

# GPEX Ltd

# FINANCIAL

# STATEMENTS

For the 15 months ended **31 December 2016**

## CONTENTS

	Page
Directors' Report	2
Statement of Profit or Loss and Other Comprehensive Income	7
Statement of Financial Position	8
Statement of Changes in Equity	9
Statement of Cash Flows	10
Notes to the Financial Statements	11
Directors' Declaration	20
Auditors Independence Declaration under s.60-40 of the <i>Australian Charities and Not-for-profits Commission Act 2012</i>	21
Independent Audit Report	22

## General information

### Directors

The names of the Directors in office at any time during, or since the end of, the period are:

Names	Position	Since
Prof Paul Worley	Board Chair/Director	29 September 2015
Dr Richard Johns	Deputy Board Chair/Director	29 September 2015
Prof Michael Kidd	Director	29 September 2015
Hon Karlene Maywald	Director	29 September 2015
Karen Glover	Director	23 February 2016
Catherine Cooper	Director	23 February 2016
Dr Alison Edwards	Director	23 February 2016

Directors have been in office since the start of the financial period to the date of this report unless otherwise stated. Dr Richard Johns was the Chair of the Board at incorporation. On 23 February 2016, Prof Paul Worley assumed the role of Chair and Dr Richard Johns became Deputy Chair.

### Company secretary

Leigh Carpenter held the position of Company Secretary at the end of the financial period. Leigh has been the Company Secretary since 19 October 2015. Kenneth Redford was the Company Secretary from 29 September 2015 to 19 October 2015.

### Principal activities

The principal activity of GPEX Ltd during the financial period was to develop and deliver quality education and training services to general practice registrars.

No significant changes in the nature of the Company's activity occurred during the financial period.

The Directors note that 2016 was the first year of a three year contract to deliver an expanding Australian General Practice Training program (AGPT) service in South Australia. The Directors are of the opinion that the operating surplus will be reduced in the second and third years of the contract as registrar numbers and community placements increase.



## Short term objectives

The Company's short term objectives are to:

- ensure the sustainable future of the organisation
- increase the efficiency and measurable performance of GPEX' business practices
- increase the efficiency and measurable performance of GPEX's education development and training delivery programs
- address South Australian medical workforce needs in relation to training, practice placements, distribution and retention of general practitioners
- provide education and continuing professional development to GPEX supervising general practitioners and medical educators
- maximise opportunities for GPEX to pursue new activities or broaden existing programs to strengthen and build capacity, enabling a more robust and secure future consistent with the values and resources of the organisation
- innovatively collaborate with key stakeholders to promote improved health outcomes in South Australia
- provide cultural education and training through the development of collaborations with Aboriginal health agencies and practices
- accommodate increased numbers in AGPT program
- accommodate increased staff numbers and to provide state of the art infrastructure and facilities to better support general practice training in South Australia.

## Long term objective

The Company's objective is to advance the education and training of primary health care professionals for the benefit of the community, principally by delivering the requirements of the AGPT Program.

### Strategy for achieving this objective

To achieve these objectives, the Company has adopted the following strategies:

- deliver high quality responsive and forward thinking general practice education and training
- provide South Australia with a skilled and sustainable general practice workforce
- provide high quality vocational doctor training, including rural and remote medicine
- promote the company and exploring partnerships with likeminded organisations as relevant and appropriate
- plan for an optimal size and scope and efficient operating model for the company under the current environment in the context of the AGPT training delivery contract.
- provide a safe, supportive and effective working environment
- work collaboratively and cooperatively with other relevant organisations to respond to the changing medical environment.

## Payments and other benefits

No payments or benefits of a pecuniary value were received by any officers of the Company during the financial period.

## Members guarantee

The Company is incorporated under the Corporations Act 2001 and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum \$100.00 each towards meeting any outstanding obligations of the entity. At 31 December 2016, the total amount that members of the Company are liable to contribute if the Company wound up is \$200.00.



