



AusHealth®

ANNUAL REPORT

2022

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**AusHealth Corporate PTY LTD**  
Greg Johannsen, Managing Director

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**Trading Address**  
65 Hardys Road  
Underdale  
Adelaide  
South Australia

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**No of Employees**  
312

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**Tax Year**  
2021/22

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**Business Description**  
An Australian-owned health and wellbeing organisation.

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## INNOVATION IN WORKER HEALTH, HOSPITAL FINANCE MANAGEMENT & HEALTH RESEARCH COMMERCIALISATION.

During 2021/22 we fundamentally changed our business and developed new ways to serve and benefit the wider community. With the new tools in place and a strategy for growth, we're set to deliver safer workplace practices, better hospital finance management and new medical treatments .

## TOGETHER WE'RE WORKING TODAY FOR A HEALTHIER TOMORROW.

# Working today for a **healthier** tomorrow.

**AusHealth®** was established in 1985 as a company owned by the Royal Adelaide Hospital and the Institute of Medical and Veterinary Science. The unique purpose of the company is to generate funds to support and develop cutting edge medical technologies which have been invented by highly skilled doctors, researchers and staff of the Central Adelaide Local Health Network (CALHN).

We have been very successful at doing this, returning millions of dollars to our shareholder, **Central Adelaide Local Health Network (CALHN)**, to support medical research in South Australia and has commercialised 3 major entities with a net value of over A\$1.7 billion. One of these entities, Mesoblast Ltd, is now the world's largest regenerative medicine company. **AusHealth®** receives no federal or state government funding.

Since 1985, **AusHealth®** has returned **\$47 million** of its own profits to pain management, cancer and diabetes research and other enabling technologies - some totalling a worth of \$2 billion.

Today, the company provides services, products, and consultation for researchers, workplaces, hospitals and healthcare through its three divisions.

In doing so, funds up to 14 pieces of Australian-led medical technology at any given time.

We pride ourselves on only involving ourselves in initiatives that seek to benefit the wider community. As our service offerings continue to grow, and we find more ways to serve the Australian community, we stay committed to our key goal – **to work today for a better tomorrow.**

In 2021-22,  
AusHealth Work  
delivered 1.5 million  
COVID-19  
vaccinations

\$1.7b

## Economic Impact

AusHealth has assisted a number of Australian companies, collectively valued at \$1.5 billion, to achieve licensing of intellectual property.

\$23m

## Returned to Australian Hospitals

AusHealth now serves over 80 hospitals nationally across five states, saving millions in lost and unpaid

1m+

## Workplace drug and alcohol tests conducted

AusHealth has sold and conducted more than a million drug and alcohol tests since 2020, helping create safe workplaces across Australia.

\$47m

## Towards SA medical research

AusHealth has provided over \$47 million, commercialising new medical technologies from researchers at the Royal Adelaide Hospital, the Queen Elizabeth Hospital and SA Pathology.





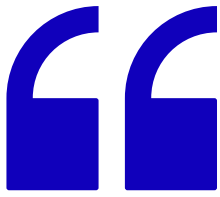
Special mention and our appreciation to all the AusHealth agency staff for playing such an integral role in working with the Metro South Health COVID Vaccination Program and helping the centre run so smoothly even on the busiest days. The team always provided us with assistance no matter how great or small and usually with limited notice, especially on press conference days with The Premier, Chief Health Officer and Health Minister and including multiple other VIP visits. There were of course also

the weather events including a Tornado, floods, and roof collapses, which again, staff went above and beyond to ensure continuity of service of the centre. Thank you, once again, for partnering with the Metro South Health COVID-19 Vaccination Program, we appreciate the significant contribution AusHealth has made in delivering this vital public health response.

**Rachael James A/Assistant  
Director of Nursing Metro South  
Health COVID-19 Vaccination  
Program**



YEAR IN REVIEW



AUSHEALTH CONDUCTED  
OVER 2.6 MILLION  
RAPID ANTIGEN TESTS  
NATIONALLY, 24/7 FROM  
2021 THROUGH TO  
2022 FOR COMPANIES  
INCLUDING ARTC, PACIFIC  
NATIONAL, DETMOLD,  
MIRVAC AND TOLL.



## MANAGING DIRECTORS MESSAGE

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Greg Johansen, Managing Director & CEO AusHealth has a Master of Business Administration, Bachelor of Applied Science; Pharmacology. Greg is a Fellow of Australian Marketing Institute and the Australian Institute of Company Directors.

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I am pleased to announce the greatest result since our formation in 1985 in terms of revenue, net profit, hospital debt recovery and the most important of all, medical research outcomes.

Because of ongoing lock downs affecting the drug and alcohol business in 2021, AusHealth pivoted quickly and created nursing vaccinations, rapid antigen testing, labour hire, debt maximisation and other opportunities resulting in \$23.1 million in revenue and \$4.3 million in net profit before research commitments.

### **Our COVID-19 vaccination response**

AusHealth was involved in the vaccination effort in response to COVID-19 and was awarded 'preferred supplier' for Queensland Health in 2021. We were involved in 1.486 million COVID-19 vaccination encounters in key sites across South East Queensland including the Logan Entertainment Centre, Brisbane Convention Centre, Rocklea Showgrounds, Logan Hospital, and Capalaba Place Hall. For this work, AusHealth was awarded a commendation from Queensland Health and awarded the opportunity to provide ongoing COVID-19 vaccinations for the Commonwealth Government.



AUSHEALTH PIVOTED QUICKLY  
DURING COVID AND CREATED  
NURSING VACCINATIONS, RAPID  
ANTIGEN TESTING, LABOUR HIRE,  
DEBT MAXIMISATION AND OTHER  
OPPORTUNITIES RESULTING IN A  
RESULT OF \$23.1 MILLION IN REVENUE  
AND \$4.3 MILLION IN NET PROFIT.

### **Rapid antigen onsite screenings**

AusHealth conducted over 2.6 million rapid antigen tests nationally, 24/7 from 2021 through to 2022 for companies including ARTC, Pacific National, Detmold, Mirvac and TOLL.

### **Keeping emergency services employees safe**

AusHealth was the preferred supplier of mask fit testing for the reporting period, conducting over 20,000 tests to keep front-line employees and students safe. This included Ambulance Victoria, SA Health, Adelaide University, SA Dental, Terry White Pharmacies, DASA, GP Clinics, SA Corrections, Aboriginal Health Council, ASPEN Health and Department of Justice and Community Safety Victoria.

### **\$23 million returned to hospitals**

Last year, AusHealth returned \$23 million of Medicare-ineligible debt to Australian hospitals and health networks, including The Royal Adelaide Hospital, Metro South Health, Metro North Hospital and Health Service, Darwin and Alice Springs Hospital, Alfred Hospital, Austin Hospital, Sunshine Hospital and Health Service, Canberra Metro and West Moreton Hospital. This was the largest return

of Medicare ineligible funds to hospitals on record. This has resulted from our continuing drive to develop and implement debt recovery innovations that ultimately maximise the debt recovery opportunity for hospitals.

### **\$1.9 million invested into research in 2022**

AusHealth invested \$1.9 million of net profit to support research and Intellectual Property Commercialisation during the financial year of 2022. With many projects nearing their critical launch phase, AusHealth hopes to announce important research outcomes for cancer, pain relief, diabetes and antibiotics over the next 12 months.


### **Looking forward**

AusHealth is aiming to continue to develop businesses linked to health, complementing our existing business portfolio. This will include more digital services, clinical coding for hospitals and manufacturing new medical devices to meet the demands of our clients and to support our vision of bringing innovation to life.

**GREG JOHANSEN**

Managing Director & CEO





AusHealth engaged workforce of 78 nurses 24/7 nationally during the pandemic.

## OUR KEY ACHIEVEMENTS FOR FY22

1

### **\$23 MILL**

#### **Debt returned to hospitals:**

The largest return of Medicare-ineligible funds to hospitals on record.

2

### **1.5 MILL**

#### **Vaccination encounters:**

AusHealth was involved in the vaccination effort in response to COVID-19 and was awarded 'preferred supplier' for Queensland Health in 2021.

3

### **2.6 MILL**

#### **On-site rapid antigen tests:**

AusHealth was involved in the deployment of over 78 nurses nationally to administer rapid antigen, on site screening for workplaces.

4

### **\$1.9 MILL**

#### **Invested into medical research:**

AusHealth invested \$1.9 million of net profit to support research and Intellectual Property Commercialisation during the FY22.



## OUR FUTURE

### ACHIEVING CHARITY STATUS FOR AUSHEALTH RESEARCH

One of the company's most prominent achievements this year was the establishment of our charity, The AusHealth Hospital Research Fund (AHRF).

This entity signifies the natural next step for the company, as we aim to continue to support and protect our research efforts, and to push them towards commercialisation.

By establishing the AHRF, we are able to vie for external grants, such as the Federal Government's Medical Research Future Fund, which supports researchers across the country each year.

It also gives us an edge over university research projects, in that minimal funding goes into administration commissions, and we have established pathways to patient trials.

Ultimately, we hope that the AHRF will allow us to provide services to both South

Australian and interstate hospitals, while opening up a virtual circuit opportunity to serve these establishments through our Work and Hospitals divisions – whether it be through debt collection, drug testing, or staff vaccinations.

