



**Aboriginal
Health Council
of Western Australia**

Annual Financial Report

FOR THE YEAR ENDED
30 JUNE 2024

ABORIGINAL HEALTH COUNCIL OF WESTERN AUSTRALIA

ABN 48 114 220 478

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2024

ABORIGINAL HEALTH COUNCIL OF WESTERN AUSTRALIA

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2024

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**ABORIGINAL HEALTH COUNCIL OF WESTERN AUSTRALIA
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

The directors of the Aboriginal Health Council of WA ("AHCWA") ("Organisation") ("Corporation") present their report together with the financial statements for the financial year ended 30 June 2024.

Directors

The name of each person who acted as a director during the year and as at the date of this report are:

Name	Position	Region	Period of Tenure	
			Start Date	End Date
Vicki O'Donnell	Chairperson	Kimberley	18.08.2014	Present
Christopher Bin Kali	Deputy Chairperson	Kimberley	4.11.2017	Present
Fabian Tucker	Secretary	Goldfields	4.11.2017	Present
Deborah Woods	Treasurer	Murchison Gascoyne	27.11.2020	27.10.2023
Deborah Woods	Director	Murchison Gascoyne	27.10.2023	15.02.2024
Raymond Christophers	Director	Kimberley	15.11.2014	Present
Rachel Mallard	Director	Murchison Gascoyne	25.03.2021	27.10.2023
Rachel Mallard	Director	Murchison Gascoyne	26.04.2024	Present
June Councillor	Director	Pilbara	4.11.2017	27.10.2023
June Councillor	Treasurer	Pilbara	27.10.2023	Present
Eric Simpson	Director	Goldfields	25.03.2019	Present
Preston Thomas	Director	Central Desert	27.11.2020	Present
Wade Garwood	Director	Youth	17.02.2021	27.10.2023
Ernie Hill	Director	South West	24.03.2019	Present
Stanley Watson	Director	Pilbara	27.10.2023	Present
Doreen Nelson	Director	Metro	27.10.2023	14.02.2024

Principal Activities

During the year, the principal activity of the Organisation was to network, provide support, advocate, influence policy, monitor performance, build work capacity, improve and strengthen the social and emotional wellbeing of Aboriginal people and their communities.

There have been no significant changes in the nature of these activities during the year.

Operating Results

The Organisation recorded a Surplus of \$888,668 (2023: \$1,946,670) as reported in the statement of profit or loss and other comprehensive income.

Significant Changes in the State of Affairs

No significant changes in State of Affairs.

Environmental Issues

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

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under s.60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* is included on page 30 of this financial report.

**ABORIGINAL HEALTH COUNCIL OF WESTERN AUSTRALIA
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

Information on directors

Number of director meetings held for the year ended 30 June 2024 was 11.

Name	Position	Region	Period of Tenure		Director Meetings	
					No. of Meetings Eligible to Attend	No. of Meetings Attended
Vicki O'Donnell	Chairperson	Kimberley	18.08.2014	Present	11	11
Christopher Bin Kali	Deputy Chairperson	Kimberley	4.11.2017	Present	11	11
Fabian Tucker	Secretary	Goldfields	4.11.2017	Present	11	9
Deborah Woods	Treasurer	Murchison Gascoyne	27.11.2020	27.10.2023	4	4
Deborah Woods	Director	Murchison Gascoyne	27.10.2023	15.02.2024	4	2
Raymond Christophers	Director	Kimberley	15.11.2014	Present	11	11
Rachel Mallard	Director	Murchison Gascoyne	25.03.2021	27.10.2023	4	1
Rachel Mallard	Director	Murchison Gascoyne	26.04.2024	Present	2	2
June Councillor	Director	Pilbara	4.11.2017	27.10.2023	4	2
June Councillor	Treasurer	Pilbara	27.10.2023	Present	7	7
Eric Simpson	Director	Goldfields	25.03.2019	Present	11	9
Preston Thomas	Director	Central Desert	27.11.2020	Present	11	6
Wade Garwood	Director	Youth	17.02.2021	27.10.2023	4	4
Ernie Hill	Director	South West	24.03.2019	Present	11	2
Stanley Watson	Director	Pilbara	27.10.2023	Present	7	7
Doreen Nelson	Director	Metro	27.10.2023	14.02.2024	2	1

Corporation Secretary during the year was Fabian Tucker.

