

# ANNUAL REPORT

Mackay Hospital Foundation

2022 - 2023



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#### Open Data:

Information about consultancies, overseas travel, and the Queensland language services policy is available at the Queensland Government Open Data website (<https://www.data.qld.gov.au>).

#### Public availability statement:

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#### Your Feedback:

The Mackay Hospital Foundation welcomes feedback, as this annual report represents accountability to our community. To provide feedback please email [mhf@health.qld.gov.au](mailto:mhf@health.qld.gov.au) or phone 07 4885 5915.

#### Acknowledgement to Traditional Custodians:

The Mackay Hospital Foundation acknowledges the Aboriginal Traditional and Cultural Custodians of the lands, waters and seas across the Mackay, Whitsunday, and Isaac regions. We pay our respects to Aboriginal and Torres Strait Islander (First Nation) peoples, acknowledging Elders past and present and recognise the role of current and emerging leaders in shaping our health systems.

We also acknowledge Australian South Sea Islander people, their historical relationship with First Nation peoples and the contributions they have made in our community.

4 September 2023

The Honourable Shannon Fentiman MP  
Minister for Health, Mental Health and Ambulance Services and Minister for Women  
GPO Box 48  
Brisbane QLD 4001

Dear Minister

I am pleased to submit for presentation to the Parliament the Annual Report 2022–2023 and financial statements for Mackay Hospital Foundation.

I certify that this Annual Report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2019*, and
- the detailed requirements set out in the *Annual report requirements for Queensland Government agencies*.

A checklist outlining the annual reporting requirements is provided at page 46 – 47 of this annual report.

Yours sincerely

A handwritten signature in black ink that reads "Peter Tait". The signature is written in a cursive, flowing style.

Peter Tait  
Chairperson  
Mackay Hospital Foundation

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## From the Chairperson

The 2022–2023 year provided a welcome change of conditions and environment as we saw reducing COVID-19 impacts on our Health Services, community, volunteers, local businesses, sponsors and donors. As the health concerns and restrictions gradually eased, we were able to increase our Volunteer Services to the Hospital and Health Service (HHS). The increased visitors led to improved sales in our gift shop and allowed us to achieve stronger fundraising performance.

I commend and thank all the health community and government for their response to keep us safe and healthy. Once again, our staff and volunteers have responded to the changing conditions and continued the excellent level of service provided to support the Hospital and Health Service staff, patients and visitors.

With improving community economic conditions, and the continuing strengthening efforts on our fundraising activities, our Mackay Hospital Foundation (the Foundation) team delivered strong increases in funds raised thanks to continuing improvements in our 'signature' events: Dinner on the Runway, Giving Day and Family Fun Day; and the introduction of a fourth event this year, Dancing with Heart. This was complimented by an excellent increase in grants and contributions. The main source of this was increased donations. I thank our business community sponsors, local donors and supporters for their support of the Foundation in this past year and look forward to continuing and expanding these relationships in 2023-2024.

The strong fundraising performance has provided the Foundation the funds to continue our donation and grant payments to support the hospitals and health services in our area.

In our staff, the Board welcomed Ms Kristi Algate who commenced in July 2022 as General Manager of the Foundation, leading our staff and volunteers. We also welcomed Ms Brenda McFadzen as Volunteers and Events Coordinator in August 2022. Our new staff joined Ms Leonie Hansen and Ms Tegan Mackenzie to provide their enthusiastic contribution in the past year to deliver our strong performance. The Board looks forward to working with our staff to continue the growth of the Foundation in the coming year.

I acknowledge the strong support from Mackay Hospital and Health Service (MHHS) Leadership Team and the MHHS Administrator Ms Karen Roach as MHHS nominee on our Board. The strong working relationship we have with the MHHS supports the excellent results we can achieve.

Our Board welcomed two new members, Ms Sharon Johnston and Mr Simon West, appointed in December 2022. Both bring strong skills to complement and improve our Board.

The Mackay Hospital Foundation (MHF) Board looks forward to working with the Foundation staff and volunteers, our sponsors and supporters, and the MHHS Board, Executives and staff, continuing the development and successes of our fundraising, grants program and services to the MHHS supporting stronger health outcomes for our region in 2024 and the years ahead.



Peter Tait  
Chairperson

## Highlights

### Equipment

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- The Foundation funded 22 vital pieces of medical equipment valued at more than \$231,646 to benefit the care of newborns, children, and adults across all eight hospitals in the Mackay, Isaac and Whitsunday regions.

### Projects

- BHP-funded projects at Mackay Base Hospital Children and Adolescent Unit (CAU) and Dysart Hospital were completed. These included the implementation of a Therapeutic Play area at Mackay Base Hospital, upgrades to the Patient Lounge and the installation of a Cultural Garden on the grounds of Dysart Hospital.

### Grants

- Funding of \$81,034 was received from a successful grant application through local community group 'Flagon and Dragon' to purchase a Mindray Ultrasound Machine and Giraffe Omnibed Carestation for our CAU.

### Fundraising

- The Foundation raised a record \$130,375 in just 12 hours at its annual Giving Day in October 2022. The Foundation's biggest fundraiser was made possible thanks to 310 community donations, five matched donors and countless volunteers.
- 2023 saw a new event come into the calendar "Dancing with Heart", eight local identities danced the night away, raising over \$40,000.

### Volunteers

- A major milestone with two of our volunteers celebrating 30 years.
- Volunteer service areas contribute approximately 12,800 hours of service per annum.
- Information Desk volunteers interact with approximately 31,410 patients, visitors and staff per year.
- Our youngest volunteer is 15 and oldest is 87 years old.
- New Volunteer service - Whitsunday Patient Transfer, this transfers patients from the Whitsundays to Mackay Base Hospital for Specialist Outpatients appointments.

## About Us

The Mackay Hospital Foundation (MHF) was established on 15 October 2010 under the *Hospital Foundations Act 1982* and continues under the *Hospital Foundations Act 2018*.

MHF formally reports to the Minister for Health, Mental Health and Ambulance Services and Minister for Women. MHF is governed by a volunteer Board which delegates day-to-day operations to the General Manager.

MHF is the official charity for the MHHS. The foundations core functions are generating revenue through fundraising events, funding applications, and sponsorship and facilitating a grant funding program for health and medical equipment, programs and research for facilities within the MHHS, including:

- Mackay Base Hospital and Mackay Community Health
- Whitsunday Health Service comprising Proserpine Hospital and Primary Health Centre and Cannonvale Primary Health Centre
- Bowen Hospital and Primary Health Centre
- Sarina Health Service comprising Sarina Hospital and Primary Health Centre
- Dysart Health Service comprising Dysart Hospital, Primary Health Centre and Middlemount Primary Health Centre
- Moranbah Health Service comprising Moranbah Hospital, Primary Health Centre and Glenden Primary Health Centre
- Clermont Multi-Purpose Health Service comprising Montcler Nursing Home and Clermont Hospital
- Collinsville Multi-Purpose Health Service.

The framework MHF uses to guide the foundation and deliver our core functions is our Strategic Plan. The plan provides us with the framework required to continually measure and evaluate our activities consistent with our registered objects. The current strategic plan identifies several strategic risks and opportunities.

MHF is supported by a team of more than 75 volunteers that assist across fifteen different services to support, improve and promote public healthcare.

100 per cent of all donations contribute directly to both patients and staff through the funding of ancillary equipment, projects, research and educational opportunities for our medical professionals. These activities are in place to improve the patient experience and daily practice for our team.

## Vision, purpose, values

*Our vision* is "Working together to create a healthier future for you and your family by inspiring and supporting the delivery of exceptional healthcare, and enhancing the hospital experience".

*Our purpose* is to "Accelerate innovative frontline healthcare across our regional and rural communities".

*Our values* are that we care, we are authentic, we are a team, and we strive for excellence.

MHF is proud to support the health service to meet the needs of our community.

## Queensland Government objectives for the community

### ***Good jobs, Better services, Great lifestyle***

MHF supports the Queensland Government's objectives for the community *Good jobs, Better services, Great lifestyle* to improve the lives of Queenslanders now and into the future. The MHF engages with the community to raise funds that support additional services, equipment, training and research resources for Mackay Hospital and Health Service for best practice healthcare.

