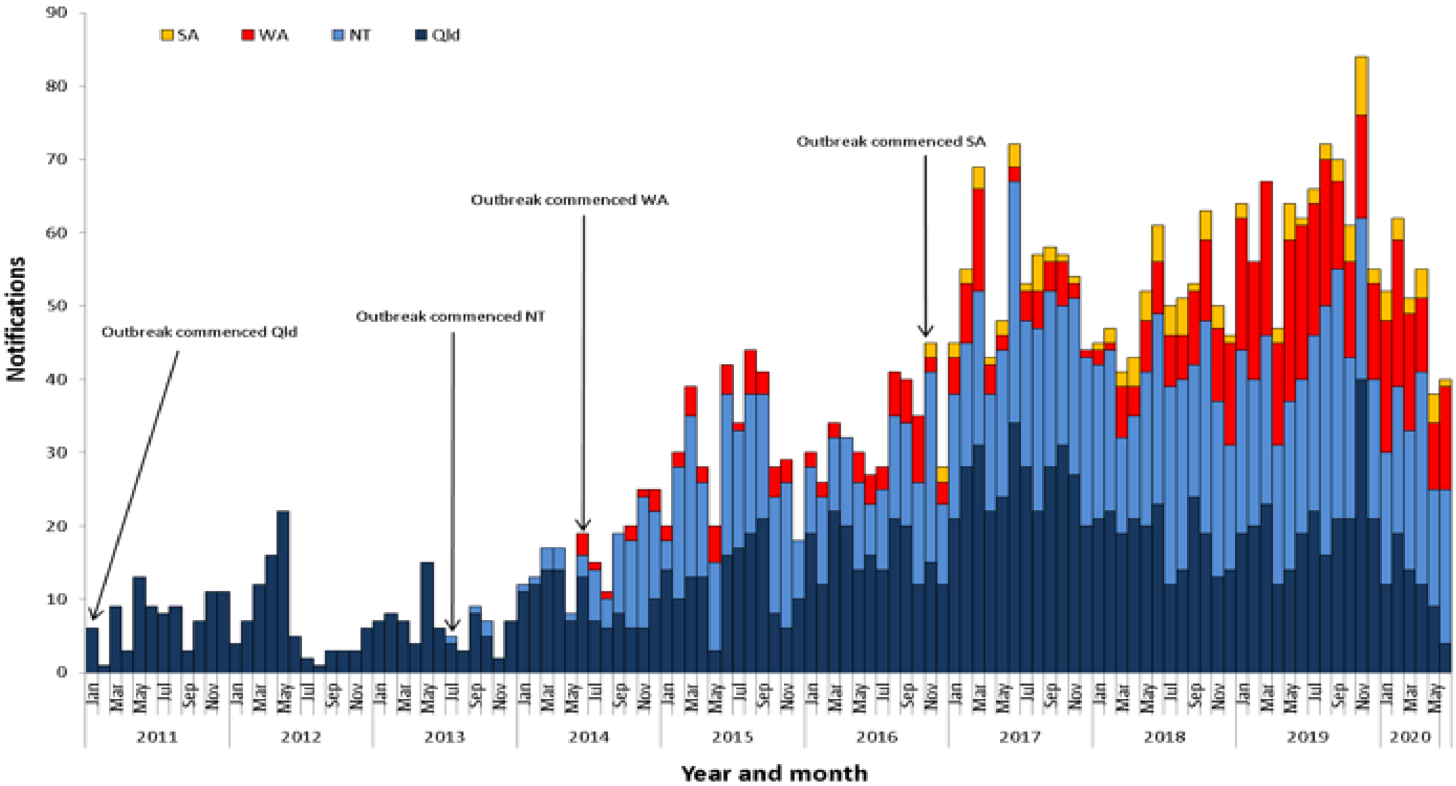
The graph below shows the increase of the spread of Syphilis throughout Australia

The Australian Government has committed $21.2 million over four years (2017-18 to 2020-21) to fund an augmented health workforce and point-of-care testing in targeted Aboriginal Community Controlled Health Services (ACCHS) within the affected outbreak regions. The funding also includes the development and dissemination of a multi-strategy Aboriginal and Torres Strait Islander community awareness, education and testing campaign for syphilis and other STI/BBV.

Sexual Health BBV education and promotion:

Aboriginal Community Controlled Health Organisations are integral to the rollout of the campaign, maximising community engagement by working with community partners in remote communities, such as youth organisations and Aboriginal community councils.

Aboriginal health services are being encouraged to promote STI testing at every opportunity – including adult health check days, adolescent health days and as part of antenatal testing. SAHMRI is working with participating Aboriginal health services as well as other primary health services to provide outreach activities



to profile the *Young Deadly Syphilis Free* campaign in efforts to encourage young people to test for syphilis and other STIs, and to upscale the use of syphilis point of care tests (on-site rapid tests).

Point Of Care Testing (POCT):

There is an ongoing outbreak of infectious syphilis affecting young Aboriginal and Torres Strait Islander people, predominately aged between 15 and 29 years, living in northern, central and southern Australia.

The use of POC testing and a 'test and treat' model reduces time to initiating treatment and contact tracing, minimises individuals lost to follow-up and provides access to testing for those unwilling or unable to have venepuncture performed. The Determine Syphilis TP™ test is currently the only syphilis POC test registered by the Therapeutic Goods Administration in Australia and has been selected for use in the outbreak response.

Consistent with best practice guidelines for POC testing in Australia, an optimised training and quality management framework has been developed and implemented by the Flinders University International Centre of Point-of-Care Testing to support POC testing as part of the outbreak response.

Nineteen ACCHS are funded under the phased approach. Phase 1 commenced from 1 August 2018 at ACCHS in Townsville, Cairns and Darwin; Phase 2 commenced from 10 October 2018 at ACCHS in East Arnhem Land (NT), the Katherine Region (NT), and in the Kimberley; and Phase 3 commenced from 4 April 2019 at ACCHS in Western Arnhem Land (NT); Western, Eyre, Far North and Adelaide regions of SA; and the Pilbara and Western Kimberley Regions of WA.

Chronic Disease:

Chronic diseases are highly prevalent amongst the adult population base in Sunrise Health Services communities. The total population of our communities is 3150; this is made up of 1497 males and 1653 females. Of these are 1003 children aged less than 15 years.

During the course of the year it was noted that a diagnosis of one or more chronic diseases was made in 1204 males and 1457 females. Some of the patients had more than one chronic disease diagnosed. The table below shows the number of patients that had chronic disease.

Chronic Conditions Recorded	Females	Males	% of total population
Diabetes	254	168	11%
Chronic Kidney Disease	359	320	18%
COPD	49	42	2%
Asthma	189	108	8%
Mental Health	177	137	8%
Cardiovascular Disease	76	101	5%
Rheumatic Heart Disease	122	71	5%
Cerebrovascular Accident	11	17	1%
Hypertension	220	240	12%
TOTAL	1,457	1,204	70%

The commonest conditions diagnosed were chronic kidney disease in 18%, hypertension in 12% and diabetes in 11%. This high burden of disease is reflected in the high workload of clinic staff.

The problem of co-morbidity is also very large. Of all the patients with chronic disease only 716 had one chronic condition, while 323 had 2 chronic conditions, 189 had 3 chronic conditions and a further 92 had 4 chronic conditions diagnosed. A combination of diabetes, chronic kidney disease, cardiovascular disease and chronic respiratory disease occurred frequently among our community members. The tables and graphs displayed show these findings.

Many chronic conditions are preventable, and an important initiative of Sunrise Health Service is to target risk factors associated with chronic disease at the population level. Modifiable risk factors include smoking, unsafe alcohol consumption, unhealthy nutrition, consumption of sugared drinks and lack of physical activity. These we target as a population-based approach.

We also aim to prevent the development of complications of chronic disease by providing early effective treatment, ensuring treatment compliance and ensuring regular follow up checks and developing and adhering to chronic disease care plans.

The Sunrise Approach to Prevention and Management of Chronic Disease:

The Sunrise Health Service approach to the prevention and management of chronic diseases is multi-pronged.

1. Primary Prevention

Population health based primary prevention activities are carried out on a regular basis. Activities with school-aged children are carried out regularly to promote physical activity, healthy nutrition, healthy homes and healthy personal hygiene. For older school children preventing ingestion of alcohol and other drugs and preventing smoking programs are also initiated. Primary prevention activities are also conducted for the adult population as well.

We encourage regular health checks in infants, children adolescents as well as in adults.

2. Early Detection

Provision of health services at our Community Health Centres is evidence-based and we promote good health care seeking behaviour for all. By having regular health checks the diagnosis of a chronic condition is made early and adequate management and care advise is provided in order to prevent the development of complications of chronic disease.

3. Effective Management

Sunrise Health Service follows evidence-based management guidelines for the management of persons with chronic disease. The CARPA Manual forms the basis of our management approach. However, compliance with treatment is crucial if any form of control is to be achieved and hence we encourage all our patients to take all treatment as prescribed and to attend for regular follow-up checks. In this way the development of serious complications of chronic disease may be prevented.

All persons who have been found to have a chronic disease have a chronic disease care plan developed. This care plan outlines what medication the patient should be taking and when they should return for follow-up and laboratory testing if necessary.