Treasurer during the period from 27/11/2020 to 27/10/2023 – Deborah Woods and 27/10/2023 to Present – June Councillor.

Indemnifying Officers or Auditor

No indemnities have been given or agreed to be given or insurance premiums paid or agreed to be paid, during or since the end of the financial year, to any person who is or has been an officer or auditor of the Organisation.

Proceedings on Behalf of the Organisation

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

The Organisation was not a party to any such proceedings during the year.

**ABORIGINAL HEALTH COUNCIL OF WESTERN AUSTRALIA
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

Distributions

No distributions have been paid to members during the year.

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

Director *W. Brown*

Director *B. V. C.*

**ABORIGINAL HEALTH COUNCIL OF WESTERN AUSTRALIA
DIRECTORS' DECLARATION
FOR THE YEAR ENDED 30 JUNE 2024**

Dated 30th of October 2024

In the opinion of the Board of Directors of the Aboriginal Health Council of Western Australia:

- a. The financial statements and notes of the Aboriginal Health Council of Western Australia are in accordance with Australian Charities and Not-for-profits Commission Act 2012, including:
 - i) Giving a true and fair view of its financial position as at 30 June 2024 and of its performance for the financial year ended on that date; and
 - ii) Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Australian Charities and Not-for-profits Commissions Regulation 2012; and
- b. There are reasonable grounds to believe that the Aboriginal Health Council of Western Australia will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board of Directors



Chairperson – Vicki O'Donnell
Dated 30th October 2024



Director
Dated 30th October 2024

**ABORIGINAL HEALTH COUNCIL OF WESTERN AUSTRALIA
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024**

	Notes	2024	2023
		\$	\$
INCOME			
Revenue from ordinary activities - Recurrent		9,918,237	16,480,141
Revenue from ordinary activities – Non Recurrent		9,122,264	5,628,432
Total Income	2	<u>19,040,501</u>	<u>22,108,573</u>
EXPENDITURE			
Employee benefits expense		6,924,603	6,915,244
Depreciation and amortisation expenses	3	629,585	680,724
Operating lease expense	3	164,704	139,621
Finance costs		2,385	461
Grant administration expenses		2,154,919	1,292,426
Meeting/seminar/workshops		500,896	438,994
Member Support Grants		6,946,698	9,757,166
Insurance costs		74,762	78,506
Motor vehicle expenses		15,975	24,518
Office supplies and consumables		78,112	104,951
Travel expenses		659,194	729,292
Total Expenditure		<u>18,151,833</u>	<u>20,161,903</u>
Surplus / (Loss) for the year attributable to members of the Aboriginal Health Council of WA		<u>888,668</u>	<u>1,946,670</u>
Total comprehensive income / (deficit) for the year attributable to members of the Aboriginal Health Council of WA		<u>888,668</u>	<u>1,946,670</u>

The accompanying notes form part of these financial statements.

**ABORIGINAL HEALTH COUNCIL OF WESTERN AUSTRALIA
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024**

	Notes	2024	2023
		\$	\$
CURRENT ASSETS			
Cash at bank	4	9,752,506	15,884,552
Trade and other receivables	5	316,659	556,231
Other current assets	6	7,815,804	2,738,030
		17,884,969	19,178,813
NON CURRENT ASSETS			
Property, plant and equipment	7	6,487,505	6,749,031
Intangible assets	8	346,655	583,944
Right of use assets	9	54,929	16,153
		6,889,089	7,349,128
TOTAL ASSETS			
		24,774,058	26,527,941
CURRENT LIABILITIES			
Trade and other payables	10	1,796,093	3,117,035
Lease liabilities	14	18,966	11,440
Provision for employee entitlements	12	655,540	849,490
Contract liabilities	11	8,434,501	9,669,539
		10,905,100	13,647,504
NON CURRENT LIABILITIES			
Lease liabilities	14	34,725	3,915
Provision for employee LSL entitlements	12	248,040	178,997
		282,765	182,912
TOTAL LIABILITIES			
		11,187,865	13,830,416
NET ASSETS			
		13,586,193	12,697,525
EQUITY			
Start up capital		11,020	11,020
Accumulated surplus		13,575,173	12,686,505
TOTAL EQUITY	13	13,586,193	12,697,525

