

Primary Health Tasmania Annual Report 2022-23



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Our shared values



RESPECT

We value each other



RESULTS

We get things done



COLLABORATION

We work together



PROFESSIONALISM

We strive for excellence

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Our organisation acknowledges that the lands we work from are the traditional lands of the Tasmanian Aboriginal Community. We respect their spiritual relationship with their country and honour and respect their ongoing cultural and spiritual connections to the lands we work from.

Cover image: Margate – Joshua Brown (Unsplash)

About us

Our role

Primary Health Tasmania is a non-government, not-for-profit organisation working to connect care and keep Tasmanians well and out of hospital.

Our national network

We are one of 31 organisations under the Australian Government's Primary Health Networks Program.

Collectively, all PHNs deliver national primary health care reforms by creating tailored, local and innovative solutions for metropolitan, regional and rural and remote communities.

Our priorities

Our activities are based on national priorities set by the Australian Government as well as the identified needs of local community and priority population groups. They focus on service delivery, provide support and health system improvement in the areas of:

Aboriginal health

after hours care

aged care

alcohol and other drugs

cancer screening

connecting care

chronic condition management

digital health

disease prevention

emergency management

general practice and primary care provider support

immunisation

intellectual disability (enhancing primary care)

mental health

palliative care

potentially preventable hospitalisations

rural primary health

suicide prevention.

Our region



68,018km²

an island state



29

local government areas



557,571

our population



6%

identify as Aboriginal or Torres Strait Islander



15.3%

born outside of Australia



Over half

of our population live in outer regions or remote locations



20%

are over 65 years

Chair's report



When I presented my report last year it was against the backdrop of a second year operating under the Public Health Emergency Declaration in response to the pandemic. While there is a level of support still required for COVID-19, thankfully much time has been freed up for us to focus on other strategic and contracted activities to support primary care.

Workforce has, and continues to be, a strong focus for governments and professional bodies, and issues around workforce capability and capacity are proving challenging to navigate for our commissioned service providers particularly in the mental health sector. Primary Health Networks (PHNs) are preparing for significant investment flowing from the Strengthening Medicare Taskforce Report, the foundation policy guiding Australian Government investment in the primary health sectors in coming years. Primary Health Tasmania has started to prepare for new initiatives to support workforce sustainability, for example, by working with general practice and their business models to support GPs to have access to continuity of team-based care. In aged care, work is starting to consider a potential role for PHNs to support access to GPs for residential aged care facilities as current arrangements are not suitable or sustainable.

Primary Health Tasmania continues to be actively involved in the PHN Cooperative and the Victoria/Tasmania PHN Alliance at both the board level and through the CEO and executive team. The scope of work and level of collaboration has expanded significantly during the year and operates more formally than in early PHN times. Our CEO leads the governance and oversight of the Primary Health Insights, a national data hosting joint venture with other PHNs. Locally we are also working with the Tasmanian Data Linkage Unit to provide improved, real-time reporting of general practice and broader health system data.

As always, engagement and collaboration with the Tasmanian Department of Health continues through the implementation of bi-lateral agreements in mental health and suicide prevention with planning well underway for a similar primary care approach.

In advocating for primary health care, political updates provided by Primary Health Tasmania are now tailored at state and federal politicians, matched to interests and policy platforms, and where possible enhanced engagement by the Chair and CEO.

The organisation has started to focus on building a strong equity focus as part of the Strategic Plan. Although this work is developmental, examples of progress include, refining equity measures for commissioned service providers, mapping activity to better understand priority populations and their needs, and ensuring our engagement is sensitive and appropriate. As the scope of PHN work continues to broaden our focus on equity will need to sharpen to ensure the best results for our community. As an example, new funding has been announced for PHNs to better support the primary care needs of Tasmanians affected by family, domestic and sexual violence.

The Board continues to be well supported by its standing committees that have workplans across finance, governance, and audit and risk. Focus areas during the year have been:

- Cyber security as a critical risk area and growing area of focus. As Primary Health Tasmania builds capability in the collection and management of primary health data there are ongoing responsibilities to continually review and strengthen controls and mitigations.
- Clinical governance as a key pillar in the Primary Health Tasmania's Safety and Quality Framework. During the year we have taken a deep dive into the PHN role through a clinical governance lens in terms of health service planning, leading and engaging in consultation, and commissioning and providing support to health services.
- Environmental, Social and Governance as an expectation for modern governance. The Board has commenced work to develop a robust framework in this area.

Clinical and Community Advisory Councils are well embedded in our governance structure and remain vibrant with a willingness to provide honest feedback and perspectives on all things primary care – thanks to all members for their ongoing support of the organisation and the Board. A review of the council structure is planned for next year to ensure that the council structure operates well, and that clinical and community engagement is balanced across the organisation.

At the Annual General Meeting in November, it was a time of farewells and welcomes. Allyson Warrington stepped down as an elected director after serving two terms on the Board. Allyson provided outstanding governance leadership particularly in chairing the Governance Advisory Committee and in developing a Board intern program that will commence next year. She also brought many industry skills and perspectives through her work in general practice and then in the aged and community care sector. Katrena Stephenson started her first term, bringing extensive governance experience and strong community development and engagement from her time in local government.

In closing, I acknowledge and thank our CEO Phil Edmondson and the entire staff of Primary Health Tasmania for another dedicated year of exceptional work for the organisation, but importantly, always in support of primary care and the best outcomes for the Tasmanian community.



Graeme Lynch AM
Chair

Board of Directors at 30 June 2023



Mr Graeme Lynch AM
Chair



Dr Ruth Kearon
Deputy Chair



Mr Scott Adams



Dr David Knowles



Dr Ginita Oberoi



**Distinguished Professor
Greg Peterson**



Ms Melissa Snadden



Dr Katrena Stephenson

CEO's report



It's hard to believe that Primary Health Networks (PHNs) have been around now for over 8 years since our 'soft start' in early 2015. In that time our own organisation has more than doubled in size and responsibility, and now commissions and provides almost \$70 million annually in services and supports for the Tasmanian community through our valued network of primary health professionals and organisations, and our own skilled and committed staff.

As an Australian Government initiative, PHNs are now well entrenched as a core component of the national primary care policy and service scene. Many of our funded responsibilities are in the process of moving to rolling contracts meaning that we have a strong committed and funded future.

Over the past 8 years we have built strong relationships and well-worked networks with health care providers and stakeholders, and have established considerable skills in service commissioning, professional health provider support, service and system co-design as well as a rigorous and responsible approach to the management of government resources. Our staff group is highly skilled and adept at navigating the 'all-too-often' convoluted and contentious dual management of the health system between the Australian and Tasmanian Governments. Developing and managing innovative services such as Healthcare Connect that sit at this confusing system interface have only happened because of the capacity of Primary Health Tasmania to work across boundaries to draw aspects of the service system together to focus on the needs of individuals not well served in our current system. Our Board remains highly supportive and well-across the huge array of impacts and risks that are part of system reform in health.

Since the pandemic we have seen major pressures brought to bear on every facet of service use and sustainability, and our private medical and allied health providers have been facing the brunt of vastly increased demand and community expectation. Our role continues in supporting GPs and allied health providers who are critical to the stability of our health system, and we have been working with, and advocating for, practices and services facing critical decisions about their future as best we can. Primary Health Tasmania remains focussed on working towards better integration of the major elements of healthcare in Tasmania, otherwise, we will continue to see challenges ahead for primary care sustainability.

With the release of the Strengthening Medicare Taskforce Report by the Australian Government and the start of the funding streams, many of the primary care components will likely see PHNs play a significant early and ongoing role. Whether the commitments focus on better funding for broadly scoped primary healthcare teams, more responsive ways to deal with people ending up in hospital beds who should be receiving care in the community, or in addressing the limitations of failing health provider and service markets, we see the opportunities beginning to emerge from this policy as significant steps towards the type of reform that our health system is screaming out for.

Primary Health Tasmania is closely involved with almost every aspect of service and system implementation and redesign sitting outside our hospitals and this includes:

- Proactive participation in the development of the Tasmanian Government's Long-Term Plan for Healthcare in Tasmania in 2040, including aligned state plans for primary health, mental health, and suicide prevention.
- New planning and consultative structures such as the Tasmanian Health Senate and a range of Clinical Networks.

- Work at local community level to collectively reframe and redesign service expectations in the face of adversity in service access and viability.
- Continuing support for increased use of digital health systems and tools to support clinical decision making and system navigation, including in the evolving virtual care space.
- Increasing use and application of data and evidence to improve quality of outcome and greater program focused collaboration with system partners.
- Driving for collaboration through bilateral service planning (between State and Commonwealth with PHNs at the table), co-design and joint funding of initiatives.
- Implementation of new services at the end of the year to support endometriosis and pelvic pain, and upcoming focus on maximising health service access for those impacted by domestic, family and sexual violence.

The scope and breadth of work that PHNs are now responsible for delivering continues to grow every year. Ahead lies another interesting year of state and possible federal elections, ongoing evolutions of new policies and services supporting stronger, and more sustainable primary health care, with new partners and service models emerging. Primary Health Tasmania's Board, management and staff look forward, with enthusiasm, to the opportunity to continue our work with communities, health care providers and partners in helping to deliver better health outcomes for Tasmanians.



Phil Edmondson
CEO

Executive team at 30 June 2023



Mark Broxton
General Manager
Health Service
Commissioning



Phil Edmondson
CEO



Scott McKay
General Manager
Business and Finance



Susan Powell
General Manager
Health System
Improvement

Cath Watson joined the executive team in March 2023 as General Manager Program Operations

Strategic Goal 1

IMPROVED HEALTH OUTCOMES

Improved population health and wellbeing outcomes through prioritised investment

What does this mean?

People experience improvements in morbidity, avoidable mortality and / or quality of life

Commissioning service delivery — designing and procuring health services to meet priority needs

This year our commissioned service providers:

delivered primary health services (allied health group-based or individual support) to people at risk of poor health outcomes in rural areas and living with chronic conditions including Chronic Obstructive Pulmonary Disease, cardiovascular disease, and musculoskeletal conditions) – 3,579 people received service

delivered a diabetes management program to 3,553 people – a variety of clinical measures are employed to measure outcomes

delivered 8,209 Integrated Team Care services to 582 Aboriginal Tasmanians living with chronic health conditions including a mix of care coordination services and supplementary services – overall there was a reduction in services (6%) but an increase in clients (9%)

continued access to outreach workers with 3,070 occasions of service to 329 people and this included 99 new people (a reduction of 21%) with 125 people discharged (an increase of 120%)

increased health assessments under MBS item 715 by 60% to 750 through the third year of the Deadly Choices Health Lifestyle Program delivered by Karadi Aboriginal Corporation – overall, and beyond this program, there has been an increasing trend (this year 14%) in health assessments over the past 3 years in Tasmania

expanded the Integrated Team Care service in the Bicheno area following a pilot outreach/ virtual service model developed with the local general practice and a southern based Aboriginal Community Controlled Health Organisation

continued to deliver after-hours telephone-based services for Tasmanians, with the GP Assist service receiving 16,497 calls – a 17% decrease in calls compared 2021-22 primarily due to a significant drop in calls from Health Direct Australian in Q3 following a change the platform and software system

continued to focus on priority populations and deliver over 500 COVID-19 vaccinations to vulnerable community groups through primary care providers, and flu vaccination services particularly to people at risk of homelessness.