We hope that through the AHRF, we can keep research funding and development in Australia.

The AHRF is set to be launched to the public in late 2022.

### CLINICAL CODING

In 2022, we saw our Hospitals division expand its service offering into Clinical Information Transformation services, known among healthcare providers as Clinical Coding.

The need for the service came from the realisation of lost revenue in hospitals due to incorrect coding practices for medical services into customer billing.

In 2022, AusHealth Hospitals on boarded Dr Paul Tridgell as our new Clinical Information Transformation specialist.

Dr Tridgell brings over 20 years of experience in analysis of variation in clinical coding practice, health funding and compliance, and specially developed coding software.

AusHealth's Clinical Information Transformation service is expected to launch in 2023.



## DIGITAL TRANSFORMATION

As the company continues to expand its service offerings, onboard new clients and hire a larger internal workforce, we've seen it important to update our digital portfolio to create a better customer experience for our stakeholders, clients and researchers. Part of this plan has been to update the company website to a more simplified, user-friendly experience.

The new site was launched in June of 2022.

The new site allows users to easily find and enrol themselves in listed courses, seek assistance on a debt recovery case, or learn more about our research efforts. Further down the track, visitors will also be able to donate to a research cause directly through the website.

We not only believe that this new site will be easily accessible to clients and in-house staff but will establish a much higher degree of brand trust to new customers.

Looking forward into the next financial year, we aim to add more, quick-selling products through an enhanced online store, to establish a greater brand presence on social media and connect to new audiences. We believe that in doing so, we can gain a greater advantage over our competitors.

mobile phone, lessening the strain on our customer service team.

The app will also be able to accurately track collector movements, so travel expenses can be accurately billed, and so clients can keep up to date with job arrivals.

We also expect the app to reduce company expenditure on on-call customer service workers, and increase revenue-based productivity by ensuring we have the closest possible collector to a job site.

In addition, we hope that the app will increase client and collector satisfaction by having a portal to login, order or accept a job, monitor or change job details, and access live reporting.

The AusHealth ID&A project is expected to launch within the next financial year, with the app to become available for download on the iOS App Store.

## IDNA ON-SITE DATA CAPTURE PLATFORM

Lastly, AusHealth has developed a new smartphone and tablet application to be used by our collectors all across Australia.

The AusHealth ID&A project allows drug and alcohol collectors to conveniently view, accept and complete jobs through their

**AUSHEALTH INTRODUCED NEW SOFTWARE PLATFORMS IN 2021 DESIGNED TO INCREASE EMPLOYEE PRODUCTIVITY AND CLIENT EXPERIENCE.**



# AusHealth<sup>®</sup> Work

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## Keeping workplaces safe, happy and healthy.

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In 2021, AusHealth Work had the highest recorded year, in terms of work outputs, revenue, net profit, and the largest company workforce.

However, we were still met with challenges. Our drug and alcohol testing service was severely impacted by nation-wide lock downs and client site policies. This ultimately resulted in a 50% downturn in revenue, which steadily maintained for around 18 months.

However, we met these challenges by introducing vaccinations, labor nurse hire, mask fit testing, and expanding online medical device sales.

We started the pandemic with temperature testing, and then moved on to providing Rapid Antigen Testing (RAT) as a service. We were one, if not the first across Australia to sell RATs on our online store – in fact, we were overwhelmed with orders, selling over 1 million tests over 12 months. We then adapted to provide mask fittings, of which we now have national contracts.

The Division also delivered 1.5 million COVID vaccinations and on boarded 78 nurses.

In Queensland, we delivered vaccinations for Metro South Health, Queensland Health, and we on boarded 26 people as fit testing personnel for SA Health.

We've expanded our current successful relationships with SA Health, maintained a high level of customer service, and we've continued to grow our drug and alcohol business to be the largest in the country. AusHealth Work has also expanded its customer service fulfillment capacity in order to meet the increased demand of product to stock and fulfill – which doubled in the last 12 months.

The division has also sold more than 1.1 million units of product in a short six-month time frame. Prior to this, AusHealth Work's highest sales capacity was 600 units in a single year.

In the last two years, we've been growing our toxicology team. We hired Dylan Marsh, our Toxicologist and AusHealth Work's Manager of Science & Quality, almost two years ago. We employed him while he was finishing his PhD, and we helped him move straight from University into a job. Similarly, we hired Toby Branson as our Work Health & Science Associate.

We're passionate about finding people with real talent and bringing them to AusHealth to work and really understand what we're trying to accomplish.

This year, we had a net profit of \$2.7 million with turnover of \$17.2 million with services delivered and vaccinations collectively. Net profit against target was up 566% and growth on revenue was up 178%.

**Our goal is to be the best Work Health and Wellness company, and to innovate work health for a safer tomorrow.**

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## Looking forward

AusHealth Work has a number of exciting projects we are working towards in the next financial year.

### TELEHEALTH SERVICE

AN ONLINE MEDICAL  
TELEHEALTH SYSTEM  
FOCUSSED ON  
WORKPLACE NEEDS.

### MEDICAL DEVICES

CHEAPER AND BETTER  
DRUG AND ALCOHOL  
TESTING DEVICES.

### MEDICAL MARKETPLACE

AN IMPROVEMENT IN  
ONLINE PURCHASING  
FOR CLIENTS AND  
CONSUMERS.





OUR GOAL  
IS TO BE  
THE BEST  
WORKER  
HEALTH AND  
WELLNESS  
COMPANY.

— John Stedman  
AUSHEALTH WORK

AUSHEALTH WORK CONDUCTED  
OVER 20,000 MASK TESTS INCLUDING  
AUSTRALIAN BORDER FORCE.



# AusHealth<sup>®</sup> Hospitals

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## National leaders in health debt collection and receivables management.

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AusHealth Hospitals is a specialist provider used by major health care services across Australia to manage their health debt collection and receivables management.

In 2022 we were there to help a number of healthcare professionals including:

- Public and private hospitals
- General and specialist clinics
- Allied health
- Ambulance and Royal Flying Doctor services
- Aged care residential and retirement communities
- Physiotherapy, dental, optometry and optical dispensing
- Pathology and diagnostic imaging
- Transport & motor-vehicle third-party insurance

Our Efficient processes lead to maximised profits.

With Australia inducing hard restrictions on overseas visitor applications and international lock downs due to COVID-19, it was anticipated that AusHealth Hospitals could experience pressure on its revenue forecasts.

However, with many international visitors, students and working holiday VISA holders choosing to stay in Australia during the lock down period, the Hospitals division continued business sustainably.

In fact, the division grew its business to onboard many new clients during the 2021-22 period, including Metro South Health and Metro North Health, Queensland.

New Hospitals services were also introduced, responding to gaps in the market of which we were well positioned to fill.

This year we very proud to have returned \$23 million of Medicare ineligible debt to Australian hospitals, including The Royal Adelaide Hospital, Metro South Health, Metro North Hospital and Health Service, Darwin and Alice Springs Hospital, Alfred Hospital, Austin Hospital, Sunshine Hospital and Health Service, and West Moreton Hospital.

This was the largest return of Medicare ineligible funds to hospitals on record. This has resulted from our continuing drive to develop and implement debt recovery innovations which ultimately maximise the debt recovery opportunity for hospitals. Our services have been refined to optimally

meet our hospital and health care clients needs.

We are proud of our expanded body of work which now includes for our valued clients:

- Obtaining lost medical debt.
- Providing hands-on financial support for patients.
- Reducing patient complaints and disputes.
- Mitigating the time and financial strain spent on managing complex, challenging accounts,
- Reducing errors and quality issues in clinical coding,

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## Looking forward

AusHealth Hospitals has a number of exciting projects we are working towards in the next financial year.

### CLINICAL CODING

EXTENDING OUR SERVICE OFFERING TO AUSTRALIAN HOSPITALS WITH EXPERT CLINICAL CODING SERVICES.

### DEBT FINANCING

OFFERING LONG TERM PAYMENT SOLUTIONS TO MEDICARE INELIGIBLE PATIENTS.



A close-up photograph of a female healthcare worker, likely a nurse, smiling. She is wearing blue scrubs and has a blue stethoscope around her neck. A name tag on her chest reads "Alex Anders". She is holding a clipboard with a green and white geometric pattern. The background is a soft-focus clinical setting.

“

THIS YEAR WE ARE  
VERY PROUD TO  
HAVE RETURNED  
**\$23 MILLION**  
OF MEDICARE  
INELIGIBLE DEBT  
TO AUSTRALIAN  
HOSPITALS WITH  
A 90% AVERAGE  
RECOVERY RATE\*.

\*Accelerator Program

—  
Stefan Moro

AUSHEALTH HOSPITALS



# AusHealth<sup>®</sup> Research

## Making our mark on medical history.

Despite the challenges presented by COVID-19, AusHealth Research has continued to work closely with researchers to move our research projects efforts forward so as to commercially translate these important medical technologies.

We also have a number of new initiatives in the works that are being developed to address globally important diseases. We're passionate about furthering our developments towards improving the treatment and diagnosis of many important diseases, such as cancer, diabetes, antibiotic resistant bacterial infections, as well as pain management.

