

General Practice Queensland Limited ABN 56 123 426 111
FINANCIAL YEAR ENDED 30 JUNE 2024

DIRECTORS' REPORT

Your Directors present this report on the company for the financial year ended 30 June 2024.

Directors

The following persons were directors of the Company, General Practice Queensland Limited ("GPQ Ltd") during the whole of the financial year and to the date of this report, unless otherwise stated:

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

Company Secretary

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

Principal Activities

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

Short-Term and Long-Term Objectives

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

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

Strategies

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

- i. Growing and retaining an engaged membership base.
- ii. Establishing valued networks and connections across communities, organisations and professions.
- iii. Showcasing and supporting innovation and solutions that are making a difference.
- iv. Maintaining and expanding a regional model, targeting hard-to-reach and vulnerable populations to ensure appropriate consultation and their needs are identified.
- v. Developing and maintaining internal infrastructure, systems, and processes to support effective planning and commissioning.
- vi. Supporting innovative and integrated healthcare solutions and continuously improving services.
- vii. Leveraging data, research, evidence and experience.
- viii. Developing and delivering training and education to build service and system capacity and capability
- ix. Developing new products and services to address identified market gaps
- x. Enhancing internal systems to support effective measurement and reporting of outcomes achieved

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Divestment of Larter Consulting Pty Ltd ("LC")

Consistent with Strategy ii above, in March 2019, GPQ Ltd entered into a Shareholders Agreement to acquire a 70% stake in LC, which had a proven track record of "Showcasing and supporting innovation and solutions that are making a difference (Strategy iii above).

Over the past four years the company has enjoyed a mutually beneficial relationship with LC and has greatly appreciated the symbiotic relationship cultivated with LC, which was initially established as an investment vehicle to complement the company's charitable initiatives, in the health sector. As advised in the FY23 Directors' Report LC's financial performance during the previous two years, coupled with the Company's strict governance and risk protocols, necessitated the Board's decision, on 28 July 2023, to explore divestment options of its shareholding in LC.

During FY24 the Company negotiated the terms of the share sale, and the transaction settled on 21 December 2023.

Mr Colin Duff	— Director, Board Chair
Qualifications	— M Comm, B Comm, GAICD
Experience	— Member of various Boards with a range of roles including Chair, Executive Director and Non-Executive Director. Has over 30 year's business experience in executive roles in numerous industries specialising in business growth at both strategic and operational levels. Current Board memberships; Chair - GPQ Ltd, ED - Premise Holdings, Chair - Larter Consulting until 21/12/2023, NED - DataFarming, NED - Nu Vue Property Group, ED - Virtus Investments.
Special Responsibilities	— Member, Finance Audit and Risk Management Committee
Ms Jennifer Pouwer	— Director, Deputy Chair
Qualifications	— B Occ Thy, GAICD, Affiliate GIA
Experience	— presently Deputy CEO General Manager Community Services ,Arafmi. A health and community services executive career spanning diverse sectors in the Commonwealth, State and for purpose and private sectors. Previous Non Executive roles - Aged and Disability Advocacy Australia, Eating Issues Centre, Protect All Children Today, Women's Health Queensland Wide.
Special Responsibilities	— Member, Finance Audit and Risk Management Committee
Dr David Rowlands OAM	— Director, FARM Chair
Qualifications	— M.B.,B.S. (Qld), MRACGP, FAICD General Practitioner.
Experience	— Member of the Alliance Leadership Group (GCHHS& GCPHN), Chair of Sunshine Coast Health and Hospital Service (SCHHS), Former Chair of Gold Coast PHN, Former Chair of Gold Coast Medicare Local, Former President of Gold Coast Division of General Practice, Former Chair of Gold Coast Health and Wellbeing Council
Special Responsibilities	— Chair & Member, Finance, Audit and Risk Management Committee
Mr Kieran Chilcott	— Director
Qualifications	— BEd, Dip Management, Cert IV Mental Health, Cert IV Project Management, Cert IV Business (Governance), Cert IV in Assessment and Workplace Training
Experience	— CEO Kalwun, Chair of Institute for Urban Indigenous Health, Director of Central West Hospital and Health Service, Director of Ohana for Youth.
Special Responsibilities	— Chair, Aboriginal and Torres Strait Islander Advisory Committee