This year our mental health commissioned service providers:

delivered mental health and suicide prevention support service to 3,820 people at risk of, or with a mild to severe mental illness – overall a 12% increase in the total number of clients and services compared to the previous year although there is significant variations between services

delivered psychosocial support services to 203 people with a severe mental illness – a newly amalgamated service which included Continuity of Support and NPS Measures Program with the addition of housing and NDIS assistance

delivered community-based alcohol and other drug treatment and intervention services across the state to 3,319 people – a 9.9% and 11.4% increase in numbers of clients and services from the previous year

provided services to 2,801 young people across the state with headspace sites operating in Hobart, Launceston, Devonport and Burnie – this was a 7.7% reduction compared to 2021-22 which is reflective of a national trend and is largely attributed to workforce challenges including lack of private practitioner workforce including general practitioners and difficulties with staff retention, impacting on overall service capacity

ensured access to community-based suicide prevention services to targeted population groups including people and families in rural and remote communities (through Rural Alive and Well), construction and large industry (through Lifeline), and refugee and migrant communities (through the Migrant Resource Centre).

New service establishments included:

the new **care finders program** commenced in January 2023 to help vulnerable older people find and connect with agreed care services in their local area – initially 222 people were enrolled and receiving services

new **endometriosis and pelvic pain services** were commissioned during 2022-23 and will commence in the next financial year – these services aim to improve access for patients to diagnostic, treatment and referral services for endometriosis and pelvic pain, build the primary care workforce to manage this condition, and improve access to new information and care pathways

the new **Head to Health Centre** in Launceston opened in January 2022 with initial referral bases positive and growing – these new services will improve access to mental health and related support services, connect care, and reduce demand on hospital emergency departments.



Michael; Primary Health Matters Issue 17, December

'Lucky stars' and integrated care save Michael

When Michael walked into the No.34 Aboriginal Health Service in Ulverstone, he had been living with his adult son and two dogs in a shed and his car for months. He was very clammy and unwell and then had a heart attack.

Fast forward. After his release from hospital, Nicole, who assisted him during his heart failure became his care coordinator. She ensured all necessary appointments for cardiology, radiology, foot care and ongoing assessments were in place.

The team at No.34 – operated by Rural Health Tasmania – coordinated Michael's access to food hampers, clothes, and blankets from homelessness service Strike it Out. They also linked him in with their social and emotional wellbeing program and the Closing the Gap PBS Co-payment Program which made it easier for Michael to afford his medication.

The Australian Government – through Primary Health Tasmania – funds the Integrated Team Care program which supports Aboriginal and Torres Strait Islander people who have complex chronic health conditions. The program provides one-on-one support to help people manage their conditions and get the health care they need in a culturally conscious setting.

Michael says he counts his lucky stars for receiving the care he desperately needed, and for Nicole "she saved my life".

Strategic Goal 2

PERSON-CENTRED CARE

Consumers at the centre of health decisions

What does this mean?

People receive care that meets their needs and are equal partners in planning and improving the service they receive

Culturally appropriate care — supporting improved mainstream service provider cultural awareness

This year we:

ensured that all 4 commissioned drug and alcohol treatment services are accredited under a health standard that includes a focus on culturally appropriate care

supported 15 primary health care providers to undertake the 'Come walk with us' cultural awareness training (accredited by Royal Australian College of General Practitioners)

distributed 71 Indigenous Passport to Better Health Booklets to mainstream and Aboriginal Community Controlled Health Organisations, with general practices also receiving a range of desk flags, health resource kits, and access to the Ask Away education series (Tasmanian Department of Health) – review of culturally appropriate training and resources for mainstream services is under review by our Aboriginal Health Program Officer

engaged We AI-li to deliver face to face training to enhance trauma-informed practice skills in Tasmania's primary health workforce with 3 sessions held across the state and 38 participants

continued work with the Tasmanian Department of Health on its Improving Aboriginal Cultural Respect Across Tasmania's Health System Action Plan 2020-26 including seeking more regular forums through which to jointly progress key shared priorities

engaged with the Migrant Resource Centre and key stakeholders to progress the Embrace Framework for culturally and linguistically diverse populations identified in Rethink 2020 (Tasmania's strategic mental health plan) as one of the priority populations at a higher risk of mental ill health.

System navigation — supporting providers to access information and resources that improve coordination of care

This year we:

implemented a new online tool for Patient Reported Experience Measures which has been positively received and enables real time data for service providers

maintained the Tasmanian Health Directory which connects health professionals with other providers and services to provide better, safer, faster distribution of clinical healthcare information – historically one of the most accessed website resources

continued to partner with TasCOSS FindHelp Tas to support an integrated approach to consumer access to service directories – with a focus on promoting carer services and working to establish dementia and palliative care services

maintained the Initial Assessment and Referral service directory used by the Head to Health Centre and Richmond Fellowship as a key enabler in the service pilot

maintained and promoted the After Hours website providing access to consumer information about local services

worked with the Victoria/Tasmania PHN Alliance to develop a dementia resource about available supports following a dementia diagnosis for GP use with consumers and carers

developed a consumer-focused film clip in conjunction with the Special Olympics providing simple and clear messages for providers about communication

focused on supporting communication in health settings for people with intellectual disability at the Tasmanian General Practice and Allied Health Practice Managers Conference (70 attendees)

developed a residential aged care after-hours planning toolkit that was distributed to 66 facilities, with the toolkit being taken up by multiple PHNs across the country

distributed 5,715 Yellow Envelopes to residential aged care facilities and commenced a review of this resource with the Tasmanian Department of Health Aged Care Reform Unit.

Self-management — improving consumer ability to manage their care

This year we:

hosted Primary Health Tasmania's Services Portal although there was a decrease in both users (38%) and page views (21%) from 2021-22

integrated Primary Health Tasmania's After Hours website into the organisational website and it continues to be the most visited page in 2022-23 with 18,168 views a 2% increase

delivered a social media campaign for after-hours services with significantly increased content display and audience reach – demographic analysis will likely inform the targeting of future campaigns

shared resources with the Special Olympics community including easy read fact sheets and resources promoting the importance of annual health checks

continued collaborating with TasCOSS and the Tasmanian Department of Health to improve health literacy capability across the health and community sector – this included engaging with and training a large range of service providers to use the HeLLOTas! Toolkit

launched Compassionate Communities palliative care grants (round 1) with 19 organisations funded to improve community-based palliative care particularly consumer health literacy

distributed over 2,623 consumer resources to general practice for after-hours, GP pregnancy care record, dementia resources immunisation, vaccination cards, care coordination records

continued to resource an Employee Assistance Program for general practice to ensure access to professional support services during COVID-19 – whilst not in high demand the availability of this support was well received.

Consumer partnerships — engaging consumers as part of our work

This year we:

worked with Speak Out Tasmania to ensure that people with intellectual disability were involved and had input into program activities

mapped the patient experience journey at the hospital interface to inform the development of guiding principles for coordination of care between hospitals, National Disability Insurance Scheme and primary care providers for people with intellectual disability

engaged Mental Health Lived Experience Tasmania to develop principles for the inclusion of lived experience as part of a way of working – to be launched in 2024

commenced the alcohol and other drugs commissioning service design review with lived experience and Aboriginal clinical input

sponsored the 2023 Alcohol, Tobacco, and other Drugs Council conference which highlighted lived experience and anti-stigma projects

engaged Health Consumers Tasmania to deliver kitchen table activities to understand consumer perspectives on after-hours system integration

worked with Karadi Deadly Aunties group to better understand cultural and other barriers to accessing cancer screening services

engaged consumers in the evaluation of Healthcare Connect ensuring a strong focus on consumer experience and outcomes from the new service

supported 7 lived experience representatives to participate in the Initial Assessment and Referral tool training sessions with other health professionals

supported consumer leadership in the development, launch, and delivery of professional training of the anti-stigma communications charter for alcohol and other drugs.



Participants in Friday Village; Primary Health Matters Issue 16, May 2022

Rallying behind Tasmania's migrant communities to strengthen social connection

Friday Village is an initiative of the Migrant Resource Centre Tasmania's Phoenix Centre and is a wellbeing group open to anyone from a culturally and linguistically diverse background.

People come together for a range of activities including practising their English, visiting the Botanical Gardens, and striking a few tennis balls with the Glenorchy Tennis Club.

It's part of a service commissioned by Primary Health Tasmania aimed at preventing suicide in the state's culturally and linguistically diverse communities. The Hobart group includes people from Afghanistan, Bhutan, Burma and Korea.

For Gulbibi Ahmad-Hussin "It's a good opportunity to get out of the house and leave the negative news behind". She says it's hard to avoid news reports of war in her home country of Afghanistan, as well as the Russian invasion of Ukraine. It makes her anxious.

Phoenix Centre officer Thir Bahadur Thapa says he makes a concerted effort to combine social activities with short, focused presentations on health and wellbeing topics that support good mental health. "It's all about establishing the connection between mental health and overall wellbeing, while at the same time supporting social cohesion," Thir says.

Strategic Goal 3

ENGAGED AND SKILLED PRIMARY CARE WORKFORCE

Responsive and committed primary care workforce delivering quality care

What does this mean?

People receive care from providers who have the skills, knowledge and attributes to deliver high quality care

Education and training — supporting providers to improve the quality and safety of care

This year we:

developed Primary Health Tasmania's Clinical Education and Training Framework consolidating work of previous years and lessons learned during the pandemic to inform the targeting, efficiency and effectiveness of our education and training role in the future – due to be implemented in 2024

delivered 76 education and training events – this represents both a 22% increase in events from the previous year but a decline in registrations and participation reflective of the COVID-19 attention – 45 events were clinically focussed with some excellent feedback in terms of enhancing provider understanding of safety and quality, and increasing professional confidence

promoted an additional 130 external education and training opportunities through various communication channels and networks

delivered Initial Assessment and Referral tool training to 303 healthcare providers including 102 general practitioners, 69 social workers, 28 nurses, 18 psychologists, 11 counsellors, 7 lived experience representatives, and 24 non-clinical staff, amongst others

facilitated 134 advanced care planning and general palliative care training sessions to residential aged care facilities across Tasmania with over 1000 participants.

Clinical decision support — supporting providers to provide high quality, safe and efficient care through making evidence-based clinical decisions

This year we:

distributed 9,375 non-COVID-19 resources – an 11% decrease. The top resources were yellow envelopes (aged care), antenatal shared care records (GP pregnancy care record), and emergency decision guidelines

distributed 67,817 COVID-19 resources – a 65% decrease reflective of the changed pandemic restrictions – activity was largely focused on the Australian Government's Living with COVID-19 personal protective equipment bundles and supporting the Tasmanian Government with distribution of Rapid Antigen Tests to primary care providers

implemented Primary Health Tasmania's Learning Hub improving access for health professionals to learning resources, event recordings and 3rd party sources of reputable learning via the Primary Health Tasmania website

facilitated the self-serve Dropbox for all resources with an increase of 15% being accessed through this mechanism – the top resources accessed related to mental health and physical conditions

developed an After-hours support planning toolkit for residential aged care facilities – requests to use the toolkit have been received from PHNs across the country

updated the Deprescribing Guidelines to cover a wider range of common medications – this resource continues to be consistently used locally and nationally and is one of the most accessed resources on the Primary Health Tasmania website.