Our APOMAB collaboration with Telix Pharmaceuticals is progressing well, with clinical trials being undertaken at the Royal Adelaide Hospital to assess the feasibility of the treatments moving forward.

Our diabetes projects are progressing through proof-of-concept studies, with the hope that these will deliver novel treatment outcomes for patients. We have also assisted with the establishment of the Adelaide Phage Therapy Centre, which is using bacterial viruses to target many important diseases resulting from antibiotic resistant bacterial infections in patients. The problem of growing antibiotic resistance is an issue of global concern. The Adelaide Phage Therapy Centre is a collaborative initiative between the University of Adelaide and the Central Adelaide Local Network, supported by AusHealth.

Our technology for pre-natal screening continues to be developed, by verifying the utility of the technologies in large cohort studies, funded by AusHealth. Our expectation is that these studies will develop into new screening platforms which will be widely used in the medical field.

We continue to receive positive feedback from a number of Australian universities regarding our collaborative efforts to develop a variety of projects, and we continue to be approached for other project collaborations. We have funded projects arising from research conducted at these universities, in collaboration with researchers and clinicians at the Central Adelaide Health Local Network (CAHLN) researchers, utilising our specialised skills in supporting and managing proof-of-concept (POC) studies. Our expectation is that these studies will develop into new technology platforms which will be widely used in the medical field.

However, a primary focus of our efforts is to continue to support CAHLN with their research efforts, and in the protection of their intellectual property. We have responded to such demand in the past 12 months by expanding our research team. We have on boarded Research Associates, Dr Stefan Enderling and Ms Ellen Swan, into our Adelaide office, who bring expertise in the engineering and drug fields. We have also increased our engineering capabilities to manufacture our medical devices locally in South Australia.

We continue to be focused on finding and developing medical technologies that promise to benefit the Australian and global community.

## STAGES OF RESEARCH

### Innovation

#### STAGE 1

We analyse the merit of the project and its place in the market and conduct due diligence. We then develop a commercial development strategy for commercial translation, shortening time-to-market, maximising potential benefit revenues, and protecting intellectual property.

### Preclinical proof of concept

#### STAGE 2

We provide funding to undertake pre-clinical and/or in-vivo testing, prototyping and optimisation of the project, assessing the safety risks and pushing towards marketability.

### Clinical proof of concept

#### STAGE 3

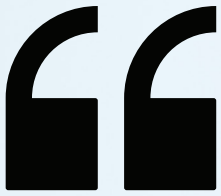
We collaborate with top clinicians, medical researchers and hospital staff to plan, execute and position the technology for testing in human clinical trials and/or commercial-scale manufacturing of the project.

### Available in the market

#### STAGE 4

We package and present the developed technology to the healthcare market, all the while rewarding inventors and reinvesting our commission back into new and ongoing AusHealth medical research.





WE CONTINUE TO RECIEVE POSITIVE  
FEEDBACK FROM A NUMBER OF AUSTRALIAN  
UNIVERSITIES REGARDING OUR EFFORTS TO  
DEVELOP A NUMBER OF PROJECTS, AND WE  
CONTINUE TO BE APPROACHED FOR OTHER  
PROJECT COLLABORATIONS.

—  
Greg Johannsen

AUSHEALTH MANAGING DIRECTOR

## OUR FUNDING MODEL

Unlike some other commercialisation initiatives, we do not require the formation of a company to develop medically important technologies. We partner with researchers from the very beginning to eventual commercialisation – keeping funding, resources and final products all within Australia, without sequestering the IP in a company vehicle.

As a profit for purpose company, we're proud to assist guiding our projects through the infamous 'Valley of Death' – an expensive and time-consuming process that is often unsuccessful and which leads to many important medical technologies never being translated for the benefit of the community.

While we continue to be approached from a variety of researchers with new medical technologies, we carefully select our projects for funding based on their merit, technical feasibility and place in the market, through extensive due diligence. If we consider a project worthy of our funding, we develop a technology development strategy for commercial translation, ultimately shortening the time-to-market, maximising returns to the community and protecting intellectual property.



# AusHealth<sup>®</sup> Research

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## Key achievements

### APOMAB

AusHealth's flagship project, APOMAB, is progressing towards its goal of becoming a platform technology for the treatment and diagnosis of cancers.

Through our collaboration with Telix Pharmaceuticals, the project is currently in the clinical trial stage, assessing the technology for both treatment and diagnosis in cancer patients.

In a traditional case, a cancer patient will often undergo chemotherapy or radiotherapy treatment to kill cancer cells without ultimately knowing if the treatment has worked.

The APOMAB technology utilises the discovery that dead or dying cancer cells targeted by chemotherapy or radiotherapy express a unique surface molecule which can be targeted by the APOMAB antibody.

The technology enables radiotherapy to be delivered to the cancer cells directly using a radiolabelled form of the antibody and also allows imaging of the cancers to track treatment.

This means treatment can be delivered with greater efficiency and accuracy.

AusHealth has supported the development of the APOMAB technology since 2015, and a collaboration and technology licensing agreement is in place between AusHealth and Telix Pharmaceuticals to continue the development of this important technology.

### Spider Venom

While there can be many types of gut and abdominal pain, one of the most common is chronic abdominal pain, which occurs for example as a result of irritable bowel syndrome (IBS).

However, finding effective treatments to target gut pain without affecting gut function is particularly challenging.

AusHealth is supporting studies into whether novel peptides originating from spider venom can specifically block gut pain receptors and treat chronic abdominal pain. Spider venom contains many types of peptides capable of inhibiting some ion channels involved in pain, including ion channels involved in gut pain. AusHealth is supporting the development of novel peptides with improved specificity, and we will conduct proof of concept studies to determine the activity of the peptides on gut pain and gut function. The goal is to develop more specialized pain blockers that target chronic visceral pain.

One of the benefits of the technology is that it is expected that the treatment will be a non-addictive solution to prolonged pain management of gut conditions.

## Bowel Cancer Screening

Every two years, Australians over the age of 50 are encouraged to take a test to screen for bowel cancer.

The current screening utilises the faecal occult blood test (FOBT), which screens for the presence of blood as a potential marker for bowel cancer. However, the test is not determinative of the presence of cancer and has a low compliance rate.

Researchers from The University of Adelaide have identified a marker protein in blood that correlates with the presence of bowel cancer. AusHealth is supporting a proof of concept study to validate the test by confirming that the test works in a larger independent cohort of bowel cancer samples.

This test could provide a much more accurate test for the presence of bowel cancer – including the staging of the cancer. Like all bowel cancer screening, a colonoscopy will still be required following a positive test, but the test is likely to have a much higher accuracy for detecting cancers and an improved level of compliance, as it will only require the taking of a blood sample.

AusHealth and The University of Adelaide believe the discovery could replace the FOBT thereby greatly improving screening compliance and potentially leading to earlier detection (and subsequent treatment) of bowel cancer.

## Platypep

Type 2 diabetes occurs when the body becomes resistant to the normal effects of insulin and gradually becomes unable to produce enough insulin in the pancreas. The ailment represents 85–90 percent of all diabetes cases. However, a new treatment is being developed in Australia's very own backyard.

AusHealth is supporting proof of concept studies to demonstrate the role of agents present in the venom of platypuses to more effectively treat Type 2 diabetes.


Male platypuses have venom producing spurs which are used to subdue competing males during mating. One of the ways this venom works on the competing males is to lower their blood glucose, which affects their ability to fight. The Platypep technology is based on the principle that the active agents in the venom can be utilized to develop an improved therapy for Type 2 diabetes.

One of the world's most important blood glucose lowering agent for treating diabetes is Exenatide, a glucagon-like peptide 1 (GLP1) analogue derived from the saliva of the Gila Monster – a reptile found in Japan.

Closer to home, the active agent in the platypus venom has been identified to be a related GLP1 hormone agent, which is postulated to have a similar effect as Exenatide but with an enhanced stability.

The research supported by AusHealth involves modifying the hormone to produce more effective treatments for Type 2 diabetes with reduced side effects, and to test the activity in animal models of diabetes.





AusHealth uses the venom of the Australian tarantula to treat pain

## Targeting regulators of metabolism to treat diabetes

This is a newly conceived project to explore the treatment for diabetes by utilising the expression of certain novel drugs in new target tissues. The project seeks to determine the possibility of selective inhibition of metabolic regulators to increase insulin secretion and improves glucose tolerance.

AusHealth is support the funding of the development of a new drug targeting platform technology and also funding proof of concept testing in animal models of diabetes.

## The Adelaide Phage Therapy Centre

It has long been recognised that the natural characteristics of phages enable their use for treating illnesses arising from bacterial infections. Phages have exquisite selectivity for their specific host bacterium, and can kill the host bacterium upon infection.

The Adelaide Phage Therapy Centre has been established based on technology developed by the University of Adelaide and the Central Adelaide Local Health Network (CAHLN). The Centre was created in 2020 to find effective treatments for some of the most common and hard-to-treat bacterial infections – including antibiotic-resistant bacterial infections.

The Centre has an expanding biobank of phages against a variety of clinically important bacteria. AusHealth is providing funding and services to establish the operations of the Centre.

