

Central Sydney GP Network Ltd

ABN 26 093 270 583

Annual Report - 30 June 2020

Central Sydney GP Network Ltd

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30 June 2020

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General information

The financial statements cover Central Sydney GP Network Ltd as an individual entity. The financial statements are presented in Australian dollars, which is Central Sydney GP Network Ltd's functional and presentation currency.

Central Sydney GP Network Ltd is a not-for-profit unlisted public company limited by guarantee.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 6 October 2020. The directors have the power to amend and reissue the financial statements.

Central Sydney GP Network Ltd

Directors' report

30 June 2020

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2020.

Directors

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

Dr Margot Woods BMed	7 February 2015 – present
Dr Shereena Sinnayah BMedSci; MBBS(Hons); FRACGP; DCH; DipDerm	29 January 2020 – present
Dr Hester Wilson BMed (Hons), FRACGP, FACHAM, MMH	10 November 2017 – 29 January 2020
Dr Javier Camargo MBBS (UQ), FRACGP, B.PHRM, MAICD, D.CH	1 October 2018 – present
Dr Amy Nguyen MBBS, FRACGP	15 May 2019 – present

Operating results

The (deficit)/surplus of the company amounted to (\$26,277)(2019: surplus \$9,196).

Objectives

Short term objectives:

- supporting health professionals to improve the health of local residents
- improving engagement with other key stakeholders
- meeting all contractual obligations of grants
- remaining financially viable.

Long-term objectives:

- supporting members
- representing and advocating for general practice
- remaining financially viable.

Principal activities

The principal activity of Central Sydney GP Network Ltd during the financial year was to administer the objectives of the membership of the Company. For further details refer to Objectives set out above.

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

Significant changes in state of affairs

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

Company secretary

The following person held the position of company secretary at the end of the financial year: Jim McGarry.

Matters or circumstances arising after the end of the year

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has been financially negative for the company 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 matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the company, the results of those operations or the state of affairs of the company in future financial years.

Information on directors

Name:	Dr Margot Woods
Title:	Co-Chair
Experience and expertise:	Has been a GP in the Inner West for nearly 20 years where she set up and ran a multidisciplinary clinic. She also works as a Clinical Editor on Sydney Health Pathways and is the Discipline Leader, General Practice, University of Notre Dame.

Central Sydney GP Network Ltd
Directors' report
30 June 2020

Name: Dr Shereena Sinnayah
Title: Director
Experience and expertise: Shereena has been a GP in Sydney's Inner West for the past 8 years. Shereena involves herself with different aspects of primary care to better understand the role of general practice in our community. In addition to working in a general practice in Erskineville, Shereena also works with Tresillian Family Care Centres supporting local families of children aged 0-3. She remains connected to GP training and education as a Clinical Teaching Visitor with GP Synergy and is a RACGP examiner. She sits on a medical advisory committee for Balmain General Practice Casualty.

Name: Dr Hestor Wilson
Title: Director
Experience and expertise: Dr Hester Wilson is a fellow of RACGP and fellow of the Chapter of Addiction Medicine within the RACP. She completed a masters in mental health in 2013. She has worked in primary care settings for over 25 years and has a special interest in women's health, sexual health, mental health, behaviour change, addiction medicine and providing care for people with chronic complex issues. As well as working at Alice St General Practice she works in SESLHD as a staff specialist in addiction. She is the chair of the RACGPSI in addiction group. She has been on a number of committees promoting and highlighting the needs of GPs. She is a past board member for Jarrah House, a drug and alcohol NGO providing inpatient detoxification and rehabilitation for women.

Name: Dr Javier Camargo
Title: Co-Chair
Experience and expertise: Javier has been a full time GP in Sydney's Inner West since 2014. Javier graduated from the University of Queensland in 2010 and completed his post-graduate training at the Royal Brisbane and Women's Hospital and the Royal Children's Hospital, Brisbane. He also holds a degree in Pharmacy and has practised as a pharmacist before completing his medical degree. Javier has undertaken additional training in children's health at Sydney Children's Hospital and in women's health at the Royal Women's Hospital. Javier enjoys all aspects of general practice and in caring for men and women of all ages. He has particular interest in child health, men's health, travel medicine, LGBTQI health, mental health, sexual health and Hepatitis C management. Javier joined the Central Sydney GP network in late 2018 after completing the foundations course in directorship at the Australian Institute of Company Directors. He is keen to use his board appointment as a platform to champion the concerns of GPs in his surrounding network and to advocate for them and liaise with other organisations at different levels to ensure that the concerns of general practitioners is effectively advocated in the delivery of healthcare and to achieve quality general practice which is central to patient care.