The activities and objectives of the foundation align with the Queensland Government's objectives.

- Good jobs: Good, secure jobs in our traditional and emerging industries
- Better services: Deliver even better services right across Queensland
- Great lifestyle: Protect and enhance our Queensland lifestyle as we grow.

## Strategic direction

The Mackay Hospital Foundation is a local, community driven non-profit organisation, providing fundraising support to the Mackay Base Hospital and all public hospitals in the Mackay Hospital and Health Service district.

We partner with our community to support the delivery of superior health care in our facilities by investing in:

- Innovative health services
- Modern, state-of-the-art equipment
- Medical and health technology
- Support services for patients and staff
- Staff education, training and research
- Improving health outcomes for communities
- Valuable community-based volunteer program.

## Support Programs

The Foundation's volunteers provide support to patients and visitors which includes operating the information desk and providing a courtesy buggy service at the Mackay Base Hospital. Volunteers also support with services such as visiting with patients, CAU playgroup, supplying tea and coffee to the wards, library and shopping trolley, and Breastscreen Queensland support just to name a few. The Foundation also offers a grant program where staff across MHHS can apply for funding for equipment, projects, services, research and more.

## Opportunities and challenges

Strategic Risks/Challenges	Strategic Opportunities
<ul style="list-style-type: none"><li>• Negative publicity, public perception or uncontrollable events that have an adverse impact on the Foundation's reputation.</li><li>• Loss of key corporate partnerships.</li><li>• Cyber risk due to malicious actions or systems failure.</li><li>• Loss of key staff, volunteers or Board Members that reduces organisational continuity or viability.</li></ul>	<ul style="list-style-type: none"><li>• Increase future income streams by strengthening major gifts, bequest program, digital giving and expansion of enterprise.</li><li>• Partner with Queensland Health to motivate Queenslanders to live healthier lives through the adoption of healthy behaviours.</li><li>• Growth of strategic partnerships to grow and</li></ul>



- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>Impact of COVID-19 on donations, fundraising income and volunteer contributions, and subsequent impact on funding and service provision to the health service.</li> </ul> | <ul style="list-style-type: none"> <li>leverage brand and income.</li> <li>Collaborate with Mackay Hospital and Health Service to align the Foundation's activities with the health service's priorities.</li> <li>Modification of service provision and reorientation of enterprise operations to support the health service during and following COVID-19.</li> </ul> |
|--|---|

## Governance

### Our Board

<b>Name of Government body</b> - Mackay Hospital Foundation Board					
<b>Act or instrument</b>	<i>Hospital Foundations Act 2018</i>				
<b>Functions</b>	The Board provides strategic direction, ensures fiscal accountability, responsible risk management, and seeks to improve organisation performance while ensuring compliance with statutory and governance responsibilities.				
<b>Achievements</b>	MHF 2022 Giving Day exceeded expectations, raising a total of \$130,375.				
<b>Financial reporting</b>	Not exempted from audit by the Auditor-General. Transactions of the entity are accounted for in the financial statements.				
<b>Remuneration:</b> Board members serve in an honorary capacity and therefore do not receive any remuneration.					
<b>Position</b>	<b>Name</b>	<b>Meetings/ sessions attendance</b>	<b>Approved annual, sessional, or daily fee</b>	<b>Approved sub-committee fees if applicable</b>	<b>Actual fees received</b>
Chairperson	Peter Tait	10	Nil	N/A	Nil
Deputy Chairperson	Gillian Smith	8	Nil	N/A	Nil
Board Member	Cheryl Johnson	9	Nil	N/A	Nil
Board Member	Cathy Sullivan	8	Nil	N/A	Nil
Board Member	Francis Attard	5	Nil	N/A	Nil
Board Member	Stephen Darwen	9	Nil	N/A	Nil
Board Member	Simon West (Appointed 8 December 2022)	4	Nil	N/A	Nil
Board Member	Sharon Johnston (Appointed 8 December 2022)	5	Nil	N/A	Nil
Board Member	Dianne Barnett (Resigned 22 November 2022)	2	Nil	N/A	Nil
Ex-officio Member	Karen Roach (Appointed 21 November 2022)	2	Nil	N/A	Nil
Ex-officio Member	Darryl Camilleri (Term ended 21 November 2022)	2	Nil	N/A	Nil
<b>No. scheduled meetings/ sessions</b>	11				
<b>Total out of pocket expenses</b>	Nil				

## Membership

### **Mr Peter Tait (Board Chairperson)**

Date of original appointment: 25 November 2016

Current term of office: 8 December 2022 to 30 September 2023

Mr Peter Tait (FCA, FAICD) retired in 2016 from a successful thirty-year career as a Chartered Accountant in public practice providing business and audit services. He has served in several non-executive board roles for companies with turnover of up to \$110M. Mr Tait serves on other not-for-profit boards in Treasurer and Company Secretary roles supporting the local community.

### **Mrs Gillian Smith (Deputy Chairperson)**

Date of original appointment: 11 September 2015

Current term of office: 9 December 2021 to 8 December 2023

Mrs Gillian Smith is the Account Manager for a National Radio Group. Mrs Smith is an active fundraiser for the foundation and several other fundraising committees in Mackay.

### **Ms Cheryl Johnson**

Date of original appointment: 12 February 2016

Current term of office: 8 December 2022 to 30 September 2025

Ms Cheryl Johnson is the Executive Director – Public Health and Rural Services for MHHS. Ms Johnson is responsible for strategic planning, budget management, human resource, education and development for Public Health and the Rural Service area.

### **Ms Cathy Sullivan**

Date of original appointment: 2 October 2020

Current term of office: 2 October 2020 to 1 October 2023

Ms Cathy Sullivan is the Centre Manager for Mount Pleasant Centre in Mackay. Ms Sullivan is also a current Committee member of the Mackay Region Chamber of Commerce, taking on the role of Secretary in 2020. Ms Sullivan makes it a priority to foster relationships with all customers, retailers, community partners and other stakeholders, to ensure that they are provided with a positive and engaging experience to exceed their expectations.

### **Mr Francis Attard**

Date of original appointment: 2 October 2020

Current term of office: 2 October 2020 to 1 October 2023

Mr Francis Attard (MBA, FAIM, CPENG) is an experienced business owner with a demonstrated history of working and delivering in the mining and agricultural industry. Mr Attard is a strong industry advocate for the Mackay community and the greater Whitsunday and Central Highlands areas.

### **Mr Stephen Darwen**

Date of original appointment: 2 October 2020

Current term of office: 2 October 2020 to 1 October 2023

Mr Darwen recently completed a 46-year career in the newspaper and print industry with the last part managing six regional newspapers between Ingham and Airlie Beach. He has served on many boards and organisations during that time that focused mainly on regional community support and economic development.

### **Mrs Sharon Johnston**

Date of original appointment: 8 December 2022

Current term of office: 8 December 2022 to 30 September 2025

Mrs Sharon Johnston is the Senior Specialist of Public Relations and Communications at Dalrymple Bay Coal Terminal Pty Ltd (DBCT P/L). She is responsible for DBCT P/L's sponsorship program, events management, external and internal communications, stakeholder relations and represents the company regularly at events.

### **Mr Simon West**

Date of original appointment: 8 December 2022

Current term of office: 8 December 2022 to 30 September 2025

Mr Simon West was elected to the Isaac Regional Council in 2019 and is well-recognised in Moranbah with his work on local committees including the local Bowls club, Miners Memorial and Mayday festival committees.

With his wife Fiona and son, Mr West has lived in Moranbah since 2001, where he is an active community member who serves on the boards of the Moranbah Early Learning Centre and Moranbah Community Scholarship trust.

Mr West had a successful career in hospitality management before entering the mining sector where he works today as a shot firer.

### **Ms Karen Roach (Administrator Mackay Hospital and Health Board ex-officio member)**

Date of original appointment: 21 November 2022

Ms Karen Roach trained as a nurse and midwife, and is a graduate from the Business School, Central Queensland University. She has held various Consultancy and Executive roles at Hospital and Health Boards in Australia and New Zealand.

### **Mr Darryl Camilleri (Hospital and Health Board ex-officio member)**

Term ended: 21 November 2022

Mr Darryl Camilleri (FCA, GAICD) retired from a 35-year Chartered Accounting career providing business and audit services. He has served on numerous Boards including serving Mackay Regional Council as Deputy Mayor.