4. Early referral

Sunrise Health Service has a program for the Integrated Management of Chronic Disease and in this program those patients with certain types of chronic disease and chronic disease complications are referred to specialists early during the course of the illness. As part of the integrated approach regular telephone consultations are held between Sunrise clinical staff and specialists at the referral centre.

5. Aims of the Chronic Disease Program

The aim of this program is to improve health outcomes for Aboriginal and Torres Strait Islander people with chronic health conditions and to ensure improved access to culturally appropriate primary health care.

The Chronic Disease program is undertaking a review with the aim of looking for opportunities to improve the outcomes of community members living with chronic disease. The review is looking at the processes of how we see, manage and recall patients in our communities. The program is working closely with other programs to maximise the benefits for the community members. In particular, we are focussing on the implementation of a Cardiac Rehabilitation program. This will support community members who have had a cardiac event to recover and restore their health to its optimum. This will eventually be available in all communities.

The aim of this program is to improve health outcomes for Aboriginal and Torres Strait Islander people with chronic health conditions and to ensure improved access to culturally appropriate primary health care.

Primary Health Care

The last 12 months at SHS has been a challenging time for the remote health centres and the delivery of primary health care.

The delivery of primary health care continues to be challenged by the social determinants of health, striving for continuous quality improvement and difficulties in the recruitment and retainment of local ancillary staff. In addition, the need to improve the community engagement process so that the health centres meet the requirements of each community.

Moving forward we remain focused on our primary health care delivery including the improvement of systems and processes within our health centres. We have concentrated on recruitment of permanent Remote Area Nurses and decreased the use of agency Nurses. A further area of importance has been re-engaging with and employing Trainee Aboriginal Health Practitioners (TAHPs).

Recruitment of local staff across our health centres continues to be a challenge. We have managed to successfully fill all 25 Remote Area Nurse positions with permanent RANS in 2020. We have employed an AHP Clinical Educator which is a new position for SHS and a very exciting one. Naomi Zaro is our AHP Clinical Educator and she has been supporting the recruitment of TAHPs into SHS along with the development and upskilling of current AHPs. Naomi is also developing a framework and training matrix for the TAHPs/AHPs. She liaises closely with the Batchelor Institute, which is the only RTO that trains AHPs in the NT. Naomi has also established student AHP placement within SHS.

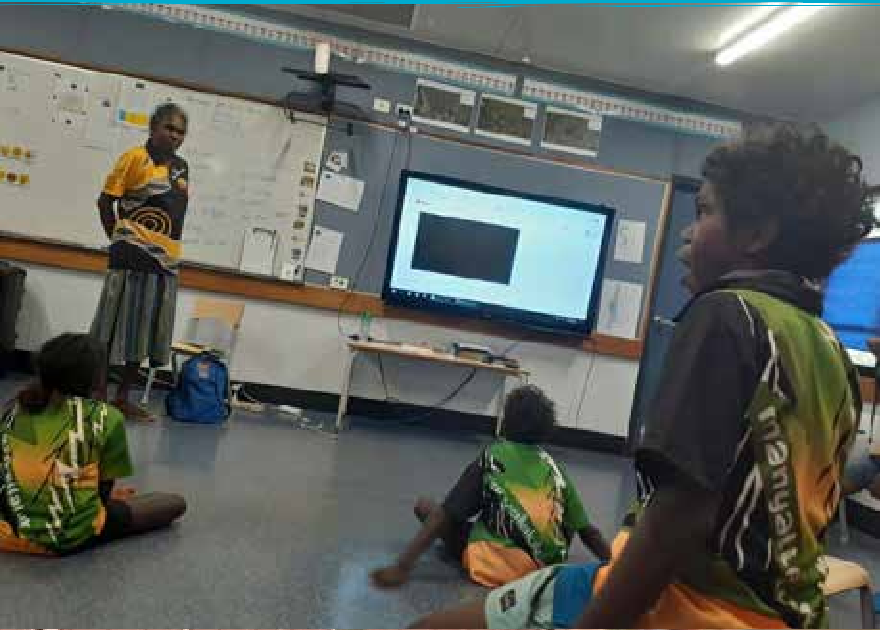
We are in the process of recruiting a Senior Clinical Educator to support SHS's clinical systems and processes going forward across the organisation. This will involve the upskilling of clinicians, clinical quality improvement and education on primary health care. This role along with Naomi's role will strengthen professional development for our remote clinicians, strengthen our clinical systems and continue with some of the mentoring and training processes we are trialling and of course contribute to The Sunrise Way.

We wish to thank Tracey Demaio for all her hard work as Manager of Community Health for the Mataranka and Jilkminggan health centres. Tracey has left SHS and her replacement will start at the beginning of September.

AGPAL Accreditation has been deferred to 2020. Due to the COVID 19 situation SHS is yet to receive a date for accreditation assessment, however our health centre staff have been working hard on ensuring the new RACGP standards are being met. This is also the first time that SHS will be accredited against the 5th edition standards, but we are confident that we will meet the standards.

Clinical governance systems have strengthened over the past 12 months. SHS holds monthly clinical case reviews and weekly clinical link ups. The monthly health centre manager meetings have recommenced as well as 4-monthly health centre manager workshops. Health centres conduct monthly reviews of NT KPIs, hold regular team meetings and morning briefs. There are regular training sessions for clinicians and reviews of clinical policies and procedures.

On a final note, this is my last report for SHS as I am moving on from both SHS and the NT. Working for SHS has certainly kept me on my toes through some challenging times but none the less I have met some amazing people, seen some brilliant systems and processes being put in place, and learnt a lot over the years. I am sure my replacement will bring some fresh ideas, skills and knowledge to the workplace.




NO SMOKING

Assets Management Unit

The Assets Management Unit (AMU) is an integral part of the organisation's operational effectiveness in providing: housing, vehicles, Information Technology (IT), 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.

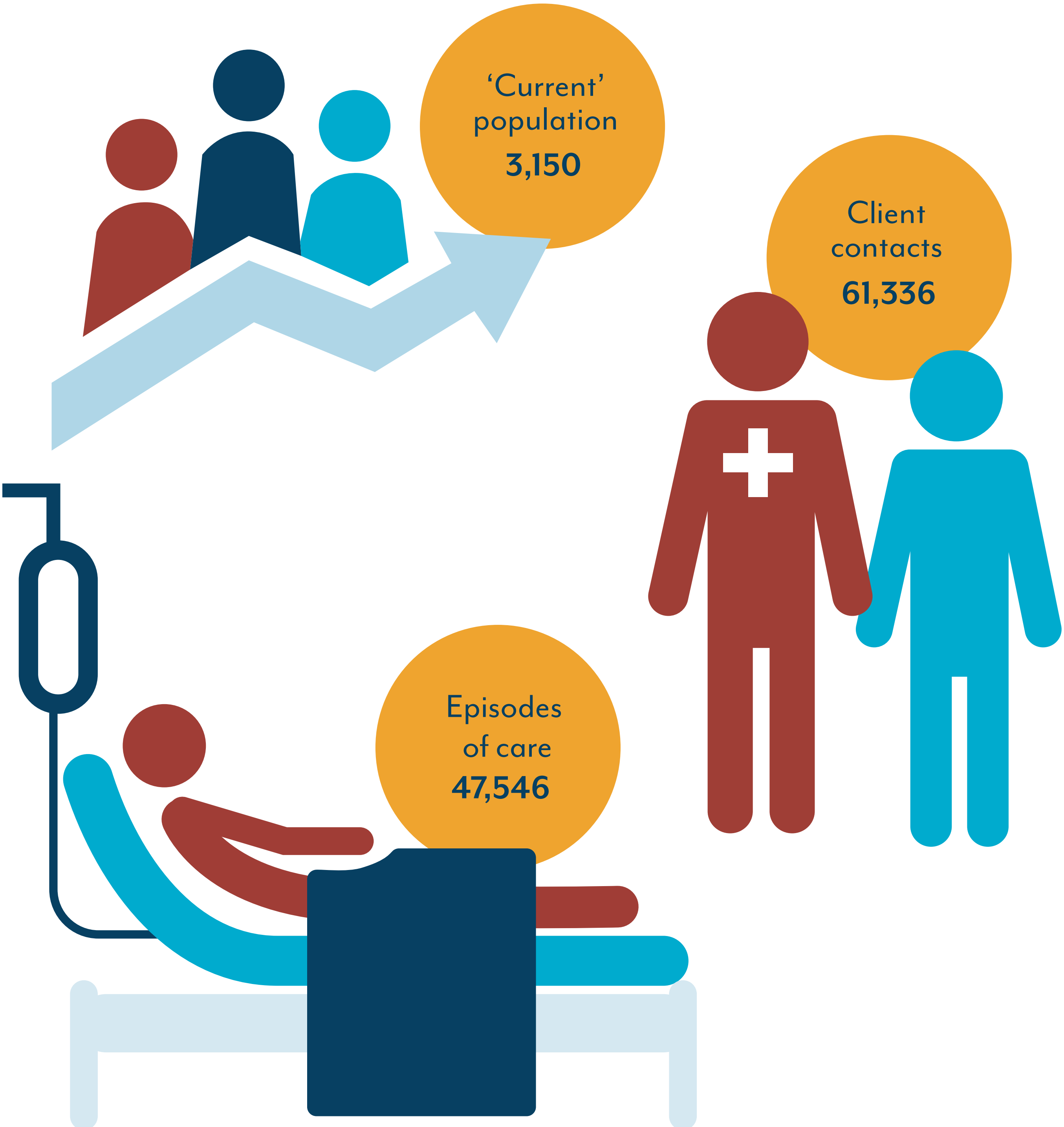
Some of the AMU's key activities during 2019 - 2020 include:

- Setup of new warehouse to accommodate COVID-19 supplies
- Manage and configure assets for staff in quarantine
- Support staff during COVID-19 restrictions
- Renegotiation, installation standardisation of new multi-function device printers
- Feasibility study with Telstra to determine internet access for all accommodation
- Completion of the relocation and installation of old Ngukurr Clinic demountable to Crawford Street
- Staff accommodation furniture rationalisation and upgrade
- Construction completion of two single bedroom units at Beswick
- Completion of secure vehicle garages – Lot 300 Ngukurr
- Completion of Windows 10 and Office 365 and merge to cloud
- Installation of Iridium satellite technology in all ambulances
- Deployment of UHF portable radios to all Health Centres
- Completion of ambulance fit-out and upgrades, including new Ferno Mondial stretcher
- Rollout and installation of temptale devices to manage cold chain of medications and vaccines
- Ongoing annual accommodation, remote Health Centre and program audits
- Annual bio-medical engineering service visits
- Managing personnel and patient travel with logistic and transport of goods and services
- Survey of vacant land at Ngukurr for the proposed construction of four self-contained single two-bedroom units for staff, funding required.

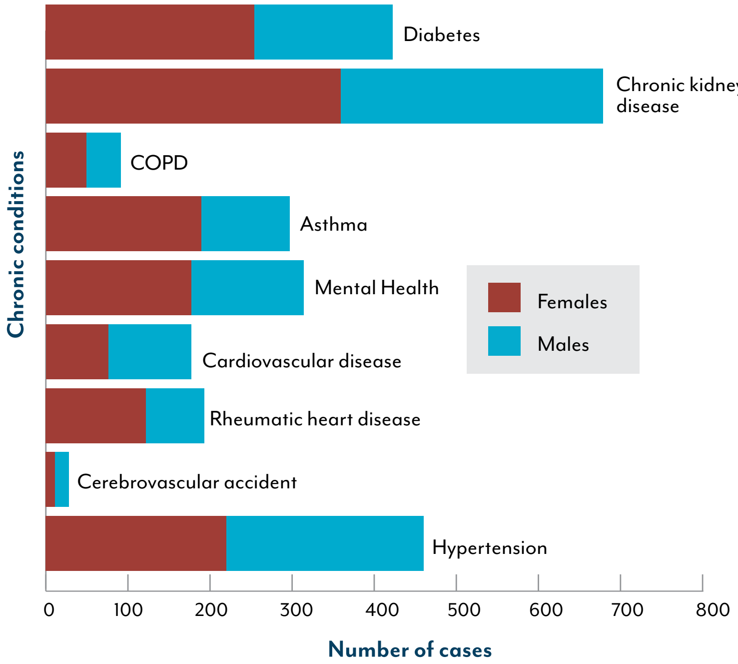
Assets are continuing to build and strengthen our partnerships with our external providers to ensure we maintain a strong, robust, secure and medical standards-compliant Health Service.

The Status of Health in Our Region

Client contacts and episodes of care

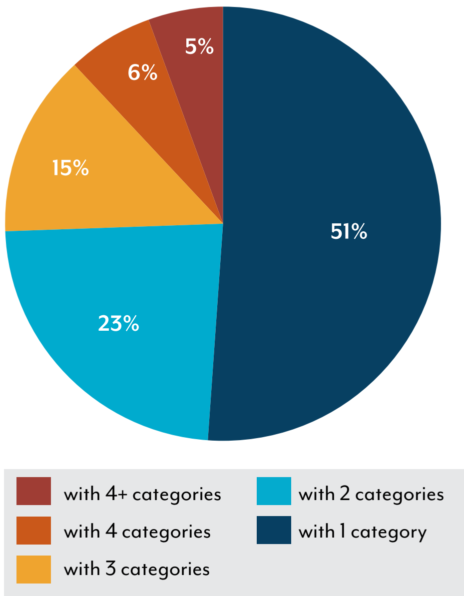


Chronic Disease Conditions by Gender



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	254	168	11%
Chronic Kidney Disease	359	320	18%
COPD	49	42	2%
Asthma	189	108	8%
Mental Health	177	137	8%
Cardiovascular Disease	76	101	5%
Rheumatic Heart Disease	122	71	5%
Cerebrovascular Accident	11	17	1%
Hypertension	220	240	12%
Total Chronic Conditions	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	716	323	189	92	74	**1,394**

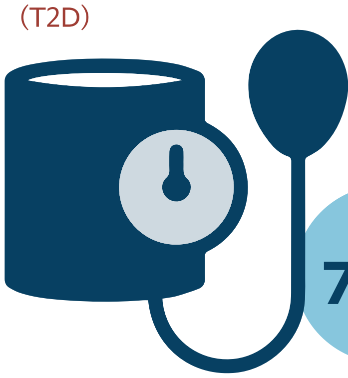
National Implementation Plan Goals

Immunised against influenza (50+ years)

SHS (%) 65%

National IP Goal (%) for 2023 64%

Blood pressure recorded (T2D)



SHS (%) 83%

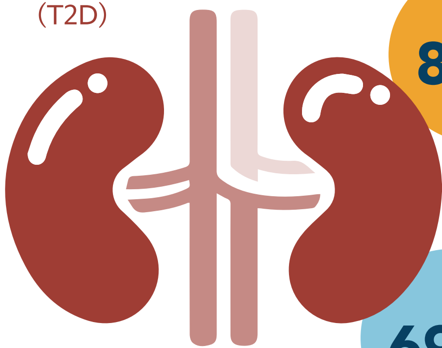
National IP Goal (%) for 2023 70%

HbA1C recorded last 12 months

SHS (%) 83%

National IP Goal (%) for 2023 69%

Kidney function test (T2D)



SHS (%) 82%

National IP Goal (%) for 2023 69%

Health Checks MBS 715 (0-4 years)

SHS (%) 20%

National IP Goal (%) for 2023 69%

Health Checks MBS 715 (25+ years)

SHS (%) 54%

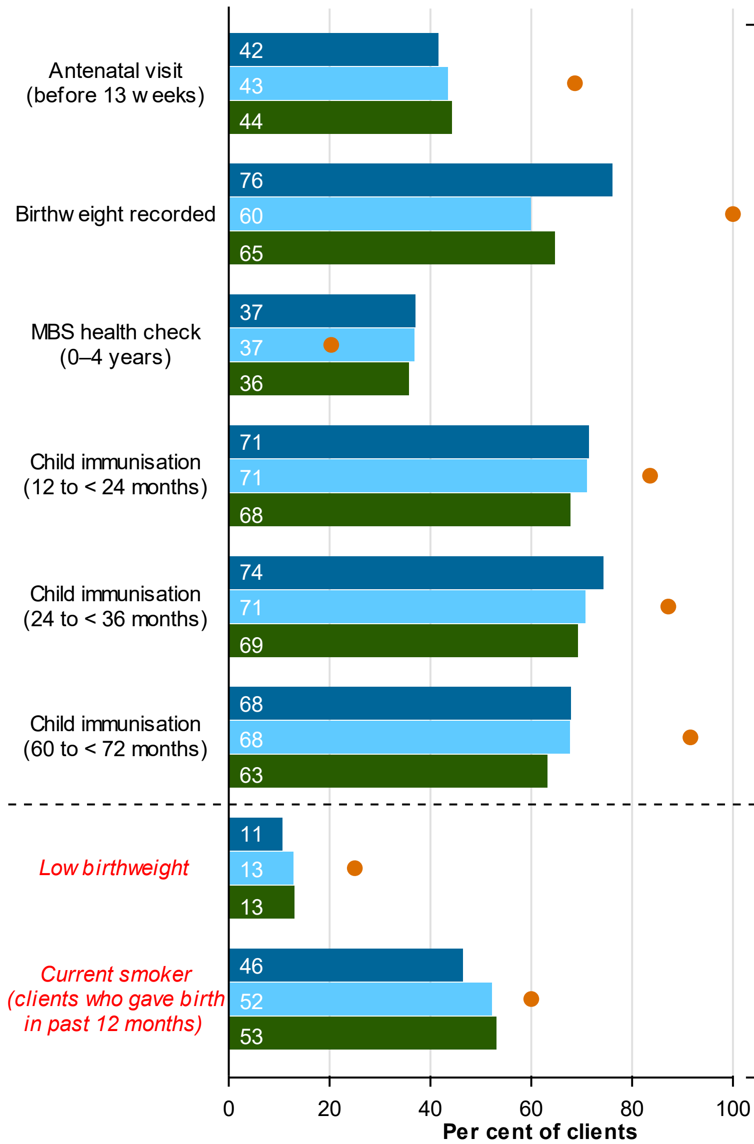
National IP Goal (%) for 2023 74%

Summary of Service Data

National, state and regional results for reporting period ending December 2019 compared to most recent results for your service