The Adelaide Phage Therapy Centre is currently seeking regulatory approval for the use of this new class of antibacterial agents in humans, and anticipates being able to provide phage to hospitals and companies for use in treatment in the near future.

## Carmenta Pregnancy Screening

For around 30 years, pre-natal testing for the Down Syndrome has relied on 'a triple-test', measuring certain blood markers and specific characteristics of a developing foetus. If the testing indicates the possibility of a Down Syndrome pregnancy, then typically further genetic or chromosomal testing can be performed to determine whether the pregnancy is affected or unaffected.

AusHealth's Carmenta technology aims to provide an easier and more accurate screening test without relying on measuring the characteristics of the developing foetus.

Researchers from SA Pathology at the Women's and Children's Hospital have discovered that a blood sample from a mother with a Down Syndrome pregnancy has an altered profile of lipids (fats) in the blood which can be detected to assess the risk of Down Syndrome. The technology utilises state of the art mass spectrometry to detect the altered lipids.

AusHealth has partnered with the SA Pathology to fund the research and provide commercial development.

Carmenta technology is currently undergoing large-scale validation and the technology is expected to be commercially developed in the near future.

# AusHealth Board

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**Michael Reid**

**DIRECTOR OF THE BOARD**

A new addition to the AusHealth Board, Michael Reid has a rich career in the Australian healthcare system.

Between 1997-2002, Reid held the position of New South Wales Health Minister. From 2008-2011, he was the Director General for Queensland Health.

He has a consulting company, Michael Reid & Associates, of which he has undertaken health and science projects throughout Australasia, for governments in Asia, the Pacific and within UN organisations.



**Greg Johansen**

**MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER**

Greg Johansen is the Managing Director and CEO of AusHealth.

Johansen was on the Board of The Cancer Council of South Australia, spent the first part of his career in management roles in Australian and American pharmaceutical and medical device industries.

He has personally held Australian and international patents, is the inventor of a pathology management system, and is the chair of the Intellectual Property Development Committee of the Central Adelaide Local Area Health Network.



**Kiara Bechta-Metti**

**DIRECTOR OF THE BOARD**

Starting her career as a Molecular Biologist, working on the development of therapeutics to treat a number of autoimmune diseases, has led to a strong grounding in genetics and immunology.

Kiara has over 25 years' experience in technology commercialisation, finance and new business development through working with a number of small entrepreneurial companies, large research dependent organisations and investment banks.



**Gary Seach**

**DIRECTOR OF THE BOARD**

Gary Seach is Central Adelaide Local Health Network's (CALHN) Executive Director of Finance and Business Services.

Prior to his time at CALHN and AusHealth, Seach brought his finance experience to a number of Australian universities and IT services.

**NOTE**

Gary Seach resigned from the AusHealth Board on 10 January, 2022.



**Andrew Zannettino**

**DIRECTOR OF THE BOARD**

Andrew Zannettino is Central Adelaide Local Health Network's (CALHN) Executive Director of Research Strategy, and the Pro Vice Chancellor of Health Partnerships at the University of Adelaide. He also heads the Myeloma Research Laboratory (MRL) and co-heads the Regenerative Medicine Program (RMP) at the university.

Prior to his current roles, he worked as a professor at SA Pathology for 21 years.



**Stephen Livesay**

**DIRECTOR OF THE BOARD**

Steven Livesay has a rich professional background in medicine, medical research and commercialisation.

He is the co-founder of LifeCell Corporation in the United States, and has held executive and board positions at the Australian Stem Cell Centre, CRC for Cell Therapy Manufacturing, BioVictus Pty Ltd, CureCell, TekCyte and Carina Biotech. He has also worked as a scientist for Clinical Neurosciences SVHM.



# Inside our offices

## Adelaide, South Australia

AusHealth's Adelaide office has grown exponentially in the past 12 months. We have responded to heightened product demand during COVID-19 by increasing our customer service team and warehouse capacity.

We have also expanded our Work division, in both sales and marketing, and in toxicology. With many new friendly faces around the Adelaide office, we've taken the opportunity to celebrate a number of events and come together as a team. We've celebrated national holidays such as the Melbourne Cup, with a dress up day, Christmas with ugly jumpers across the office, and bringing awareness to health and wellbeing holidays, such as National Pain Week. Such events are important in bringing awareness to the ailments our Research division is striving to deliver treatments to, and toward the health and wellbeing issues that are still stigmatised.

We are also looking forward to refurbishing our office within the next 12 months. By changing our meeting rooms to suit our staff and visitor needs and adding a gym for staff use during working hours, we believe the AusHealth Adelaide office will become a more comfortable place to work.

### AusHealth Employee Statistics

Full time staff members:  
**58**

Casual/Part time staff members:  
**257**

Female staff members:  
**240**

Male staff members:  
**78**

Total number of staff members:  
**318**

01



02



03



01. The Adelaide Office celebrates Melbourne Cup Day with a dress up party.
02. 2. Our Chief Financial Officer, Michael Collett, awards Operations Manager, Rishi Gumber, with the Melbourne Cup Day hamper.
03. Research Associate, Ellen Swan, and Research Divisional Manager, Justin Dibbens, giving an update on AusHealth Research's projects for National Pain Week.

## Our Australian locations



**Melbourne**  
Suite 1-5, 17 Comalco Court,  
Thomastown VIC 3074



**Queensland**  
Suite 6, 39 Jeays Street,  
Bowen Hills QLD 4006



**Northern Territory**  
Suite 108/19 Kitchener Drive,  
Darwin City NT 0800



**Western Australia**  
Level 13 37 St Georges Terrace,  
Perth WA 6000



# Adelaide office

## *Christmas celebrations*





## Melbourne, Victoria

In the last 12 months, AusHealth's Victorian office has seen two new onboards to its Hospitals team, and a well deserved return to normal from COVID-19.

Hospital visits were limited throughout Victoria's COVID-19 restrictions and long lockdowns, so we weren't able to go in and see our clients or patients face-to-face.

However, since Australia's international and domestic borders opened back up, we have seen AusHealth Hospitals pick back up, and

more opportunities come back in. More international travelers and students are returning to Australia, as we return to our new normal.

The Victorian AusHealth Work team were busy throughout the past 12 months, with mask fit testing throughout the heightened restrictions, and with drug and alcohol testing.

We've been taking opportunities to celebrate our milestones and wins as they occur -- there have been a few occasions where we have all gone out to lunch as a team where when we've performed really well and hit our targets.

We also like to celebrate the fun things to keep our work life balance. We all got together over the past year to celebrate Christmas, Melbourne Cup and various staff birthdays. Taking these opportunities really adds to the positive and welcoming culture we so value here at AusHealth.

01. The Victorian AusHealth office celebrates R U OK? Day, raising awareness and ending stigma surrounding mental health.



01

## Bowen Hills, Queensland

AusHealth's Queensland office has dramatically expanded due to the growth of the business in the last 12 months.

During the 2021-22 financial year, AusHealth's Queensland office continued to receive a large amount of business from both the Work and Hospitals divisions, ultimately contributing to the company's research efforts.

During the 12-month period, we delivered vaccinations for Metro South Health, which was deemed 'one of the largest public health vaccination' programs in Queensland. Together with the Logan City Council, AusHealth helped deliver 171,511 COVID-19 jabs, which achieved a 92% double-dose vaccination rate for the region.

We were also proud to win the Queensland Health tender.

In the corporate office in Bowen Hills, the AusHealth Hospitals team onboarded Alyssa Lees as Learning & Development Specialist, and Geoff Grimshaw as the AusHealth Hospitals Account Manager.

Looking forward into the next 12 months, we will continue to serve our Queensland clients and boost our drug and alcohol service offering to the region.

## Perth, Western Australia

Our Perth office has seen a slight decline in business over the last 18 months, with a drop off in clients in drug and alcohol testing.

However, we are looking to stir up activity back in Western Australia with the onboarding of new drug and alcohol collectors to the area.

## Darwin, Northern Territory

AusHealth's Darwin office has also seen a productive 12 months during the 2021-22 financial year.

We have continued to serve our existing Hospitals clients within the State, including the Royal Darwin Hospital and the Alice Springs Hospital. Here, we help healthcare providers manage their non-Medicare patients.

As the Darwin team is small, AusHealth's Victorian and Northern Territory tend to combine to celebrate their wins and other events, through Zoom catch ups or lunches.

# AusHealth financial breakdown

A closer look at the past year

# FINANCIAL PERFORMANCE REQUIREMENTS

## Introduction

Refer to Appendix 2 for AusHealth Corporate's annual financial statements for the year ending 30 June 2022.

## Fraud

No frauds or suspected frauds have occurred to the knowledge of the management of AusHealth. A comprehensive system of checks and balances to control and prevent fraud has been maintained. Full disclosure has been made to the auditors regarding all non-compliance obligations with laws and regulations that should be considered in preparing AusHealth Corporate's financial report.