Improving data literacy — supporting providers to provide high quality data and improve understanding and use of data to inform service planning and improvement

This year we:

maintained data sharing arrangements with 117 of 136 general practices in Tasmania – 107 practices also participate in the Primary Health Information Network sharing deidentified data beyond the PIP-QI minimum dataset and that represents over 89% of Tasmanian patients

continued engagement with (data sharing) general practices through the Primary Health Information Network to implement the new national clinical tool PrimarySense

continued work to raise awareness of and engagement with the PHN Exchange by general practice – with a focus on data and quality improvement – recording of Aboriginal and Torres Strait Island status increased by 3% as well as improved rates of allergy and smoking status

established a general practice linked dataset in Tasmania called TasLink Health which is the second in Australia and the first research ready dataset – 16 practices are participating representing 218,000 unique patient records in Tasmania and links with a number of key hospital and administration datasets including public hospital admitted patient data, emergency department data, as well as data for births and deaths, cancer, and mental health.

Collaboration between providers — providing opportunities for improved relationships and collaboration between commissioned service providers

This year we:

jointly delivered a mental health collaboration, communication, information and education series with Statewide Mental Health Services and Tasmanian Health Service GP Liaison staff in July and November with a focus on evidence-based clinical care, access pathways, and gaps in collaboration across the primary and tertiary sector

facilitated the planning, promotion and connection of the ‘Walk together to support South East Tasmanian Aboriginal Community’ event with local community, general practice and allied health – focus was to build arrangements between general practice and Aboriginal Community Controlled Health Organisations to support improved coordination of care and MBS 715 health assessments and community connections

facilitated various multi-disciplinary education opportunities including cultural awareness training, intellectual disability workshops, new trauma informed practice training, and management of complex, chronic pain conditions in primary care

strengthened collaboration within professional groups, for example, AGPAL accreditation workshops to 51 practice managers, education training to 100 practice nurses for immunisation, wound care and osteoporosis and ear irrigation.

Quality improvement — commitment to continuous improvement and aiming high

This year we:

responded to requests from 32 general practices to use data insights (population health and general practice) and clinical decision support tools to show how practices are contributing to patient health outcomes

supported 17 general practices through Practice Leadership Advantage Program workshops to embed quality improvement approaches, practice data and whole of practice team approaches

awarded 19 grants to general practices in the north and north west Tasmania to strengthen capability to recruit and retain GPs – this followed the development of the Australian Workforce Assessment and Recruitment Experience (AWARE) tool for general practice and an adaptation for allied health providers

collaborated with the Tasmanian Department of Health to offer grants to Aboriginal Community Controlled Health Organisations to undertake CQI cycles in their organisations and communities – this small grants opportunity was taken up by 5 organisations.



After-hours toolkit for aged care facilities – Primary Health Tasmania

After-hours toolkit for aged care facilities

After-hours support is a critical component of care within residential aged care facilities (RACFs).

After-hours plans identify how to manage residents' health care in the after-hours period and increase awareness of support available in primary health care including general practice and pharmacies.

In 2023 Primary Health Tasmania created a suite of resources to assist with after-hours support planning for RACFs, including a planning guide and two workbooks. The guide contains self-assessment questions to prompt exploration of current after-hours plans for both facilities and individual residents, and resources and suggestions for what may be included in after-hours plans.

The resources were developed specifically for Tasmanian facilities, in consultation with Tasmanian facilities.

Strategic Goal 4

INTEGRATED PRIMARY HEALTH SYSTEM

Effective, cohesive primary health sector working in partnership with other parts of Tasmania's health system

What does this mean?

People receive seamless care that reflects the whole of their health needs and is connected across different health care providers

Leadership development — enhancing clinician leadership skills in local health service improvement and health system reform

This year we:

supported our team of clinical editors to work with GPs and clinical working groups to review and update Tasmanian HealthPathways

continued engagement of the Allied Health Advisory Group in the development of Primary Health Tasmania's Allied Health Engagement Strategy

worked to expand clinical representation on the Primary Health Information Network Advisory Group.

Role delineation — describing who delivers clinical care across the health system

This year we:

continued collaboration with the Tasmanian Department of Health, Mental Health Council of Tasmania and other key stakeholders on the mental health reform commitments in the Rethink 2020 Implementation Plan and also the Suicide Prevention Strategy

contributed to the review of the Tasmanian Drug Strategy (in draft) and completed an alcohol and other drugs service mapping project for the Tasmanian Department of Health

participated in regional clinical service planning reference groups as part of the Tasmanian Government's Our Healthcare Future to inform the delineation of primary care as part of a whole of system approach

expanded membership to all Tasmanian Clinical Networks relevant to primary care – valuable to embedding Tasmanian HealthPathways and integration with broader clinical planning

completed the after-hours system integration initiative to improve collaboration with key health system partners.

Digital health systems and technology — using digital health technology to improve integration of care across the whole health system

This year we:

revised Primary Health Tasmania's Digital Health Strategy with an emphasis on strengthening digital health capability in Tasmania by working in partnership with the Australian Digital Health Agency, Australian Government Department of Health and Ageing, and the Tasmanian Department of Health

completed the rollout of eReferral with the Tasmanian Department of Health – at June 2023 over 20,000 referrals had been sent across the state to hospital outpatient services (11,651) and non-GP medical specialists and allied health providers (7,541)

completed the transition of all general practices and pharmacies to SHA-2 NASH certificates for improved security and encryption of information exchanged between general practice, pharmacy and key national digital health infrastructure

supported the introduction of Medicare Web Services to general practice

supported a significant 65% increase in cross-viewing documents uploaded in My Health Record across general practice, pharmacy, allied health and the public hospital system – the information now stored on this national platform has steadily become more valued

supported the adoption of Active script list in pharmacies which allow pharmacists to access a list of prescriptions for a patient which simplifies medication management and dispensing for patients with chronic and complex medical conditions

engaged with residential aged care facilities to implement improved access to telehealth through a small grants program.

Co-design — shared planning and design

This year we:

continued collaboration with the Tasmanian Department of Health and Mental Health Council Tasmania to deliver activities under the Rethink 2020 Implementation Plan – including the Initial Assessment and Referral, and Central Intake and Referral Service development

worked with Special Olympics staff, athletes, and supporters to produce 3 short videos to support primary health professionals with communication and better health care for people with intellectual disability

completed the initial evaluation of the Healthcare Connect North service co-design model

led and facilitated regional approaches to health planning to improve community health and wellbeing in the Tasman Peninsula – this was in partnership with Health Consumers Tasmania, Tasmanian Health Service and many local stakeholders and has now extended to the Central Highlands and Southern Huon Valley

funded and co-designed a telehealth training program for residential aged care facilities with the Victoria/Tasmania PHN Alliance

led a project to establish lived experience engagement principles for Tasmania with Mental Health Lived Experience Tasmania, Mental Health Family and Friends, and Health Consumers Tasmania, developing a set of best practice principles for engaging consumers with lived experience.

Co-commissioning — joint funding and contracting of initiatives

This year our commissioned services and projects with the Tasmanian Department of Health included:

establishing Healthcare Connect in the north and working through recruitment challenges and providing implementation support

providing suicide prevention aftercare support by jointly funding services from Way Back – arrangement will transition to Primary Health Tasmania in 2023-24

fostering a collaborative governance model through HeLLOTas! to increase awareness and enhance health literacy in Tasmania across sectors – also with TasCOSS and Public Health Services

jointly funded small grants focused on community awareness and continuous quality improvement for Greater Choice for At Home Palliative Care and Compassionate Communities

jointly funded continuous quality improvement grants for Aboriginal Community Controlled Health Organisations to focus on activities to support Closing the Gap system reform – with the Tasmanian Department of Health and TazReach

delivered a small grants program to general practice and community pharmacies across the state to support improved rapid access to antiviral medication for priority population groups testing positive to COVID-19 – this was part of the Tasmanian Government's COVID@Home initiative

continued to build a health consumer voice by jointly funding Health Consumers Tasmania.

Stakeholder relationships — building engagement between Primary Health Tasmania and health and wellbeing stakeholders

This year we:

continued to facilitate the Tasmanian General Practice Forum transitioning from a COVID-19 response back to its core role collaborating on key general practice issues and challenges

continued engagement with priority population groups as related to program activity such as the Tasmanian Aboriginal Health Reference Group and Improving Primary Care for People with an Intellectual Disability Advisory Group

engaged rapidly with new stakeholders working in family, domestic and sexual violence to inform future program direction

developed a practice improvement tool and small grants process with HR Plus Tasmania and the Rural Doctors Association of Tasmania to support the GP Recruitment and Retention Incentive Fund

participated in key strategic reform associated with the Tasmanian Suicide Prevention Strategy 2023-27, key regional clinical service planning forums to support long term health planning in Tasmania, and the Long Term Plan for Healthcare in Tasmania 2024

continued to focus on data sharing arrangements including the PHN Exchange which is a collaboration with the Murray PHN

continued to invest in and work with the Tasmanian Collaboration for Health Improvement as part of innovation in regional and rural health

represented and advocated for primary care on various national PHN groups contributing to responses on emergency management, development of a national centre for disease control, and the Strengthening Medicare Taskforce Report

extended Board-led engagement with Aboriginal Community Controlled Health Organisations to discuss our future role in supporting Aboriginal organisations and their communities, and as part of Primary Health Tasmania's focus on culturally respectful relationships.



(L to R) Andy Keygan, Beth Eslick and Ben Smith; Primary Health Matters Issue 17, December 2023

Urgent and after-hours care

Working in a hospital emergency department, nurse practitioner Andy Keygan saw plenty of people who, in his opinion, shouldn't have been there.

When the opportunity arose to join the team at the innovative Cygnet Family Practice, he jumped at the chance. The practice, founded by nurse practitioner Kerrie Duggan provides urgent and after-hours services – with same-day access to health care in their community.

Taking a multidisciplinary, collaborative approach to health care, services are led by a team of highly skilled, and expertly trained nurse practitioners and paramedics. While the practice employs GPs, a GP doesn't need to be on site during all opening hours.

For Andy Keygan, also an experienced nurse practitioner, "It's really exciting to be engaged in something that is quite innovative and that really puts patients first."

Kerrie thinks the Cygnet practice model can be part of the solution to local and national workforce shortages in primary health care. "We really need to embrace healthcare reforms – we can't keep doing the same things and expecting different outcomes."

Strategic Goal 5

VALUE, EFFECTIVENESS AND EFFICIENCY

Enduring, value-for-money outcomes

What does this mean?

People receive accessible, effective, efficient and affordable care

Tasmanian HealthPathways — a partnership-based system improvement methodology and web portal to help connect people to timely and appropriate care

Tasmania now has 924 localised pathways – the focus has moved away from developing new pathways to ensuring current pathways are updated and/or consolidated.

This year we:

increased user engagement of Tasmanian HealthPathways with a 10.4% increase in page views, a 10% increase in total sessions, and an 11.5% increase in access requests from health professionals – the most viewed pathway suites continued to be for COVID-19 but also Child and Youth Health, Gynaecology and Pregnancy, and Mental Health

reviewed 92 pathways and completed 192 updates, which, for some areas has led to consolidating pathways suites

led significant reviews of pathways for Dementia and Older Persons on behalf of the national health pathways networks

worked with selected PHNs and the Department of Veterans' Affairs to streamline processes and support for ex-Australian Defence Force members of the community – to be launched in 2023-24

commenced work to embed the Initial Assessment and Referral tool into the pathways platform to support Tasmanian GPs in understanding and using the new decision support tool in their clinical workflow

embedded pathways in services led by the Tasmanian Department of Health including Voluntary Assisted Dying Navigation, Termination of Pregnancy, Rapid Access In Reach and preparation for the establishment of Medical Urgent Care Centres

partnered with Ambulance Tasmania to deliver health pathways training in Community and Extended Care Paramedicine training programs

represented primary care on all relevant Tasmanian Clinical Networks to raise awareness of the value of Tasmanian HealthPathways in planning and service integration

continued work to integrate Tasmanian HealthPathways as part of the Transforming Outpatient Services Strategy – this work focusses on integration with statewide referral criteria and eReferral to strengthen primary health care, with timely access to speciality care as required.