Name: Dr Amy Nguyen
Title: Director
Experience and expertise: Amy started working in the Central Sydney GP Network area in 2015 as a registrar and joined the Board in 2019. She has continued to practice in Canada Bay where she enjoys providing care to a variety of patients. General Practice is evolving and becoming more complex, Amy believes we need to connect with our colleagues as we navigate the future. By working together, we can make changes for our communities. Amy is aware of the challenges faced by new fellows and hopes Central Sydney GP Network can reach our new colleagues and support them. Amy enjoys teaching and works as a medical educator of GP registrars.

**Central Sydney GP Network Ltd
Directors' report
30 June 2020**

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2020, and the number of meetings attended by each director were:

	Attended	Held
Dr Shereena Sinnayah	2	2
Dr Javier Camargo	4	4
Dr Hester Wilson	2	2
Dr Margot Woods	4	4
Dr Amy Nguyen	4	4

Held: represents the number of meetings held during the time the director held office.

Future developments and results

There are no likely developments expected in the operations of the company that would impact on the expected results of these operations in future financial years.

Member contributions

Central Sydney GP Network Ltd is a company limited by guarantee. In the event of the company being wound up, ordinary members are required to contribute a maximum of \$2 each. Associate members are not required to contribute. The total amount that members of the company are liable to contribute if the company is wound up is \$834, based on 417 ordinary members.

Environmental matters

The company is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Auditor's independence declaration

A copy of the auditor's independence declaration as required in accordance with sub-division 60-40 of the Australian Charities and Not-for-Profit Commission Act 2012, for the year ended 30 June 2020 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors.

On behalf of the directors

DocuSigned by:

Javier Camargo

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6 October 2020

Auditor's Independence Declaration under Subdivision 60-40 of the Australian Charities and Not-For-Profits Commission Act 2012 to the directors of Central Sydney GP Network Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2020 there have been no contraventions of the auditor independence requirements as set out in any applicable code of professional conduct in relation to the audit.

Yours sincerely

Nexia Sydney Partnership



Stephen Fisher
Partner

Sydney

Dated: 6 October 2020

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Central Sydney GP Network Ltd
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2020

	Note	2020 \$	2019 \$
Revenue	3	59,466	93,684
Finance income		5,827	6,699
Expenses			
Employee benefits expense	12	(45,946)	(44,293)
Administration costs		(12,359)	(12,941)
Other operating expenses	4	<u>(33,265)</u>	<u>(33,953)</u>
Surplus/(deficit) before income tax expense		(26,277)	9,196
Income tax expense		<u>-</u>	<u>-</u>
Surplus/(deficit) after income tax expense for the year	11	(26,277)	9,196
Other comprehensive income for the year, net of tax		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u><u>(26,277)</u></u>	<u><u>9,196</u></u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Central Sydney GP Network Ltd
Statement of financial position
As at 30 June 2020

	Note	2020 \$	2019 \$
Assets			
Current assets			
Cash and cash equivalents	5	419,559	138,309
Trade and other receivables	6	35,580	20,925
Financial assets at fair value through profit or loss	7	401,708	725,074
Other assets	8	-	1,749
Total current assets		<u>856,847</u>	<u>886,057</u>
Total assets		<u>856,847</u>	<u>886,057</u>
Liabilities			
Current liabilities			
Trade and other payables	9	10,637	10,279
Contract liabilities	10	27,700	30,991
Total current liabilities		<u>38,337</u>	<u>41,270</u>
Total liabilities		<u>38,337</u>	<u>41,270</u>
Net assets		<u>818,510</u>	<u>844,787</u>
Equity			
Retained surplus	11	<u>818,510</u>	<u>844,787</u>
Total equity		<u>818,510</u>	<u>844,787</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Central Sydney GP Network Ltd
Statement of changes in equity
For the year ended 30 June 2020

	Retained surplus \$	Total equity \$
Balance at 1 July 2018	835,591	835,591
Surplus after income tax expense for the year	9,196	9,196
Other comprehensive income for the year, net of tax	-	-
	<u>9,196</u>	<u>9,196</u>
Total comprehensive income for the year	<u>9,196</u>	<u>9,196</u>
Balance at 30 June 2019	<u>844,787</u>	<u>844,787</u>
	Retained surplus \$	Total equity \$
Balance at 1 July 2019	844,787	844,787
Deficit after income tax expense for the year	(26,277)	(26,277)
Other comprehensive income for the year, net of tax	-	-
	<u>(26,277)</u>	<u>(26,277)</u>
Total comprehensive income for the year	<u>(26,277)</u>	<u>(26,277)</u>
Balance at 30 June 2020	<u>818,510</u>	<u>818,510</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Central Sydney GP Network Ltd
Statement of cash flows
For the year ended 30 June 2020