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2022**

	Notes	2022 \$	2021 \$
Revenue from contracts with customers	5	22,573,576	13,429,426
Cost of sales		(10,996,186)	(5,222,611)
<b>Gross Profit</b>		<b>11,577,390</b>	<b>8,206,815</b>
Other income	5	739,223	644,134
Fair value gains/(losses)	6	(989,133)	788,772
Sales and marketing expenses		(5,146,451)	(4,615,960)
Administration expenses		(4,114,740)	(3,537,652)
Medical research support grants		(462,222)	(287,458)
<b>Results from Operating Activities</b>		<b>1,604,067</b>	<b>1,198,651</b>
Interest income	5	2,633	26,283
<b>Operating Surplus/(Loss)</b>		<b>1,606,700</b>	<b>1,224,934</b>
<b>Other Comprehensive Income</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income</b>		<b>1,606,700</b>	<b>1,224,934</b>

*The Statement of Comprehensive Income is to be read in conjunction with the accompanying notes.*

**STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2022**

	Notes	2022 \$	2021 \$
<b>Current Assets</b>			
Cash and cash equivalents	7	6,955,616	3,918,139
Other financial assets	8	-	80,300
Financial assets at fair value through profit or loss	9	4,933,317	7,292,020
Trade and other receivables	10	2,287,401	2,543,801
Inventories	11	455,789	303,168
<b>Total Current Assets</b>		<b>14,632,123</b>	<b>14,137,428</b>
<b>Non Current Assets</b>			
Right of use lease assets	12	233,645	489,432
Investment property	13	5,550,000	5,550,000
Plant and equipment	14	914,891	575,009
<b>Total Non Current Assets</b>		<b>6,698,536</b>	<b>6,614,441</b>
<b>Total Assets</b>		<b>21,330,659</b>	<b>20,751,869</b>
<b>Current Liabilities</b>			
Lease liabilities		118,064	445,852
Trade and other payables	15	1,639,704	2,488,628
Employee benefits	16	670,292	594,545
<b>Total Current Liabilities</b>		<b>2,428,060</b>	<b>3,529,025</b>
<b>Non Current Liabilities</b>			
Lease liabilities		130,281	55,124
Employee benefits	16	36,487	38,589
<b>Total Non Current Liabilities</b>		<b>166,768</b>	<b>93,713</b>
<b>Total Liabilities</b>		<b>2,594,828</b>	<b>3,622,738</b>
<b>NET ASSETS</b>		<b>18,735,831</b>	<b>17,129,131</b>
<b>Equity</b>			
Ordinary share capital	17	1,150,000	1,150,000
Retained earnings		17,585,831	15,979,131
<b>TOTAL EQUITY</b>		<b>18,735,831</b>	<b>17,129,131</b>

*The Statement of Financial Position is to be read in conjunction with the accompanying notes*

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2022**

	Notes	2022 \$	2021 \$
<b>Balance as at 1 July</b>		<b>17,129,131</b>	<b>15,904,197</b>
<b><u>Total Comprehensive Income</u></b>			
Operating Surplus/(Loss)		1,606,700	1,224,934
Other comprehensive income		-	-
<b>Total Comprehensive Income</b>		<b>1,606,700</b>	<b>1,224,934</b>
<b>Balance as at 30 June</b>		<b>18,735,831</b>	<b>17,129,131</b>

*The Statement of Changes in Equity is to be read in conjunction with the accompanying notes.*



**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	<b>Notes</b>	<b>2022</b>	<b>2021</b>
		<b>\$</b>	<b>\$</b>
<b>Cash Flow from Operating Activities</b>			
Receipts from customers (inclusive of goods and services tax)		25,170,445	13,763,638
Payments to suppliers and employee benefits (inclusive of goods and services tax)		(23,398,470)	(13,651,381)
Interest income		2,472	26,122
Other revenue		739,384	647,047
<b>Net cash provided by/(used in) Operating Activities</b>	<b>18</b>	<b>2,513,831</b>	<b>785,426</b>
<b>Cash Flow from Investing Activities</b>			
Payments for plant and equipment		(673,801)	(259,630)
Payments for financial assets at fair value through profit or loss		(3,501,875)	(4,257,847)
Proceeds from sale of financial assets at fair value through profit or loss		4,951,953	3,601,710
<b>Net cash (used in)/provided by Investing Activities</b>		<b>776,277</b>	<b>(915,767)</b>
<b>Cash Flow from Finance Activities</b>			
Payments of lease liabilities		(252,632)	(205,829)
<b>Net cash used in by Finance Activities</b>	<b>18</b>	<b>(252,632)</b>	<b>(205,829)</b>
<b>Net increase/(decrease) in cash held</b>		<b>3,037,476</b>	<b>(336,170)</b>
Cash and cash equivalents at 1 July		3,918,139	4,254,309
<b>Cash and cash equivalents at 30 June</b>	<b>7</b>	<b>6,955,616</b>	<b>3,918,139</b>

*The Statement of Cash Flows is to be read in conjunction with the accompanying notes.*

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### 1. Statement of significant accounting policies

The financial statements of AusHealth Corporate Pty Ltd ("the Company") for the year ended 30 June 2022 were authorised for issue in accordance with a resolution of the Directors on 26<sup>th</sup> August 2022.

#### Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and Australian Accounting Interpretations of the Australian Accounting Standards Board (AASB).

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation.

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

#### *Reporting Basis and Conventions*

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs except for financial assets through other comprehensive income, financial assets at fair value through the profit and loss and investment properties which are measured at fair value.

The financial statements are presented in Australian Dollars, rounded to the nearest dollar.

#### *Compliance with IFRS*

The financial statements comply with Australian Accounting Standards as issued by the AASB and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

The following abbreviations are used in the notes to the financial statements;

- Institute of Medical and Veterinary Science IMVS
- The Royal Adelaide Hospital\* RAH
- Central Adelaide Local Health Network . CALHN

\* Royal Adelaide Hospital is a public hospital governed by CALHN, which is incorporated under the Health Care Act 2008.

### Accounting policies

#### a. Cash and cash equivalents

For the purposes of the Statement of Financial Position and the Statement of Cash Flows, cash includes cash on hand and all at call deposits with banks, financial institutions, and money market instruments with original maturities of three months or less and are readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

## **b. Investments and other financial assets**

Investments and financial assets are categorised as either financial assets at fair value through profit or loss, fair value through other comprehensive income, or amortised cost. The classification depends on the purpose for which the investments were acquired. Designation is re-evaluated at each financial year end, but there are restrictions on reclassifying to other categories.

### *Recognition and derecognition*

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date that the Company commits to purchase the asset. Financial assets are derecognised when the right to receive cash flows from the financial assets have expired or been transferred.

### *Measurement*

At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through the profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through the profit or loss are expensed in profit or loss.

Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Financial assets at fair value through the profit or loss are subsequently carried at fair value.

Gains or losses arising from changes in the fair value are recognised in profit or loss within fair value gains/(losses).

### *Impairment*

A financial asset not carried at fair value is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

## **c. Investment property**

The Company has adopted the fair value model of investment property recognition for investment property located at 20 Dalgleish Street, Thebarton, South Australia. The property is leased to Oxoid Australia Pty Ltd and the original lease was for a period of 12 years, commencing September 2003, with two options to extend the initial term for periods of five years each. A variation to the lease agreement extended the initial term by 12 months from September 2015. The lessee exercised the first option to extend the lease for 5 years from September 2016. An additional variation provided for a 12 month extension to the first 5 year option from September 2021 to September 2022, which the lessee has exercised. During the year the lessee has agreed to a further 5 year agreement to September 2027.

An independent valuation of the asset was conducted in March 2020 in accordance with AASB 140 Investment Property. Details are disclosed in Note 14. The valuation will be updated every three years (consistent with SA Health accounting policy) or more regularly if there are indicators the most recent valuation is no longer appropriate.

Increases in carrying amount arising on revaluation of the investment property are recognised in surplus/(loss). Details are disclosed in Note 6.

**d. Property, plant and equipment**

All property, plant and equipment assets, having a limited useful life, are systematically depreciated/amortised over their useful lives in a manner that reflects the consumption of their service potential. Depreciation is applied to physical assets such as property, plant and equipment. The residual values, useful lives and amortisation methods of all major assets held by the company are reviewed and adjusted if appropriate on an annual basis.

Configuration and customisation costs for cloud-based software in a Software as a Service (SaaS) arrangement are expensed in the year in which they were incurred.

The value of any leasehold improvements are amortised over the estimated useful life of each improvement, or the unexpired period of the relevant lease, whichever is shorter.

Fixed assets are measured at cost less accumulated depreciation and they are generally depreciated on a straight-line basis over the estimated useful life to the Company. Depreciation rates in the current and comparative period; plant and equipment 5% to 33% and computer equipment 20% to 33% per annum.

The Company adopted a fixed asset capitalisation threshold of \$10,000 in the year ended 30 June 2007 which is also consistent with SA Health accounting policy. Management consider this to be appropriate.

**e. Impairment of non-financial assets**

Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If any indication of impairment exists, an estimate of the asset's recoverable amount is calculated.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

**f. Inventories**

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. The cost of inventory provided to staff for testing services is expensed when issued and classified as a selling expense. Cost also may include transfers from other comprehensive income of any gain or loss on qualifying cash flow hedges of foreign currency purchases of inventories.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and selling expenses.

**g. Trade receivables**

Trade receivables, which generally have 30 day terms, are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as per AASB 15 Revenue from Contracts with Customers *para.* 63.