Commissioned provider performance — working with our commissioned providers to support performance and quality improvement

This year we:

managed 90 service contracts held by 61 contractors with a value of \$39M and this involves a regular schedule of meetings and more intensive engagement with providers establishing services, under 'close watch' where there are concerns about performance and service capacity, or undertaking a decommissioning process

developed a new quality assurance and compliance report to ensure high quality data is entered into the Primary Mental Health Care – Minimum Data Set and service providers can evidence improvement

oversaw the relocation of the Launceston Head to Health service from an interim site to its new permanent site with no disruption to services for the community

worked on the transition and establishment of the care finder program in Tasmania which aims to help older people who have significant difficulty accessing aged care services and are at risk of 'falling through the cracks'

commenced a review of Primary Health Tasmania's clinical governance roles and responsibilities to inform support and training of commissioned health providers and other primary care organisations – this will be ongoing in 2024.



Stride CEO, Drikus van der Merwe with Primary Health Tasmania's Bron Lloyd, Manager – Health service design and Lorraine McNamara, Manager – Contractor relationships, and Launceston Head to Health Service Manager, Darren McKay; Primary Health Tasmania website 17 January 2023

Launceston Head to Health moves to new purpose-built facility

The innovative mental health service first opened its doors at an interim site on Paterson Street in January 2022, while the purpose-built premises were constructed at 62-64 Canning Street.

Launceston Head to Health is operated by Stride and supported by funding from Primary Health Tasmania through the Australian Government's PHN Program. The Launceston centre – Tasmania's first – offers a visible and accessible 'no wrong door' entry point for people who need:

- immediate mental health support
- support to navigate to other suitable mental health services in the local community
- information and advice for family, friends and carers of people in need of mental health support.

The Launceston Head to Health team comprises of both clinical staff and non-clinical staff with lived experience to provide holistic, person-centred care.

Stride CEO Drikus van der Merwe said the centre's peer support worker model – which sees visitors offered support from a person with lived experience of mental ill-health – has been very well received.

"One visitor told us that after seeing our peer worker, they felt heard and seen for the first time at a mental health service. They finally felt hope and that things would be okay," he said.

The new premises are designed, built, and decorated based on input from an advisory committee consisting of Launceston community members, consumers and other local stakeholders. The relocation to the new centre also provides an opportunity to increase co-location with related services in order to better serve the Launceston community.

Members

Membership of Primary Health Tasmania is open to eligible organisations and individuals that are working to improve the health outcomes of the Tasmanian community.

Primarily a governance function in Primary Health Tasmania's Constitution, there are two tiers of membership. Tier 1 membership entitles professional peak bodies or other statewide entities to vote at general meetings and to elect directors to the Board. Tier 2 membership is open to the workforce that delivers and supports the delivery of primary health services in the community.

Tier 1 members at 30 June 2023

| | | |
|---|---|--|
| Alcohol, Tobacco and other Drugs Council of Tasmania | COTA Tasmania (Council on the Ageing) | Pharmaceutical Society of Australia |
| Anglicare Tasmania | Diabetes Australia Tasmania | Pharmacy Guild of Australia |
| Australian Chiropractors Association | Family Planning Tasmania | Relationships Australia Tasmania |
| Australian College of Rural and Remote Medicine | General Practice North | Richmond Fellowship Tasmania |
| Australian Medical Association Tasmania | General Practice Training Tasmania | Royal Australian College of General Practitioners |
| Australian Nursing and Midwifery Federation | HR+ Tasmania | Royal Flying Doctor Service Tasmania |
| Australian Physiotherapy Association | Lifeline Tasmania | Rural Doctors Association of Tasmania |
| Cancer Council Tasmania | Mental Health Council of Tasmania | The Salvation Army |
| Carers Tasmania | National Heart Foundation of Australia | Women's Health Tasmania |
| Colony 47 | Optometry Tasmania | |

Clinical and Community Advisory Councils

Primary Health Tasmania's Clinical Advisory Council and Community Advisory Council are standing advisory bodies to the Board and provide informed professional and local perspectives on how to improve Tasmania's health system and the unique health needs of our local communities.

Their work includes:

- planning for and the delivery of Primary Health Tasmania's strategic objectives
- monitoring the organisation's performance in achieving health outcomes
- assessing the Tasmanian community's health needs
- determining health service priorities and solutions
- assessing the impact of changes in national and state health policy.

Summary of work undertaken in 2022-23:

Combined advisory council consultation on:
aged care and the role of Primary Health Networks

national primary and community healthcare standards

primary care workforce risks and opportunities

implementation of the Medical Urgent Care Centres

the priorities under the Australian Government's Strengthening Medicare Reform

new PHN funding for family, domestic and sexual violence

Review of Primary Health Tasmania's outcomes performance reporting and health needs assessment

Members participated in a council review process in June 2023 to help inform clinical and community engagement.

Clinical Advisory Council membership at 30 June 2023

Olivia Boer

Psychology

Katie-Jane Brickwood

Exercise Physiology

(joined in September 2022)

Jo Chaffey

GP

(joined in September 2022)

Carsten Grimm

GP

Diane Hopper

GP

Jack Muir Wilson

Community pharmacy

Donald Rose

GP

John Saul

GP

Boon Shih Sie

GP

Gemma Tuxworth

Physiotherapy

Tania Winzenberg

GP/research

Community Advisory Council membership at 30 June 2023

Anita Campbell

Jo Flanagan

(joined in September 2022)

Casey Garrett

Gabe Gossage

Nicole Grose

Sue Leitch

Ellen MacDonald

(joined in November 2022)

Miriam Moreton

Commissioned service providers

At its simplest, commissioning means planning and buying services to meet the health needs of local populations

Primary Health Tasmania is funded by the Australian Government to commission services designed to improve the health and wellbeing of Tasmanians across a range of priority areas.

This year funding that flowed through to Primary Health Tasmania's commissioned services represents 67% of our total PHN program funding, and of this 83% was invested in the Tasmanian health system. Mental health is the largest area for service investment at 45% (47% in 2021-22).

Commissioned service providers funded by Primary Health Tasmania at 30 June 2023

| | | |
|--|--|--|
| Anglicare Tasmania | Flinders Island Aboriginal Association | Richmond Fellowship Tasmania |
| Baptcare | Healthy Business Performance Group | Royal Flying Doctor Service Tasmania |
| Cape Barren Island Aboriginal Association | Holyoake Tasmania | Rural Alive and Well |
| CatholicCare Tasmania | Karadi Aboriginal Corporation | Rural Health Tasmania |
| Circular Head Aboriginal Corporation | Life Without Barriers | South East Tasmanian Aboriginal Corporation |
| Coastal Psychology | Lifeline Tasmania | Stride Mental Health |
| Cornerstone Youth Services | Medical Practice Management Solutions (GP Assist) | Tasmanian Aboriginal Corporation |
| Corumbene Care | Migrant Resource Centre | The Link Youth Health Service |
| COTA Tasmania (Council on the Ageing) | Mindfulness Programs Australasia | Salvation Army |
| Crawley Clinic Launceston | Moreton Group Solutions | Wintringham |
| Department of Health Tasmania | Pharmacy Guild of Australia (Tasmania Branch) | Youth, Family and Community Connections |
| Diabetes Australia Tasmania | Prospect Vale Medical Centre | |
| Family Planning Tasmania | Psychology CAFFE | |

Primary Health Tasmania Directors' Report Financial Report

Primary Health Tasmania Limited

Directors' Report for the year ended 30 June 2023

The directors of Primary Health Tasmania Limited present their report together with the Financial Report for the year ended 30 June 2023 and the Independent Auditor's Report thereon.

Directors

The names of the directors of Primary Health Tasmania, and their qualifications, during and since the end of the financial year are:

| | |
|-------------------------------------|--|
| Mr Graeme Lynch AM (Chair) | LLB (Hons), BCom, FCPA, GradDip Leg St, FAICD, PIA (Hon. Fellow) |
| Mr Scott Adams | BCom, FCPA, MBA, EMPA, GAICD |
| Ms Melissa Snadden | BPharm, MMedSci(ClinEpid), GAICD |
| Dr Ruth Kearon | MBBS, MHM, FRACGP, FRACMA, GAICD |
| Dr David Knowles | MBBS, FRACGP, DCH |
| Dr Ginita Oberoi | MBBS, FRACGP, DCH, GAICD |
| Distinguished Prof Gregory Peterson | BPharm (Hons), PhD, MBA, FSHP, FACP, GAICD, AACPA, ARPharmS, FPS |
| Dr Katrena Stephenson ¹ | BSc, GradDipEnvStudies (Hons), PhD (Health Sociology), GAICD, FLGP |
| Ms Allyson Warrington ² | BBus, FAMI, CPM, FAICD |

¹ Dr Katrena Stephenson commenced on 9 November 2022.

² Ms Allyson Warrington completed her final term on 9 November 2022.

Directors meetings

The following table sets out the number of directors' meetings, including meetings of committees of directors, held during the financial year and the number of meetings attended by each director (while they were a director or committee member). Attendances were as follows:

| Directors | Directors Meetings | | Finance Advisory Committee | Audit and Risk Advisory Committee ¹ | Governance Advisory Committee |
|------------------------------------|------------------------------|--------------------|--|--|--|
| | Number eligible to attend | Number attended | Meetings held = 6 Number attended | Meetings held = 4 Number attended | Meetings held = 3 Number attended |
| Mr Graeme Lynch AM (Chair) | 7 | 7 | 6 / 6 | | 3 / 3 |
| Mr Scott Adams | 7 | 7 | 6 / 6 | | |
| Ms Melissa Snadden | 7 | 7 | | 3 / 4 | |
| Dr Ruth Kearon | 7 | 7 | 5 / 6 | | 3 / 3 |
| Dr David Knowles | 7 | 7 | | 4 / 4 | |
| Dr Ginita Oberoi | 7 | 7 | 3 / 5 | | |
| Prof Gregory Peterson | 7 | 7 | 1 / 1 | 4 / 4 | |
| Dr Katrena Stephenson ¹ | 4 | 4 | | | 2 / 2 |
| Ms Allyson Warrington ² | 3 | 3 | | | 1 / 1 |

¹ Dr Katrena Stephenson commenced on 9 November 2022.

² Ms Allyson Warrington completed her final term on 9 November 2022.

³ Independent audit and risk and probity advisor Mr Russell Pearce, a legal practitioner experienced in corporate and public sector governance attended 3 of 4 meetings of the Audit and Risk Advisory Committee.

Directors also represented the Board in the following forums:

- Clinical Advisory Council - Prof Gregory Peterson and Mr Graeme Lynch
- Community Advisory Council - Ms Melissa Snadden and Mr Graeme Lynch

Primary Health Tasmania Limited

Directors' Report for the year ended 30 June 2023

Company secretary

Mr Phil Edmondson held the position of Chief Executive Officer and Company Secretary during the reporting period.