**ABORIGINAL HEALTH COUNCIL OF WESTERN AUSTRALIA
STATEMENT OF CASH FLOWS
AS AT 30 JUNE 2024**

	Notes	Start-up capital	Accumulated surplus	Total
		\$	\$	\$
Balance at 1 July 2022		11,020	10,739,835	10,750,855
Surplus for the year	13	-	1,946,670	1,946,670
Total comprehensive income for the year		-	1,946,670	1,946,670
Balance at 30 June 2023	13	11,020	12,686,505	12,697,525
Surplus for the year	13	-	888,668	888,668
Total comprehensive income for the year		-	888,668	888,668
Balance at 30 June 2024	13	11,020	13,575,173	13,586,193

**ABORIGINAL HEALTH COUNCIL OF WESTERN AUSTRALIA
STATEMENT OF CASH FLOWS
AS AT 30 JUNE 2024**

	Notes	2024	2023
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from operating grants and other operating activities		18,059,791	25,591,733
Payments to suppliers and employees		(19,384,735)	(19,689,464)
Interest received		430,936	229,295
Interest paid		(2,385)	(461)
Net cash (used in) / generated from operating activities	19(b)	(896,393)	6,131,103
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		-	8,277
Purchase of property, plant and equipment and intangibles		(107,464)	(1,098,948)
Investment in Term Deposit		(5,104,442)	(2,500,000)
Net cash (used in) from investing activities		(5,211,906)	(3,590,671)
CASH FLOWS FROM FINANCING ACTIVITIES			
Lease payments		(23,746)	(10,665)
Net cash used by financing activities		(23,746)	(10,665)
Net (decrease) / increase in cash held		(6,132,045)	2,529,767
Cash at the beginning of the year		15,884,551	13,354,785
Cash at the end of the year	19(a)	9,752,506	15,884,552

**ABORIGINAL HEALTH COUNCIL OF WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

The Aboriginal Health Council of Western Australia ("AHCWA") is a not-for-profit organisation which is an unlisted public company limited by guarantee. The principal activity of the Organisation is to network, provide support, advocate, influence policy, monitor performance, build work capacity, improve and strengthen the social and emotional wellbeing of Aboriginal people and their communities.

Basis of Preparation

The financial report is a Tier 2 general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Simplified Disclosure Requirements made by the Australian Accounting Standards Board and the requirements of the Australian Charities and Not-for-Profits Commission Act 2012 (Cth) and the Associations Incorporation Act 2015 (WA).

The financial statement, except for the cash flow information has been prepared on an accruals basis and is based on historical costs. All amounts disclosed are presented in Australian dollars, which is both the functional and presentation currency of the Organisation.

The financial statements for the year ended 30 June 2024 were approved and authorised by the Board of Directors on the 30th October 2024.

Summary of Material Accounting Policies

(a) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

(b) Trade and other receivables

Trade and other receivables includes amounts due from grants in the ordinary course of business and amounts due from customers for services provided, which are recognised and carried at original invoice amount less any allowance for expected credit losses. An allowance for expected credit losses is recognised when collection of the full amount is no longer expected. Bad debts are written off as incurred.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for expected credit loss. Refer to Note 1(m) for further discussion on the determination of impairment losses.

(c) Property, plant and equipment

Cost and valuation

Buildings and plant and equipment are measured at cost less accumulated depreciation and any impairment in value.