## Information on Directors



<b>Prof Paul Worley</b>	Director
Qualifications	MBBS (Adel), FACRRM, MBA (Adel), FRACGP, GAICD
Experience	Prof Paul Worley is an academic rural doctor and Dean of Medicine at Flinders University. He is a past President of the Rural Doctors' Association of SA (RDASA) and a previous national Vice President of ACRRM. In 2002, Paul was the inaugural Chair of the Board of Directors for Sturt Fleurieu General Practice Education and Training Ltd (SFET), and is also a Director of the equivalent organisation in the Northern Territory, NT General Practice Education (NTGPE). He has also served for over ten years as a Director of the Rural Health Education Foundation. In 2001, working with the Victorian Government, Paul founded and remains the Editor in Chief of the only international journal in his field, <i>Rural and Remote Health</i> .
Special Responsibilities	Board Chair



<b>Dr Richard Johns</b>	Director
Qualifications	MBBS, FRACGP
Experience	Dr Johns has worked in general practice for over 30 years largely as an owner/partner. He has held a range of roles with Southern Division of General Practice, General Practice Network South and Southern Adelaide Fleurieu Kangaroo Island Medicare Local (SAFKIML), largely in the continuing professional development field and other advisory roles. Dr Johns is a member of the Southern Adelaide Clinical Council for the Adelaide PHN. He serves as an RACGP examiner and a member of the RACGP Pre-Employment Structured Clinical Interview (PESCI) panel as well as chairing the Griffith Rehabilitation Hospital Medical Advisory Committee. Since 2002 he has served on the Board of SFET and was acting Chair from 2004. Dr Johns was the founding Chair of the GPEX Board from 29 September 2015 to 23 February 2016.
Special Responsibilities	Deputy Board Chair



## Information on Directors



<b>Prof Michael Kidd AM</b>	Director
Qualifications	FAHMS, FAICD, MBBS Hons (Melbourne), MD (Monash), DCCH (Flinders), DipRACOG, FRACGP, FACHI, FACNEM (Hon), FRCGP (Hon) UK, FRNZCGP (Hon) NZ, FAFPM (Hon) Malaysia, FHKCFP (Hon) Hong Kong, FCGPSL (Hon) Sri Lanka
Experience	Prof Michael Kidd is a general practitioner, medical educator and primary care researcher. He is Professor of Global Primary Care at Flinders University. From 2009 to 2016 he was the Executive Dean of Faculty of Medicine, Nursing and Health Sciences at Flinders University. He was previously Professor of General Practice and Head of the Department of General Practice at the University of Sydney. Michael served as President (and Chairman) of the World Organization of Family Doctors (WONCA) from 2013 to 2016 and President of the RACGP from 2002 to 2006. He serves as a current member of the Board of beyondblue, Therapeutic Guidelines Limited, Flinders Fertility, FCD Health and Cornerstone Health. Michael has extensive experience in the governance of general practice training organisations having been a foundation Board member of GP Synergy, as well as a member of the Board of Northern Territory General Practice Education (NTGPE), and a Director of the Australian Government's General Practice Education and Training (GPET).



<b>Hon Karlene Maywald</b>	Director
Qualifications	GAICD, FTSE, GDM&B
Experience	Hon Maywald is the Managing Director of Maywald Consultants Pty Ltd and Chair of the International Centre of Excellence in Water Resources Management. She is a Foundation Member of the Flinders University New Venture Institute Advisory Council, a Board member of SA Water, SFET and the Australian International 3 Day Event. Hon Maywald has had past experience as a Member of Parliament and Cabinet Minister and various advisory committee roles within both the public and private sectors. She is currently engaged by the South Australian Government as a Strategic Advisor, International Water Opportunities.



<b>Karen Glover</b>	Director
Qualifications	B Ed, MBA
Experience	Ms Glover is a Program Manager within the Aboriginal health theme, Wardliparingga, at the SA Health and Medical Research Institute and was previously CEO at Pangula Mannamurna Aboriginal health service in Mount Gambier SA for five years. Ms Glover has worked to improve Aboriginal health and quality of life over many years in her work life in both State and Commonwealth governments and non-government; and through various committees, steering committees and Councils with a focus on Aboriginal health, education, culture, wellbeing and reconciliation.