Constitutional objects

The objects for which Primary Health Tasmania is established are to improve the statewide and regional health outcomes of the Tasmanian community by:

- identifying and responding to the primary health care needs of the Tasmanian community
- supporting and enhancing the central role of the General Practitioner in delivering primary health care services
- supporting and enhancing the role of other primary health care providers in delivering primary health care services
- promoting the integration and coordination of primary health care services across the Tasmanian health care system
- contributing to and providing informed advice on Tasmanian primary health care policy, service planning, education, training and research
- facilitating national and state primary health care initiatives and programs
- addressing locally identified health needs and priorities through direct provision of services to the
- receiving, raising and distributing funds in any manner aimed at achieving the objects of Primary Health Tasmania
- doing any such things that are incidental or conducive to attaining the objects of Primary Health Tasmania.

Principal activities

The principal activities of Primary Health Tasmania in the course of the financial year were:

- commissioning a range of mental health intervention services including suicide prevention and drug and alcohol services
- delivery of a range of initiatives with priority population health groups including older people, and Aboriginal and Torres Strait Islander people
- development and use of clinical care pathways for a range of health conditions and a range of eHealth activities
- commissioning the provision of statewide after hours care and services to support general practice
- delivery of a range of services across the general practice and allied health workforce
- working with rural municipalities across Tasmania to improve access to appropriate health care services
- coordinating primary health care services and improving accessibility, quality and performance
- collaborating to improve health literacy
- undertaking comprehensive needs analysis (researching, identifying, prioritising and planning innovative solutions) that support local community needs
- continuing to develop and refine the organisation's approach to commissioning as well as supporting providers to be able to participate in commissioning opportunities
- improving the capacity and capability of the service provider market in Tasmania to respond to current and emerging health and service access needs.

Primary Health Tasmania Limited

Directors' Report for the year ended 30 June 2023

Corporate governance statement

Primary Health Tasmania is a company limited by guarantee, incorporated under the Corporations Act 2001 and registered under the Australian Charities and Not-for-Profits Commission (ACNC). The Company's governance functions are supported by a membership. Tier 1 membership (voting) entitles professional peak bodies or other statewide entities to vote at general meetings and to elect directors to the Board. Tier 2 membership (non-voting) is open to the workforce that delivers and supports the delivery of primary health services in the community.

Review of operations and financial performance

Primary Health Tasmania performed planning, design, procurement, reporting, service delivery and service management activities across a range of primary health streams including mental health, rural health, Aboriginal health, after hours general practice, refugee health and population health based initiatives. These activities were undertaken primarily through funding contracts with the Australian Government Department of Health as well as contracts with the Tasmanian Department of Health and a range of health sector professional bodies.

Assets

Current assets \$44,462,658 (2022: \$35,395,729) increased 25.6% during the financial year ended 30 June 2023. Cash balances increased to \$40,511,089 (2022: \$35,098,571) reflecting an increase in grant surpluses carried forward.

Non-current assets increased to \$2,946,095 (2022: \$1,451,632) due to a new property lease and consequent increase in the right of use asset for the period of the lease.

Liabilities

Trade and other payables have increased to \$41,359,550 (2022: \$32,585,044) or 26.9% during the financial year. This is due to the movements in:

- trade payables and accrued expenses \$714,094 (2022: \$823,827)
- accrued committed costs \$654,845 (2022: \$439,086)
- revenue received in advance \$987,295 (2022: \$883,205)
- grant surpluses carried forward \$39,003,316 (2022: \$30,438,926).

Provision for employee benefits increased to \$1,019,095 (2022: \$940,331) and lease liabilities increased to \$2,970,259 (2022: \$1,290,627).

Expenditure

Other Expenses have increased to \$49,529,649 (2022: \$43,734,698) during the financial year or 13.3% and primarily reflects an increase in commissioned health service contractors and consultants of \$4,914,025.

Equity

Equity has increased to \$2,059,849 (2022: \$2,031,359) due to an operating surplus for Primary Health Tasmania for the financial year.

Operating surplus

An operating surplus of \$28,490 (2022: surplus \$155,769) was generated from interest earned on Primary Health Tasmania's cash investments and sundry revenue, less interest on lease liabilities and amortisation of right of use assets and leasehold improvements associated with leases and other expenses.

Risk management

The Audit and Risk Advisory Committee (ARAC) has oversight of risk management at Primary Health Tasmania. ARAC reviews Primary Health Tasmania's enterprise risk framework for identifying, monitoring and managing significant business risks across Primary Health Tasmania and considers whether the enterprise risk framework and internal controls effectively identify areas of potential material risk.

Primary Health Tasmania Limited

Directors' Report for the year ended 30 June 2023

Change in state of affairs

There has been no significant change in the state of affairs during the financial year.

Subsequent events

There were no material events that occurred after the reporting date which significantly affected the financial statements of Primary Health Tasmania as at 30 June 2023 and its results for that year.

Future developments

No significant structural changes or developments are anticipated for Primary Health Tasmania.

Environmental regulations

Primary Health Tasmania's operations are not regulated by a significant environmental regulation, under a law of the Australian Government or a State or Territory.

Dividends

Primary Health Tasmania's constitution prohibits the payment of dividends to members.

Indemnification of officers

Primary Health Tasmania has paid insurance premiums in respect of directors' and officers' liability and legal expenses. This was for the current and former directors and officers and executive officers of Primary Health Tasmania. The insurance premiums relate to:

- costs and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal and whatever their outcome
- other liabilities that may arise from their position, with the exception of conduct involving a wilful breach of duty or improper use of information or position to gain a personal advantage.

The premiums were paid in respect of the directors and officers of Primary Health Tasmania listed in this report.

Proceedings on behalf of the company

No person has applied for leave of Court or other tribunal, to bring proceedings on behalf of Primary Health Tasmania or intervene in any proceedings to which Primary Health Tasmania is a party for the purpose of taking responsibility on behalf of Primary Health Tasmania for all or any part of those proceedings. Primary Health Tasmania was not a party to any proceedings during the financial year.


Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the next page.

Directors' declaration

The Directors' Report is signed in accordance with a resolution of directors made pursuant to s298(2) of the Corporations Act 2001.

On behalf of the Directors



Mr Scott David Adams
Dated this 6th day of October 2023



Mr Graeme Bernard Lynch AM
Dated this 6th day of October 2023



Auditor's Independence Declaration

In relation to our audit of the financial report of Primary Health Tasmania Limited for the financial year ended 30 June 2023 to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in respect of the audit.

Wise Lord & Ferguson

WISE LORD & FERGUSON

A handwritten signature in blue ink, appearing to read 'RM A'.

REBECCA MEREDITH

Partner

Date: *6/10/2023*

1st Floor, 160 Collins Street, Hobart TAS 7000 | GPO Box 1083 Hobart TAS | 03 6223 6155 | email@wlf.com.au | www.wlf.com.au

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Primary Health Tasmania Limited

Statement of Comprehensive Income for the year ended 30 June 2023

| | Note | 2023 | 2022 |
|---|------|-------------------|-------------------|
| | | \$ | \$ |
| Income | | | |
| Grant revenue | 2 | 58,697,087 | 52,193,409 |
| Other income | 2 | 1,589,697 | 322,879 |
| Total income | | 60,286,784 | 52,516,288 |
| Expenditure | | | |
| Employee benefits | | 9,743,527 | 7,983,417 |
| Depreciation and amortisation | 3 | 815,200 | 595,721 |
| Interest expense on lease liabilities | | 169,918 | 46,683 |
| Other expenses | 4 | 49,529,649 | 43,734,698 |
| Total expenditure | | 60,258,294 | 52,360,519 |
| Surplus/(Deficit) | | 28,490 | 155,769 |
| Other comprehensive income | | - | - |
| Total comprehensive income/(expense) | | 28,490 | 155,769 |

The above statement should be read in conjunction with the accompanying notes.

Primary Health Tasmania Limited

Statement of Financial Position as at 30 June 2023

| | Note | 2023 | 2022 |
|--------------------------------------|-------|-------------------|-------------------|
| | | \$ | \$ |
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | 5 | 40,511,089 | 35,098,571 |
| Trade receivables | 6 | 3,336,389 | 78,268 |
| Other assets | 7 | 615,180 | 218,890 |
| Total current assets | | 44,462,658 | 35,395,729 |
| Non-current assets | | | |
| Property, plant and equipment | 8 | 171,981 | 241,524 |
| Right of use assets | 9 | 2,774,114 | 1,210,108 |
| Total non-current assets | | 2,946,095 | 1,451,632 |
| Total assets | | 47,408,753 | 36,847,361 |
| Liabilities | | | |
| Current liabilities | | | |
| Trade and other payables | 10 | 41,359,550 | 32,585,044 |
| Employee provisions | 11 | 894,443 | 706,385 |
| Lease liabilities | 12(a) | 695,680 | 642,718 |
| Total current liabilities | | 42,949,673 | 33,934,147 |
| Non-current liabilities | | | |
| Employee provisions | 11 | 124,652 | 233,946 |
| Lease liabilities | 12(a) | 2,274,579 | 647,909 |
| Total non-current liabilities | | 2,399,231 | 881,855 |
| Total liabilities | | 45,348,904 | 34,816,002 |
| Net assets | | 2,059,849 | 2,031,359 |
| Equity | | | |
| Retained earnings | | 2,059,849 | 2,031,359 |
| Total equity | | 2,059,849 | 2,031,359 |

The above statement should be read in conjunction with the accompanying notes.

Primary Health Tasmania Limited

Statement of Changes in Equity for the year ended 30 June 2023

| | <u>Retained Earnings</u> \$ |
|-----------------------------------|------------------------------------|
| Balance as at 30 June 2021 | 1,875,590 |
| Surplus/(Deficit) | 155,769 |
| Other comprehensive income | - |
| Balance as at 30 June 2022 | <u>2,031,359</u> |
| Surplus/(Deficit) | 28,490 |
| Other comprehensive income | - |
| Balance as at 30 June 2023 | <u>2,059,849</u> |

Statement of Cash Flows for the year ended 30 June 2023

| | Note | <u>2023</u> \$ | <u>2022</u> \$ |
|---|------|-------------------|-------------------|
| Cash flows from operating activities | | | |
| Receipts of grants | | 70,608,474 | 62,177,578 |
| Other receipts | | 182,910 | 116,018 |
| Interest received | | 1,129,525 | 195,982 |
| GST paid | | (1,671,545) | (1,206,058) |
| Payments to suppliers and employees | | (64,045,053) | (57,146,426) |
| Short term lease payments | | (1,547) | (1,547) |
| Interest paid | | (169,918) | (46,683) |
| Net cash from/(used in) operating activities | 17 | <u>6,032,846</u> | <u>4,088,864</u> |
| Cash flows from investing activities | | | |
| Proceeds from sale of plant and equipment | | 27,118 | 28,182 |
| Net cash from/(used in) investing activities | | <u>27,118</u> | <u>28,182</u> |
| Cash flows from financing activities | | | |
| Repayment of lease liabilities | | (647,446) | (520,640) |
| Net cash from/(used in) financing activities | | <u>(647,446)</u> | <u>(520,640)</u> |
| Net increase/(decrease) in cash and cash equivalents | | 5,412,518 | 3,596,406 |
| Cash and cash equivalents at the beginning of the financial year | | 35,098,571 | 31,502,165 |
| Cash and cash equivalents at the end of the financial year | 5 | <u>40,511,089</u> | <u>35,098,571</u> |

The above statements should be read in conjunction with the accompanying notes.