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DIRECTORS' REPORT

Dr Tina Janamian	— Director
Qualifications	— PhD (Public Health), MBA, GAICD, GCELead, MMedSc, BSc, C.Decs.
Experience	— Group Chief Executive: Australian General Practice Accreditation Ltd (AGPAL) Group of Companies including AGPAL, Quality Innovation Performance Limited (QIP), QIP Consulting Pty Ltd (QIP Consulting), QIP International Pty Ltd, CFEP Surveys and Care Opinion Australia. Adjunct Associate Professor, University of Queensland. Director, CQShines Board Director, The Australian Healthcare and Hospitals Association (AHHA) Member, International Society for Quality in Health Care (ISQua) Accreditation Council; Member, ISQua's Academy of Quality and Safety in Health Care; Fellow, ISQua; Editorial Board Member, International Journal of Health Economics and Policy
Special Responsibilities	— Member, Ear and Eye Surgical Support (EESS) Patient Outcomes Project Advisory Group
Ms Merrilyn Strohfeldt	— Director
Qualifications	— M Public Admin, B SpPath
Experience	— Board Member, Darling Downs Health. Previous CEO Darling Downs West Moreton PHN. Previously Deputy Director General Qld Dept of Communities, Child Safety and Disability Services. Senior executive for over 20 years with extensive experience in the delivery of disability services, health and rehabilitation services in Australian and State Government jurisdictions, the NFP sector, and private industry.
Special Responsibilities	— Member, Finance Audit and Risk Management Committee
Ms Jane Williams	— Director
Qualifications	— Registered Nurse and Midwife, RIPEN Endorsed (Rural Isolated Registered Nurse)
Experience	— Grad Dip Rural and Remote Health, Dip Management, Dip, Dip Community Services Coordination, JP Qual Central West Hospital and Health Service (CWHHS): Board Chair since 2016, Board Member of CWHHS Executive Committee, Board Member of CWHHS Safety & Quality Committee. SunWater: Director. Health and Wellbeing Queensland: Director. Health Workforce Queensland: Director. RFDS Foundation: Board Member. Central West Rural Wellness Network Chair.
Special Responsibilities	— nil

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Meetings of Directors

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

	Number eligible to attend	Number attended
Mr Colin Duff	6	6
Ms Jennifer Pouwer	6	4
Dr David Rowlands OAM	6	5
Mr Kieran Chilcott	6	4
Dr Tina Janamian	6	6
Ms Merrilyn Strohfeldt	6	6
Ms Jane Williams	6	5

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

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

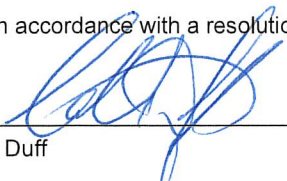
Membership Guarantee

The Company is incorporated under the *Corporations Act 2001* and is an entity limited by guarantee. If the entity is wound up, the Constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the entity. At 30 June 2024 the number of members was 34.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2024 has been received and can be found on page 5.

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



Mr Colin Duff

Director - Chair

Dated this 27th day of September, 2024

**General Practice Queensland Limited ABN 56 123 426 111
FINANCIAL YEAR ENDED 30 JUNE 2024**

AUDITOR'S INDEPENDENCE DECLARATION



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Australia

DECLARATION OF INDEPENDENCE BY M CUTRI TO THE DIRECTORS OF GENERAL PRACTICE QUEENSLAND LIMITED

As lead auditor of General Practice Queensland Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

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

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

A handwritten signature in black ink, appearing to read 'M Cutri', with a stylized flourish at the end.