## Information on Directors



<b>Catherine Cooper</b>	Director
Qualifications	LL B, GDLP
Experience	Combining a legal and business background, Ms Cooper has significant expertise in areas such as strategic planning, project management, change management and corporate governance. She has extensive executive management experience across a broad industry base that includes Fosters Brewing Group, Elders Limited and Bendigo Bank. A professional company Director since 1999, Ms Cooper has wide involvement at board level both as a Chairperson and Director for a number of organisations including the Australian Fisheries Management Authority, Law Guard Pty Ltd, the Dairy Authority of SA and the SA Fisheries Council.



<b>Dr Alison Edwards</b>	Director
Qualifications	MBBS, DA(UK), FRACGP, FACRRM, FAICD
Experience	Dr Alison Edwards is a general practitioner based in Port Broughton, founding Chair of Country North SA Medicare Local Board and a current member of Port Broughton and District Hospital and Health Services Health Advisory Council. She is a Fellow of the Australian Institute of Company Directors and has served on the Board of RDWA, executive committee of RDASA, branch council of AMA (SA) and local, state and federal GP Division boards. She is the current Board Chair of Country SA PHN.

### Auditor's independence declaration

The auditor's independence declaration in accordance with the requirements under s.60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* for the period ended 31 December 2016 has been received and can be found on page 21 of the financial report.

### Meetings of Directors

During the financial period, 12 meetings of Directors (including committees of Directors) were held. Attendances by each Director during the period were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Dr Richard Johns	12	12
Prof Michael Kidd	12	10
Prof Paul Worley	12	12
Hon Karlene Maywald	12	11
Karen Glover	6	6
Catherine Cooper	6	5
Dr Alison Edwards	6	5



# Statement of Profit or Loss and Other Comprehensive Income

GPEX Ltd 2016 Financial Statements

For the 15 months ended 31 December 2016

	Note	2016 \$	2015 \$
Income	4	17,850,938	-
Direct training costs		(7,544,762)	-
Board costs		(151,004)	-
Employee benefits expense		(5,971,444)	-
Indirect training costs		(1,000,463)	-
Other expenses		(1,028,260)	-
Finance costs		(2,390)	-
Transition expenses		(550,504)	-
<b>Profit for the period</b>		<b>1,602,111</b>	-
Other comprehensive income		-	-
<b>Total comprehensive income for the period</b>		<b>1,602,111</b>	-
Retained earnings at 31 December 2016		1,037,111	-
ATSIH Strategic Plan Reserve		565,000	-
<b>Total comprehensive income for the period</b>		<b>1,602,111</b>	-



# Statement of Financial Position

As at 31 December 2016

	Note	2016 \$	2015 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	5	3,634,834	-
Trade and other receivables	6	69,725	-
<b>Total current assets</b>		<b>3,704,559</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b>3,704,559</b>	<b>-</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	7	1,620,892	-
Employee provisions	8	402,845	-
<b>Total current liabilities</b>		<b>2,023,737</b>	<b>-</b>
<b>Non-current liabilities</b>			
Employee provisions	8	78,711	-
<b>Total non-current liabilities</b>		<b>78,711</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>2,102,448</b>	<b>-</b>
<b>NET ASSETS</b>		<b>1,602,111</b>	<b>-</b>
<b>Equity</b>			
Retained earnings		1,037,111	-
ATSIH Strategic Plan Reserve		565,000	-
<b>TOTAL EQUITY</b>		<b>1,602,111</b>	<b>-</b>





# Statement of Changes in Equity

For the 15 months ended 31 December 2016

	<b>Retained Earnings \$</b>	<b>ATSIH Strategic Plan Reserve \$</b>	<b>Total \$</b>
<b>Opening balance 29 September 2015</b>	-	-	-
Profit for the period	1,602,111		1,602,111
ATSIH Strategic Plan Reserve	(565,000)	565,000	-
<b>Balance at 31 December 2016</b>	<b>1,037,111</b>	<b>565,000</b>	<b>1,602,111</b>



# Statement of Cash Flows

For the 15 months ended 31 December 2016

	Note	2016 \$	2015 \$
<b>Cash from operating activities</b>			
Operating grants		16,980,609	-
Other income		840,794	-
Interest		29,535	-
Payments to suppliers and employees		(14,216,104)	-
<b>Net cash provided by / (used in) operating activities</b>	9	<b>3,634,834</b>	-
Net increase / (decrease) in cash and cash equivalents held		3,634,834	-
Cash and cash equivalents at beginning of the period		-	-
<b>Cash and cash equivalents at end of the period</b>	5	<b>3,634,834</b>	-



# Notes to the Financial Statements

For the 15 months ended 31 December 2016

The financial report covers GPEX Ltd as an individual entity. GPEX Ltd is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia. The functional and presentation currency of GPEX Ltd is Australian dollars.