Primary Health Tasmania Limited

Notes to the Financial Statements for the year ended 30 June 2023

The financial report relates to the entity Primary Health Tasmania, a company limited by guarantee, incorporated and domiciled in Australia. Primary Health Tasmania is a non-government, not-for-profit organisation which is funded to deliver tailored solutions to local needs in a more streamlined, coordinated health care system.

The financial report was authorised for issue on 6th day of October 2023 by the directors of the company.

Note 1 **Summary of significant accounting policies**

Basis of preparation

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards. Due to the application of Australian specific provisions for not for profit entities contained only within Australian Equivalent of International Financial Reporting Standards (AIFRS), this financial report is not necessarily compliant with international accounting standards. The financial report is prepared in accordance with the Corporations Act 2001 and Australian Accounting Standards.

The financial report has been prepared on an accrual basis, based on historical costs, and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is generally based on the fair value of the consideration given in exchange for assets. Where assets have been acquired through transactions with related parties, cost has been determined through independent assessment of fair value.

All amounts are expressed in Australian Dollars.

The following is a summary of the material accounting policies adopted in preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Accounting policies

(a) Revenue

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

When both of these conditions are satisfied, the company:

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

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the company:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (eg AASB 9, AASB 16, AASB 116 and AASB 138)
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer)
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

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

Interest income is recognised using the effective interest method.

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

Primary Health Tasmania Limited

Notes to the Financial Statements for the year ended 30 June 2023

(b) Property, plant and equipment

Property, plant and equipment are measured on a cost basis less depreciation and impairment losses.

The carrying amount of property, plant and equipment is reviewed annually by directors to ensure it is not in excess of its recoverable amount. Any purchase under \$10,000 (exclusive of GST) is accounted for as an operating expense in accordance with grant guidelines.

The cost of property, plant and equipment acquired through transactions with related parties is determined at fair value. Fair value is determined by an independent qualified valuer.

(c) Depreciation

The depreciable amount of all fixed assets, including capitalised lease assets, is depreciated to its residual value using both diminishing value and straight line basis over the assets useful life to Primary Health Tasmania commencing from the time the asset is held ready for use. Leased assets are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the leased asset. The useful lives for each asset class is as follows:

- | | |
|-------------------------------------|--------------|
| • Leased buildings and improvements | 3 to 5 years |
| • Leased and owned motor vehicles | 3 years |
| • Leased plant and equipment | 5 years |

The residual values and useful lives of assets are reviewed and adjusted if appropriate at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the carrying amount is greater than the 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.

(d) Leases

i. The company as lessee

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

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

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

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

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

Right of use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest.

Where a lease transfers ownership of the underlying asset or the cost of the right of use asset reflects that the company anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

Primary Health Tasmania Limited

Notes to the Financial Statements for the year ended 30 June 2023

ii. The company as lessor

The company has entered into a lease agreement as a lessor with respect to a property which it in turn leases from a head lessor. The company is an intermediate lessor, it accounts for the head lease and the sub-lease as two separate contracts.

Leases for which the company is a lessor are classified as finance or operating leases. Whenever the terms of lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

The sub-lease is classified as a finance or operating lease by reference to the right-of use asset arising from the head lease. In this instance the sub-lease has been classified as an operating lease. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease and included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

(e) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when Primary Health Tasmania becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all the substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value through profit or loss or amortised cost using the effective interest rate method. All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented with other expenses.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and reduction for impairment. It is adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

The effective interest method is used to allocate interest income or interest expense over the relevant period, and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense item in the statement of comprehensive income.

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

i. Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are designated as FVPL): they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and, the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. The company's cash and cash equivalents and trade and other receivables fall into this category of financial instruments.

ii. Financial assets at fair value through profit or loss (FVPL)

Financial assets that are held within a different business model other than "hold to collect" or "hold to collect and sell" are categorised at fair value through profit and loss. Further, irrespective of business model, financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVPL.

Primary Health Tasmania Limited

Notes to the Financial Statements for the year ended 30 June 2023

iii. Trade and other receivables

Primary Health Tasmania makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the company uses its historical experience, external indicators and forward looking information to calculate the expected credit losses. Due to the nature of the company's operations, trade receivables are normally associated with outstanding amounts from funding providers and are assessed on an individual basis as the credit risk characteristics are unique for each funding contract.

iv. Financial liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in statement of comprehensive income through the amortisation process and when the financial liability is derecognised.

(f) Impairment

At the end of each reporting period, Primary Health Tasmania reviews the carrying values of its 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 expensed to the statement of comprehensive income.

Where the future economic benefits of an asset are not primarily dependent upon the asset's ability to generate net cash inflows and when Primary Health Tasmania 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 asset class, Primary Health Tasmania would estimate the recoverable amount of the cash-generating unit to which the class of assets belong.

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

(g) Employee benefits

Provision is made for Primary Health Tasmania's liability for employee benefits arising from services rendered by employees to the end of the reporting period in respect of wages and salaries, annual leave, long service leave and time off in lieu when it is probable that settlement will be required and they are capable of being measured reliably.

Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year are measured at the present value of the estimated future cash outflows to be made in respect of services provided by employees up to reporting date. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using the "high quality corporate bonds" (HQCB) market.

Contributions are made by Primary Health Tasmania to an employee's superannuation fund and are charged as expenses when incurred.

(h) Cash and cash equivalents

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

(i) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expenses. Receivables and payables are stated with the amount of GST included.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Primary Health Tasmania Limited

Notes to the Financial Statements for the year ended 30 June 2023

(j) Income tax

No provision for income tax has been raised as Primary Health Tasmania is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

(k) Provisions

Provisions are recognised when Primary Health Tasmania has a present obligation (legal or constructive), as a result of a past event, it is probable that Primary Health Tasmania 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 reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

(l) Trade and other receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business, as well as amounts due from funding bodies. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

(m) Comparative figures

Where required by accounting standards comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(n) Trade and other payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by Primary Health Tasmania during the reporting period which remain unpaid.

Where Primary Health Tasmania has entered into a services grant contract with an outsourced provider, and there are outstanding payments that relate to the current financial year, those outstanding payments are accrued and identified as accrued committed costs. Primary Health Tasmania enters into multi-year services grant contracts. The liabilities under these agreements are only taken up when the provider meets their obligations under the agreement.

Trade and other payables are recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability. Accrued committed costs are paid as services grant contract compliance milestones are met.

Primary Health Tasmania Limited

Notes to the Financial Statements for the year ended 30 June 2023

(o) Critical accounting estimates and judgments

In the application of Primary Health Tasmania's accounting policies, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other relevant factors. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Key judgments

- **Performance obligation under AASB 15**
To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/type, cost/value, quantity and the period of transfer related to the goods or services promised.
- **Lease term and option to extend under AASB 16**
The lease term is defined as the non-cancellable period of a lease together with both periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and also periods covered by an option to terminate the lease if the lessee is reasonable certain not to exercise that option. The options that are reasonable going to be exercised is a key management judgement that the company will make. The company determines the likelihood to exercise the options on a lease-by-lease basis looking at various factors such as which assets are strategic and which are key to future strategy of the entity.
- **Employee benefits**
For the purpose of measurement, AASB 119: Employee Benefits defined obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. The company expects most employees will take their annual leave entitlements within 24 months of the reporting period in which they were earned, but this will not have a material impact on the amounts recognised in respect of obligations for employees' leave entitlements.

(p) Economic dependence

Primary Health Tasmania is dependent on the Australian Government for the majority of its revenue used to operate the organisation.

(q) New Accounting Standard adopted during the financial year

No new or amended accounting standards or interpretations issued by the Australian Accounting Standards Board (AASB) were adopted by Primary Health Tasmania in the current financial year.

(r) New Accounting Standards for application in future periods

There are no new or amended accounting standards or interpretations issued by the Australian Accounting Standards Board (AASB), with mandatory application dates for future reporting periods, that are anticipated to have a material effect on Primary Health Tasmania.

Primary Health Tasmania Limited

Notes to the Financial Statements for the year ended 30 June 2023

Note 2 Revenue and other income

| | 2023 | 2022 |
|---|-------------------|-------------------|
| | \$ | \$ |
| Grant revenue | | |
| Grants and subsidies - Government and other organisations | 58,697,087 | 52,193,409 |
| Total grant revenue | 58,697,087 | 52,193,409 |
| Other income | | |
| Interest received on financial assets | 1,397,084 | 195,982 |
| Gain/(Loss) on disposal of plant and equipment | 9,703 | 11,129 |
| Lease income from sub lease | 105,462 | - |
| Other income | 77,448 | 115,768 |
| Total other income | 1,589,697 | 322,879 |
| Total revenue | 60,286,784 | 52,516,288 |

Note 3 Depreciation and amortisation

| | 2023 | 2022 |
|--|----------------|----------------|
| | \$ | \$ |
| Property, plant and equipment | | |
| Leasehold improvements | 120,762 | 120,762 |
| | 120,762 | 120,762 |
| Right of use assets | 694,438 | 474,959 |
| Total depreciation and amortisation | 815,200 | 595,721 |

Note 4 Other expenses

| | 2023 | 2022 |
|---|-------------------|-------------------|
| | \$ | \$ |
| Short term lease expense | 1,547 | 1,547 |
| Employee training, professional development and support | 203,274 | 163,410 |
| Consultants and contractors | 45,838,375 | 40,924,350 |
| Information and communications technology | 2,466,579 | 1,837,349 |
| Motor vehicle and travel | 131,065 | 83,442 |
| Occupancy | 212,009 | 365,510 |
| Stakeholder engagement and events | 463,074 | 114,678 |
| Other expenses | 213,726 | 244,412 |
| Total other expenses | 49,529,649 | 43,734,698 |

Primary Health Tasmania Limited

Notes to the Financial Statements for the year ended 30 June 2023

Note 5 Cash and cash equivalents

| | 2023 | 2022 |
|----------------------------------|-------------------|-------------------|
| | \$ | \$ |
| Cash at bank | 40,511,089 | 35,098,571 |
| Cash and cash equivalents | 40,511,089 | 35,098,571 |

Note 6 Trade receivables

| | Note | 2023 | 2022 |
|--------------------------------|---------|------------------|---------------|
| | | \$ | \$ |
| Trade receivables | (a),(b) | 3,216,333 | 78,268 |
| Total trade receivables | | 3,336,389 | 78,268 |

(a) Trade receivables

Trade receivables are generally 30 day terms. These receivables are assessed for recoverability and a provision for impairment would be recognised when there is objective evidence that an individual trade receivable is impaired. These amounts would be included in other expense items.

(b) Credit risk - trade receivables

Whilst credit risk is not diversified over a large group of receivables, credit risk is considered low as the majority of receivables are with Australian Government and State Government departments. Larger receivables are typically covered by contractual funding obligations with the respective government entity.

The following table details Primary Health Tasmania's trade receivables exposed to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between Primary Health Tasmania and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to Primary Health Tasmania.