M Cutri
Director

BDO Audit Pty Ltd

Brisbane, 27 September 2024

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 \$	2023 \$
Revenue from contracts with customers	3(a)	28,009,461	28,266,453
Other income	3(b)	798,594	595,189
Total revenue and other income		<u>28,808,055</u>	<u>28,861,642</u>
Employee benefits expense	4	5,223,817	5,040,337
Depreciation and amortisation expense	4	395,150	350,381
Audit, legal and consultancy expenses	4	278,677	354,670
Property & rental expense		14,584	205,104
Meeting, training and workshop expenses		646,009	332,425
Administration & other expenses		312,357	324,734
Stakeholder payments		287,920	481,225
GP & specialist payments		20,667,440	21,095,290
Computer expenses		355,585	242,815
Total expenses		<u>28,181,539</u>	<u>28,426,981</u>
Surplus before income tax		626,516	434,661
Income tax expense	22	-	-
Surplus for the year		<u>626,516</u>	<u>434,661</u>
Other comprehensive income for the year		-	-
Total comprehensive income for the year		<u><u>626,516</u></u>	<u><u>434,661</u></u>
Surplus for the year is attributable to:			
Non-controlling interest (NCI)		1,857	(31,582)
Members of General Practice Queensland Limited		624,659	466,243
		<u><u>626,516</u></u>	<u><u>434,661</u></u>
Comprehensive income for the year is attributable to:			
Non-controlling interest (NCI)		1,857	(31,582)
Members of General Practice Queensland Limited		624,659	466,243
		<u><u>626,516</u></u>	<u><u>434,661</u></u>

The accompanying notes form part of these financial statements.

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**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024**

	Note	2024 \$	2023 \$
ASSETS:			
CURRENT ASSETS			
Cash and cash equivalents	5	554,067	8,707,913
Financial assets	6	7,056,018	56,018
Trade and other receivables	7	396,734	423,505
Other assets		149,192	165,903
TOTAL CURRENT ASSETS		8,156,011	9,353,339
NON-CURRENT ASSETS			
Property, plant and equipment	8	16,378	35,440
Right of Use Asset	9	918,434	1,032,624
Intangible assets		280,926	304,362
Deferred tax asset		-	12,222
TOTAL NON-CURRENT ASSETS		1,215,738	1,384,648
TOTAL ASSETS		9,371,749	10,737,987
LIABILITIES:			
CURRENT LIABILITIES			
Trade and other payables	10	3,135,713	3,078,773
Contract liabilities	3(c)	1,067,751	2,719,269
Current tax liability		-	-
Employee benefits	11	462,957	552,825
Lease liability	9	183,930	188,351
TOTAL CURRENT LIABILITIES		4,850,351	6,539,218
NON-CURRENT LIABILITIES			
Employee benefits	11	48,610	33,423
Lease liability	9	746,519	1,020,083
Make good provision		25,000	25,000
TOTAL NON-CURRENT LIABILITIES		820,129	1,078,506
TOTAL LIABILITIES		5,670,480	7,617,724
NET ASSETS		3,701,269	3,120,263
EQUITY:			
Accumulated surplus		3,701,269	3,076,610
Non-controlling interest		-	43,653
TOTAL EQUITY		3,701,269	3,120,263

The accompanying notes form part of these financial statements

General Practice Queensland Limited ABN 56 123 426 111

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2024**

	Accumulated Surplus	Non- Controlling Interest (NCI)	Total
	\$	\$	\$
Balance at 30 June 2022	2,610,367	83,947	2,694,314
Surplus attributable to the entity	466,243	(31,582)	434,661
Other comprehensive income for the year	-	(8,712)	(8,712)
Total comprehensive income	466,243	(40,294)	425,949
Balance at 30 June 2023	3,076,610	43,653	3,120,263
Surplus attributable to the entity	624,659	1,857	626,516
Other comprehensive income for the year	-	-	-
Total comprehensive income	624,659	1,857	626,516
Dividends provided for or paid	-	-	-
Total transactions with owners in their capacity as owners	-	-	-
Disposal of investment in subsidiary	-	(45,510)	(45,510)
Balance at 30 June 2024	3,701,269	-	3,701,269