### **Ms Dianne Barnett**

Date of original appointment: 2 October 2020

Current term of office: 2 October 2020 to 22 November 2022 (resigned)

Ms Barnett is a retired School Chaplain and past Director of Nursing for the Mackay Health Service District. Ms Barnett is a community advocate and volunteers her time to assist the broader community to access resources and navigate the health care system.

## **Committees**

MHF does not have committees for audit or risk management. Instead, MHF manages financial and other risks to the Foundation at a Board level with the assistance of the General Manager (GM) by identifying risks, considering the likelihood and the potential impact, and implementing appropriate mitigation strategies including implementation of appropriate controls.

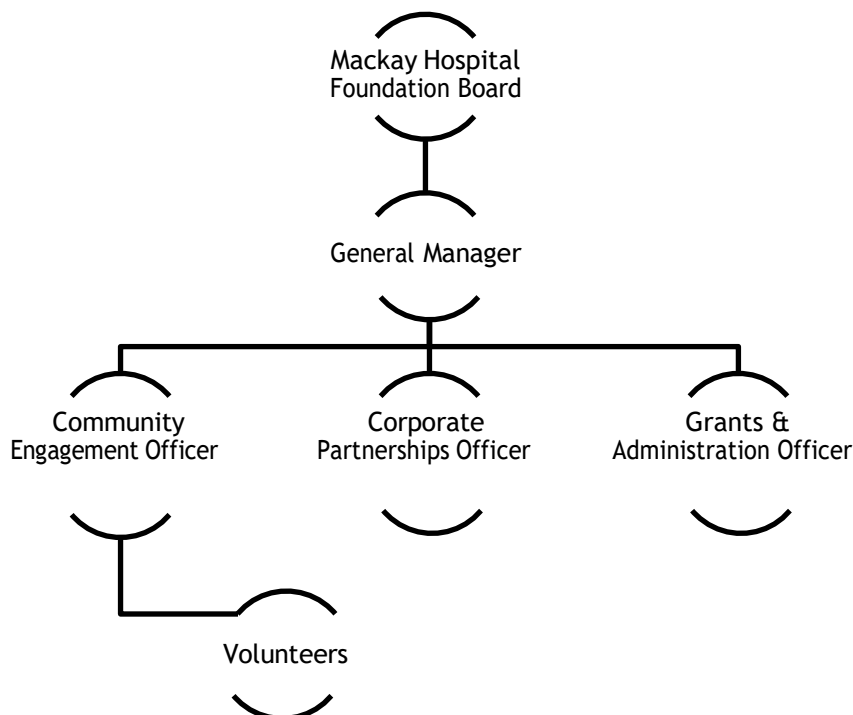
## **Executive management**

General Manager, Ms Kristi Algate.

The General Manager (GM) is responsible for implementing strategies to achieve the objectives of the strategic plan and is supported by a dedicated team comprising a Community Engagement Officer, Corporate Partnerships Officer, and Grants and Administration Officer. Key responsibilities include strategic planning, operational planning, organisational management, business development, brand and reputation, and compliance.

## Organisational structure and workforce profile

The structure of the Foundation as at 30 June 2023 is as follows:



## Strategic workforce planning and performance

Both volunteer and paid staff make an important contribution to our community through their work.

As at 30 June 2023, the Foundation employed four full-time equivalent (FTE) staff, comprising a GM (1 FTE), Corporate Partnerships Officer (1 FTE), Community and Engagement Officer (1 FTE), and a Grants and Administration Officer (1 FTE).

Staff participate in workshops and meetings to inform the Foundation's operational plan; annual performance goals are based on this plan. Staff are involved in an annual performance review and regular staff meetings to ensure operations are implemented as needed. The GM participates in an annual performance review conducted by the Board Chair.

## Early retirement, redundancy, and retrenchment

No redundancy, early retirement or retrenchment packages were paid during the period.

## Open data

Information about consultancies, overseas travel, and the Queensland language services policy is available at the Queensland Government Open Data Website (<https://data.qld.gov.au>).

MHF has no Open Data to report on Consultancies, Overseas Travel or Queensland Language Services Policy.

## Risk management

MHF manages strategic and operational risks to the Foundation achieving its objectives by identifying risks, the likelihood and the potential impact whilst preparing mitigation strategies for higher risks. The Board considers annually the optional requirement to establish an internal audit function with due regard to size and resources of the organisation.

Any high operational and financial risks identified through annual financial audits are evaluated to consider appropriate changes to processes and procedures to reduce and manage these risks.

## Internal audit

The Foundation has not established an internal audit function as the existing mechanisms and external audit are considered sufficient for current operations.

## External scrutiny, Information systems and recordkeeping

An external financial audit was conducted by the Queensland Audit Office (QAO). The independent auditor's report on the financial statements is attached at Appendix A.

MHF complies with the provisions of the *Public Records Act 2002* and Records Governance Policy.

The GM is responsible for MHF records management function, including inducting and training the Foundation's staff on requirements of compliance and management of these key documents:

- Manuals and plans
- Management level procedures
- Standard operating procedures
- Forms
- Records and minutes
- Registers

The Foundation communicates roles and responsibilities for record governance across the organisation through staff position descriptions and training. MHF is working towards a transition to digital recordkeeping systems through the development of practices, policies and procedures to support access, movement, updating, storage, disposal of agency records and information management.

## Queensland Public Services ethics and values

MHF is committed to promoting and adhering to the guiding principles outlined in the Code of Conduct for the Queensland Public Service.

The Foundation's Code of Conduct (the MHF code) has been developed in alignment with the *Code of Conduct for the Queensland Public Service*, and reflects the ethics principles outlined in section 4 of *Public Sector Ethics Act 1994*.

All employees, volunteers and contractors of MHF have been provided with training in the MHF code. This training is also incorporated in the onboarding process. All relevant individuals are required to sign an acknowledgement form, confirming that they understand and accept the expectations of the MHF code.

MHF values are aligned with the core values of the Queensland Public Service. We are committed to a way of working where:

- Leaders and employees make decisions based on the values
- Leaders demonstrate the values as role models for employees

- We prioritise quality, inclusion, diversity, creativity, and collaboration every day

MHF embrace the five core values of the Queensland Public Service:

1. **Customers first:** Know your customers; Deliver what matters; Make decisions with empathy
2. **Ideas into action:** Challenge the norm and suggest solutions; Encourage and embrace new ideas; Work across boundaries
3. **Unleash potential:** Expect greatness; Lead and set clear expectations; Seek, provide and act on feedback
4. **Be courageous:** Own your actions, successes and mistakes; Take calculated risks; Act with transparency
5. **Empower people:** Lead, empower and trust; Play to everyone's strengths; Develop yourself and those around you.

## Human Rights

The main objects of the *Queensland Human Rights Act 2019* are to protect and promote human rights; help build a culture in the Queensland public sector that respects and promotes human rights; and to help promote a dialogue about the nature, meaning and scope of human rights. The Foundation continues to review its policies, procedures, and guidelines to ensure compatibility and compliance with the *Human Rights Act 2019*, including updating internal documentation if required, to ensure staff and volunteers are aware of their obligations under the *Human Rights Act 2019*.

No human rights complaints were received in the reporting period.

## Performance

### Achievements

COVID-19 impacts decreased significantly during the reporting period allowing us to return to normal activities in our volunteer services and gift shop. This year we had our first research grant at the Mackay Base Hospital for an audit into Waste Management and our inaugural event, Dancing with Heart, which raised more than \$40,000.