Maternal and child health indicators

- National %
- NT %
- Remote %
- Your service %
- Your service % (denominator less than 20, therefore percentage should be treated w ith caution)

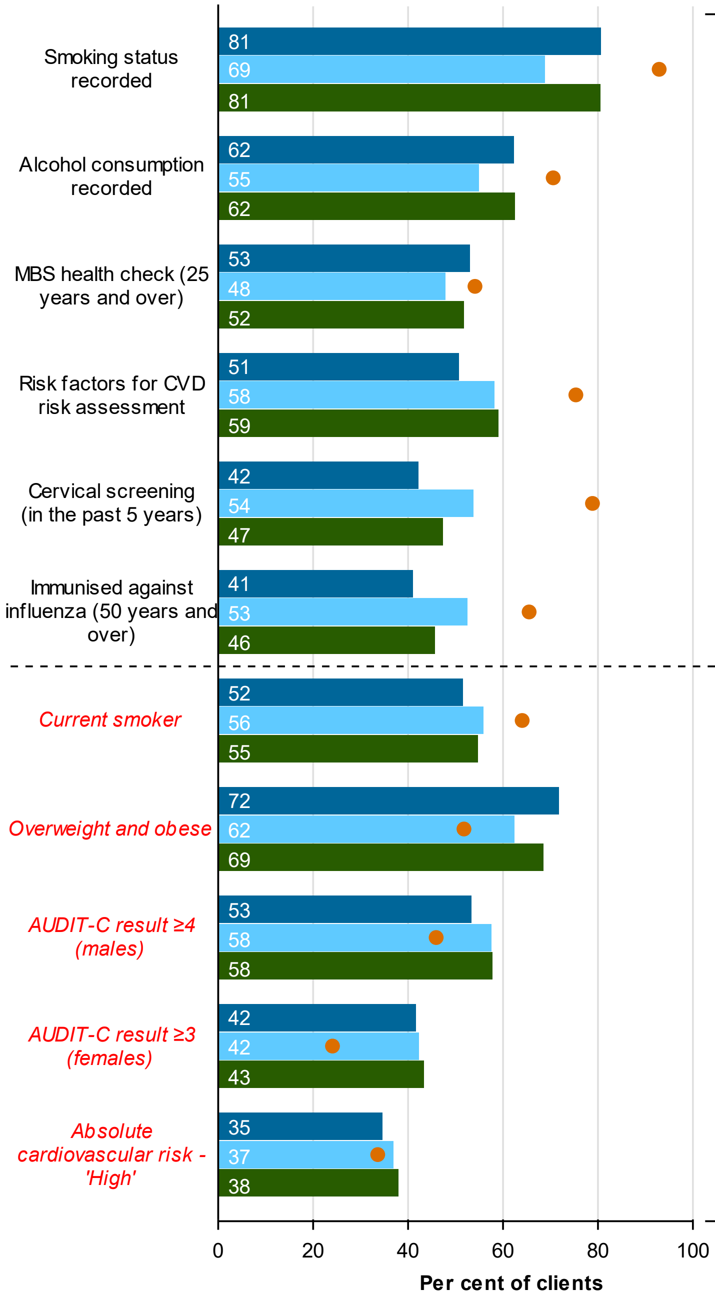


	Data for your organisation			National IP goal
	Number (clients)	Denominator (clients)	Per cent	2023 Per cent
Antenatal visit (before 13 w eeks)	46	67	69	60
Birthw eight recorded	64	64	100	
MBS health check (0–4 years)	75	369	20	69
Child immunisation (12 to < 24 months)	61	73	84	88
Child immunisation (24 to < 36 months)	68	78	87	96
Child immunisation (60 to < 72 months)	76	83	92	96
Low birthweight	16	64	25	
Current smoker (clients who gave birth in past 12 months)	39	65	60	37

low proportion is the preferred outcome for measures with red italicised labels.

Preventative health indicators

- National %
- NT %
- Remote %
- Your service %
- Your service % (denominator less than 20, therefore percentage should be treated w ith caution)

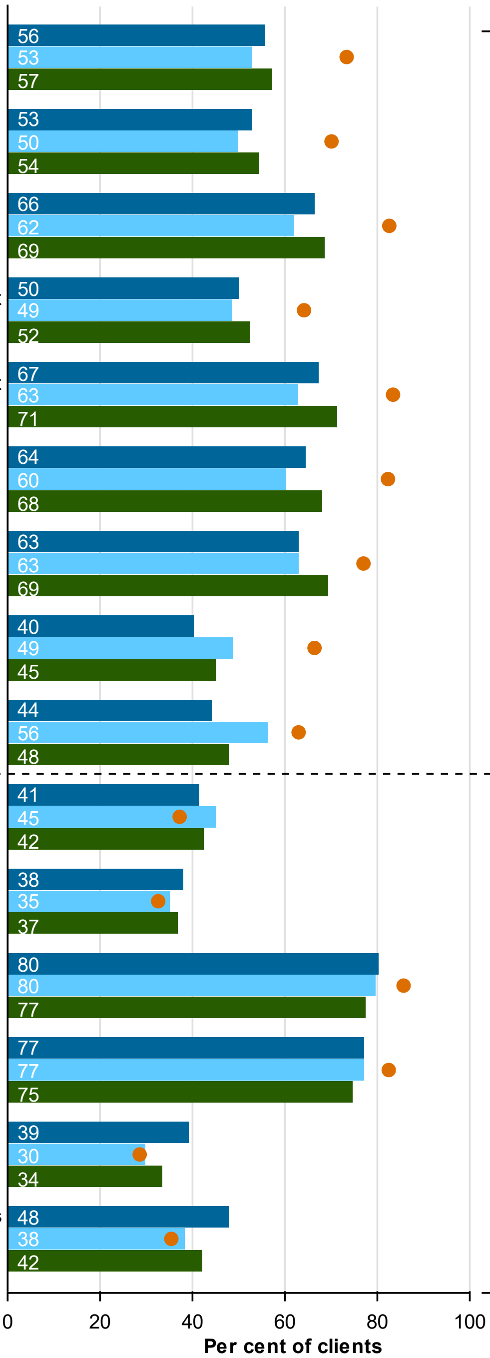


Indicator	Data for your organisation: Number (clients)	Denominator (clients)	Per cent	National IP goal 2023 Per cent
Smoking status recorded	2,405	2,589	93	
Alcohol consumption recorded	1,827	2,589	71	
MBS health check (25 years and over)	1,025	1,895	54	63–74
Risk factors for CVD risk assessment	770	1,022	75	
Cervical screening (in the past 5 years)	954	1,210	79	
Immunised against influenza (50 years and over)	355	542	65	64
Current smoker	1,540	2,405	64	40
Overweight and obese	746	1,441	52	
AUDIT-C result ≥4 (males)	354	771	46	
AUDIT-C result ≥3 (females)	254	1,055	24	
Absolute cardiovascular risk - 'High'	247	735	34	

low proportion is the preferred outcome for measures with red italicised labels.

Chronic disease management indicators

- National %
- NT %
- Remote %
- Your service %
- Your service % (denominator less than 20, therefore percentage should be treated w ith caution)



	Data for your organisation			National IP goal
	Number (clients)	Denominator (clients)	Per cent	2023 Per cent
MBS GP Management Plan	358	488	73	
MBS Team Care Arrangement	342	488	70	
Blood pressure recorded	403	488	83	70
HbA1c recorded (past 6 months)	313	488	64	
HbA1c recorded (past 12 months)	407	488	83	69
Kidney function test (type 2 diabetes)	400	486	82	69
Kidney function test (CVD)	154	200	77	
Immunised against influenza (type 2 diabetes)	170	256	66	
Immunised against influenza (COPD)	17	27	63	
Blood pressure result ≤130/80mmHg (type 2 diabetes)	150	403	37	
HbA1c result ≤53 mmol/ml (type 2 diabetes)(past 6 months)	102	313	33	
eGFR result ≥60ml/min/1.73m² (type 2 diabetes)	335	391	86	
eGFR result ≥60ml/min/1.73m² (CVD)	127	154	82	
ACR result for males <2.5mg/mmol (type 2 diabetes)	40	140	29	
ACR result for females <3.5mg/mmol (type 2 diabetes)	79	223	35	

Financial Statements

SUNRISE HEALTH SERVICE ABORIGINAL CORPORATION

ABN: 26 778 213 582

Financial Report For The Year Ended

30 June 2020

SUNRISE HEALTH SERVICE ABORIGINAL CORPORATION

ABN: 26 778 213 582

Financial Report For The Year Ended 30 June 2020

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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 2020.