The accompanying notes form part of these financial statements

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**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024**

	Note	2024	2023
		\$	\$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipt of grants and other income		29,241,839	27,427,102
Payments to suppliers and employees		(30,519,146)	(29,230,692)
Interest paid		(40,896)	(49,961)
Interest received		692,245	506,957
Net cash generated / (used) from operating activities	16b	<u>(625,958)</u>	<u>(1,346,594)</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(6,522)	(28,679)
Payment for intangible assets		(140,102)	(126,684)
Investment in / proceeds from term deposits		(7,000,000)	7,000,000
Proceeds from sale of subsidiary net of cash disposed		(188,743)	-
Net cash generated / (used) in investing activities		<u>(7,335,367)</u>	<u>6,844,637</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of lease liabilities		(192,521)	(172,413)
Payment of dividends		-	(8,712)
Net cash generated / (used) in financing activities		<u>(192,521)</u>	<u>(181,125)</u>
Net increase in cash held		(8,153,846)	5,316,918
Cash and cash equivalents at beginning of the financial year		8,707,913	3,390,995
Cash and cash equivalents at the end of the financial year	16a	<u>554,067</u>	<u>8,707,913</u>

The accompanying notes form part of these financial statements

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

COMPANY INFORMATION

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

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

The consolidated financial statements were authorised for issue on 27 September 2024 by the Directors of the Company.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

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

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

Accounting Policies

a. New or Amended Accounting Standards and Interpretations Adopted

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

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

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

b. Principles of consolidation

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

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

c. Comparative Figures

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

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

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

d. Business combinations

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

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

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

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

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

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

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

e. Revenue recognition

Revenue from contracts with customers

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

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

e. Revenue recognition (continued)

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

Grant revenue

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

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

Services revenue

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

Interest income

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

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

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

f. Current and non-current classification

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

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

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

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

g. Cash and Cash Equivalents

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

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

h. Trade and Other Receivables

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

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

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

i. Contract assets

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

j. Financial assets

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

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

Financial assets at fair value through profit or loss

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

Financial assets at fair value through other comprehensive income

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

Impairment of financial assets

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

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

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

j. Financial assets (continued)

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

k. Property, Plant and Equipment

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

Plant and Equipment

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

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

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

Depreciation

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

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

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

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

l. Right-of-use assets

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

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

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

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

m. Intangible assets

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

Software

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

n. Trade and Other Payables

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

o. Contract liabilities

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

p. Lease liabilities

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

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

q. Finance costs

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

r. Provisions

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

General Practice Queensland Limited ABN 56 123 426 111

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

s. Impairment of Assets

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

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

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

t. Employee Provisions

Short-term employee provisions

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee provisions

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

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

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

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

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

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

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

v. Rounding of amounts

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

w. Income Tax

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

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

NOTE 2: CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

Allowance for expected credit losses

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

Estimation of useful lives of assets

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

Lease term

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

Employee benefits provision

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Economic Dependence

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

General Practice Queensland Limited ABN 56 123 426 111

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

NOTE 3: REVENUE AND OTHER INCOME

	2024	2023
	\$	\$
(a) Revenue from contracts with customers:		
<i>Grant revenue</i>		
· Federal government revenue	24,463,813	25,264,914
· State government revenue	2,266,620	1,341,256
· Other organisations	266,285	265,516
<i>Service revenue:</i>		
Events revenue	154,916	7,551
Training revenue	857,827	1,387,216
	28,009,461	28,266,453
(b) Other income:		
· Interest received - banks	692,245	506,957
· Other revenue	106,349	88,232
	798,594	595,189
Total Revenue and other income	28,808,055	28,861,642