## Non-financial performance

Strategic Priority	Objective	Key Performance Indicator	Outcomes 2022-2023
<b>Volunteer Services</b>	Grow and diversify our volunteer base and services to give back to the communities we serve.	<ul style="list-style-type: none"> <li>* Increase the number of volunteers in rural facilities by 10 per cent by 2025.</li> <li>* Increase the number of volunteer services by five each year.</li> <li>* Increase diversity of volunteers by 2025:               <ul style="list-style-type: none"> <li>- 5 per cent indigenous</li> <li>- 30 per cent male / 70 per cent female</li> </ul> </li> </ul>	<p>With the implementation of a new volunteer service transferring patients from the Whitsundays to the Mackay Base Hospital for Specialist Outpatient appointments this has increased our rural volunteers to 17 per cent, with 89 active volunteers, 15 of which are rural.</p> <p>There has been an increase of two new volunteer services for the reporting period. This increase can only happen with consultation with the hospital and their needs.</p> <p>There are currently 22 per cent males and 78 per cent female volunteering.</p>
<b>Grants</b>	Ensure appropriate expenditure management and maximise the strategic benefits of grant funding by aligning with the needs of the Hospital and Health Service.	<ul style="list-style-type: none"> <li>• Implement impact measurement tools.</li> <li>• Achieve grant funding increase of 13 per cent.</li> </ul>	<p>A total of \$315,554 grants were disbursed, which is an increase of \$15,554 on the target of \$300,000.</p> <p>A total of 41 grant applications were received, of these, 40 were successful, and one application was withdrawn.</p> <p>39 per cent of successful applications were from rural facilities, and 10 per cent were from community health facilities. 50 per cent of successful applications were to fund medical equipment, 7 per cent funding well-being projects and a further 1 per cent funded research.</p> <p>Grant funding for this period was \$105,834, compared to \$94,713 in 2021-2022 This is an increase of 11.74 per cent which is slightly lower than the 13 per cent target.</p>
<b>Fundraising</b>	Diversify income through expansion, growth, and retention across the fundraising pillars to support the Mackay Hospital and Health Service facilities.	<ul style="list-style-type: none"> <li>• Implement new income streams.</li> <li>• Improve fundraising performance by 13 per cent annually.</li> <li>• To be recognised as the leading fundraising profile</li> </ul>	<p>This year we had a new event Dancing with Heart which raised over \$40,000. This event will become a regular on our events calendar.</p> <p>The total income from fundraising, grants and</p>

		in the Mackay, Isaac and Whitsunday regions.	contributions net of fundraising and marketing expenses was \$972,702, with fundraising exceeding the previous year with a 50.40 per cent increase.  We have been working on our branding with billboards on both Bruce and Peak Downs Highways and radio/TV advertisements.
<b>Enterprises</b>	Operate social enterprises that engage our volunteers, involve strong relationship with local suppliers and support financial growth of MHF, with untied income that allows opportunities for creativity and innovation.	Maintain strong commercial net profit to fund operational costs.	This year we had a strong net profit of \$63,022 which was an increase of 28 per cent on the previous year. We have been focusing on the hospital needs and engaging in local suppliers.
<b>People and Capability</b>	Develop a strong, philanthropic and purpose centric culture.	<ul style="list-style-type: none"> <li>• Positions, performance plans and KPI's align with strategy</li> <li>• Learning and development opportunities are identified through skills/needs analysis</li> </ul>	The Board have developed KPI's for all employee positions to align with the strategic plan.  All staff continue to develop their skills specific to each role through development opportunities.



## Financial summary

In the 2023 year, the Foundation met its statutory obligations as a hospital foundation under the *Hospital Foundations Act 2018* in raising revenue and managing property to support our objects consistent with the Act.

### Income

Total Income of \$1,340,645 was our strongest performance in six years.

Significant contribution to this was our best year ever for Fundraising of \$502,726. Complimenting this was strong growth in Contributions (including Donations) to \$364,090.

User Charges and Fees of \$190,609 which included our Gift Shop has improved from the prior year as COVID-19 restrictions gradually eased and patient and visitor traffic in the hospital is gradually increasing.

The overall income performance is a credit to the great work of our staff, particularly in engaging with the business and public community for their increased support.

### Expenditure

We are proud to note our second highest Donations and Grant Payments provided to MHHS of \$315,554 showing the strength of the Foundation's support of the health services in our community. This is down from the record of \$1,351,966 in 2022 which included \$1,013,521 contribution to Bowen Hospital facilities from a bequest received in 2016.

With the growth of the Foundation, Employee expenses increased to \$373,030 as we continued to develop our internal capabilities in events and engaging with the business community.

Fundraising and Marketing expenses increased in line with increased Fundraising and Contributions income.

### Total Comprehensive Income

Total Comprehensive Income for the year of \$258,976 was our second highest result. This is a significant turnaround from the 2022 Loss of (\$1,141,963) due to the one-off bequest funded contribution of \$1,013,521 to Bowen Hospital noted above.

### Assets

Our Assets increased to \$1,658,930, primarily in Cash and Cash Equivalents and Financial Assets thanks to the strong Comprehensive Income result.

### Net Assets and Future Outlook

Overall net assets increased \$258,976 to \$1,445,317, putting the Foundation in a strong position for growth in the future to support the health services of MHHS.

### Full Financial Statements

The audited financial statements for the 2022-2023 financial year are included in Appendix A.

## Appendix A

### Financial Statements

# Financial Statements *for the year ended 30 June 2023*

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## General Information

These financial statements cover the Mackay Hospital Foundation.

The Mackay Hospital Foundation is a hospital foundation established under the *Hospital Foundations Act 2018*.

The Foundation is controlled by the State of Queensland which is the ultimate parent.

The head office and principal place of business of the Foundation is:

Mackay Hospital Foundation  
M2 Block, Mackay Base Hospital  
475 Bridge Road  
West Mackay QLD 4740

A description of the nature of the Foundation's operations and its principal activities is included in the Annual Report.

For information in relation to the Foundation's financial statements please call Kristi Algate, General Manager 07 4885 5915 or email [mhf@health.qld.gov.au](mailto:mhf@health.qld.gov.au) or visit the Foundation's internet site <http://www.mackayhospitalfoundation.com.au/>

**MACKAY HOSPITAL FOUNDATION****STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2023**

	<b>Notes</b>	<b>2023</b> <b>\$</b>	<b>2022</b> <b>\$</b>
<b>INCOME</b>			
User Charges and Fees		190,609	170,762
Commission Income		13,103	15,003
Revenue from Fundraising		502,726	310,803
Grants Income		241,096	277,811
Contributions Income		364,090	118,762
Financial Income		<u>29,021</u>	<u>43,951</u>
Total Income		1,340,645	937,092
<b>EXPENSES</b>			
Employee Expenses	2	373,030	342,667
Supplies and Services	3	177,377	181,172
Fundraising and Marketing		177,334	119,607
Donation and Grant Payments	4	315,554	1,351,966
Investment Management Expenses		2,435	3,576
Depreciation		26,710	22,638
Loss on Disposal of Depreciable Assets		5,393	-
Loss on Realisation of Financial Assets		-	18,902
Decrease in Fair Value of Financial Assets		<u>3,836</u>	<u>38,527</u>
Total expenses		<u>1,081,669</u>	<u>2,079,055</u>
<b>Operating Results</b>		258,976	(1,141,963)
Other Comprehensive Income		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME/(LOSS)</b>		<u>258,976</u>	<u>(1,141,963)</u>

*The accompanying notes form part of these statements*

**MACKAY HOSPITAL FOUNDATION****STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2023**

	Notes	2023 \$	2022 \$
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	5	684,071	360,543
Other Current Assets	6	57,559	84,159
Financial Assets	7	825,619	797,471
Inventory		<u>7,101</u>	<u>7,945</u>
TOTAL CURRENT ASSETS		1,574,350	1,250,118
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	9	<u>84,580</u>	<u>116,683</u>
TOTAL NON-CURRENT ASSETS		<u>84,580</u>	<u>116,683</u>
<b>TOTAL ASSETS</b>		<u>1,658,930</u>	<u>1,366,801</u>
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	10	139,775	154,830
Employee Provisions	11	13,427	24,850
Unearned Revenue	12	<u>58,834</u>	<u>-</u>
TOTAL CURRENT LIABILITIES		212,036	179,680
<b>NON-CURRENT LIABILITIES</b>			
Employee Provisions	11	<u>1,577</u>	<u>780</u>
TOTAL NON-CURRENT LIABILITIES		<u>1,577</u>	<u>780</u>
<b>TOTAL LIABILITIES</b>		<u>213,613</u>	<u>180,460</u>
<b>NET ASSETS</b>		<u>1,445,317</u>	<u>1,186,341</u>
<b>EQUITY</b>			
Accumulated Surplus		<u>1,445,317</u>	<u>1,186,341</u>
<b>TOTAL EQUITY</b>		<u>1,445,317</u>	<u>1,186,341</u>