Executive Members:

Anne Marie Lee	Chairperson
Peter Lindsay	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
Peter Lindsay - Deputy Chairperson	Beswick / Wugular
Michelle Farrell - Treasurer	Ngukurr & Outstations
Clifford Duncan - Secretary	Urapunga
Christine Curtis	Bulman & Outstations
John Dalywater	Weemol (Bulman)
Majella Friel	Werenbun
Joaquin (Jojo) Huddleston (Resigned 15 March 2020)	Minyerri & Outstations
Robin Rogers	Ngukurr & Outstations
John O'Keefe	Minyerri & Outstations
Lorraine Bennett (Resigned 23 November 2019)	Beswick / Wugular
Timothy Baker	Jilkminggan
Virginya Boon	Mataranka
Anthony Pike	Independent
Simon Quilty	Independent

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

The Corporation's activities, from 1 February 2020 were impacted by the threat of Coronavirus (COVID-19) and the subsequent lock down of the region by the NT biosecurity zone. This prevented and delayed the recruitment of staff and the delivery of services and thereby increased unexpended funds.

No other significant changes in the nature of the Corporation's activities occurred during the year.

Operating Result

The operating profit for the year amounted to $452,652 (2019: Profit of $243,786).

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2020 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: 13 day of November 13/11/20

Director ________ Date: 13 day of November 13/11/20

Nexia
Edwards Marshall NT

Auditor's Independence Declaration under Section 339-50 of the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* and Section 60-40 of the *Australian Charities and Not-for-profits Commission 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 2020, there have been:

i. No contraventions of 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-profits Commission Act 2012* in relation to the audit; and

ii. No contraventions of any applicable code of professional conduct in relation to the audit.

Noel Clifford
Partner

Dated: 13 November 2020

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62 Cavenagh Street
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Darwin NT 0801
p +61 8 8981 5585
f +61 8 8981 5586
w nexiaemnt.com.au

SUNRISE HEALTH SERVICE ABORIGINAL CORPORATION
ABN: 25 778 213 582
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020	2019
		$	$
Revenue			
Commonwealth Government Grants		12,433,478	11,940,027
NT Government Grants		5,011,564	5,073,204
		17,445,042	17,013,231
Less Unexpended Government Grants - Net Movement		(1,649.078)	-
Total Government Grant Income		15,795,964	17,013,231
Other Non Government SVC Related Income		4,862,781	1,845,005
Miscellaneous Income		2,175,326	1,618,269
Total Revenue and Other Income		**22,834,071**	**20,476,505**
Expenses			
Clinical Service Costs		338,760	520,853
Depreciation Expenses	2a	1,181,094	192,716
Employee Benefit Expenses	2b	14,797,613	12,278,778
Agency Staff Costs		-	1,837,273
Insurance Expenses		824,157	729,146
Office and Clinic Infrastructure Costs		288,769	305,155
Property Operating Costs	2c	1,029,566	1,172,189
Right of Use Asset Lease Costs	2d	187,786	-
Repairs, Maintenance and Vehicle Running Expenses	2e	656,536	1,136,923
Service Delivery Expenses		38,027	204,631
Staff Recruitment and Associated Relocation Costs		926,534	241,515
Training and Education Expenses		446,727	166,419
Other Administration Expenses	2f	1,665,850	1,447,131
Total expenses		**22,381,419**	**20,232,739**
Net current year profit / (loss)		**452,652**	**243,766**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss :			
Gains on revaluation of buildings and demountable's for the year	13	-	-
Total Other Comprehensive Income (Loss)		-	-
Total Comprehensive Income (Loss) for the year		452,652	243,766
PROFIT / (LOSS) ATTRIBUTABLE TO MEMBERS OF THE CORPORATION		**452,652**	**243,766**
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO MEMBERS OF THE CORPORATION		**452,652**	**243,766**

The accompanying notes form part of these financial statements.

SUNRISE HEALTH SERVICE ABORIGINAL CORPORATION
ABN: 25 778 213 682
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020

	Note	2020	2019
		$	$
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	3	2,859,681	3,165,561
Trade and Other Receivables	4	82,660	40,994
Inventories	5	218,118	125,374
Other Assets	6	393,995	494,775
TOTAL CURRENT ASSETS		**3,554,454**	**3,826,704**
NON-CURRENT ASSETS			
Property, Plant and Equipment	7	5,496,159	4,326,780
Right of Use Assets	8	3,975,520	-
TOTAL NON-CURRENT ASSETS		**9,471,679**	**4,326,780**
TOTAL ASSETS		**13,026,133**	**8,153,484**
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	9	5,319,158	5,251,857
Lease Liabilities	10	914,974	-
Employee Provisions	11	1,277,363	1,032,033
TOTAL CURRENT LIABILITIES		**7,511,495**	**6,283,890**
NON-CURRENT LIABILITIES			
Lease Liabilities	10	3,152,995	-
Employee Provisions	11	39,397	-
TOTAL NON-CURRENT LIABILITIES		**3,192,392**	**-**
TOTAL LIABILITIES		**10,703,887**	**6,283,890**
NET ASSETS		**2,322,246**	**1,869,594**
EQUITY			
Retained Earnings (Accumulated Losses)		355,611	(97,041)
Reserves	12	1,966,635	1,966,635
TOTAL EQUITY		**2,322,246**	**1,869,594**

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 2020

	Note	Retained Earnings / (Accumulated Losses)	Asset Revaluation Reserve	Total Equity
		$	$	$
Balance at 1 July 2018		(340,807)	1,966,635	1,625,828
Comprehensive Income:				
Net loss for the year		243,766	-	243,766
Other comprehensive income for the year	12	-	-	-
Total comprehensive income (loss) attributable to Members of the Corporation for the year		243,766	-	243,766
Balance at 30 June 2019		(97,041)	1,966,635	1,869,594
Balance at 1 July 2019		(97,041)	1,966,635	1,869,594
Application of :				
AASB 16 : Leases	1(u)	-	-	-
AASB 15: Revenue from Contracts with Customers and AASB 1058: Income of Not-for-Profit Entities	1(u)	-	-	-
Implementation of AASB 16, AASB 15 and AASB 1058 1 July 2019		-	-	-
Comprehensive Income:				
Net profit for the year		452,652	-	452,652
Other comprehensive income for the year	12	-	-	-
Total comprehensive income (loss) attributable to Members of the Corporation for the year		452,652	-	452,652
Balance at 30 June 2020		355,611	1,966,635	2,322,246

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 2020

	Note	2020	2019
		$	$
CASH FLOWS FROM OPERATING ACTIVITIES			
Commonwealth, Territory, Local Government grants, Medicare and other receipts		22,281,825	23,384,178
Payments to suppliers and employees		(20,517,467)	(20,505,389)
Interest received		-	-
Net cash provided by (used in) operating activities	16	**1,764,358**	**2,878,789**
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		-	-
Payment for property, plant and equipment		(1,471,900)	(642,979)
Net cash (used in) investing activities		**(1,471,900)**	**(642,979)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings received		-	-
Payment of borrowings		-	-
Payments for lease liabilities		(598,338)	-
Net cash provided by (used in) financing activities		**(598,338)**	-
Net increase / (decrease) in cash held		(305,880)	2,235,810
Cash and cash equivalents at beginning of the financial year		3,165,561	929,751
Cash and cash equivalents at end of the financial year	4, 16	**2,859,681**	**3,165,561**

The accompanying notes form part of these financial statements.

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 November 2020 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 the Australian Charities and Not-for-profits Commission *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

The Corporation has applied AASB 15: Revenue from Contracts with Customers (AASB 15) and AASB 1058: Income of Not-for-Profit Entities(AASB1058) using the cumulative effective method of initially applying AASB15 and AASB1058 as an adjustment to the opening balance of equity at 1 July 2019. Therefore, the comparative information has not been restated and continues to be presented under AASB 118: Revenue and AASB 1004: Contributions. The details of accounting policies under AASB118 and AASB1004 are disclosed separately since they are different from those under AASB 15 and AASB 1058.The impact of changes is disclosed in Note 1(u).

In the Current Year
Contributed Assets

The Corporation receives assets from the government and other parties for Nil or nominal consideration in order to further its objectives. These assets are recognised in accordance with the recognition requirements of other applicable accounting standards (AASB 9, AASB 16, AASB 116 and AASB 138).

On initial recognition of an asset, the Corporation recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer).

The Corporation recognises income immediately in profit or loss as the difference between initial carrying amount of the asset and the related amounts.

SUNRISE HEALTH SERVICE ABORIGINAL CORPORATION
ABN: 26 778 213 582
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

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

(a) Revenue and Other Income (Cont.)

Operating Grants, Donations and Bequests

When the Corporation receives operating grant revenue, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

When both these conditions are satisfied, the Corporation :

- identifies each performance obligation relating to the grant;
- recognises a contract liability for its obligations under the agreement; and
- recognises revenue as it satisfies its performance obligations.

When the contract is not enforceable or does not have sufficiently specific performance obligations, the Corporation:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (AASB 9, AASB 116 and AASB138);
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer); and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If a contract liability is recognised as a related amount above, the Corporation recognises income in profit or loss when or as it satisfies its obligations under the contract.

Capital Grant

When the Corporation receives a capital grant, it recognises a liability for the excess of the initial carrying amount of the financial asset received over any related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer) recognised under other Australian Accounting Standards.

The Corporation recognises income in profit or loss when or as the Corporation satisfies its obligations under the terms of the grant.

Interest Income

Interest income is recognised using the effective interest method.

Dividend Income

The Corporation recognises dividends in profit or loss only when the right to receive payment is established.