## Basis of Preparation

The Financial Statements are general purpose financial statements that have been prepared in accordance with the *Australian Accounting Standards* and the *Australian Charities and Not-for-profits Commission Act 2012*.

## 1. Summary of Significant Accounting Policies

### a. Income tax

The Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

### b. Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

#### Grant revenue

Grant revenue is recognised in the statement of profit or loss and other comprehensive income when the entity obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

Revenue from a non-reciprocal grant that is not subject to conditions is recognised when the entity obtains control of the funds, economic benefits are probable and the amount can be measured reliably. Where a grant may be required to be repaid if certain conditions are not satisfied, a liability is recognised at year end to the extent that conditions remain unsatisfied.

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

#### Interest revenue

Interest is recognised using the effective interest method.

#### Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

### c. Finance costs

Finance cost includes all interest-related expenses, other than those arising from financial assets at fair value through profit or loss.



# Notes to the Financial Statements

For the 15 months ended 31 December 2016

## 1. Summary of significant accounting policies continued

### d. Goods and Services Tax (GST)

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

Receivables and payable are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

### e. Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

### f. Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements.

### g. Economic dependence

GPEX Ltd is dependent on the Federal Government for the majority of its revenue used to operate the business. At the date of this report the Directors have no reason to believe the Federal Government will not continue to support GPEX Ltd.

### h. Adoption of new and revised accounting standards

The Company has adopted all standards which became effective for the first time at 31 December 2016, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company.



# Notes to the Financial Statements

For the 15 months ended 31 December 2016

## 1. Summary of significant accounting policies continued

### i. New Accounting Standards and Interpretations

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Company has decided not to early adopt these Standards. The following table summarises those future requirements, and their impact on the Company where the standard is relevant:

Standard Name	Effective date for entity	Requirements	Impact
AASB 15 Revenue from contracts with customers	1 January 2018	AASB 15 introduces a five step process for revenue recognition with the core principle of the new Standard being for entities to recognise revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the entity expects to be entitled in exchange for those goods or services. Accounting policy changes will arise in timing of revenue recognition, treatment of contracts costs and contracts which contain a financing element.	We do not believe there will be a material impact due to no current contracts with customers. The assessment of the potential accounting, disclosure and financial impact on adoption of the standard will continue up until the date of application.
AASB 1058 Income for NFP entities	1 January 2018	AASB 1058 supersedes all the income recognition requirements relating to private sector NFP entities, and the majority of income recognition requirements relating to public sector NFP entities. The timing of income recognition depends on whether such a transaction gives rise to a liability or other performance obligation, or a contribution by owners, related to an asset received by an entity. AASB 1058 applies when a NFP entity receives volunteer services or enters into other transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives.	Each revenue stream, including grant agreements are currently being reviewed to determine the impact of AASB 1058. We anticipate that some grant agreements which were previously recognised immediately on receipt may be able to be deferred until the performance obligation is satisfied.
AASB 16 Leases	1 January 2019	AASB 16 will cause the majority of leases of an entity to be brought onto the statement of financial position. There are limited exceptions relating to short-term leases and low value assets which may remain off-balance sheet. The calculation of the lease liability will take into account appropriate discount rates, assumptions about lease term and increases in lease payments. A corresponding right to use asset will be recognised which will be amortised over the term of the lease. Rent expense will no longer be shown, the profit and loss impact of the leases will be through amortisation and interest charges.	Whilst the impact of AASB 16 has not yet been quantified, the entity currently has \$232,684 worth of operating leases which we anticipate will be brought onto the statement of financial position. Interest and amortisation expense will increase and rental expense will decrease.



# Notes to the Financial Statements

For the 15 months ended 31 December 2016

## 2. Critical Accounting Estimates and Judgements

The Directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

### Key estimates - provisions

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

Where provisions for commitments and obligations cannot be made within the requirements of the Accounting Framework on recognising liabilities, a reserve has been created to clearly identify the relevant amount within Total Equity and the associated funds are deposited in a separate designated bank account.