The receivables as at 30 June 2023 comprises primarily of amounts from funding contracts due but not paid until after the end of the financial year.

| | Gross Amount | <30 Days | 31-60 Days | 61-90 Days | >90 Days |
|----------------------------|------------------|------------------|---------------|--------------|---------------|
| | \$ | \$ | \$ | \$ | \$ |
| Balance as at 30 June 2023 | | | | | |
| Trade receivables | 3,336,389 | 3,308,889 | 25,850 | 1,650 | - |
| Total | 3,336,389 | 3,308,889 | 25,850 | 1,650 | - |
| Balance as at 30 June 2022 | | | | | |
| Trade receivables | 78,268 | - | 33,750 | - | 44,518 |
| Total | 78,268 | - | 33,750 | - | 44,518 |

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

Primary Health Tasmania Limited

Notes to the Financial Statements for the year ended 30 June 2023

Note 7 Other assets

| | 2023 | 2022 |
|---------------------------|----------------|----------------|
| | \$ | \$ |
| Prepayments | 347,621 | 218,890 |
| Other current assets | 267,559 | - |
| Total other assets | 615,180 | 218,890 |

Note 8 Property, plant and equipment

| | 2023 | 2022 |
|--|----------------|----------------|
| | \$ | \$ |
| Leasehold improvements | | |
| At cost | 553,158 | 553,158 |
| Accumulated depreciation | (432,396) | (311,634) |
| Total leasehold improvements | 120,762 | 241,524 |
| Motor vehicles | | |
| At cost | 108,232 | - |
| Accumulated depreciation | (57,013) | - |
| Total motor vehicles | 51,219 | - |
| Total property, plant and equipment | 171,981 | 241,524 |

Movements in carrying amounts

| | Leasehold improvements | Motor vehicles | Total |
|------------------------------------|---------------------------|----------------|----------------|
| | \$ | \$ | \$ |
| Balance as at 30 June 2021 | 362,286 | - | 362,286 |
| Additions | - | - | - |
| Disposals | - | - | - |
| Depreciation expense | (120,762) | - | (120,762) |
| Balance as at 30 June 2022 | 241,524 | - | 241,524 |
| Transfers from right of use assets | - | 51,219 | 51,219 |
| Disposals | - | - | - |
| Depreciation expense | (120,762) | - | (120,762) |
| Balance as at 30 June 2023 | 120,762 | 51,219 | 171,981 |

Note 9 Right of use assets

| | 2023 | 2022 |
|----------------------------------|------------------|------------------|
| | \$ | \$ |
| Leased buildings | 4,494,264 | 2,270,560 |
| Accumulated depreciation | (1,839,936) | (1,214,431) |
| | 2,654,328 | 1,056,129 |
| Leased motor vehicles | 407,950 | 373,210 |
| Accumulated depreciation | (288,397) | (224,360) |
| | 119,553 | 148,850 |
| Leased equipment | 21,921 | 21,921 |
| Accumulated depreciation | (21,688) | (16,792) |
| | 233 | 5,129 |
| Total right of use assets | 2,774,114 | 1,210,108 |

Primary Health Tasmania's lease portfolio includes buildings, motor vehicles and equipment.

Primary Health Tasmania Limited

Notes to the Financial Statements for the year ended 30 June 2023

Option to extend

Options to extend are contained in the building leases of the company. There were no extension options for motor vehicle or equipment leases. These clauses provide the company opportunities to manage leases in order to align with its strategies. All of the extension options are only exercisable by the company. The extension options which are probable to be exercised have been included in the calculation of the right of use asset.

Movement in carrying amounts

| | Leased buildings | Leased motor vehicles | Leased equipment | Total |
|-----------------------------------|---------------------|--------------------------|---------------------|------------------|
| | \$ | \$ | \$ | \$ |
| Balance as at 30 June 2021 | 1,245,377 | 138,380 | 10,726 | 1,394,483 |
| Changes in lease assumptions | (4,272) | - | - | (4,272) |
| Extension of lease terms | - | 44,346 | - | 44,346 |
| Additions | 228,615 | 38,947 | - | 267,562 |
| Disposals | - | (17,052) | - | (17,052) |
| Depreciation expense | (413,591) | (55,771) | (5,597) | (474,959) |
| Balance as at 30 June 2022 | 1,056,129 | 148,850 | 5,129 | 1,210,108 |
| Changes in lease assumptions | 24,460 | - | - | 24,460 |
| Extension of lease terms | 1,063,411 | 41,501 | - | 1,104,912 |
| Additions | 1,135,833 | 62,027 | - | 1,197,860 |
| Transfers to motor vehicles | - | (51,219) | - | (51,219) |
| Disposals | - | (17,569) | - | (17,569) |
| Depreciation expense | (625,505) | (64,037) | (4,896) | (694,438) |
| Balance as at 30 June 2023 | 2,654,328 | 119,553 | 233 | 2,774,114 |

Primary Health Tasmania Limited

Notes to the Financial Statements for the year ended 30 June 2023

Note 10 Trade and other payables

| | Note | 2023 \$ | 2022 \$ |
|---|------|-------------------|-------------------|
| Trade payables and accrued expenses | | 714,094 | 823,827 |
| Accrued committed costs | | 654,845 | 439,086 |
| Revenue received in advance | | 987,295 | 883,205 |
| Contract liability - grant surpluses carried forward | (a) | 39,003,316 | 30,438,926 |
| Trade and other payables | | 41,359,550 | 32,585,044 |
| (a) Contract liability - grant surpluses carried forward | | | |
| Australian Government Department of Health | | | |
| Aged Care | | 1,669,786 | 1,243,998 |
| Alcohol & Other Drugs | | 2,044,125 | 2,132,378 |
| After Hours | | 1,502,700 | 2,049,692 |
| Community Health & Hospitals Program | | 38,507 | 1,081,264 |
| Core – Operational, Flexible & Other | | 7,706,789 | 8,947,060 |
| Health Care Homes | | - | 312,861 |
| Integrated Chronic Conditions Management | | - | 135,374 |
| Integrated Team Care | | 659,244 | 528,548 |
| Mental Health | | 18,480,847 | 9,023,527 |
| National Psychosocial Support | | 2,610,485 | 3,331,101 |
| Pilots & Targeted Programs | | 3,095,283 | 855,665 |
| Urgent Care Clinics | | 364,790 | - |
| Subtotal - Australian Government Department of Health | | 38,172,556 | 29,641,468 |
| Other funding bodies | | | |
| GP Support - Covid 19 Plan | | 114,960 | 484,925 |
| Palliative Care | | 320,112 | - |
| My Health Record | | 89,912 | 33,374 |
| Royal Australasian College of Physicians | | 263,195 | 263,195 |
| Sundry | | 42,581 | 15,964 |
| Total | | 39,003,316 | 30,438,926 |

Primary Health Tasmania Limited

Notes to the Financial Statements for the year ended 30 June 2023

Note 11 Employee provisions

| | 2023 | 2022 |
|---|------------------|----------------|
| | \$ | \$ |
| Current - Short-term employee benefits | | |
| Annual leave | 471,646 | 419,419 |
| Leave in lieu | 10,513 | 3,889 |
| Long service leave | 412,284 | 283,077 |
| Total current | 894,443 | 706,385 |
| Non-current - Long-term employee benefits | | |
| Long service leave | 124,652 | 233,946 |
| Total non-current | 124,652 | 233,946 |
| Total employee provisions | 1,019,095 | 940,331 |

Note 12 Leases

| (a) Lease liabilities | 2023 | 2022 |
|--------------------------------|------------------|------------------|
| | \$ | \$ |
| Current | | |
| Lease liabilities | 695,680 | 642,718 |
| Non-current | | |
| Lease liabilities | 2,274,579 | 647,909 |
| Total lease liabilities | 2,970,259 | 1,290,627 |

(b) Lease facilities

In addition to leases recognised at balance date, the Company has access to a master lease facility from a financial institution of \$500,000. Interest is charged at prevailing market rates. At 30 June 2023, none of the facility was utilised (2022: \$nil)

| | 2023 | 2022 |
|--|------------------|------------------|
| | \$ | \$ |
| Presented below is a maturity analysis of future lease payments: | | |
| • not later than 12 months | 866,259 | 679,216 |
| • between 12 months and 5 years | 2,558,256 | 682,516 |
| Total future lease payments | 3,424,515 | 1,361,732 |

AASB 16 related amounts recognised in the statement of comprehensive income:

| | 2023 | 2022 |
|--|----------------|----------------|
| | \$ | \$ |
| Depreciation charge related to right of use assets | 694,438 | 474,959 |
| Interest expense on lease liabilities | 169,918 | 46,683 |
| Low value asset leases expenses | 1,547 | 1,547 |
| Leased assets total expense | 865,903 | 523,189 |

Primary Health Tasmania Limited

Notes to the Financial Statements for the year ended 30 June 2023

| (c) Lease payments receivable | 2023 | 2022 |
|--|----------------|----------|
| | \$ | \$ |
| The company has entered into a lease agreement as a lessor with respect to a property which it in turn leases from a head lessor. This sublease is classified as an operating lease. | | |
| Minimum lease payments receivable on a sublease of property: | | |
| • not later than 12 months | 247,500 | - |
| • between 12 months and 5 years | 495,000 | - |
| Total lease payments receivable | 742,500 | - |

Note 13 Contingent assets

In accordance with Primary Health Tasmania's funding agreement with the Australian Government a commissioning model has been created to support the operational objectives across a range of primary health streams. At 30 June 2023, Primary Health Tasmania has contracts with external provider organisations to implement health initiatives in Tasmania. The majority of the contracts are formulated on the requirement that monies that are not spent by the provider on the approved program within the financial year, are returned to Primary Health Tasmania. The financial acquittals for these programs are not able to be received until after the provider organisation has had the funding expenditure audited. At the time of preparation of this financial report, Primary Health Tasmania is unable to accurately measure the level of underspend on contracted programs and therefore what monies will be returned.

It is Primary Health Tasmania's policy to recognise a receivable for unspent funds when an audited financial acquittal is received with an identified underspend.

Note 14 Issued capital

Primary Health Tasmania is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If Primary Health Tasmania is wound up, the constitution states each member is required to contribute a maximum of 20 dollars each towards meeting any outstanding obligations of Primary Health Tasmania.

Note 15 Events after the end of the financial year

There were no material events that occurred after the reporting date which significantly affected the financial statements of Primary Health Tasmania as at 30 June 2023 and its results for that year.

Note 16 Related party transactions

Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of Primary Health Tasmania, directly or indirectly are considered key management personnel. All Directors, the Chief Executive Officer and key executives reporting to the Chief Executive Officer who hold the position of General Manager, are considered key management personnel.

Remuneration principles

Directors

Primary Health Tasmania maintains a Directors Fees Policy in accordance with Primary Health Tasmania's Constitution. The policy is reviewed from time to time and any change in directors remuneration requires ratification by members. Office bearers are remunerated to reflect the respective additional roles and responsibilities undertaken. Additional duties performed outside the normal scope of a director's engagement are remunerated on the basis of an agreed hourly rate and reimbursement of any costs incurred.

Executive Management

The Chief Executive Officer was appointed by a transparent competitive process and is engaged by the Board.

The Chief Executive Officer is delegated the responsibility for recruiting all key executive positions within the organisation. Remuneration packages of key executives are determined based on role scope, responsibility, identified skills and experience. No member of the executive team receives additional remuneration for achieving performance targets.

Primary Health Tasmania Limited

Notes to the Financial Statements for the year ended 30 June 2023

Compensation

For the current and prior financial years, compensation made to key management personnel for Primary Health Tasmania is set out below.

| | 2023 | 2022 |
|--------------------------|------------------|------------------|
| | \$ | \$ |
| Short term benefits | 1,227,438 | 1,142,666 |
| Post employment benefits | 135,873 | 115,298 |
| Other long-term benefits | 4,460 | 22,214 |
| | 1,367,771 | 1,280,178 |

Short term benefits include directors fees, salary, salary packaging, employment allowances and the net movement in annual leave provided for during the year.