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

(c) Contract liabilities

Unsatisfied performance obligations

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied at the end of the reporting period was \$1,067,751 as at 30 June 2024 (\$2,719,269 as at 30 June 2023) and is expected to be recognised as revenue in future periods as follows:

	2024	2023
	\$	\$
Within 12 months	1,067,751	2,719,269
Amounts recognised as revenue included in opening balance	2,719,269	5,083,714

NOTE 4: SURPLUS / (DEFICIT) FOR THE YEAR

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

	2024	2023
	\$	\$
Expenses		
Depreciation and Amortisation		
· Right of use assets	211,249	196,691
· Plant and equipment	21,121	22,115
· Intangible assets – customer contracts	-	-
· Intangible assets - software	162,780	131,575
Total Depreciation and Amortisation	395,150	350,381
Employee benefits expense	4,715,498	4,563,395
Employee superannuation contributions	508,319	476,942
Total employee benefits expense	5,223,817	5,040,337

General Practice Queensland Limited ABN 56 123 426 111**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024****NOTE 4: SURPLUS / (DEFICIT) FOR THE YEAR**

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

	2024	2023
	\$	\$
Expenses		
Audit, legal & consultancy expenses		
- audit and accounting services	92,963	65,973
- legal & consultancy costs	185,714	288,697
Total audit, legal & consultancy expenses	278,677	354,670

NOTE 5: CASH AND CASH EQUIVALENTS

	2024	2023
	\$	\$
CURRENT		
Cash at bank	553,667	8,707,413
Cash on hand	400	500
Credit card debit balance	-	-
Total cash and cash equivalents	554,067	8,707,913

NOTE 6: FINANCIAL ASSETS

	2024	2023
	\$	\$
Term deposits greater than 3 months	7,056,018	56,018
Total Financial Assets	7,056,018	56,018

NOTE 7: TRADE AND OTHER RECEIVABLES

	2024	2023
	\$	\$
CURRENT		
Trade receivables	7,074	89,240
Allowance for expected credit loss	-	-
Net trade receivables	7,074	89,240
GST and other receivables	389,660	334,265
Total current trade and other receivables	396,734	423,505

General Practice Queensland Limited ABN 56 123 426 111

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

NOTE 7: TRADE AND OTHER RECEIVABLES (CONTINUED)

(i) Allowance for expected credit loss

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

(ii) Credit Risk — Trade and Other Receivables

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

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

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

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

NOTE 8: PROPERTY, PLANT AND EQUIPMENT

	2024	2023
	\$	\$
Leasehold improvements		
Leasehold Improvements – at cost	30,647	30,647
Less accumulated depreciation	(30,338)	(22,722)
Total leasehold improvements	309	7,925
Plant and equipment		
Plant and equipment – at cost	108,471	157,358
Less accumulated depreciation	(92,402)	(129,843)
Total plant and equipment	16,069	27,515
Total Property, Plant and Equipment	16,378	35,440

General Practice Queensland Limited ABN 56 123 426 111

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

NOTE 8: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

a. Movements in Carrying Amounts

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

	Leasehold Improvements	Plant and Equipment	Total
	\$	\$	\$
2023			
Balance at the beginning of the year	8,328	20,685	29,013
Additions at cost	5,647	23,032	28,679
Disposals	-	(137)	(137)
Depreciation expense	(6,050)	(16,065)	(22,115)
Carrying amount at end of year	7,925	27,515	35,440
2024			
Balance at the beginning of the year	7,925	27,515	35,440
Additions at cost	-	6,522	6,522
Disposals	-	(4,463)	(4,463)
Depreciation expense	(7,617)	(13,504)	(21,121)
Carrying amount at end of year	308	16,070	16,378

NOTE 9: LEASES

	2024	2023
	\$	\$
Right-of-use assets		
Property	1,080,511	1,819,388
Less: Accumulated Depreciation	(162,077)	(786,764)
Total right-of-use	918,434	1,032,624
Lease Liabilities		
Current	183,930	188,351
Non-Current	746,519	1,020,083
Total lease liabilities	930,449	1,208,434

The consolidated entity leases land and buildings for its offices, under various lease agreements including a month-to-month agreement for the Townsville office. During the 2024 financial year, the entity modified their existing lease agreement (South Brisbane Head Office), extending it by a further three years. The lease has rental review dates every 30 September of each year.