## 3. ATSIH Strategic Plan Reserve

During 2016 GPEX received \$1,267,512 of grant funding from the Department of Health to deliver the Aboriginal and/or Torres Strait Islander Health (ATSIH) Strategic Plan project. At 31 December 2016, \$565,000 of this funding remained uncommitted and was held in a separate designated bank account for this purpose only.

In the opinion of the Directors, that \$565,000 can only be spent on delivering the ATSIH Strategic Plan and the funds are not available for any other purpose. In order to recognise this commitment and present a true and fair view to users of the General Purpose Financial Statements, the ATSIH Strategic Plan Reserve has been created.



# Notes to the Financial Statements

GPEX Ltd 2016 Financial Statements

For the 15 months ended 31 December 2016

	2016	2015
	\$	\$
<b>4. Revenue and other income</b>		
<b>Revenue from continuing operations</b>		
Operating grants	16,380,603	-
Transitional funding	600,006	-
Other revenue	840,794	-
Interest received	29,535	-
<b>Total revenue</b>	<b>17,850,938</b>	<b>-</b>
<b>5. Cash and Cash Equivalents</b>		
Cash at bank	2,958,834	-
Short-term deposits	676,000	-
<b>Total cash</b>	<b>3,634,834</b>	<b>-</b>
<b>6. Trade and Other Receivables</b>		
CURRENT		
Trade receivables	11,117	-
Prepayments	58,608	-
<b>Total current trade and other receivables</b>	<b>69,725</b>	<b>-</b>
<b>7. Trade and Other Payables</b>		
CURRENT		
Trade payables	320,705	-
Sundry creditors and accruals	440,087	-
Accrued teaching payments	860,100	-
<b>Total trade and other payables</b>	<b>1,620,892</b>	<b>-</b>



# Notes to the Financial Statements

For the 15 months ended 31 December 2016

	2016 \$	2015 \$
<b>8. Provisions</b>		
CURRENT		
Annual leave provisions	213,820	-
Long service leave provision	114,649	-
Personal leave provisions	74,376	-
<b>Total current provisions</b>	<b>402,845</b>	<b>-</b>
NON-CURRENT		
Long service leave provision	78,711	-
<b>Total non-current provisions</b>	<b>78,711</b>	<b>-</b>

## 9. Cash flow information

### Reconciliation of result for the period to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

Profit for the period	1,602,111	-
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:		
- (increase) / decrease in trade and other receivables	(11,117)	-
- (increase) / decrease in prepayments	(58,608)	-
- increase / (decrease) in trade and other payables	1,620,892	-
- increase / (decrease) in employee benefits	481,556	-
<b>Cashflow from operations</b>	<b>3,634,834</b>	<b>-</b>

## 10. Capital and leasing commitments

### Operating Leases

Minimum lease payments under non-cancellable operating leases:

- not later than one year	181,731	-
- between one year and five years	50,953	-
<b>Total operating leases</b>	<b>232,684</b>	<b>-</b>

Operating leases are for rental of the office building and office equipment.





# Notes to the Financial Statements

For the 15 months ended 31 December 2016

## 11. Financial risk management

The Company is exposed to a variety of financial risks through its use of financial instruments.

The Company's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets. The most significant financial risks to which the Company is exposed to are described below:

- Liquidity risk
- Credit risk
- Market risk - currency risk, interest rate risk and price risk.

### Financial instruments used

The principal categories of financial instruments used by the Company are:

- Trade receivables
- Cash at bank
- Trade and other payables.

#### a. Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to GPEX Ltd and arises principally from GPEX Ltd's receivables.

It is GPEX Ltd's policy that all customers who wish to trade on credit terms undergo a credit assessment process which takes into account the customer's financial position, past experience and other factors. Credit limits are then set based on ratings in accordance with the limits set by the Board of Directors, these limits are reviewed on a regular basis.

#### b. Liquidity risk

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

- preparing forward-looking cash flow analysis in relation to its operational, investing and financial activities which are monitored on a monthly basis;
- monitoring undrawn credit facilities;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets, and
- only investing surplus cash with major financial institutions.