	Note	2020 \$	2019 \$
Cash flows from operating activities			
Cash receipts from continuing operations		58,324	79,038
Cash paid to suppliers and officers		(96,514)	(96,922)
Interest received		5,827	6,701
		<u> </u>	<u> </u>
Net cash used in operating activities		(32,363)	(11,183)
Cash flows from investing activities			
Payments for investments		(100,000)	(700,098)
Proceeds from disposal of investments		413,613	-
		<u> </u>	<u> </u>
Net cash from/(used in) investing activities		313,613	(700,098)
Cash flows from financing activities			
		<u> </u>	<u> </u>
Net cash from financing activities		-	-
		<u> </u>	<u> </u>
Net increase/(decrease) in cash and cash equivalents		281,250	(711,281)
Cash and cash equivalents at the beginning of the financial year		138,309	849,590
		<u> </u>	<u> </u>
Cash and cash equivalents at the end of the financial year	5	<u><u>419,559</u></u>	<u><u>138,309</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Central Sydney GP Network Ltd
Notes to the financial statements
30 June 2020

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

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

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

Impact of adoption

AASB 15, AASB 1058 and AASB 16 were adopted using the modified retrospective approach and as such comparatives have not been restated. There was no impact on opening retained profits as at 1 July 2019 upon adoption of these Standards.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

The following Accounting Standards and Interpretations are most relevant to the company:

AASB 15 Revenue from Contracts with Customers

The company has adopted AASB 15 from 1 July 2019. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. This is described further in the accounting policies below. Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Customer acquisition costs and costs to fulfil a contract can, subject to certain criteria, be capitalised as an asset and amortised over the contract period. There was no material impact on adoption of this standard.

AASB 16 Leases

The company has adopted AASB 16 from 1 July 2019. The standard replaces AASB 117 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. There was no material impact on adoption of this standard.

Impact of adoption

AASB 15, AASB 1058 and AASB 16 were adopted using the modified retrospective approach and as such comparatives have not been restated. There was no impact on opening retained surplus as at 1 July 2019. The impact of the new Accounting Standards compared with the previous Accounting Standards on the current reporting period is \$nil.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB'), the Australian Charities and Not-for-profits commission Act 2012 and New South Wales legislation the Charitable Fundraising Act 1991 and associated regulations and the Corporations Act 2001, as appropriate for not-for profit oriented entities.

Historical cost convention

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

Central Sydney GP Network Ltd
Notes to the financial statements
30 June 2020

Note 1. Significant accounting policies (continued)

Critical accounting estimates

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

Comparative amounts

Comparatives figures have been adjusted to confirm to changes in the presentation for the current financial year where required by accounting standards or as a result of a change in accounting policy.

Going concern

The financial report has been prepared on the going concern basis. The company believes that with continuous support from the members in the form of membership revenue they can continue as a going concern.

The following accounting policies are most relevant to the company:

Revenue recognition

The company recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

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

Membership income

Membership subscription revenue is recognised upon the receipt of membership renewal applications. Any revenue received during the current financial year that relates to the next financial year is deferred as a contract liability.

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

Interest

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

Other revenue

Other revenue is recognised when sales invoices are raised following the performance of service.

Income tax

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

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

Central Sydney GP Network Ltd
Notes to the financial statements
30 June 2020

Note 1. Significant accounting policies (continued)

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

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

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

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

Investments and other financial assets

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

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

Financial assets at fair value through profit or loss

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

Impairment of financial assets

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

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

Central Sydney GP Network Ltd
Notes to the financial statements
30 June 2020

Note 1. Significant accounting policies (continued)

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

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Contract liabilities

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

Fair value measurement

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

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

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Central Sydney GP Network Ltd
Notes to the financial statements
30 June 2020

Note 2. Critical accounting judgements, estimates and assumptions

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

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 company 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 company 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 company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Note 3. Revenue

	2020 \$	2019 \$
<i>Revenue from contracts with customers</i>		
Sponsorship income	13,636	12,727
Member subscriptions	41,691	43,210
	<u>55,327</u>	<u>55,937</u>
<i>Other revenue</i>		
Donations received	141	1,550
Net distribution received from financial assets	13,613	11,221
Net change in fair value of financial assets through profit or loss	(24,615)	24,976
Cash flow boost	15,000	-
	<u>4,139</u>	<u>37,747</u>
Revenue	<u><u>59,466</u></u>	<u><u>93,684</u></u>