Collectability of trade receivables is reviewed on an on-going basis. Individual debts that are known to be uncollectible are written off when identified. A loss allowance for expected credit losses on trade receivables has been calculated by using a provision matrix that takes into consideration various data including appropriate groupings of the Company's historical loss experience.

## **h. Employee benefits**

Provisions have been made for the company's liability for employee entitlements arising from services rendered to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries and annual leave which will be settled after one year have been measured at the amount expected to be paid when the liability is settled plus related on-costs. Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those entitlements. In determining the liability, consideration is given to employee wage increases and the probability that the employees may not satisfy vesting requirements. These cash flows were discounted using market yields on corporate bonds with terms to maturity that reflect the expected timing of cash flows.

Company contributions to an employee superannuation fund are charged as expenses when incurred.

## **i. Provisions**

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that an outflow can be reliably measured.

## **j. Leases**

- i. *Company as a lessee:* Contracts are assessed to determine if the contract contains a lease or is a lease. If there is a lease present, a right of use assets and corresponding lease liability is recognised. However, all contracts that are classified as short term leases (lease with a remaining term of 12 months or less) and leases of low value assets are recognised as an operating expense in the statement of comprehensive income on a straight-line basis over the lease term.

Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. Lease payments are discounted at the notional incremental borrowing rate. Interest expense calculated on the lease liability is recognised as an operating expense in the statement of comprehensive income

The right of use asset comprises the initial measurement of the lease liability and any initial direct costs. Right of use assets are depreciated over the term of the lease, or the useful life of the underlying assets, whichever is the shorter.

- ii. *Company as a lessor:* Leases in which the Company retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as rental income. The respective leased assets are included in the statement of financial position based on their nature.

## **k. Trade payables**

Trade and other payables are recognised initially at fair value and subsequently valued at amortised cost and due to their short term nature, they are not discounted. They represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

## **l. Significant accounting judgements, estimates and assumptions**

### *Valuation of Investment Property*

The fair value of investment property is determined at least every three years based on a valuation performed by an independent, experienced valuation expert with recognised professional qualifications. The valuation of the Investment Property is performed using the Market approach. This uses recent observable market data for similar properties as the basis for determining the investment property's fair value.

## **m. Revenue**

Revenue from contracts with customers is recognised at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for transferring goods or services to a customer. Revenue is recognised upon delivery of the goods or services to the customer, as the company's right to consideration is deemed unconditional at this time and there is no significant financing component as the debtor amount is expected to be received within normal trading terms of 30 to 60 days.

Interest revenue is recognised as it accrues using the effective interest method. Interest revenue includes interest earned on funds held on behalf of other bodies.

Rental income from investment property is recognised in the profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income over the term of the lease. Rental revenue from subleased property is recognised as other revenue.

Dividends on financial assets are recognised in profit or loss as part of other revenue when the right to receive payments is established.

**n. Specifically funded projects**

The Company administers research and other projects which are specifically funded by external bodies.

**o. Research and development**

Research and development expenses which do not form part of a specifically funded project are recognised in surplus/(loss) if and when they are incurred.

**p. Income tax**

The Company is exempt from income tax.

**q. Goods and services tax (GST)**

Revenues, expenses and assets are recognised net of the amount of goods and services tax.

Receivables and payables are stated in the financial statements with the amount of GST included. The net amount of GST payable to (or receivable from) the Australian Taxation Office is included as part of payables (or receivables) in the statement of financial position.

Cash flows in the cash flow statement have been reported on a gross basis.

## **2. Purpose**

The Company was established to support the development of intellectual property for Central Adelaide Local Health Network (CALHN) and is a for profit entity for the purpose of preparing these accounts.

Since its establishment the Company has committed \$47 million from its operating profits to support research for CALHN. This support, together with ongoing development of intellectual property for CALHN from SA Pathology, the Royal Adelaide Hospital campus and The Queen Elizabeth Hospital campus, which the Company has licensed to biotechnology companies, ensures patents are developed and maintained, research is funded, intellectual property is licenced and development partners are engaged.

### *Principal activities*

The principal activities of the Company for the year ended 30 June 2022 were the support of medical research and the development of intellectual property for CALHN through:

- a. management and commercialisation services for intellectual property;
- b. provision of medical and health related products and services to various markets;
- c. provision of debt recovery, management, consultation and other related services.

During the year, the Company provided \$1.9 million (2021 \$1.5 million) in support of research and Intellectual Property Commercialisation.

### *Capital Management*

The company's objectives when managing capital are:

- Safeguard their ability to continue as a going concern, so the company continues to provide funds to support medical research and benefits for other stakeholders and,
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

### **3. Relationship with CALHN**

AusHealth Corporate Pty Ltd is a proprietary company incorporated under the provisions of the Corporations Act 2001. Formation of the Company was promoted by the IMVS under the 1985 amendment to Section 14 (2) (ab) of the IMVS Act 1982.

Effective 1 July 2008 the Health Care Act 2008 was proclaimed, the IMVS dissolved and laboratory services previously provided by IMVS were consolidated with two other government laboratories to form SA Pathology, a unit of CALHN.

Effective 1 July 2011, the Health Care (Local Health Networks) Proclamation 2011 came into operation. The effect of this proclamation was to change the name of the Adelaide Health Service Incorporated to Central Adelaide Local Health Network Incorporated.

From 1 July 2011 all issued capital of the company (1,150,000 ordinary shares) is held by Central Adelaide Local Health Network Incorporated. Ordinary shares entitle the holder to participate in dividends and to share in the proceeds of winding up the company.

No cash dividend has been declared or paid in 2021/22 (2020/21: Nil).

	2022 \$	2021 \$
<b>4 Expenses</b>		
Operating surplus/(loss) attributable to the company has been determined after:		
Expenses		
(a) Allowance for credit loss	-	9,708
Written off bad debts	(1,013)	14,813
	<b>(1,013)</b>	<b>24,521</b>
(b) Finance expenses		
Bank fees	68,081	40,872
Interest on ROU lease liability	13,601	<b>14,964</b>
Investment portfolio management fee	93,209	47,875
	<b>174,891</b>	<b>103,711</b>
(c) Auditors remuneration for auditing the financial statements		
Financial statement audit	26,000	23,425
Fees for trust audits	12,000	6,575
BDO Audit Pty Ltd	<b>38,000</b>	<b>30,000</b>
(d) Short-term lease payments	39,321	65,613
	<b>39,321</b>	<b>65,613</b>
Payments made under short term leases are expensed on a straight-line basis		
(e) Depreciation and amortisation		
Depreciation plant & equipment	333,919	560,564
ROU lease depreciation	255,577	229,638
	<b>589,496</b>	<b>790,202</b>
(f) Employee benefit expenses		
Salaries and wages	9,641,086	7,315,897
Defined contribution superannuation expense	862,019	646,358
Other employee benefits expense	517,844	387,689
Board fees	62,171	80,611
	<b>11,083,120</b>	<b>8,430,555</b>
<b>5 Revenue from contracts with customers</b>		
Medical and health related products and services	17,267,053	8,565,616
Debt management, consultation and other related services	5,306,523	4,863,810
	<b>22,573,576</b>	<b>13,429,426</b>
<b>Other income</b>		
Rental income from investment property	447,924	447,588
Dividend income	291,299	196,546
	<b>739,223</b>	<b>644,134</b>
<b>Interest income</b>		
Interest income on term deposits	1,929	24,667
Interest income on bank deposits	705	1,616
	<b>2,633</b>	<b>26,283</b>
<b>Revenue</b>	<b>23,315,432</b>	<b>14,099,843</b>



	2022 \$	2021 \$
<b>6 Fair value gains / (losses)</b>		
Revaluation of investments property at fair value	-	-
Fair value gain/(loss) on investment revaluation	(891,039)	651,247
Fair value gain/(loss) on disposal of financial assets through profit or loss	(98,094)	137,525
	<b>(989,133)</b>	<b>788,772</b>
<b>7 Cash and cash equivalents</b>		
At call deposits with financial institutions	<b>6,955,616</b>	<b>3,918,139</b>
<b>8 Other financial assets</b>		
<b>Current assets</b>		
Short term deposits less than 3 months from reporting date	-	71,000
Short term deposits with greater than 3 months from reporting date	-	9,300
	<b>-</b>	<b>80,300</b>
<b>9 Financial assets at fair value through profit or loss</b>		
- shares in listed corporations	3,044,185	3,237,715
- floating rate notes and fixed income mutual funds	258,934	2,140,384
- listed securities and other mutual funds	1,630,198	1,913,921
	<b>4,933,317</b>	<b>7,292,020</b>
<b>10 Trade and other receivables</b>		
Trade and other receivables	2,010,372	2,090,854
Amounts receivable from related parties	171,690	342,761
Allowance for credit loss (a)	(143,913)	(143,913)
	<b>2,038,149</b>	<b>2,289,702</b>
Contract assets	4,933	44,082
Prepaid expenses	244,319	210,017
	<b>249,252</b>	<b>254,099</b>
	<b>2,287,401</b>	<b>2,543,801</b>

**(a) Allowance for credit loss**

Trade receivables are non-interest bearing and are generally on 30 day terms. Allowance for credit loss is calculated on trade receivables ageing and customer ratings. No adjustment recognised by the Company in the current year.