Typically, GPEX Ltd ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days.

The available funds to the Company are discussed in note 9.

#### c. Interest rate risk

The Company is not exposed to any significant interest rate risk.



# Notes to the Financial Statements

For the 15 months ended 31 December 2016

## 12. Fair value measurement

### Net Fair Values

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

Fair values derived may be based on information that is estimated or subject to judgement, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgement and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted market bid prices. Where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

	<b>2016</b> <b>Net Carrying</b> <b>Value</b> \$	<b>2016</b> <b>Net Fair</b> <b>Value</b> \$	<b>2015</b> <b>Net Carrying</b> <b>Value</b> \$	<b>2015</b> <b>Net Fair</b> <b>Value</b> \$
<b>Financial assets</b>				
Cash and cash equivalents	3,634,834	3,634,834	-	-
Trade and other receivables	69,725	69,725	-	-
<b>Total financial assets</b>	<b>3,704,559</b>	<b>3,704,559</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities</b>				
Trade and other payables	1,620,892	1,620,892	-	-
<b>Total financial liabilities</b>	<b>1,620,892</b>	<b>1,620,892</b>	<b>-</b>	<b>-</b>



# Notes to the Financial Statements

For the 15 months ended 31 December 2016

## 13. Key Management Personnel disclosures

The totals of remuneration paid to the key management personnel of GPEX Ltd during the period are as follows:

	2016 \$	2015 \$
Short-term employee benefits	1,287,129	-
Post-employment benefits	47,434	-
<b>Total remuneration to key management personnel</b>	<b>1,334,563</b>	<b>-</b>

## 14. Auditors' remuneration

	2016 \$	2015 \$
Auditing the financial statements	17,500	-
Preparation of financial statements	3,000	-
<b>Total auditor's remuneration</b>	<b>20,500</b>	<b>-</b>

## 15. Related parties

**The Company's main related parties are as follows:**

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. The following transactions occurred with related parties:

	Purchases	Sales	Other transactions	Balance Outstanding to the company	Balance Outstanding by the company
<b>Key Management Personnel (Board Directors) related parties</b>					
Sturt Fleurieu	1,873,835	172,132	-	-	-
Flinders University	42,365	-	-	-	-
Kingston Family Clinic	58,500	-	-	-	-

## 16. Company details

The registered office of and principal place of business of the Company is:

GPEX Ltd  
132 Greenhill Road  
Unley SA 5061



# Directors' Declaration

The Directors of the entity declare that:

- 1. The financial statements and notes, as set out on pages 7 to 19, are in accordance with the *Corporations Act 2001* and:
  - a. comply with Australian Accounting Standards; and**
  - b. give a true and fair view of the financial position as at 31 December 2016 and of the performance for the fifteen months ended on that date of the entity.****
  
- 2. In the Directors' opinion, there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.**

This declaration is made in accordance with a resolution of the Board of Directors.

Director .....

Director .....

Dated this ..... day of ..... 2017



**Bentleys SA Audit Partnership**

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bentleys.com.au

**GPEX Ltd**

**Auditors Independence Declaration under s.60-40 of the Australian Charities and Not-for-profits Commission Act 2012 to the Directors of GPEX Ltd**

I declare that, to the best of my knowledge and belief, during the period ended 31 December 2016, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



David Francis

Partner

Dated this 22nd day of February 2017

## **INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF GPEX LTD**

### **Report on the Audit of the Financial Report**

#### **Opinion**

We have audited the financial report of GPEX Ltd (the Company), which comprises the statement of financial position as at 31 December 2016, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period 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 GPEX Ltd is in accordance with the *Australian Charities and Not for Profits Commission Act 2012* including:

- i. giving a true and fair view of the entity's financial position at 31 December 2016 and of its performance for the period ended on that date: and
- ii. complying with Australian Accounting Standards and *the Australian Charities and Not for Profits Commission Regulations 2013*.

#### **Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report.

We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* 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 confirm that the independence declaration required by the *Australian Charities and Not for Profits Commission Act 2012*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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 of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not for Profits Commission Act 2012* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

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

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

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

Bentleys SA Audit Partnership



David Francis

Partner

Dated this 22<sup>nd</sup> day of February 2017