*The accompanying notes form part of these statements*

## MACKAY HOSPITAL FOUNDATION

### STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2023

	Accumulated Surplus \$
<b>Balance as at 1 July 2021</b>	2,328,304
Total Comprehensive Loss	<u>(1,141,963)</u>
<b>Balance as at 30 June 2022</b>	<u>1,186,341</u>
 <b>Balance as at 1 July 2022</b>	 1,186,341
Total Comprehensive Income	<u>258,976</u>
<b>Balance as at 30 June 2023</b>	<u>1,445,317</u>

*The accompanying notes form part of these statements*

# MACKAY HOSPITAL FOUNDATION

## STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2023 \$	2022 \$
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>			
<i>Inflows:</i>			
Receipts from Customers		706,351	489,176
Receipts of Donations and Grants		664,020	396,573
GST collected from Customers		67,863	62,526
GST input credits from the Australian Tax Office		79,564	45,628
Interest Received		3,859	1,173
<i>Outflows:</i>			
Payments to Employees		(381,978)	(341,026)
Payments to Suppliers		(370,346)	(244,387)
GST paid to Suppliers		(73,226)	(63,310)
GST remitted to the Australian Tax Office		(57,274)	(66,172)
Donation and Grant Payments		<u>(315,554)</u>	<u>(1,351,965)</u>
<b>Net Cash Provided by / (Used in) Operating Activities</b>		<u>323,279</u>	<u>(1,071,784)</u>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>			
<i>Inflows:</i>			
Financial Assets Redeemed		-	1,267,386
QIC Distributions		30,886	22,286
<i>Outflows:</i>			
Investment Management Fees		(2,489)	(3,317)
Purchase of Plant and Equipment		-	(79,299)
Purchase of Financial Assets		<u>(28,148)</u>	<u>(2,122,286)</u>
<b>Net Cash provided by / (Used In) Investing Activities</b>		<u>249</u>	<u>(915,230)</u>
Net Increase/(Decrease) in Cash Held		323,528	(1,987,014)
Cash and Cash Equivalents - Beginning of the Financial Period		<u>360,543</u>	<u>2,347,557</u>
Cash and Cash Equivalents - End of Financial Period	5	<u>684,071</u>	<u>360,543</u>

*The accompanying notes form part of these statements*

# **MACKAY HOSPITAL FOUNDATION**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

### **NOTE 1                      Basis of Financial Statement Preparation**

#### **(a) General Information about the Reporting Entity**

These financial statements cover the Mackay Hospital Foundation (the Foundation). The Foundation is a Statutory Body established under the *Hospital Foundations Act 2018*. The Foundation does not control other entities. The financial statements include the value of all income, expenses, assets, liabilities and equity for the Foundation as an individual entity.

The objective of the Foundation is to provide fundraising support to the Mackay Base Hospital and all other public hospitals and health services in the Mackay Hospital and Health Service district. The head office and principal place of business of the foundation is M2 Block, Mackay Base Hospital, 475 Bridge Road, Mackay QLD 4740.

#### **(b) Authorisation of Financial Statements for Issue**

The financial statements are authorised for issue by the Chairperson and General Manager at the date of signing the Management Certificate.

#### **(c) Compliance with Prescribed Requirements**

The financial statements have been prepared in compliance with the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2019*.

These general purpose financial statements are prepared in accordance with the disclosure requirements of Australian Accounting Standards – Simplified Disclosures. The financial statements comply with the recognition and measurement requirements of all Australian Accounting Standards and Interpretations applicable to not-for-profit entities, and the presentation requirements in those standards as modified by AASB 1060.

#### **(d) Underlying Measurement Basis**

The financial statements are prepared on an accrual basis, with the exception of the statement of cash flows which is prepared on a cash basis.

The historical cost convention is used as the measurement basis unless otherwise stated.

#### **(e) Presentation Matters**

Currency and Rounding - Amounts included in the financial statements are in Australian dollars. Amounts are rounded to the nearest dollar.



## MACKAY HOSPITAL FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Current/ Non-Current Classification - Assets are classified as 'current' where their carrying amount is expected to be realised within 12 months after the reporting date. Liabilities are classified as 'current' when they are due to be settled within 12 months after the reporting date, or the Foundation does not have an unconditional right to defer settlement to beyond 12 months after the reporting date. All other assets and liabilities are classified as non-current.

#### **(f) New and Revised Accounting Standards**

##### First time mandatory application of Australian Accounting Standards and Interpretations

No new accounting standards were applied for the first time in 2022-23.

##### Early adoption of Australian Accounting Standards and Interpretations

No accounting pronouncements were early adopted in the 2022-23 financial year.

##### Voluntary changes in accounting policy

No voluntary changes in accounting policies occurred during the 2022-23 financial year.

#### **(g) Grants and Contributions**

Grants, contributions, donations and gifts arise from transactions that are non-reciprocal in nature (i.e. do not require any goods or services to be provided in return).

Where the grant agreement is enforceable and contains specific performance obligations for the Foundation to transfer goods or services to a third-party on the grantor's behalf, the grant is accounted for under AASB 15 *Revenue from Contracts with Customers*. In this case, revenue is initially deferred as unearned revenue (contract liability) and recognised as or when the performance obligations are satisfied.

Otherwise, the grant or donation is accounted for under AASB 1058 *Income of Not-for-Profit Entities*, whereby revenue is recognised upon receipt of the grant funding.

## **MACKAY HOSPITAL FOUNDATION**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

#### **(h) Sale of Goods**

Revenue from the sale of goods is recognised when at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Revenues, expenses and assets are recognised net of the amount of GST, except where the GST incurred is not recoverable from the Australian Taxation Office.

#### **(i) Commissions**

Commissions revenue relates to vending machine commissions and are recognised when a tax invoice is received.

#### **(j) Cash and Cash Equivalents**

Cash and cash equivalents include all cash and cheques receipted at 30 June as well as deposits held at call with financial institutions.

#### **(k) Receivables**

Trade debtors are recognised at the nominal amounts due at the time of sale or service delivery i.e. the agreed purchase/contract price. Settlement terms are within 30 days from invoice date.

The collectability of receivables is assessed periodically with provision being made for expected credit losses. The loss allowance is estimated based on the probability and timing of potential defaults, and takes into account forecasts of future economic conditions as well as past events. All known bad debts were written off as at 30 June.

## MACKAY HOSPITAL FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

#### (l) Inventories

Inventories held for sale are valued at the lower of cost and net recognised value. Net recognised value is determined on the basis of the Foundation's normal selling pattern.

Expenses associated with marketing, selling and distribution are deducted to determine net recognised value.

#### (m) Property, Plant and Equipment

Actual cost is used for the initial recording of all non-current physical asset acquisitions. Cost is determined as the value given as consideration plus costs incidental to the acquisition, including all other costs incurred in getting the assets ready for use. However, any training costs are expensed as incurred.

Where assets are received free of charge from another Queensland public sector entity (usually via an involuntary transfer), the acquisition cost is recognised as the gross carrying amount in the books of the transferor immediately prior to the transfer together with any accumulated depreciation.

Assets acquired at no cost or for nominal consideration, other than from an involuntary transfer from another Queensland government agency, are recognised at their fair value at date of acquisition in accordance with AASB 116 *Property, Plant and Equipment*.

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

Items of property, plant and equipment with a cost or other value equal to or in excess of the following thresholds are recognised for financial reporting purposes in the year of acquisition:

Plant and equipment	\$5,000
Motor Vehicles	\$5,000

Items with a lesser value are expensed in the year of acquisition. Expenditure is only recognised if it increases the service potential or useful life of the existing asset. Maintenance expenditure that merely restores the original service potential (arising from ordinary wear and tear etc.) is expensed.

Plant and equipment is measured at cost in accordance with the Non-Current Asset Policies. The carrying amounts for plant and equipment at cost approximate their fair value.

## MACKAY HOSPITAL FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

#### Depreciation

Plant and equipment are depreciated on a straight-line basis over their useful lives. The estimation of the useful lives of assets is based on historical experience with similar assets as well as considerations such as manufacturers' warranties and asset turnover practices. Reassessments of useful lives are undertaken annually by the Foundation. Any consequential adjustments to remaining useful life estimates are implemented prospectively.