Movements in the provision for credit loss were as follows:

At 1 July	143,913	134,205
Charge for the year	-	9,708
<b>At 30 June</b>	<b>143,913</b>	<b>143,913</b>

At 30 June, the ageing analysis of trade receivables is as follows:

Past due not impaired		
Up to 3 Months	157,198	327,954
> 3 Months	20,568	39,187
	<b>177,766</b>	<b>367,141</b>

Payment terms on these amounts have not been re-negotiated, however the Company provision for credit loss provided is sufficient allowance.

	2022	2021
	\$	\$
<b>11 Inventories</b>		
Finished goods	455,789	303,168
	<b>455,789</b>	<b>303,168</b>
<b>12 Right of use lease assets</b>		
Leased buildings	489,222	<b>719,070</b>
Accumulated depreciation	(255,577)	(229,638)
<b>Leased buildings</b>	<b>233,645</b>	<b>489,432</b>
Movements in carrying amounts		
Opening balance at 1 July	489,432	215,231
Additions	-	503,667
Disposals/Lease modifications	(210)	172
Depreciation	(255,577)	(229,638)
<b>Carrying amount at 30 June</b>	<b>233,645</b>	<b>489,432</b>
<b>13 Investment property</b>		
Land and buildings at fair value	5,550,000	5,550,000
	<b>5,550,000</b>	<b>5,550,000</b>
<b>(a) Movements in carrying amounts</b>		
Land and buildings at fair value - opening balance	5,550,000	5,550,000
Net gain from fair value adjustment	-	-
<b>Carrying amount at end of year</b>	<b>5,550,000</b>	<b>5,550,000</b>

**(b) Land and buildings are leased to an external party pursuant to an operating lease.**

An independent valuation of the investment property located at 20 Dalglish Street, Thebarton was prepared by Knight Frank, Qualified Valuers and Property Consultants, in accordance with Australian Accounting Standard AASB140 as at June 2020. In assessing the market value, the valuer has adopted the capitalisation of net market approach as the primary valuation method with the direct comparison approach as a check method. This resulted in a level 2 fair value. Fair value hierarchy has been explained in detail in note 23(i). The market fair value of the property was determined to be \$5,550,000 at 30 June 2020 Under State government policy this class of asset is required to be independently valued every 3 years. Next valuation for this purpose is due June 2023.

Rental income amounting to \$447,924 has been recognised during the year (2021: \$447,588). The lessee is responsible for payment of all outgoings.

	2022 \$	2021 \$
<b>14 Plant and equipment</b>		
Plant and equipment at cost	2,814,076	2,237,235
Accumulated depreciation	(1,996,145)	(1,662,226)
Work in progress	96,960	-
<b>Total plant and equipment</b>	<b>914,891</b>	<b>575,009</b>
<i>Movements in carrying amounts</i>		
<b>Plant &amp; equipment</b>		
Opening balance at 1 July	575,009	516,853
Transfers work in progress	576,841	618,720
Depreciation	(333,919)	(560,564)
<b>Balance 30 June</b>	<b>817,931</b>	<b>575,009</b>
<b>Work in progress</b>		
Opening balance at 1 July	-	359,090
Transfers	(576,841)	(618,720)
Additions	673,801	259,630
<b>Balance 30 June</b>	<b>96,960</b>	<b>-</b>
<b>Carrying amount at 30 June</b>	<b>914,891</b>	<b>575,009</b>
<b>15 Trade and other payables</b>		
<b>Current</b>		
Trade creditors	394,176	706,629
Amounts payable to related parties	93,029	612,624
Sundry and other creditors	1,152,499	1,169,375
	<b>1,639,704</b>	<b>2,488,628</b>
Current liabilities include amounts held on behalf of other parties \$649,628 as at 30 June 2022 (\$882,653 as at 30 June 2021) that are payable on demand but are unlikely to be required at short notice.		
<b>16 Employee benefits</b>		
<b>Current</b>		
Annual leave entitlements	336,741	265,927
Long service leave entitlements	333,551	328,618
	<b>670,292</b>	<b>594,545</b>
The current portion of this liability includes all of the accrued annual leave, the unconditional entitlements to long service leave where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount of the provision 2022 - \$670,292 (2021 - \$594,545) is presented as current, since the company does not have an unconditional right to defer settlement for any of these obligations. However based on past experience the following amounts reflect the leave not expected to be taken or paid within the next 12 months.		
Current Leave obligations to be settled after 12 months	374,532	332,208
<b>Non-current</b>		
Long service leave entitlements	<b>36,487</b>	<b>38,588</b>
<b>Total employee entitlement liability</b>	<b>706,779</b>	<b>633,133</b>
<b>17 Issued capital</b>		
1,150,000 fully paid ordinary shares	1,150,000	1,150,000
No cash dividend has been declared or paid in 2021/22		



	2022 \$	2021 \$
<b>18 Reconciliation of net profit to net cash flows from operations</b>		
<b>Surplus/(loss) for the year</b>	1,606,700	1,224,934
Depreciation	333,919	560,564
Fair value (gain)/loss on financial assets through profit or loss	989,133	(788,772)
Amortisation and lease depreciation	255,577	216,975
<b>Changes in assets and liabilities</b>		
(Increase)/Decrease in trade and other receivables	256,401	(1,012,528)
(Increase)/Decrease in inventories	(152,621)	229,561
Increase/(Decrease) in trade and other payables	(848,924)	425,543
Increase/(Decrease) in employee benefits	73,646	(70,851)
<b>Cash inflow/(outflow) from operating activities</b>	<b>2,513,831</b>	<b>785,426</b>
<b>Non-cash investing and financing activities</b>		
Balance at the beginning of the year	489,432	-
Additions to right of use lease assets	-	1,082,880
Disposal of right of use lease assets	(255,787)	(593,448)
	<b>233,645</b>	<b>489,432</b>
<b>Changes in liabilities arising from financing activities</b>		
Balance at the beginning of the year	512,123	215,630
Lease modifications	(210)	502,322
Net cash from/(used in) financing activities	(252,632)	(205,829)
<b>Balance at 30 June 2022</b>	<b>259,281</b>	<b>512,123</b>
<b>19 Capital expenditure commitments</b>	<b>215,730</b>	<b>226,000</b>
<b>20 Key management personnel</b>		
<b>(a) Details of key management personnel</b>		
<i>Directors</i>		
Michael Anthony Reid (Appointed 21/03/2022)		
Gary Leonard Search (Resigned 10/01/2022)		
Andrew Christopher Zannettino		
Gregory Harold Johansen		
Stephen Anthony Livesey		
Kiara Denese Bechta-Metti		
<b>(b) Compensation for key management personnel</b>		
Short-term benefits	435,248	442,086
Long-term benefits	25,028	14,959
	<b>460,276</b>	<b>457,045</b>

	2022	2021
	\$	\$
<b>21 Superannuation commitments</b>		
During the financial year the Company participated in an employee superannuation plan. The Company pays fixed contributions into separate entities and has no legal or constructive obligation to pay further amounts. Benefits provided under the plan are based on accumulated contributions and fund earnings for each employee.		
Obligations for contributions to defined superannuation plans are recognised as an employee benefit expense in note 4(f).		
<b>22 Related party transactions</b>		
The Company undertook the following transactions with CALHN, under arms length commercial terms and conditions:		
- sales of goods and services	3,032,818	3,113,236
- acquisition of goods and services	213,501	141,580
- amounts receivable from	171,690	342,761
- amounts payable to	93,029	612,624
<b>23 Financial risk management objectives and policies</b>		
The Company's principal financial instruments comprise, receivables, trade and other payables, financial assets at fair value through profit or loss, cash and short term deposits. The Company manages its exposure to key financial risk including interest rate and currency risk in accordance with the Board's policy of managing the majority of its financial investments through an independent, professional investment advisor who provides regular portfolio performance reports for Board review, overseeing the Company's liquidity and ensuring timely turnover of receivables and payables. The Board reviews and agrees policies for each of the risks identified below.		
(a) Interest rate risk		
This item relates to the Company's exposure to interest rate risk i.e., the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average market interest rates on those financial assets.		
Weighted average effective interest rate		
cash at bank	0.38%	0.25%
short term deposits less than 3 months from the end of the reporting period		
short term deposits greater than 3 months from the end of the reporting period	0.00%	2.25%
cash at bank	6,955,616	3,918,139
short term deposits less than 3 months from the end of the reporting period	-	71,000
short term deposits greater than 3 months from the end of the reporting period	-	9,300
	<b>6,955,616</b>	<b>3,998,439</b>

Interest rates on all the financial assets detailed above are either fixed for various terms ranging from 3 to 7 months or are floating and are reset to market rates at maturity.

The following sensitivity analysis is based on the interest rate risk exposure in existence at the end of the reporting period:

	<b>Profit - higher (lower)</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
+1% (100 basis points)	2,643	803
-1% (100 basis points)	(2,643)	(803)

(b) Price risk

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the statement of financial position as fair value through profit or loss.