Income from Sale of Goods

The Corporation sells medical and pharmaceutical products to the general public. Revenue is recognised when control of the products has transferred to the customer. For such transactions, this is when the products are delivered to the customers. Discounts are not provided with the sale of these items.

A receivable will be recognised when the goods are delivered. The Corporation's right to consideration is deemed unconditional at this time as only the passage of time is required before payment of that consideration is due. There is no significant financing component because sales are made within a credit term of 30 to 45 days.

Customers have the right to return products within 60 days as stipulated in the contract terms. The Corporation further has a right to recover the product when customers exercise their right of return. In this instance an adjustment would be made to revenue, a refund liability recognised and an adjustment made to inventory and cost of sales.

The Corporation's historical experience with sales returns show that they are negligible and considered to be highly improbable. As such no provision for sale refunds is recognised by the Corporation at the time of sale of goods.

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

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NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

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

(a) Revenue and Other Income (Cont.)

In the Comparative Period

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.

(b) Inventories

Inventories held for sale comprise medical and pharmaceutical products. Inventories 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. Costs are assigned on a first-in, first-out basis.

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.

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Note 1 Summary of Significant Accounting Policies (Cont.)

(c) Property, Plant and Equipment (Cont.)

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%
Leased plant and equipment	20-25%
Leased motor vehicles	20-25%

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

The Corporation as Lessee

At inception of a contract, the Corporation assess if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Corporation where the Corporation is a lessee. However all contracts that are classified as short term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating lease on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Corporation uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

SUNRISE HEALTH SERVICE ABORIGINAL CORPORATION
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Note 1 **Summary of Significant Accounting Policies (Cont.)**

(d) Leases (Cont.)

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest. Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Corporation anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

Concessionary Leases

For leases that have significantly below market terms and conditions principally to enable the Corporation to further its objectives (commonly known as peppercorn / concessionary leases), the Corporation has adopted the temporary relief under AASB 2018-8 and measures the right of use assets at cost on initial recognition.

(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.

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.

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

(e) Financial Instruments (Cont.)

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.

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.

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Note 1 Summary of Significant Accounting Policies (Cont.)

(e) Financial Instruments (Cont.)

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.

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).

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Note 1 Summary of Significant Accounting Policies (Cont.)

(e) Financial Instruments (Cont.)

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.

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 Assets

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

Where the assets are not held primarily for their ability to generate net cash inflows – that is, they are specialised assets held for continuing use of their service capacity – the recoverable amounts are expected to be materially the same as fair value.

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

Where an impairment loss on a revalued individual asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

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

(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.

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. Any remeasurements for changes in assumptions of obligations for other long term employee benefits are recognised in profit or loss in the periods in which the changes occur.

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) Trade and Other Debtors

Trade and other debtors include amounts due from clients for fees and goods and services provided, from donors and any outstanding grant receipts. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for measurement. Refer to Note 1(e) for further discussions on the determination of impairment losses.

(j) Contract Assets

Contract assets are recognised when the Corporation has transferred goods or services to the customer and or completed required performance obligations, but has yet to establish unconditional rights to consideration. Contract assets are treated as financial assets for impairment purposes.

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

(k) 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.

(l) 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*.

(m) 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.

(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.Trade payables are recognised at their transaction price. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(o) Contract Liabilities

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

(p) Provisions

Provisions are recognised when the Corporation 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.

(q) Comparative Figures

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

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

(r) 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

(i) Valuation of buildings and demountable's

The buildings and demountable's 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).

At 30 June 2020, the Directors have performed a Directors' valuation on the buildings and demountable's. The Directors have reviewed the key assumptions adopted by the valuers in 2017 and do not believe there has been a significant change in the assumptions at 30 June 2020. The Directors therefore believe, that based on the expected utility of the assets, the carrying amount of the buildings and demountable's reflects the fair value at 30 June 2020.

(ii) Useful lives of property, plant and equipment

As described in Note 1(c), the Corporation reviews the estimated useful lives of property, plant and equipment at the end of each reporting period, based on the expected utility of the assets.

(iii) Impairment- General

The Corporation assesses impairment at the end of each reporting period by evaluating conditions and events specific to the Corporation that may be indicative of impairment triggers.

Impairment of leasehold improvements and plant and equipment

The Corporation assesses impairment of leasehold improvements and plant and equipment at each reporting date by evaluating conditions specific to the Corporation and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs to sell or value-in-use calculations, which incorporate a number of key estimates and assumptions. There was no provision for impairment of leasehold improvements and plant and equipment at 30 June 2020 (2019: $Nil).

Impairment of accounts receivable

The provision for impairment of receivables assessment requires a degree of estimation and judgement. The level of provision is assessed by taking into account the recent sales experience, the ageing of receivables, historical collection rates and specific knowledge of the individual debtors' financial position. Provision for impairment of receivables at 30 June 2020 amounted to $19,600 (2019: $9,000).

Key Judgments

(i) Performance Obligations Under AASB 15

To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature / type, cost /value, quantity and the period of transfer related to the goods or services promised.

(ii) Coronavirus (COVID-19) Pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Corporation based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Corporation operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Corporation unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

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

(s) Fair Value of Assets and Liabilities

The Corporation measures some of its assets 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) transaction between independent, knowledgeable and willing market participants at the measurement date.

"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.

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 Corporation'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.

(t) 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.

(u) Adoption of New and Revised Accounting Standards

The Corporation has implemented three new Accounting Standards that are applicable for the current reporting period. AASB 15: Revenue from Contracts with Customers, AASB 1058: Income of Not-for-Profit Entities and AASB 16: Leases have been applied using the cumulative effective method; that is, by recognising the cumulative effect of initially applying AASB 15, AASB 1058 and AASB 16 as an adjustment to the opening balance of equity as at 1 July 2019. Therefore, the comparative information has not been restated and continues to be reported under AASB 118: Revenue, and AASB 117: Leases and AASB 1004: Contributions. Also to note in relation to AASB 16 is that the Corporation applied the temporary relief for peppercorn leases under AASB 2018-8 to measure the right of use assets at cost on initial recognition.

The Corporation has adopted AASB 16: Leases retrospectively with a date of initial application of 1 July 2019. As a result, the Corporation has changed its accounting policy for leases recognition as detailed in this note. In accordance with AASB 16 the comparatives for the 2019 reporting period have not been restated and the cumulative effect of initially applying AASB 16 recognised at 1 July 2019.

SUNRISE HEALTH SERVICE ABORIGINAL CORPORATION
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NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

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

(u) Adoption of New and Revised Accounting Standards (Cont.)

Initial Application of AASB 16 : Leases

The Corporation has recognised a lease liability and right-of-use asset for all leases (with the exception of short term and low value leases)recognised as operating leases under AASB117: Leases where the Corporation is the lessee. The lease liabilities are measured at the present value of the remaining lease payments. The Corporation's weighted average incremental borrowing rate on 1 July 2019 applied to the lease liabilities and used to discount the lease payments was 4.95%.

The right of use assets for property, plant and equipment were measured at their carrying amounts as if AASB 16: Leases had been applied since the commencement date, but discounted using the Corporation's weighted average incremental borrowing rate on 1 July 2019.

The right of use assets for the remaining leases were measured and recognised in the statement of financial position as at 1 July 2019 by taking into consideration the lease liability, prepaid and accrued lease payments previously recognised as at 1 July 2019 (that are related to the lease).

The following practical expedients have been used by the Corporation in applying AASB 16 for the first time:

- for a portfolio of leases that have reasonably similar characteristics, a single discount rate has been applied;
- leases that have remaining lease terms of less than 12 months as at 1 July 2019 have been accounted for in the same way as short term leases;
- the use of hindsight to determine lease terms on contracts that have options to extend or terminate;
- applying AASB 16 to leases previously identified as leases under AASB 117: Leases and Interpretation 4: Determining whether an arrangement contains a lease without reassessing whether they are, or contain, a lease at the date of initial application; and
- not applying AASB 16 to leases previously not identified as containing a lease under AASB 117 and Interpretation 4.

The following summary indicates the impact of the implementation of AASB 16 on 1 July 2019 :

- reclassification of Property, Plant and Equipment to Right of Use asset on 1 July 2019; and
- reclassification of identified Operating Lease Commitments to right of use assets and to lease liabilities as at 1 July 2019, by measuring the present value of their lease payments still to be paid.

Category	Carrying Amount under AASB 117	Reclassification	Carrying Amount under AASB 16
Right of Use Assets	-	4,854,093	4,854,093
Lease Liabilities	-	-4,854,093	-4,854,093
Operating Lease Commitments	-5,788,819	-4,854,093	-4,854,093

The Corporation's weighted average incremental borrowing rate on 1 July 2019 applied to the lease liabilities was 4.95%. The difference between the undiscounted amount of operating lease commitments at 30 June 2019 of $5,788,819 and the discounted operating lease commitments as at 1 July 2019 of $4,854,093 was $934,726, which is due to discounting the operating lease commitments at the Corporation's incremental borrowing rate.

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

(u) Adoption of New and Revised Accounting Standards (Cont.)