Note 4. Other operating expenses

	2020 \$	2019 \$
Recruitment, training and development costs	1,491	3,810
Meetings and venue hire	13,165	17,086
Bank and credit card charges	295	1,022
Audit fees	4,720	4,525
Consultancy charges	13,500	7,000
Sundry expenses	94	510
	<u>33,265</u>	<u>33,953</u>

Central Sydney GP Network Ltd
Notes to the financial statements
30 June 2020

Note 5. Current assets - cash and cash equivalents

	2020	2019
	\$	\$
Cash at bank and in hand	<u>419,559</u>	<u>138,309</u>

Note 6. Current assets - trade and other receivables

	2020	2019
	\$	\$
Trade receivables	30,580	19,358
Other receivables	<u>5,000</u>	<u>1,567</u>
	<u>35,580</u>	<u>20,925</u>

Note 7. Current assets - financial assets at fair value through profit or loss

	2020	2019
	\$	\$
Investments	<u>401,708</u>	<u>725,074</u>

Note 8. Current assets - other assets

	2020	2019
	\$	\$
Prepayments	<u>-</u>	<u>1,749</u>

Note 9. Current liabilities - trade and other payables

	2020	2019
	\$	\$
GST payable	2,757	2,862
Other payables	<u>7,880</u>	<u>7,417</u>
	<u>10,637</u>	<u>10,279</u>

Note 10. Current liabilities - contract liabilities

	2020	2019
	\$	\$
Contract liabilities	<u>27,700</u>	<u>30,991</u>

Note 11. Equity - retained surplus

	2020	2019
	\$	\$
Retained surplus at the beginning of the financial year	844,787	835,591
Surplus/(deficit) after income tax expense for the year	<u>(26,277)</u>	<u>9,196</u>
Retained surplus at the end of the financial year	<u>818,510</u>	<u>844,787</u>

Central Sydney GP Network Ltd
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30 June 2020

Note 12. Key management personnel disclosures

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director of the Company is considered key management personnel (KMP). The total remuneration paid to KMP of the company during the year are as follows:

Total remuneration paid or payable \$45,946 (2019: \$44,293). This includes \$45,946 (2019: \$44,293) paid to the directors of the company.

Note 13. Contingent liabilities

In the opinion of the Directors, the company did not have any contingent liabilities at 30 June 2020 (30 June 2019: none).

Note 14. Related party transactions

Key management personnel

Disclosures relating to key management personnel are set out in note 12.

Transactions with related parties

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

The following transactions occurred with related parties:

	2020 \$	2019 \$
Payment for other expenses:		
Management fees to EIS Health Limited	10,423	10,803

Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	2020 \$	2019 \$
Current receivables:		
Trade receivables from EIS	30,580	19,360

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Note 15. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by the auditor of the company:

	2020 \$	2019 \$
Audit services -		
Audit of the financial statements	<u>4,700</u>	<u>4,500</u>

Central Sydney GP Network Ltd
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30 June 2020

Note 16. Events after the reporting period

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has been financially negative for the company 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 company's operations, the results of those operations, or the company's state of affairs in future financial years.

Note 17. Company Details

The registered office of the company is:

Central Sydney GP Network Ltd
Tower A Level 5, 201 Coward Street
Mascot NSW 2020

Central Sydney GP Network Ltd
Directors' declaration
30 June 2020

In the directors' opinion:

- the attached financial statements and notes comply with the Australian Accounting Standards - Reduced Disclosure Requirements, the Australian Charities and Not-for-profits Commission Act 2012 and New South Wales legislation the Associations Incorporation Act 2009, the Charitable Fundraising Act 1991 and associated regulations;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2020 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors.

On behalf of the directors

DocuSigned by:

Javier Camargo

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6 October 2020

Independent Auditor's Report to the Members of Central Sydney GP Network Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Central Sydney GP Network Limited (the Company), which comprises the statement of financial position as at 30 June 2020, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:

- i) giving a true and fair view of the Company's financial position as at 30 June 2020 and of its financial performance for the year then ended; and
- ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the 'auditor's responsibilities for the audit of the financial report' section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other information

The directors are responsible for the other information. The other information comprises the information in Central Sydney GP Network Limited's annual report for the year ended 30 June 2020, but does not include the financial report and the auditor's report thereon. Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Directors' responsibility for the financial report

The directors of the Company 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 and the Australian Charities and Not-for-profits Commission Act 2012 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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In preparing the financial report, the directors are responsible for assessing the Company'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 Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibility for the audit of the financial report

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

A further description of our responsibilities for the audit of the financial report is located at The Australian Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_files/ar4.pdf. This description forms part of our auditor's report.



Nexia Sydney Partnership



Stephen Fisher
Partner

Dated: 6 October 2020