Any expenditure that increases the originally assessed capacity or service potential of an asset is recognised and the new depreciable amount is depreciated over the remaining useful life of the asset to the Foundation.

The depreciation rates used for each class of depreciable assets are:

Class	Depreciation Rate
Plant and Equipment:	
Other Equipment	10-50%
Motor Vehicles	16-25%

#### **(n) Payables**

Accounts payable represent trade creditors that are recognised upon receipt of the goods or services ordered and are measured at the agreed purchase/contract price, gross of applicable trade and other discounts. Amounts owing are unsecured and are generally settled on 30 day terms.

#### **(o) Financial Instruments**

##### Accounting policy on Recognition

Receivables and payables are initially measured at fair value plus or minus directly attributable transaction costs and are subsequently measured at amortised cost.

##### Classification and Presentation

Financial instruments are classified under Accounting Standard AASB 9 *Financial Instruments* as follows:

<u>Financial Assets</u>	2023 \$	2022 \$
Cash and Cash Equivalents	684,071	360,543
Trade and other receivables at amortised cost	32,135	42,947
Financial Assets at Fair Value through Profit or Loss	<u>825,619</u>	<u>797,471</u>
Total	<u>1,541,825</u>	<u>1,200,961</u>

## MACKAY HOSPITAL FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

<u>Financial Liabilities</u>	2023 \$	2022 \$
Financial liabilities at amortised cost	<u>130,234</u>	<u>146,965</u>
Total	<u>130,234</u>	<u>146,965</u>

The Foundation has the following non-derivative financial assets: financial assets at fair value through profit or loss and receivables.

The Foundation has the following non-derivative financial liabilities: trade and other payables.

#### *Financial assets at fair value through profit or loss*

All financial assets not classified as measured at amortised cost as described below (ie the Foundation's managed investments with QIC) are measured at fair value through profit or loss (FVTPL). These assets are subsequently measured at fair value. New gains and losses are recognised in profit or loss.

#### *Receivables*

Receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value. Subsequent to recognition, loans and receivables are measured at amortised cost less any impairment losses (Refer to Note 1(k)).

#### Financial Risk Management

The Foundation's activities expose it to limited financial risks – credit risk and market risk. The Foundation is not exposed to any significant liquidity risk.

Financial risk management is implemented pursuant to the Foundation's investment policy. The focus of this policy is the mitigation of unpredictability of financial markets and minimisation of potential adverse events on the financial performance of Foundation funds.

All financial risk is managed by the Board.

#### *Credit risk exposure*

Credit risk exposure refers to the situation where the Foundation may incur financial loss as a result of another party to a financial instrument failing to discharge their obligation.

The maximum exposure to credit risk at balance date in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any provisions for impairment.

No collateral is held as security and no credit enhancements relate to financial assets held by the Foundation.

The Foundation aims to reduce the exposure to credit default by investing in secure assets in accordance with the Foundation's investment policy and monitors all funds owed on a timely basis. Exposure to credit risk is monitored on an ongoing basis.

## MACKAY HOSPITAL FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

No financial assets or financial liabilities have been offset and presented net in the Statement of Financial Position.

The method for calculating any loss allowance is based on the probability and timing of potential defaults and takes into account forecasts of future economic conditions, as well as past events and changes in client credit ratings.

No provision for impairment has been made in the current financial year. No financial assets have had their terms renegotiated so as to prevent them from being past due or impaired and are stated at the carrying amounts indicated.

#### *Market risk*

Market risk is the risk that changes in market prices, interest rates and equity prices will affect the Foundation's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimizing the return.

Investment funds were held in QIC managed funds, which are designated at fair value through profit or loss. The Foundation is exposed to market risk on these managed funds but such risk is managed through diversification of investments within the QIC managed funds.

The Foundation's investments held at reporting date are shown at Note 7.

#### **(p) Impairment**

As a not-for-profit entity, certain property, plant and equipment of the Foundation are held for the continuing use of its service capacity and not for the generation of cash flows. Such assets are typically specialised in nature. In accordance with AASB 136, where such assets are measured at fair value under AASB 13, that fair value (with no adjustment for disposal costs) is effectively deemed to be the recoverable amount. Consequently, impairment does not apply to such assets unless they are measured at cost.

For all property, plant and equipment and intangible assets to which impairment applies, the Foundation assesses for indicators of impairment annually. Where indicators exist, the impairment is accounted for differently depending on the type of asset, as follows:

- Plant and equipment and intangible assets, which are measured at cost, are reduced to the asset's recoverable amount, being the higher of the asset's fair value less costs of disposal and its value in use. The adjustment is recorded as an impairment loss.
- For non-specialised property measured at fair value, the only difference between the asset's fair value and its recoverable amount is the costs of disposal. Consequently, the fair value of the asset will materially approximate its recoverable amount where the disposal costs are negligible. Where disposal costs are not negligible the asset is reduced to its recoverable amount via a revaluation decrement.

## **MACKAY HOSPITAL FOUNDATION**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

#### **(q) Employee Benefits**

Employer superannuation contributions, annual leave entitlements and long service entitlements are regarded as employee benefits.

Workers' compensation insurance is a consequence of employing employees, but is not counted in an employee's total remuneration package. This is not an employee benefit and is recognised separately as employee related expenses.

#### Short-term employee benefits – wages, salaries and sick leave

Wages and salaries due but unpaid at reporting date are recognised in the Statement of Financial Position at the current salary rate(s). As the Mackay Hospital Foundation expects such liabilities to be wholly settled within 12 months of the reporting date, the liabilities are recognised at undiscounted amounts.

Prior history indicates that on average, sick leave taken each reporting period is less than the entitlement accrued. This is expected to continue in future periods. Accordingly, it is unlikely that existing accumulated entitlements will be used by employees and no liability for unused sick leave entitlements is recognised. As sick leave is non-vesting, an expense is recognised for this leave as it is taken.

#### Other long-term employee benefits - annual and long service leave

Annual leave and long service leave liabilities are classified and measured as other long-term employee benefits as the foundation does not expect to wholly settle such liabilities within the 12 months following reporting date.

Other long-term benefits are presented as current liabilities where the Foundation does not have an unconditional right to defer payment for at least 12 months after the end of reporting period.

Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments take into account anticipated future salary/wage levels, expected employee departures and periods of ineligible service. These are discounted using market yields on Fixed Rate Commonwealth Government bonds at the end of the reporting period that coincide with the expected timing of estimated future payments.

All directly associated on-costs (eg employer superannuation contribution and workers' compensation insurance) are also recognised as liabilities where these on-costs are material.

#### Key Management Personnel and Remuneration

Key management personnel and remuneration disclosures are made in accordance with the Financial Reporting Requirements for Queensland Government Agencies issued by Queensland Treasury FRR 3C. Refer to Note 8 for the disclosure on key management personnel and remuneration.

## MACKAY HOSPITAL FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

#### Superannuation

Superannuation benefits are provided through defined contribution (accumulation) plans in accordance with employees' conditions of employment and the employee instructions as to superannuation plans (where applicable).

*Defined contribution plans* – Employer contributions are based on rates specified under conditions of employment. The Foundation's contributions are expensed when they become payable at each fortnightly pay period.

#### **(r) Taxation**

The Foundation is exempted from income tax under the *Income Tax Assessment Act 1936* and is exempted from other forms of Commonwealth taxation with the exception of Fringe Benefits Tax (FBT) and Goods and Services Tax (GST).

Receivables and payables in the statement of financial position are shown inclusive of GST. GST credits receivable from, and GST payable to, the ATO at reporting date are separately recognised in GST Receivable within Note 6.

#### **(s) Key Accounting Estimates and Judgments**

The board evaluates estimates and judgement incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Foundation.