Initial Application of AASB 15 and AASB 1058

The Corporation has applied AASB 15 : Revenue from Contracts with Customers and AASB 1058: Income of Not-for-Profit Entities using the cumulative effective method of initially applying AASB 15 and AASB 1058 as an adjustment to the opening balance of equity at 1 July 2019. Therefore the comparative information has not been restated and continues to be presented under AASB 118: Revenue and AASB 1004: Contributions.

The Corporation has elected to apply AASB 1058 retrospectively only to contracts that are not completed contracts at the date of initial application.

The Directors have assessed that the application of AASB 15 and AASB 1058 has had minimal effect on the accounting and reporting practices of the Corporation and a corresponding insignificant impact on the Corporation's operating results for the year ended 30 June 2020. There is no material difference in the results of the Corporation between applying AASB 15 and AASB 1058 and AASB 118. No adjustments were deemed necessary to the opening balance of equity at 1 July 2019.

A classification change occurred which resulted in Grants Received in Advance now being classified as Contract Liability in line with wording used in AASB 15.

The table below provides details of the significant changes and quantitative impact of these changes on initial date if application 1 July 2019:

Statement of Financial Position	As presented on 30 June 2019	Application Impact of AASB 15 & AASB 1058	As at 1 July 2019
CURRENT LIABILITIES			
Unexpended Grants	3,574,303	-3,574,303	-
Contract Liabilities	-	-	3,574,303

(v) New Accounting Standards and Interpretations Not Yet Mandatory Or Early Adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Corporation for the annual reporting period ended 30 June 2020. The Corporation has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

(w) 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 $452,652 (2019: an increase and profit of $243,766). The statement of financial position reports current assets of $3,554,454 (2019: $3,826,704) and current liabilities of $7,511,495 (2019: $6,283,890). As at 30 June 2020, the current liabilities are greater than the current assets by $3,957,041 (2019: $2,457,186).

The Corporation's cashflows statement reports a decrease in cashflows of $305,880 (2019: increase of $2,235,810).

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 Corporation has successfully procured funding for the next three years until 30 June, 2023.

SUNRISE HEALTH SERVICE ABORIGINAL CORPORATION
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NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2019

Note 2 Expenses

		2020 $	2019 $
(a)	**Depreciation and amortisation:**		
	- Buildings and demountable's	153,507	143,856
	- Furniture and equipment	57,414	16,996
	- Motor vehicles	91,600	31,864
	Right of use assets	878,573	-
	Total depreciation and amortisation	1,181,094	192,716
(b)	**Employee Benefits Expenses:**		
	— Staff remuneration expenses	13,785,477	11,447,616
	— Contributions to defined contribution superannuation funds	1,012,136	831,162
	Total employee benefits expense	14,797,613	12,278,778
(c)	**Property Operating Costs :**		
	— Property rental expenses	353,240	555,071
	— Other property expenses	676,326	617,128
		1,029,566	1,172,199
(d)	**Right of Use Asset Lease Costs:**		
	— Interest expense on lease liabilities	187,786	-
	Total right of use asset lease expenses	187,786	-
(e)	**Repairs, Maintenance and Vehicle Running Expenses :**		
	— Motor vehicle lease expenses	318,476	732,356
	— Other Motor vehicle expenses	338,060	404,567
		656,536	1,136,923
(f)	**Other Administrative Expenses**		
	— Accountancy and finance costs	78,714	59,722
	— Communication expenses	547,423	477,891
	— Community consultation cost	3,741	240
	— Consultancy expense	300,690	146,463
	— IT Services	268,291	110,182
	— Meetings costs	181,093	164,348
	— Staff Accommodation costs	27,888	12,084
	— Staff travel costs	258,010	476,201
	Total other administrative expenses	1,665,850	1,447,131

Note 3 Cash and Cash Equivalents

	Note	2020 $	2019 $
CURRENT			
Cash at bank		2,859,681	3,164,946
Cash on hand		-	615
Total Cash on hand and at bank	16(a), 17	2,859,681	3,165,561

SUNRISE HEALTH SERVICE ABORIGINAL CORPORATION
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NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2019

		Note	2020 $	2019 $
Note 4	**Trade and Other Receivables**			
	CURRENT			
	Receivables :			
	Trade receivables		40,795	49,063
	Less :Provision for impairment of receivables		(19,600)	(9,000)
	Total Trade Receivables		21,195	40,063
	Other Receivables :			
	Other receivables		61,465	931
	Total Other receivables		61,465	931
	Total current trade and other receivables	17	82,660	40,994

The Corporation's normal credit term is 30 days.
No collateral is held over trade and other receivables.

4(a) Provision for doubtful debts
Movement in the provision for doubtful debts is as follows:

Provision for doubtful debts as at 1 July 2018	(6,000)
— Charge for year	(3,000)
— Written off	-
Provision for doubtful debts as at 1 July 2019	(9,000)
— Charge for year	(10,600)
— Written off	-
Provision for doubtful debts as at 30 June 2020	(19,600)

		2020 $	2019 $
Note 5	**Inventories**		
	CURRENT		
	Inventory on hand at cost	218,118	125,374
	Total Inventory	218,118	125,374

		2020 $	2019 $
Note 6	**Other Assets**		
	CURRENT		
	Prepayments	393,995	494,775
	Total other assets	393,995	494,775

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NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2019

Note 7 Property, Plant and Equipment	Note	2020 $	2019 $
Buildings and demountable			
— Independent valuation in 2017		3,961,598	3,961,598
— At cost		1,215,368	93,328
		5,176,966	4,054,926
Less Accumulated depreciation		(434,125)	(280,618)
Total Buildings and Demountable's		4,742,841	3,774,308
FURNITURE, PLANT AND EQUIPMENT			
Furniture, Plant and equipment:			
At cost		893,169	763,684
Less Accumulated depreciation		(396,671)	(339,257)
		496,498	424,427
Motor vehicles:			
At Cost		421,297	201,014
Less Accumulated depreciation		(164,477)	(72,969)
		256,820	128,045
Total Furniture, Plant and Equipment & Vehicles		753,318	552,472
Total property, plant and equipment		5,496,159	4,326,780

The buildings and demountable's 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 demountable's is based on the fair value of each identifiable property. The revalued amount of buildings and demountable's is $2,386,000 and $1,231,000 respectively (refer to Note 18 for details on revaluations).

At 30 June 2020, the Directors have performed a Directors' valuation on the buildings and demountable's. The Directors have reviewed the key assumptions adopted by the valuers in 2017 and do not believe there has been a significant change in the assumptions at 30 June 2020. The Directors therefore believe, that based on the expected utility of the assets, the carrying amount of the buildings and demountable's reflects the fair value at 30 June 2020.

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's $	Furniture, Plant and Equipment $	Motor Vehicles $	Total $
Carrying amount at 1 July 2019	3,774,308	424,427	128,045	4,326,780
Revaluations (increments)	-	-	-	-
Additions at cost	1,122,040	129,485	220,375	1,471,900
Disposals	-	-	-	-
Depreciation expense	(153,507)	(57,414)	(91,600)	(302,521)
Carrying amount at 30 June 2020	4,742,841	496,498	256,820	5,496,159

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NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2019

Note 8	Right of Use Assets	Note	2020 $	2019 $
	(a) AASB 16 Related Amounts Recognised in the Balance Sheet			
	Right of Use Assets			
	Leased Property		2,183,830	-
	Less Accumulated depreciation		(211,007)	-
			1,972,823	-
	Leased Motor Vehicles		2,670,263	-
	Less Accumulated depreciation		(667,566)	-
			2,002,697	-
	Total Right of Use Assets		3,975,520	-

The Corporation's lease portfolio includes buildings, plant and equipment and motor vehicles. These leases have an average of 10 years as their lease term.

The option to extend or terminate are contained in several of the property leases of the Corporation. There were no extension options for equipment or motor vehicles. These clauses provide the Corporation the opportunities to manage leases in order to align with its strategies. All of the extension or termination options are only exercisable by the Corporation. The extension or termination options which were probable to be exercised have been included in the calculation of the Right of Use Asset.

The Corporation has entered into a 20 year concessionary lease with the NT Government for its office

Movements in Carrying Amounts

	Leased Property $	Leased Motor Vehicles $	Total $
Carrying amount at 1 July 2019	-	-	-
Recognised on initial application of AASB 16	2,183,830	2,670,263	4,854,093
Additions at cost	-	-	-
Depreciation expense	(211,007)	(667,566)	(878,573)
Carrying amount at 30 June 2020	1,972,823	2,002,697	3,975,520

(b) AASB 16 Related Amounts Recognised in the Statement of Profit and Loss

	2020 $
Depreciation charge related to right of use assets	878,573
Interest expense on lease liabilities	187,786
	1,066,359

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NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2019

Note 9	Trade and Other Payables	Note	2020	2019
			$	$
	CURRENT			
	Trade payables		1,209,458	838,196
	Employee payroll liabilities payable		320,625	256,035
	Other payables		442,813	117,848
	GST payable (net amount of GST payable)		271,939	465,475
	Unexpended grant funding		-	3,574,303
	Contract Liabilities - grant funded programmes		3,074,323	-
	Total Trade and Other Payables		5,319,158	5,251,857

(a) Financial liabilities at amortised cost are classified as trade and other payables.