General Practice Queensland Limited ABN 56 123 426 111**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024****NOTE 10: TRADE AND OTHER PAYABLES**

	2024	2023
	\$	\$
CURRENT		
Trade payables	2,779,862	2,695,842
Other current payables	355,851	382,931
Total trade and other payables	3,135,713	3,078,773

NOTE 11: EMPLOYEE BENEFITS

	2024	2023
	\$	\$
Employee benefits		
CURRENT		
Annual leave	317,162	328,873
Long service leave	145,795	223,952
Total Current employee benefits	462,957	552,825
NON-CURRENT		
Long service leave	48,610	33,423
Total non-current employee benefits	48,610	33,423
Total	511,567	586,248

NOTE 12: CONTINGENT LIABILITIES AND ASSETS

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

NOTE 13: EVENTS ARISING AFTER BALANCE DATE

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

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

NOTE 14: KEY MANAGEMENT PERSONNEL COMPENSATION

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

	2024	2023
	\$	\$
Short-term employee benefits	723,453	663,433
Post-employment benefits	97,980	115,661
	821,433	779,094

General Practice Queensland Limited ABN 56 123 426 111

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

NOTE 15: RELATED PARTY TRANSACTIONS

The company's main related parties are as follows:

a. Key management personnel

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

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

b. Other related parties

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

c. Transactions with related parties

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

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

	2024 \$	2023 \$
Disbursement payments made to directors		
Payment to director related entity for services	-	3,011
	-	3,011

NOTE 16: CASH FLOW INFORMATION

	2024 \$	2023 \$
a. Reconciliation of Cash		
Cash at bank and on hand	554,067	8,707,913
Credit card debit balance	-	-
	554,067	8,707,913
b. Reconciliation of cash flow from Operations with Surplus after Income Tax		
Surplus after income tax	626,516	434,661
Non cash flows		
Depreciation and amortisation	395,150	350,381
Gain / loss on disposal of subsidiary	(10,500)	-
Assets disposed of	-	137
Changes in assets and liabilities		
(Increase)/decrease in receivables and other assets	(64,698)	314,645
Increase/(decrease) in trade and other payables and contract liabilities	(1,613,470)	(2,542,363)
Changes to provisions	41,044	95,945
Increase/(decrease) in tax liabilities	-	-
Cash flows provided by operating activities	(625,958)	(1,346,594)

General Practice Queensland Limited ABN 56 123 426 111

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

NOTE 16: CASH FLOW INFORMATION (CONTINUED)

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

Lease liabilities	1,208,434	1,380,847
Cashflows	(277,985)	(172,413)
Closing balance	930,449	1,208,434

NOTE 17: FINANCIAL RISK MANAGEMENT

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

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

	Note	2024	2023
		\$	\$
Financial Assets at amortised cost			
Cash and cash equivalents			
- Non-interest bearing		22,789	24,860
- Variable interest rate		531,278	8,683,053
- Fixed interest rate		-	-
Other financial asset:			
- Term Deposits (fixed rate interest)	6	7,056,018	56,018
Trade and other receivables	7	396,734	423,505
Total Financial Assets		8,006,819	9,187,436
 Financial liabilities at amortised cost:			
Trade and other payables		3,135,713	3,078,773
Total Financial Liabilities		3,135,713	3,078,773