Estimates and assumptions that have a potential significant effect are outlined in the following financial statement notes:

Employee Provisions – Note 1(q)

Amortisation and Depreciation of Plant & Equipment – Note 1(m)



## MACKAY HOSPITAL FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

#### (t) Leases

##### The Foundation as lessee

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

##### Concessionary Leases

For leases that have significantly below-market terms and conditions principally to enable the Foundation to further its objectives (commonly known as peppercorn/concessionary leases), the Foundation has adopted the temporary relief under AASB 2018-8 *Amendments to Australian Accounting Standards – Right-of-Use Assets of Not-for-Profit Entities* and measures the right of use assets at cost on initial recognition. The value of the peppercorn property lease at cost is \$nil up to 30 June 2023.

**MACKAY HOSPITAL FOUNDATION****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 2</b>		
<b>Employee Expenses</b>		
<b>Employee Benefits</b>		
Wages and Salaries	294,457	274,192
Employer Superannuation Contributions	30,343	27,127
Other Employee Benefits	1,856	829
<b>Employee Related Expenses</b>		
Workers' Compensation Premium	2,034	1,657
Other Employee Related Expenses	<u>44,340</u>	<u>38,862</u>
	<u>373,030</u>	<u>342,667</u>
Number of employees at reporting date	4	4

The number of employees as at 30 June, including both full-time and part-time employees, is measured on a full-time equivalent basis.

<b>NOTE 3</b>	<b>Supplies and Services</b>		
Audit Fees		7,191	6,750
Bad Debts		610	-
Bank Charges		4,741	3,688
Bookkeeping Fees		13,300	12,309
Cost of Goods Sold		127,587	130,995
Insurance		6,024	4,410
Low Cost Assets		-	2,156
Motor Vehicle Expenses		5,468	3,885
Printing, Postage and Stationery		9,072	10,383
Rent		3,129	3,971
Repairs and Maintenance		-	2,399
Travelling Expenses		<u>255</u>	<u>226</u>
		<u>177,377</u>	<u>181,172</u>

**MACKAY HOSPITAL FOUNDATION****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023**

	2023 \$	2022 \$
<b>NOTE 4</b>		
<b>Distribution of Grants</b>		
Health and Medical Services	6,464	1,099,158
Equipment	231,646	190,457
Patient and Family Support	<u>77,444</u>	<u>62,351</u>
	<u>315,554</u>	<u>1,351,966</u>
<b>NOTE 5</b>		
<b>Cash and Cash Equivalents</b>		
Cash on Hand	610	610
Cash at Bank	<u>683,461</u>	<u>359,933</u>
	<u>684,071</u>	<u>360,543</u>
<b>Restricted Cash</b>		
Cash funds (Note 5) and Financial Assets (Note 7) include gifts and bequests with conditions attached requiring the funds to be expended on specific hospitals, departments and units in the Mackay Hospital and Health Service region.		
Restricted Funds	<u>702,507</u>	<u>394,828</u>

**MACKAY HOSPITAL FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 6</b>		
<b>Other Current Assets</b>		
<i><u>Trade and Other Receivables</u></i>		
Trade Debtors	21,203	22,455
Distribution Receivable	10,932	20,492
GST Receivable	12,654	27,474
	<u>44,789</u>	<u>70,421</u>
<i><u>Other</u></i>		
Prepayments	<u>12,770</u>	<u>13,738</u>
<b>Total Other Current Assets</b>	<u>57,559</u>	<u>84,159</u>
<b>NOTE 7</b>		
<b>Financial Assets</b>		
QIC Short Term Income Fund	<u>825,619</u>	<u>797,471</u>
	<u>825,619</u>	<u>797,471</u>

## MACKAY HOSPITAL FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

#### NOTE 8 Key Management Personnel (KMP) Disclosures

Ministerial remuneration entitlements are outlined in the Legislative Assembly of Queensland's Members' Remuneration Handbook. The Foundation does not bear any cost of remuneration of Ministers. The majority of those entitlements are paid by Legislative Assembly, with the remaining entitlements being provided by Ministerial Services Branch within the Department of the Premier and Cabinet. As all Ministers are reported as KMP of the Queensland Government, aggregate remuneration expenses for all Ministers is disclosed in the Queensland General Government and Whole of Government Consolidated Financial Statements which are published as part of Queensland Treasury's Report on State Finances.

The following details for key management personnel include those positions with the Foundation that have authority and responsibility for planning, directing and controlling the activities of the Foundation during 2022-23 and 2021-22. Further information about these positions can be found in the body of the Foundation's Annual Report under the section relating to Executive Management.

*Board* – responsible for strategic leadership, guidance and effective oversight of the management of the Foundation, including its operational and financial performance.

*General Manager (previously Chief Executive Officer)* – responsible for the strategic leadership and direction of the Foundation. In July 2022, the Board reviewed the senior KMP employee role, and changed the title from Chief Executive Officer to General Manager.

No Board Members received or were entitled to receive any fees or other benefits during the year.

Remuneration and other terms of employment for the Foundation's other key management personnel are specified in employment contracts. No KMP package provide for performance or bonus payments. Remuneration expenses for these key management personnel comprises the following components:

Short term employee expenses which include:

- Salaries and allowances earned and expensed for the entire year, or for that part of the year during which the employee occupied the specified position.
- Non-monetary benefits – consisting of provision of benefits together with fringe benefits tax applicable to the benefit.

Long term employee expenses – mainly annual leave and long service leave entitlements earned and expensed for the entire year, or for that part of the year during which the employee occupied the specified position;

Post-employment expenses – mainly superannuation contributions; and

## MACKAY HOSPITAL FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

#### NOTE 8 Key Management Personnel (KMP) Disclosures (Cont.)

Termination benefits – include payments in lieu of notice on termination and other lump sum separation entitlements (excluding annual and long service leave entitlements) payable on termination of employment or acceptance of an offer of termination of employment.

The following disclosures focus on the expenses incurred by the Foundation during the respective reporting periods that is attributable to key management positions. Therefore, the amounts disclosed reflect expenses recognised in the Statement of Comprehensive Income.

##### Remuneration Expenses

##### 2022 – 23

Position	Short Term Employee Expenses		Long Term Employee Expenses	Post - Employment Expenses	Total Expenses
	Monetary Expenses \$	Non-Monetary Expenses \$	\$	\$	\$
General Manager	66,655	14,640	-	8,481	89,777

##### 2021 – 22

Position	Short Term Employee Expenses		Long Term Employee Expenses	Post-Employment Expenses	Total Expenses
	Monetary Expenses \$	Non-Monetary Expenses \$	\$	\$	\$
Chief Executive Officer	79,742	15,860	(1,398)	9,599	103,803

**MACKAY HOSPITAL FOUNDATION****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 9</b>		
<b>Property, Plant and Equipment</b>		
At cost	196,399	219,595
Less Accumulated Depreciation	<u>(111,819)</u>	<u>(102,912)</u>
Total	<u>84,580</u>	<u>116,683</u>
Carrying Amount at 1 July	116,683	60,022
Acquisitions	-	79,299
Disposals	(5,393)	-
Depreciation	<u>(26,710)</u>	<u>(22,638)</u>
Carrying Amount at 30 June	<u>84,580</u>	<u>116,683</u>

**MACKAY HOSPITAL FOUNDATION****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023**

	2023 \$	2022 \$
<hr/>		
<b>NOTE 10</b>	<b>Trade and Other Payables</b>	
Accounts Payable and Accruals	<u>139,775</u>	<u>154,830</u>
	139,775	154,830
<hr/>		
<b>NOTE 11</b>	<b>Employee Provisions</b>	
<b>Current</b>		
Provision for Annual Leave	9,335	23,149
Time in Lieu Provision	<u>4,092</u>	<u>1,701</u>
	<u>13,427</u>	<u>24,850</u>
<b>Non-Current</b>		
Provision for Long Service Leave	<u>1,577</u>	<u>780</u>
	<u>1,577</u>	<u>780</u>
<hr/>		
<b>NOTE 12</b>	<b>Unearned Revenue</b>	
Unearned Revenue	<u>58,834</u>	<u>-</u>
	<u>58,834</u>	<u>-</u>
<hr/>		
<b>NOTE 13</b>	<b>Related Party Transactions</b>	

The State of Queensland (represented by Mackay Hospital and Health Service) provides furnished office space for four staff, a storeroom and gift shop premises within Mackay Base Hospital buildings at 475 Bridge Road, Mackay under a peppercorn lease agreement.