**ABORIGINAL HEALTH COUNCIL OF WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

(c) Property, plant and equipment (continued)

Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

Asset Type	Useful Life
Office Furniture	6.3 - 20 years
Office Equipment	2.5 – 13.3 years
Office Equipment <\$100	Immediate Write Off
Motor Vehicles	5.3 years
Leasehold Improvements	40 years

The carrying values of plant and equipment are reviewed for impairment when events occur, or there are changes in circumstances indicate the carrying value of the asset may not be recoverable.

Impairment losses are recognised in the Statement of Profit of Loss and Other Comprehensive Income.

Recognition on Disposal

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

(d) Intangible Assets

Cost and valuation

Intangible assets are comprised of acquired computer software and licences and are capitalised based on the costs incurred to acquire and install the specific software.

All intangible assets are accounted for using the cost model whereby capitalised costs are amortised on a reducing balance over their estimated useful lives, as these assets are considered finite.

Residual values and useful lives are reviewed at each reporting date. In addition, they are subject to impairment testing as described in 1(e).

Amortisation

The following useful lives are applied:

Asset Type	Useful Life
Software	2.5 - 5 years

Amortisation has been included within depreciation and amortisation.

Recognition on Disposal

When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset, and is recognised in the Statement of Profit or Loss and Other Comprehensive Income.

(e) Impairment of Assets and Intangible Assets

At the end of each reporting period, the Organisation assesses whether there is any indication that an asset may be impaired. The assessment will consider both external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of that asset, being the higher of the asset's fair value less costs to sell and its value-in-use, to the asset's carrying

**ABORIGINAL HEALTH COUNCIL OF WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

(e) Impairment of Assets and Intangible Assets (continued)

amount. Any excess of the asset's carrying amount over its recoverable amount is immediately recognised in profit or loss.

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

Where it is not possible to estimate the recoverable amount of an individual asset, the Organisation estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation profit in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation profit for that class of asset.

(f) Trade and other payables

Liabilities for trade creditors and other amounts are carried at amortised cost which is initially the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Organisation.

(g) Provisions

Provisions are recognised when the Organisation has a legal, equitable or constructive obligation to make a future sacrifice of economic benefits to other entities as a result of past transactions or other past events, it is probable that a future sacrifice of economic benefits will be required and a reliable estimate can be made of the amount of the obligation.

(h) Revenue Recognition

Contributed Assets

The Organisation receives assets from the government and other parties for nil or nominal consideration in order to further its objectives. These assets are recognised in accordance with the recognition requirements of other applicable accounting standards (e.g. AASB 9, AASB 16, AASB 116 and AASB 138.)

On initial recognition of an asset, the Organisation recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer).

The Organisation recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

Operating Grants, Donations and Bequests

When the organisation receives operating grant revenue, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15 and AASB 1058.

When both these conditions are satisfied, the Organisation:

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

**ABORIGINAL HEALTH COUNCIL OF WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

(h) Revenue Recognition (continued)

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

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

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

Capital Grant

When the Organisation receives a capital grant, it recognises a liability for the excess of the initial carrying amount of the financial asset received over any related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer) recognised under other Australian Accounting Standards.

The Organisation recognises income in profit or loss when or as the Organisation satisfies its obligations under the terms of the grant.

Interest Income

Interest income is recognised using the effective interest method. All revenue is stated net of the amount of goods and services tax.

(i) Employee benefits

Short-term employee benefits

Short-term employee benefits are benefits, other than termination benefits, that are expected to be settled wholly within twelve (12) months after the end of the period in which the employees render the related service. Examples of such benefits include wages and salaries, non-monetary benefits, annual leave liabilities, time off in lieu accrued and qualifying long-service leave liabilities. Short-term employee benefits are measured at the undiscounted amounts expected to be paid when the liabilities are settled. Liabilities at balance date for wages and salaries, non-monetary benefits and accumulating sick leave are included in Accrued Expenses (Note 10) whereas the annual leave liability is included under Provision for Employee Entitlements (Note 12).

Other long-term employee benefits

The Organisation's liability for long service leave, where employees have not reach entitlement, is included in other long-term benefits as they are not expected to be settled wholly within twelve (12) months after the end of the period in which the employees render the related service. They are measured at the present value of the expected future payments to be made to employees. The expected future payments incorporate anticipated future wage and salary levels, experience of employee departures and periods of service, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the timing of the estimated future cash outflows. Any re-measurements arising from experience adjustments and changes in assumptions are recognised in profit or loss in the periods in which the changes occur.