General Practice Queensland Limited ABN 56 123 426 111

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

NOTE 17: FINANCIAL RISK MANAGEMENT (CONTINUED)

Financial Risk Management Policies

Specific Financial Risk Exposures and Management

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

a. Credit risk

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

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

Credit Risk Exposures

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

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

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

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

	2024	2023
	\$	\$
Cash and cash equivalents		
– AA rated	554,067	8,707,913
	554,067	8,707,913

b. Liquidity risk

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

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

General Practice Queensland Limited ABN 56 123 426 111

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

NOTE 17: FINANCIAL RISK MANAGEMENT (CONTINUED)

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

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

Financial liability and financial asset maturity analysis:

	Within 1 Year	Within 1 Year	Greater than 1 year	Greater than 1 year	Total	Total
	2024	2023	2024	2023	2024	2023
	\$	\$	\$	\$	\$	\$
Financial liabilities due for payment						
Trade and other payables	3,135,713	3,078,773	-	-	3,135,713	3,078,773
Total expected outflows	3,135,713	3,078,773	-	-	3,135,713	3,078,773
Financial Assets — cash flows realisable						
Cash and cash equivalents	554,067	8,707,913	-	-	554,067	8,707,913
Term Deposits 3 months or greater	7,056,018	56,018	-	-	7,056,018	56,018
Trade, term and loans receivables	396,734	423,505	-	-	396,734	423,505
Total anticipated inflows	8,006,819	9,187,436	-	-	8,006,819	9,187,436
Net (outflow)/inflow on financial instruments	4,871,106	6,108,663	-	-	4,871,106	6,108,663

c. Market Risk

i. Interest rate risk

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

As at 30 June 2024 and 30 June 2023 the company has no debt commitments.

ii. Price risk

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

As at 30 June 2024 and 30 June 2023 the company has no market linked or trading investments.

General Practice Queensland Limited ABN 56 123 426 111

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

NOTE 17: FINANCIAL RISK MANAGEMENT (CONTINUED)

Sensitivity Analysis

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

	Profit \$	Equity \$
Year ended 30 June 2024		
+/- 1% in interest rates	+/- 7,492	+/- 7,492
Year ended 30 June 2023		
+/- 1% in interest rates	+/- 86,831	+/- 86,831

Fair Values

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

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

NOTE 18: CAPITAL MANAGEMENT

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

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

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

As at 30 June 2024, the entity has no issued capital as it is a company limited by guarantee. The capital management of the entity is monitored by cash flow forecasts which in turn monitored by regular meetings of the Finance Audit and Risk Management (FARM) Committee.

NOTE 19: INTEREST IN SUBSIDIARIES

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

Subsidiaries	Principal place of business / Country of Incorporation	Percentage Owned (%)	
		2024	2023
Larter Consulting Pty Ltd	Australia	0%	70%

General Practice Queensland Limited ABN 56 123 426 111

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

NOTE 19: INTEREST IN SUBSIDIARIES (CONTINUED)

Dividend paid by subsidiary	2024	2023
a. Dividends paid on ordinary shares during the year	\$	\$
No dividend paid for the year ended 30 June 2024 (2023: \$290.41 per share)	-	8,712

NOTE 20: PARENT DISCLOSURES

The parent entity of the Group is General Practice Queensland Limited

(a) Summary financial information

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

	2024	2023
	\$	\$
Current assets	8,156,011	9,026,143
Non-current assets	1,215,738	1,470,356
Total assets	9,371,749	10,496,499
Current liabilities	(4,850,351)	(6,327,988)
Non-current liabilities	(820,129)	(1,067,917)
Total liabilities	(5,670,480)	(7,395,905)
Net Assets	3,701,269	3,100,594
Accumulated surplus	3,701,269	3,100,594
Total equity	3,701,269	3,100,594
Surplus/(deficit) for the year	600,675	500,682
Total comprehensive income for the year	600,675	500,682

General Practice Queensland Limited ABN 56 123 426 111

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

NOTE 20: PARENT DISCLOSURES (CONTINUED)

(b) Guarantees

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

(c) Contractual commitments

There were no contractual commitments for the acquisition of property, plant and equipment entered into by the parent entity at 30 June 2024 (2023: \$Nil).