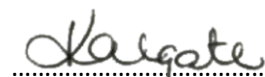
**MANAGEMENT CERTIFICATE OF  
MACKAY HOSPITAL FOUNDATION**

These general purpose financial statements have been prepared pursuant to s.62(1)(a) of the *Financial Accountability Act 2009* (the Act), s.39 of the *Financial and Performance Management Standard 2019* and the Australian Charities and Not-for-profits Commission Act 2012 and Regulation 2013 and other prescribed requirements. In accordance with s.62(1)(b) of the Act and s.60.15 of the Australian Charities and Not-for-profits Commission Regulation 2013, we certify that in our opinion:

- a) The prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- b) The financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards and the Australian Charities and Not-for-profits Commission Act 2012, of the transactions of the Mackay Hospital Foundation for the financial year ended 30 June 2023 and of the financial position of the Foundation as at the end of that year.

We acknowledge responsibility under s.7 and s.11 of the *Financial and Performance Management Standard 2019* for the establishment and maintenance, in all material respects of an appropriate and effective system of internal controls and risk management processes with respect to financial reporting throughout the reporting period.

  
.....  
PETER TAIT  
Chairperson  
**Mackay Hospital Foundation**  
24 August 2023

  
.....  
KRISTI ALGATE  
General Manager  
**Mackay Hospital Foundation**  
24 August 2023

## INDEPENDENT AUDITOR'S REPORT

To the Board of Mackay Hospital Foundation

### Report on the audit of the financial report

#### Opinion

I have audited the accompanying financial report of Mackay Hospital Foundation.

In my opinion, the financial report:

- a) gives a true and fair view of the entity's financial position as at 30 June 2023, and its financial performance and cash flows for the year then ended
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019, the *Australian Charities and Not-for-profits Commission Act 2012*, the *Australian Charities and Not-for-profits Commission Regulation 2022* and Australian Accounting Standards – Simplified Disclosures.

The financial report comprises the statement of financial position as at 30 June 2023, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including summaries of significant accounting policies and other explanatory information, and the management certificate.

#### Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards – Simplified Disclosures. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Responsibilities of the entity for the financial report

The Board is responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019, the *Australian Charities and Not-for-profits Commission Act 2012*, the *Australian Charities and Not-for-profits Commission Regulation 2022* and Australian Accounting Standards – Simplified Disclosures, and for such internal control as the Board determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The Board is also responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the entity or to otherwise cease operations.

### **Auditor's responsibilities for the audit of the financial report**

My 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 my 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 – Simplified Disclosures will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards – Simplified Disclosures, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. This is not done for the purpose of forming an opinion on the effectiveness of the entity's internal controls, but allows me to form an opinion on compliance with prescribed requirements.
- Evaluate the appropriateness of material accounting policy information used and the reasonableness of accounting estimates and related disclosures made by the entity.
- Conclude on the appropriateness of the entity's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

## **Report on other legal and regulatory requirements**

### **Statement**

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2023:

- a) I received all the information and explanations I required.
- b) I consider that, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

### **Prescribed requirements scope**

The prescribed requirements for the establishment and keeping of accounts are contained in the *Financial Accountability Act 2009*, any other Act and the Financial and Performance Management Standard 2019. The applicable requirements include those for keeping financial records that correctly record and explain the entity's transactions and account balances to enable the preparation of a true and fair financial report.



David Adams  
as delegate of the Auditor-General

28 August 2023  
Queensland Audit Office  
Brisbane

## Glossary

Board	Board of the Mackay Hospital Foundation
CAU	Children and Adolescent Unit
COVID-19	Coronavirus disease
Foundation	The Mackay Hospital Foundation
FTE	Full Time Equivalent
MHF	Mackay Hospital Foundation
MHHS	Mackay Hospital and Health Service
QAO	Queensland Audit Office
GM	General Manager
Strategic goal	Specific metric for achievement
Strategic objective	Agreed main theme to inform all actions: from Board to operational levels
Target	Statement of operational activity to be undertaken for achievement towards a strategic objective

## Compliance checklist

Summary of requirement		Basis for requirement	Annual report reference
Letter of compliance	<ul style="list-style-type: none"> <li>A letter of compliance from the accountable officer or statutory body to the relevant Minister/s</li> </ul>	ARRs – section 7	3
Accessibility	<ul style="list-style-type: none"> <li>Table of contents</li> <li>Glossary</li> </ul>	ARRs – section 9.1	4,45
	<ul style="list-style-type: none"> <li>Public availability</li> </ul>	ARRs – section 9.2	2
	<ul style="list-style-type: none"> <li>Interpreter service statement</li> </ul>	Queensland Government Language Services Policy ARRs – section 9.3	2
	<ul style="list-style-type: none"> <li>Copyright notice</li> </ul>	Copyright Act 1968 ARRs – section 9.4	2
	<ul style="list-style-type: none"> <li>Information Licensing</li> </ul>	QGEA – Information Licensing ARRs – section 9.5	2
General information	<ul style="list-style-type: none"> <li>Introductory Information</li> </ul>	ARRs – section 10	5
Non-financial performance	<ul style="list-style-type: none"> <li>Government's objectives for the community and whole-of-government plans/specific initiatives</li> </ul>	ARRs – section 11.1	8
	<ul style="list-style-type: none"> <li>Agency objectives and performance indicators</li> </ul>	ARRs – section 11.2	15-16
	<ul style="list-style-type: none"> <li>Agency service areas and service standards</li> </ul>	ARRs – section 11.3	15-16
Financial performance	<ul style="list-style-type: none"> <li>Summary of financial performance</li> </ul>	ARRs – section 12.1	17
Governance – management and structure	<ul style="list-style-type: none"> <li>Organisational structure</li> </ul>	ARRs – section 13.1	12
	<ul style="list-style-type: none"> <li>Executive management</li> </ul>	ARRs – section 13.2	11
	<ul style="list-style-type: none"> <li>Government bodies (statutory bodies and other entities)</li> </ul>	ARRs – section 13.3	9
	<ul style="list-style-type: none"> <li>Public Sector Ethics</li> </ul>	Public Sector Ethics Act 1994 ARRs – section 13.4	13-14
	<ul style="list-style-type: none"> <li>Human Rights</li> </ul>	Human Rights Act 2019 ARRs – section 13.5	14
	<ul style="list-style-type: none"> <li>Queensland public service values</li> </ul>	ARRs – section 13.6	13-14
Governance – risk management and accountability	<ul style="list-style-type: none"> <li>Risk management</li> </ul>	ARRs – section 14.1	13
	<ul style="list-style-type: none"> <li>Audit committee</li> </ul>	ARRs – section 14.2	11
	<ul style="list-style-type: none"> <li>Internal audit</li> </ul>	ARRs – section 14.3	13
	<ul style="list-style-type: none"> <li>External scrutiny</li> </ul>	ARRs – section 14.4	13
	<ul style="list-style-type: none"> <li>Information systems and recordkeeping</li> </ul>	ARRs – section 14.5	13
	<ul style="list-style-type: none"> <li>Information Security attestation</li> </ul>	ARRs – section 14.6	N/A

Summary of requirement		Basis for requirement	Annual report reference
Governance – human resources	• Strategic workforce planning and performance	ARRs – section 15.1	12
	• Early retirement, redundancy and retrenchment	Directive No.04/18 <i>Early Retirement, Redundancy and Retrenchment</i> ARRs – section 15.2	12
Open Data	• Statement advising publication of information	ARRs – section 16	2
	• Consultancies	ARRs – section 31.1	<a href="https://data.qld.gov.au">https://data.qld.gov.au</a>
	• Overseas travel	ARRs – section 31.2	<a href="https://data.qld.gov.au">https://data.qld.gov.au</a>
	• Queensland Language Services Policy	ARRs – section 31.3	<a href="https://data.qld.gov.au">https://data.qld.gov.au</a>
Financial statements	• Certification of financial statements	FAA – section 62 FPMS – sections 38, 39 and 46 ARRs – section 17.1	Appendix B
	• Independent Auditor's Report	FAA – section 62 FPMS – section 46 ARRs – section 17.2	Appendix B

FAA *Financial Accountability Act 2009*  
 FPMS *Financial and Performance Management Standard 2019*  
 ARRs *Annual report requirements for Queensland Government agencies*