The Organisation presents employee benefit obligations as current liabilities in the statement of financial position if the Organisation does not have an unconditional right to defer settlement for at least twelve (12) months after the reporting period, irrespective of when the actual settlement is expected to take place.

**ABORIGINAL HEALTH COUNCIL OF WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

(j) Income Taxes

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

(k) Comparative Figures

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

Where the Organisation has retrospectively applied an accounting policy, made a retrospective restatement or reclassified items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

(l) Grant Acquittals

For the purpose of acquitting grants provided by funding bodies, the Organisation has adopted the following policies:

Grant income is acquitted after allowing for the following costs:

- (a)** Cost including labour and on-costs directly associated with a specific grant;
- (b)** Administrative and other related overhead costs (after excluding costs which are abnormal both in nature and value and therefore not representative of an appropriate level of costs that would be expected to be incurred) not related to a specific grant are allocated over the relevant grants, based on a proportion of the level of each grant and related income compared to total income.

Such allocations are reduced to take into consideration the lower level administrative burden a grant is likely to produce, such as in the case of capital grants. Representations of management and internal documentation, such as Board approved budgets, are used in determining to which grant a cost may directly or indirectly be attributed.

Grant administration fees include internal charges levied to programs. Total of these internal charges for the year ended 30 June 2024 were \$2,304,442 (2023: \$3,019,789). These internal charges have been removed on consolidation from the Statement of Surplus or Loss and Other Comprehensive Income.

(m) Leases

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

Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease.

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

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

**ABORIGINAL HEALTH COUNCIL OF WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

(m) Leases (continued)

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

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

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

(n) Significant management judgement in applying accounting policies

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Impairment

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating unit based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain IT equipment.

Useful lives of intangible assets

Management reviews its estimate of the useful lives of intangible assets at each reporting date, based on the expected utility of the assets and checking for any indicators of impairment. Uncertainties in these estimates relate to changes in technology that may change the utility of certain intangible assets.

Long service leave

The liability for long service leave is recognised and measured at the present value of the estimated cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Performance obligations under AASB 15

To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the funding agreement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/ type, cost/ value, quantity and the period of transfer related to the goods or services promised.

Lease term and option to extend under AASB 16

The lease term is defined as the non-cancellable period of a lease together with both periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and also periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option. The options that are reasonably going to be exercised are a key management judgement that the organisation will make.

**ABORIGINAL HEALTH COUNCIL OF WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

(n) Significant management judgement in applying accounting policies (continued)

The organisation determines the likelihood to exercise the options on a lease-by-lease basis looking at various factors such as which assets are strategic and which are key to future strategy of the organisation.

(r) New and Revised Accounting Standards and Interpretations

The following standards and interpretations have been issued by the AASB but are not yet effective for the period ending 30 June 2024.

(a) Application of new and revised Accounting Standards

New and revised AASBs affecting amounts reported and/or disclosures in the financial statements.

A number of new and amended standards and interpretations issued by the Australian Accounting Standards Board (AASB) became effective for the financial year ended 30 June 2024.

These did not result in material changes to the Association's accounting policies.

(a) Standards and Interpretations issued but not yet effective

Certain new and revised Accounting Standards and Interpretations have been issued by the Australian Accounting Standards Board (AASB) which will be effective over the next one to three years. The Association will adopt these Standards and Interpretations from the date of mandatory application.

**ABORIGINAL HEALTH COUNCIL OF WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

NOTE 2: REVENUE

	2024	2023
	\$	\$
Operating activities		
- operating grants	18,061,024	21,485,574
- interest received	430,936	229,295
- conference registrations	145,676	102,136
- training course fees	540	3,460
- member support contracting	150,000	35,825
- parental leave funds	47,702	37,341
-Net gain on disposal of plant and equipment	120	1,841
- sponsorship	128,050	95,000
- other sources of revenue	76,453	118,101
	<u>19,040,501</u>	<u>22,108,573</u>

The table below shows the grant revenue expected to be recognised in the future related to the performance obligations that are unsatisfied or partially unsatisfied at the reporting date as a result of adoption of AASB 15 and AASB 1058.