(d) Contingent liabilities

The parent entity has no contingent liabilities as at 30 June 2024 (2023: \$Nil)

(e) Recognition and measurement

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

(f) Investments in subsidiaries and associates

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

NOTE 21: DISPOSAL OF SUBSIDIARY

(a) Description

On 21st December 2023, the Group entered into a share purchase agreement to sell the non-core Larter Consulting Pty Ltd business to Peter Larter.

100% of the issued shares of Larter Consulting Pty Ltd that were held by General Practice Queensland Limited have been acquired by Peter Larter for a payment of \$35,000 and on terms usual for a transaction of this nature.

An analysis of the fair value of Larter Consulting Pty Ltd net assets to the net proceeds resulted in a loss of disposal of \$14,224.

The financial performance and cash flow information of the disposed subsidiaries presented is for the period 30 June 2024.

	2024
	\$
Revenue	557,728
Expenses	(551,538)
Profit before tax	<u>6,190</u>
Income tax expense	-
Profit after income tax of disposed subsidiaries	<u>6,190</u>
Loss on disposal of subsidiary after income tax (see (b) below)	<u>(14,224)</u>
Total loss from disposed subsidiary	<u>(8,034)</u>

General Practice Queensland Limited ABN 56 123 426 111

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

NOTE 21: DISPOSAL OF SUBSIDIARY (CONTINUED)

(b) Details of the sale of the subsidiary

	2024
	\$
Cash consideration received	35,000
Total disposal consideration	<u>35,000</u>
Carrying value of net assets disposed	49,224
Loss on sale before income tax	(14,224)
Income tax on disposal	-
Loss on disposal of subsidiary after income tax	<u>(14,224)</u>

The carrying amount of assets and liabilities as at the date of sale (21st December 2023) were:

	2024
	\$
Cash and cash equivalents	223,743
Trade and other receivables	131,952
Prepayments	1,736
Other assets	12,222
Property, Plant and Equipment	5,446
Total assets	<u>375,099</u>
Trade and other payables	(2,336)
Other liabilities	(119,737)
Employee benefits	(115,725)
Contract liabilities	(66,982)
Total liabilities	<u>(304,780)</u>
Net assets	<u>70,319</u>

General Practice Queensland Limited ABN 56 123 426 111

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

NOTE 22: REMUNERATION OF AUDITORS

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

	2024	2023
	\$	\$
Audit services:		
- Audit and review of financial statements	62,800	56,000
Total remuneration	62,800	56,000

NOTE 23: ENTITY DETAILS

The registered office of the entity is:

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

The principal place of business is:

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

General Practice Queensland Limited ABN 56 123 426 111
DIRECTORS DECLARATION

The Directors of General Practice Queensland Limited declare that:

- 1) The financial statements, comprising the statement of profit or loss and other comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity, and accompanying notes, are in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012* and:
 - a) Comply with Australian Accounting Standards and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2022; and
 - b) Give a true and fair view of the entity's financial position as at 30 June 2024 and of its performance for the year ended on that date.
- 2) In the Directors' opinion, there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors.

On behalf of the Directors by:



Mr Colin Duff

Director - Chair

Dated this 27th day of September 2024

INDEPENDENT AUDITOR'S REPORT

To the members of General Practice Queensland Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of General Practice Queensland Limited (the company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, and the directors' declaration.

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

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other information

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

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Responsibilities of the directors for the Financial Report

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

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

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

Auditor's responsibilities for the audit of the Financial Report

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

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

http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf

This description forms part of our auditor's report.

BDO Audit Pty Ltd



M Cutri
Director

Brisbane, 27 September 2024