	Note	2020	2019
Trade and other payables:			
— Total Current		5,319,158	5,251,857
— Total Non Current		-	-
Total trade and other payables		5,319,158	5,251,857
Less:			
— Unexpended funding		-	(3,574,303)
— Contract Liabilities - grant funded programmes		(3,074,323)	
Financial liabilities as trade and other payables	17	2,244,835	1,677,554

(b) Contract liabilities - movement in amounts :	2020
	$
Balance at the beginning of the year	-
Reclassified from Deferred Income / Unexpended grants on initial application of AASB 15	3,574,303
Additions: Grants for which performance obligations will only be satisfied in subsequent years	-
Expended : Grants acquitted or utilised during the year	(499,980)
Closing balance	3,074,323

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NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2019

Note 10 Lease Liabilities	Note	2020 $	2019 $
CURRENT			
Leases - properties		270,049	-
Leases - motor vehicles		644,925	-
		914,974	-
NON-CURRENT			
Leases - properties		1,731,679	-
Leases - motor vehicles		1,421,316	-
		3,152,995	-
Total Lease Liabilities	17	4,067,969	-

The lease liabilities are secured by the underlying assets and are subject to the terms of their individual lease agreements.

Note 11 Employee Provisions	Note	2020 $	2019 $
CURRENT			
Provision for employee benefits: sick leave		83,500	83,500
Provision for employee benefits: annual leave		768,225	556,065
Provision for employee benefits: long service leave		393,966	356,793
Provision for employee benefits: TIL		31,672	35,675
		1,277,363	1,032,033
NON-CURRENT			
Provision for employee benefits: long service leave		39,397	-
		39,397	-
Total provisions for employee benefits		1,316,760	1,032,033

Analysis of total provisions:	Total
Opening balance at 1 July 2019	1,032,033
Additional provisions raised during the year	284,727
Amounts used during the year	-
Balance at 30 June 2020	1,316,760

Note 11 Employee Provisions (Cont.)

Provision For Employee Benefits
Employee provisions represents amounts accrued for annual leave, sick leave, TIL 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 vested 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 12 Reserves

	Note	2020 $	2019 $
Asset revaluation reserves			
— Balance at the beginning of financial year 1 July 2019		1,966,635	1,966,635
— Revaluation increment during the year		-	-
— Balance at the end of financial year 30 June 2020		1,966,635	1,966,635

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

Note 13 Capital and Leasing Commitments

	2020 $	2019 $
(a) Operating Lease Commitments		
Rental commitments : short term and low value assets		
Payable – minimum lease payments		
— not later than 1 year	-	346,025
— later than 1 year but not later than five years	-	1,811,845
— later than five years	-	864,142
Total Operating Lease Commitments	-	3,022,012

Included in 2019 was the rental of the Corporation's office premises, staff accommodation facilities and car fleet. These rental commitments were recognised as lease liabilities as at 1 July 2019 in accordance with AASB 16. The Corporation also continues to pay a monthly rental for a number of other property sites. There is no fixed rental term period for these sites and as such they have been treated as short term leases. The rental expense for these short term leases was $353,240 in 2020.

(b) Capital Expenditure Commitments

The Corporation has capital expenditure commitments as at 30 June 2020 of $688,161 which has been funded through specific grant programs (2019:$Nil).

Note 14 Contingent Liabilities and Contingent Assets

The Board is not aware of any contingent liabilities or assets as at 30 June 2020 (2019:$Nil).

Note 15 Events After the Reporting Period

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has been financially positive for / had little financial impact on the Corporation up to 30 June 2020, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since 30 June 2020 that has significantly affected, or may significantly affect the Corporation's operations, the results of those operations, or the Corporation's state of affairs in future financial years.

Note 16 Cash Flow Information

	Note	2020 $	2019 $
(a) Reconciliation of cash and cash equivalents to Statement of Cash Flows :			
Cash on hand and at bank	3	2,859,681	3,165,561
Total cash as stated in the Statement of cash flows		2,859,681	3,165,561
(b) Reconciliation of Cash Flow from Operating Activities with Current Year Profit /(Loss)			
Profit/(Loss) for the current year		452,652	243,766
Non-cash flows:			
Depreciation and amortisation expense		1,181,094	192,716
Loss (Profit) on disposal of assets		-	-
Interest expense on lease liabilities		(187,786)	-
Changes in assets and liabilities:			
(Increase)/decrease in trade and other receivables		(41,665)	73,461
(Increase)/decrease in inventories on hand		(92,744)	(34,011)
(Increase)/decrease in other current assets		100,780	(397,331)
Increase/(decrease) in accounts payable and other payables		67,301	2,838,174
Increase/(decrease) in employee provisions		284,727	(40,986)
Net cash provided by operating activities		1,764,358	2,875,789

Note 17 Financial Risk Management

The Corporation's financial instruments consist mainly of deposits with banks, local money market instruments, short term and long-term investments, account receivables and payables, contract assets, lease liabilities and contract liabilities.

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

	Note	2020	2019
Financial assets		$	$
Financial assets at amortised cost:			
Cash on hand	3	2,859,681	3,165,561
Trade and other receivables	4	82,660	40,994
Total financial assets		2,942,341	3,206,555
Financial liabilities			
Financial liabilities at amortised cost:			
Trade and other payables	9	2,244,835	1,677,554
Lease liabilities	10	4,067,969	-
Total financial liabilities		6,312,804	1,677,554

Refer to Note 18 for detailed disclosures regarding the fair value measurements of the Corporation's financial assets.

Note 18 Fair Values Measurements

The Corporation measures and recognises the following assets and liabilities at fair value on a recurring basis after initial recognition:

- financial assets at fair value through profit or loss;
- financial assets at fair value through other comprehensive income; and
- freehold land and buildings.

The Corporation does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities on a non-recurring basis.

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.

Note 18 Fair Values Measurements (Cont.)

	Note	2020 Carrying Amount $	2020 Fair Value $	2019 Carrying Amount $	2019 Fair Value $
Financial assets					
Cash on hand and at bank	3, 17	2,859,681	2,859,681	3,165,561	3,165,561
Trade and other receivables	4, 17	82,660	82,660	40,994	40,994
Total financial assets		2,942,341	2,942,341	3,206,555	3,206,555
Financial liabilities					
Trade and other payables	9, 17	2,244,835	2,244,835	1,677,554	1,677,554
Lease liabilities	10, 17	4,067,969	4,067,969	-	-
Total financial liabilities		6,312,804	6,312,804	1,677,554	1,677,554

(i) Cash on hand, accounts receivable and other debtors, contract assets and accounts payable and other payables and contract liabilities 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 9.

(ii) For investments in listed shares, the fair values have been determined based on closing quoted bid prices at the end of the reporting period.

(iii) Loans receivable and lease liabilities fair values are assessed on an annual basis by Management and the Committee Members . Current available data is used in assessing their carrying and fair values.

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."

	Note	2020 Carrying Amount $	2020 Fair Value $	2019 Carrying Amount $	2019 Fair Value $
Non - Financial assets					
Buildings & Demountable's	7	4,742,841	4,742,841	3,774,308	2,386,000
Total non- financial assets		4,742,841	4,742,841	3,774,308	2,386,000

(i) The fair value of the buildings and demountable's 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 values used by the valuer 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".

At 30 June 2020, the Directors have performed a Directors' valuation on the buildings and demountable's. The Directors have reviewed the key assumptions adopted by the valuers in 2017 and do not believe there has been a significant change in the assumptions at 30 June 2020. The Directors therefore believe, that based on the expected utility of the assets, their existing condition and the cost of replacement of these assets, that the carrying amount of the buildings and demountable's reflects the fair value at 30 June 2020.

Note 19 Key Management Remuneration

	2020	2019
	$	$
The totals of remuneration paid to KMP of the Corporation during the year are as follows :		
Wages	880,347	968,668
Superannuation	68,969	98,626
Other entitlements	133,402	69,495
Total Key Management Remuneration	**1,082,718**	**1,136,789**

Note 20 Other Related Party Disclosure

Other related parties include close family members of key 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 2020 (2019: $Nil).

Note 21 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:

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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 31, are in accordance with the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* (CATSI Act 2006) and with the *Australian Charities 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 2020, 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 13 November 2020

Dated 13 November 2020

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 2020, 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 the 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 2020 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 and its subsidiaries 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(w) "Going Concern" to the financial report, which indicates that the Corporation reported total comprehensive income of $452,652 (2019: total comprehensive income of $243,766). The statement of financial position reports current assets of $3,554,454 (2019: $3,826,704) and current liabilities of $7,511,495 (2019: $6,283,890). As at 30 June 2020, the current liabilities of the Corporation were greater than its current assets by $3,957,041 (2019: $2,457,186). These events or conditions, along with the other matters stated in Note 1(w) "Going Concern" and Note 1(t) "Economic Dependence" 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SUNRISE HEALTH SERVICE ABORIGINAL CORPORATION (CONTINUED)

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SUNRISE HEALTH SERVICE ABORIGINAL CORPORATION (CONTINUED)

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

Nexia Edwards Marshall NT
Chartered Accountants

Noel Clifford
Partner

Dated: 13 November 2020

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