Post employment benefits include superannuation and termination benefits, where applicable.

Other long-term benefits represent the net movement in long service leave provided for during the year.

Contracts with director associated organisations

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons unless otherwise stated. Additional oversight of related party transactions is provided by the Australian Government in accordance with Primary Health Networks Conflicts and Related Party Policy. Commercial agreements for the provision of services entered into with director associated organisations were:

- Consultant Pharmacy Services \$2,400 (2022: \$183,020) for supporting medication management by general practitioners in aged care and digital health improvements
- Alcohol Tobacco, Other Drugs Council Tasmania \$77,881 (2022: \$195,265) for consumer participation, data sharing and sector capacity building
- Lindisfarne Amcal Pharmacy \$14,250 (2022: \$6,000) for supporting the response to COVID 19
- Glebe Hill Family Practice \$50,000 (2022: \$17,000) and Victoria Street Practice \$112,500 (2022: \$nil) for general practice recruitment, retention and support grants
- for related parties in the prior financial year only, the Launceston City Council (2022: \$85,840) for a suicide prevention trial and Rural Alive and Well Inc. (2022: \$344,190) for mental health services.

Primary Health Tasmania Limited

Notes to the Financial Statements for the year ended 30 June 2023

Note 17 Cash flow information

| | 2023 | 2022 |
|---|-------------------|-------------------|
| | \$ | \$ |
| Reconciliation of cash | | |
| Cash at bank | 40,511,089 | 35,098,571 |
| | 40,511,089 | 35,098,571 |
| Reconciliation of cash flow from operating activities with the surplus/(deficit) | | |
| Surplus/(Deficit) | 28,490 | 155,769 |
| Non cash flows | | |
| Depreciation and amortisation | 815,200 | 595,721 |
| Profit on sale of plant and equipment | (9,703) | (11,129) |
| Changes in assets and liabilities | | |
| Decrease/(increase) in trade receivables | (3,258,121) | 15,344 |
| Decrease/(increase) in other assets | (396,290) | (50,447) |
| Increase/(decrease) in trade and other payables | 8,774,506 | 3,455,952 |
| Increase/(decrease) in employee provisions | 78,764 | (72,346) |
| Cash flow from operating activities | 6,032,846 | 4,088,864 |
| Changes in liabilities arising from financing activities | | |
| Financial liabilities at the start of the year | 1,290,627 | 1,503,630 |
| Repayments of lease liabilities | (647,446) | (520,640) |
| Changes in lease assumptions | 24,460 | (4,272) |
| Extension of existing lease terms | 1,104,912 | 44,346 |
| Reduction in lease costs | - | - |
| New leases entered into during the year | 1,197,706 | 267,563 |
| Financial liabilities at the end of the year | 2,970,259 | 1,290,627 |

Note 18 Financial instruments

(a) Categories of financial instruments

The company's financial instruments consist mainly of deposits with banks and receivables and payables, including unexpended grant funding. 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:

| | 2023 | 2022 |
|------------------------------------|-------------------|-------------------|
| | \$ | \$ |
| Financial assets | | |
| Cash and cash equivalents | 40,511,089 | 35,098,571 |
| Trade receivables | 3,336,389 | 78,268 |
| Total financial assets | 43,847,478 | 35,176,839 |
| Financial liabilities | | |
| Trade and other payables | 41,359,550 | 32,585,044 |
| Other finance liabilities | 2,970,259 | 1,290,627 |
| Total financial liabilities | 44,329,809 | 33,875,671 |

Primary Health Tasmania Limited

Notes to the Financial Statements for the year ended 30 June 2023

(b) Financial risk management

Primary Health Tasmania's finance group provides services to the organisation and manages the investments and interest rate risk relating to the operations of the company. The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. Risk management policies are set to identify and monitor risks and adherence to limits. The Finance Advisory Committee and the Audit and Risk Advisory Committee seek to assist Primary Health Tasmania in meeting its financial targets, whilst minimising potential adverse effects on financial performance. Primary Health Tasmania, through its financial instruments has minimal exposure to the following:

- credit risk
- liquidity risk
- market risk.

(c) Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, in respect of each class of financial asset or financial liability are disclosed in note 1.

(d) Credit risk management

Credit risk represents the financial loss that would be recognised at the reporting date if a counter-party failed to meet their contractual obligations. The risk primarily arises from receivables and cash investments held with banks.

Credit risk associated with trade receivables has been described in note 6.

The credit risk framework put in place by the Board limits investments to the four major Australian banks.

The majority of Primary Health Tasmania's credit risk is to Australian based banks and government departments. At balance date, the significant concentration of credit risk with any counterparty is to Australian Government as the major provider of funding to Primary Health Tasmania.

The carrying amount of financial assets recorded in the financial statements, represents Primary Health Tasmania's maximum exposure to credit risk at reporting date. In respect to those financial assets and the credit risk embedded within them, Primary Health Tasmania holds no significant collateral as security and there are no other significant credit enhancements in respect to those assets.

(e) Liquidity risk management

Prudent liquidity management for Primary Health Tasmania implies maintaining sufficient cash to meet the financial obligations as and when they fall due and sufficient liquidity to meet the liabilities under both normal and stressed conditions. Primary Health Tasmania manages this risk through the following mechanisms:

- continuous monitoring of forecast and actual cash flows and matching the maturity profiles of assets and liabilities
- matching outflows to inflows appropriately through the budgetary process
- expenditure to budget and likely end of year reporting
- maintaining a reputable credit profile.

Primary Health Tasmania Limited

Notes to the Financial Statements for the year ended 30 June 2023

The following table details Primary Health Tasmania's remaining contractual maturities for its financial assets and liabilities at the reporting date. The table has been drawn up based on the undiscounted cash flows over the current and prior financial years where Primary Health Tasmania will be required to repay the balance of its financial liabilities and receive its financial assets.

| | Within 1 Year | | 1 to 5 Years | | Total | |
|--|-------------------|-------------------|--------------------|------------------|-------------------|-------------------|
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Financial assets | | | | | | |
| Cash and cash equivalents | 40,511,089 | 35,098,571 | - | - | 40,511,089 | 35,098,571 |
| Trade receivables | 3,336,389 | 78,268 | - | - | 3,336,389 | 78,268 |
| Total expected inflows | 43,847,478 | 35,176,839 | - | - | 43,847,478 | 35,176,839 |
| Financial liabilities | | | | | | |
| Trade and other payables | 41,359,550 | 32,585,044 | - | - | 41,359,550 | 32,585,044 |
| Lease liabilities | 695,680 | 642,718 | 2,274,579 | 647,909 | 2,970,259 | 1,290,627 |
| Total expected outflows | 42,055,230 | 33,227,762 | 2,274,579 | 647,909 | 44,329,809 | 33,875,671 |
| Net inflow/(outflow) on financial instruments | 1,792,248 | 1,949,077 | (2,274,579) | (647,909) | (482,331) | 1,301,168 |

(f) Market risk management

Primary Health Tasmania is exposed to market risk through its use of financial instruments and specifically to interest rate risk which results from its operating and investing activities.

Interest rate risk

Primary Health Tasmania is exposed to changes in market interest rates through short and long term deposits. Primary Health Tasmania had no debt obligations that were exposed to interest rate risk.

Interest rate sensitivity

A sensitivity analysis has been performed on the movement in interest revenue. A +/- one per cent change in interest rate would impact interest income by an estimated \$405,000 (2022: \$315,000).

(g) Fair value of financial instruments

Fair value estimation

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

| | Note | 2023 | | 2022 | |
|------------------------------------|------|--------------------|-------------------|--------------------|-------------------|
| | | Net Carrying Value | Net Fair Value | Net Carrying Value | Net Fair Value |
| | | \$ | \$ | \$ | \$ |
| Financial assets | | | | | |
| Cash and cash equivalents | (i) | 40,511,089 | 40,511,089 | 35,098,571 | 35,098,571 |
| Trade receivables | (i) | 3,336,389 | 3,336,389 | 78,268 | 78,268 |
| Total financial assets | | 43,847,478 | 43,847,478 | 35,176,839 | 35,176,839 |
| Financial liabilities | | | | | |
| Trade and other payables | | 41,359,550 | 41,359,550 | 32,585,044 | 32,585,044 |
| Lease liabilities | | 2,970,259 | 2,970,259 | 1,290,627 | 1,290,627 |
| Total financial liabilities | | 44,329,809 | 44,329,809 | 33,875,671 | 33,875,671 |

(i) Cash and cash equivalents, trade receivables and trade and other payables are short-term instruments in nature whose carrying value is equivalent to the fair value.

Primary Health Tasmania Limited

Notes to the Financial Statements for the year ended 30 June 2023

Note 19 Auditor's remuneration

| | Note | 2023 | 2022 |
|--|------|---------------|---------------|
| | | \$ | \$ |
| Remuneration for the auditor for: | | | |
| Audit of financial report including grant acquittals | | 26,220 | 27,850 |
| Other audit services | | - | 9,600 |
| Total auditor's remuneration | (i) | 26,220 | 37,450 |

(i) Disclosed per invoices rendered to 30 June.

Note 20 Commitments

| | 2023 | 2022 |
|---|-------------------|-------------------|
| | \$ | \$ |
| Contractual commitments for operating expenditure at the end of the financial year but not recognised in the financial report, including GST: | | |
| • not later than 12 months | 26,132,986 | 35,988,010 |
| • between 12 months and 5 years | 28,515,022 | 5,377,952 |
| Total commitments for operating expenditure | 54,648,008 | 41,365,962 |

The contractual commitments relate to agreements to pay health service providers, under Primary Health Tasmania's commissioning model, over multiple years.

The company had no capital expenditure commitments at the end of the financial year.

Note 21 Company details

The registered office and principal place of business of Primary Health Tasmania is:
Level 2, 85 Collins Street
Hobart Tasmania

Major operating locations are:

| | | |
|---|---|--|
| Level 2, 85 Collins Street Hobart Tasmania | Level 1, 11 Alexandra Road Ulverstone Tasmania | Level 1, 182 - 192 Cimitiere Street Launceston Tasmania |
|---|---|--|

Primary Health Tasmania Limited

Directors' Declaration for the year ended 30 June 2023

The directors of the company declare that:

- 1 In the directors' opinion the financial statements and notes thereto are in accordance with the Corporations Act 2001 and:
 - (a) comply with Accounting Standards and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the financial position as at 30 June 2023 and the performance for the year ended on that date of the company.

- 2 In the directors' opinion, 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 the directors made pursuant to s295(5) of the Corporations Act 2001.

On behalf of the directors:



Mr Scott David Adams
Dated this 6th day of October 2023



Mr Graeme Bernard Lynch AM
Dated this 6th day of October 2023



INDEPENDENT AUDITOR'S REPORT

To the members of Primary Health Tasmania Limited

Opinion

We have audited the financial report of Primary Health Tasmania Limited, which comprises the statement of financial position as at 30 June 2023, the statement of 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 financial report of Primary Health Tasmania Limited has been prepared in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012, including:

- (a) giving a true and fair view of the company's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 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 company 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 (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.

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

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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 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.

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 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 the financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit

evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Wise Lord & Ferguson

WISE LORD & FERGUSON



REBECCA MEREDITH

Partner

Date: *6/10/2023*



OUR VISION
Healthy Tasmanians

OUR PURPOSE
Creating high quality
healthcare solutions with
the Tasmanian community