To manage its price risk arising from investments in equity securities, the company ensures the majority of the equities can be converted to cash through a public stock market trade and diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

The following sensitivity analysis is based on equity market risk exposure in existence at end of the reporting period:

	<b>Profit - higher (lower)</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
+9.8% (2022 6.5%)	483,465	473,981
-9.8% (2021 -6.5%)	(483,465)	(473,981)

Profit for the period would increase/decrease as a result of gains/losses on equity securities classified as at fair value through profit or loss.

The amounts recognised in profit or loss in relation to financial assets at fair value through profit or loss held by the Company are disclosed in Note 9.

(c) Foreign currency risk

The Company has an exposure to foreign currency risk on inventory purchases in currencies other than Australian dollars. The risk is not significant and is managed via a forward contract facility once firm commitments have been made.

(d) Credit risk

The Company does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Company.

Individual receivables which are known to be uncollectable are written off by reducing the carrying amount directly.

Note 10 details the movement in the provision for credit loss and the receivables past due but not impaired.

(e) Liquidity risk

The Company has significant funds invested in fair value through profit or loss, hybrid debt instruments which provide high liquidity. The Company also manages its cash flow to ensure it meets its obligations to creditors in a timely manner.

At the end of the reporting period the Company held deposits at call of \$6,955,616 (2021 \$3,918,139) that are expected to readily generate cash inflows for managing liquidity risk.



(f) Fair value hierarchy

(i) Financial assets

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1: The fair value of financial instruments traded in active markets is based on quoted (unadjusted) market prices at the end of the reporting period. The quoted marked price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

<i>Financial assets at fair value through profit or loss</i>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
<b>30 June 2022 - financial assets at fair value</b>	<b>4,933,317</b>	-	-
30 June 2021 - financial assets at fair value	7,292,020	-	-

The fair value of shares held by the Company is determined by reference to the quoted prices provided by Morgan Stanley private wealth management (the Company's investment Adviser) at the end of the reporting period. The fair value is classified as Level 1 of the fair value hierarchy as per AASB 13.27A. For all other financial instruments, Aushealth considers that the carrying amount of financial assets and financial liabilities recorded in the financial statements to be their fair values, because of the short-term nature of the financial instruments and the expectation that they will be paid in full.

(ii) Non-financial assets

<i>Investment property</i>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
<b>30 June 2022 - Land and buildings</b>	-	<b>5,550,000</b>	-
30 June 2021 - Land and buildings	-	5,550,000	-

The valuation method for the investment property has been disclosed in note 13.

**24 Events after the balance sheet date**

There have been no matters or circumstances that have arisen since the end of the year that have significantly affected, or may significantly affect the Company's operation, the results of those operations or the Company's state of affairs in future financial years.

**25 Contingent assets**

No contingent assets identified

**26 Contingent liabilities**

The company has no contingent liabilities at 30 June 2022. (2021:\$ nil)

**27 The Aushealth Hospital Research Fund Ltd**

During the year the Company lodged and received a certificate of registration for The Aushealth Hospital Research Fund Ltd a registered charity ABN 85657333858. No activity was recorded as at balance date.

**28 Company details**

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

AusHealth Corporate Pty Ltd  
65 Hardys Road  
Underdale SA 5032

The Company is a company limited by shares, incorporated and domiciled in Australia.

**AUSHEALTH CORPORATE PTY LTD**  
ABN 15 008 089 745

**DIRECTORS' REPORT**

**Your directors present their report on Aushealth Corporate Pty Ltd (the Company) for the financial year ended 30 June 2022 together with the external audit report thereon.**

**1. Directors**

The names of the directors in office at any time during or since the end of the year are:

Mr Gregory Harold Johansen  
Mr Michael Anthony Reid (Appointed 21/03/2022)  
Mr Gary Leonard Seach (Resigned 10/01/2022)  
Prof Andrew Christopher William Zannettino  
Dr Stephen Anthony Livesey  
Ms Kiara Denese Bechta-Metti

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

**2. Review of operations**

The Company is a for profit organisation and the total profit for the Company for the financial year was \$1,606,700 after the provision of \$1,022,587 in patent fees and grants to support medical research.

During the year the Company lodged and received a certificate of registration for 'The Aushealth Hospital Research Fund Ltd' established to support medical researchers in South Australia to be more successful in attracting funds for large-scale medical research and programs. 'The Aushealth Hospital Research Fund Ltd' is a registered deductible gift recipient and charity ABN 85657333858. No activity occurred during the year.

The Company is exempt from the payment of income tax.

**3. Principal activities**

The Company was established to support the development of intellectual property for Central Adelaide Local Health Network (CALHN).

Since its establishment the Company has committed \$47 million from its operating profits to support research for CALHN. This support, together with ongoing development of intellectual property for CALHN from SA Pathology, the Royal Adelaide Hospital campus and The Queen Elizabeth Hospital campus, which the Company has licensed to biotechnology companies, ensures patents are developed and maintained, research is funded, intellectual property is licenced, and development partners are engaged.

The principal activities of the Company for the year ended 30 June 2022 were the support of medical research and the development of intellectual property for CALHN through:

- a. management and commercialisation services for intellectual property;
- b. provision of medical and health related products and services to various markets;
- c. provision of debt management, consultation and other related services.

During the year, the Company provided \$1.9 million in support of research and Intellectual Property Commercialisation.

**4. Significant changes in the state of affairs**

No significant changes in the Company's state of affairs occurred during the financial year.

**5. Events Subsequent to the End of the Reporting Period.**

There are no known subsequent events that would impact the reported results.

## **6. Likely Developments and Expected Results of Operations**

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the Company's activities incorporate negotiating agreements for the commercialisation of intellectual property or the provision of such services and are often:

- a. carried out under confidentiality agreements;
- b. undertaken via agreements that are commercial in confidence; and/or
- c. of a nature that disclosure would provide third parties with a commercial advantage.

Accordingly, it is considered that disclosure could materially disadvantage the Company and would be unreasonably prejudicial.

## **7. Environmental Regulation**

The Company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

## **8. Dividends**

No dividends have been declared or paid during the year.

## **9. Options**

No options over issued shares or interests in the company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

## **10. Director's benefits**

No director has received, or become entitled to receive, a benefit (other than a benefit in the aggregate amounts of emoluments received or due and receivable by directors shown in the financial statements or the fixed salary of a full-time employee of the Company), by reason of a contract made by the Company or related Corporation with the director or with a firm of which he/she is a member, or with a Company in which he/she has a substantial financial interest.

## **11. Indemnifying Officers or Auditors**

- a. During the financial year the Company has paid an insurance premium of \$7,467 for a contract of indemnity against a liability incurred as a director or officer for the costs or expenses to defend legal proceedings in respect of persons who are or were directors or officers of the Company.
- b. The Company has not, during or since the end of the financial year, in respect of any person who is or has been an Auditor of the Company or of a related body corporate:
  - i. indemnified or made any relevant agreement for indemnifying against a liability incurred as an Auditor, including costs and expenses in successfully defending legal proceedings or
  - ii. paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an Auditor for the costs or expenses to defend legal proceedings.

## **12. Proceedings on Behalf of the Company**

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not party to any such proceeding during the year.



### 13. 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 page 22.

Signed in accordance with a resolution of the Board of Directors

Director: 

Director: 

Dated this 26<sup>TH</sup> day of August 2022



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Australia

**DECLARATION OF INDEPENDENCE  
BY PAUL GOSNOLD  
TO THE DIRECTORS OF AUSHEALTH CORPORATE PTY LTD**

As lead auditor of AusHealth Corporate Pty Ltd for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in blue ink that reads 'Paul Gosnold'. The signature is written in a cursive, flowing style.

Paul Gosnold  
Director

BDO Audit Pty Ltd

Adelaide, 26 August 2022

**AUSHEALTH CORPORATE PTY LTD**  
ABN 15 008 089 745

**DIRECTORS' DECLARATION**

The directors of Aushealth Corporate Pty Ltd declare that:

- (1) the financial statements and notes, as set out on pages 1 to 18, are in accordance with the Corporations Act 2001 and:
  - (a) comply with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
  - (b) give a true and fair view of the Company's financial position as at 30 June 2022 and of its performance for the year ended on that date; and
- (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.

Note 1 confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of directors by:

Director:



Director:



Dated this 26th day of August 2022



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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUSHEALTH CORPORATE PTY LTD

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of AusHealth Corporate Pty Ltd (the Company), which comprises the statement of financial position as at 30 June 2022, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the accompanying financial report of AusHealth Corporate Pty Ltd, is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Company's financial position as at 30 June 2022 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### 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 *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, 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.

#### Other information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Director's report, but does not include the financial report and our auditor's report thereon.

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

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





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

#### **Responsibilities of the directors for the Financial Report**

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* 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 has 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 (<http://www.auasb.gov.au/Home.aspx>) at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf)

This description forms part of our auditor's report.

A handwritten signature in blue ink that reads 'BDO'.

BDO Audit Pty Ltd

A handwritten signature in blue ink that reads 'Paul Gosnold'.

Paul Gosnold  
Director

Adelaide, 29 August 2022

## CONTACT



### Head office

65 Hardys Road  
Underdale  
South Australia  
Australia 5032

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### Telephone

AusHealth Work: 1800 633 838  
AusHealth Hospitals: 1800 724 457

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### Online

[www.aushealth.com.au](http://www.aushealth.com.au)

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Working together  
for a healthier  
tomorrow.