	2024	Total
	\$	\$
Revenue from government and other grants - operating and capital	<u>8,434,501</u>	<u>8,434,501</u>

NOTE 3: SURPLUS FROM ORDINARY ACTIVITIES

Surplus from ordinary activities has been determined after:

(a) Expenses

	2024	2023
	\$	\$
Amortisation expenses	302,491	434,401
Depreciation on building improvements	148,691	78,628
Depreciation on property, plant and equipment	155,097	156,909
Depreciation on right of use assets	23,306	10,786
Net loss on disposal of plant and equipment	12,028	139,621
Rental expenses on operating leases		
- any other lease costs	164,704	139,621

(b) Auditors' remuneration

Auditor's remuneration		
- audit services, including grant acquittal audits	47,166	42,193
Total remuneration	<u>47,166</u>	<u>42,193</u>

NOTE 4: CASH AT BANK

	2024	2023
	\$	\$
Unrestricted cash	9,751,843	10,883,952
Cash on short term deposits	-	5,000,000
Petty Cash	663	600
	<u>9,752,506</u>	<u>15,884,552</u>

**ABORIGINAL HEALTH COUNCIL OF WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

NOTE 5: TRADE AND OTHER RECEIVABLES

	2024	2023
	\$	\$
Trade debtors	263,873	527,799
Accrued Income	51,486	27,732
Leased property bond	1,300	700
	<u>316,659</u>	<u>556,231</u>

NOTE 6: OTHER CURRENT ASSETS

	2024	2023
	\$	\$
Term Deposit	7,604,444	2,500,000
Prepayments	211,360	238,030
	<u>7,815,804</u>	<u>2,738,030</u>

NOTE 7: PROPERTY, PLANT AND EQUIPMENT

	2024	2023
	\$	\$
Freehold land and buildings		
At cost of improvements	7,076,496	7,072,688
Less accumulated depreciation	(851,188)	(702,497)
	<u>6,225,308</u>	<u>6,370,191</u>
Plant and equipment		
At cost	780,361	741,907
Less accumulated depreciation	(518,164)	(363,067)
	<u>262,197</u>	<u>378,840</u>
Total property, plant and equipment	<u>6,487,505</u>	<u>6,749,031</u>

ABORIGINAL HEALTH COUNCIL OF WESTERN AUSTRALIA
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2024

NOTE 7: PROPERTY, PLANT AND EQUIPMENT (continued)

Movements in carrying amounts

Movements in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

	Buildings	Plant and Equipment	Work in Progress	Total
Carrying amount as at 1 July 2022				
Additions at cost	5,820,642	307,198	-	6,127,840
Disposals	628,176	229,306	-	857,482
Depreciation expense	-	(35,264)	-	(35,264)
	(78,628)	(122,399)	-	(201,027)
Carrying amount at 30 June 2023	6,370,190	378,841	-	6,749,031
Carrying amount as at 1 July 2023				
Transfers	6,370,190	378,841	-	6,749,031
Additions at cost	-	-	-	-
Disposals	3,808	38,454	-	42,262
Depreciation expense	-	-	-	-
	(148,691)	(155,097)	-	(303,788)
Carrying amount at 30 June 2024	6,225,307	262,198	-	6,487,505

**ABORIGINAL HEALTH COUNCIL OF WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

NOTE 8: INTANGIBLE ASSETS

	2024	2023
	\$	\$
At cost – Other intangible assets	190,975	138,842
At cost – MAPPA software	1,288,819	1,288,819
Work in progress – correction of prior year	221,020	207,950
Less accumulated amortisation	(1,354,159)	(1,051,667)
	<u>346,655</u>	<u>583,944</u>
Balance at the beginning of the year	519,723	776,878
Additions and transfers	-	-
Disposals	-	177,247
Amortisation	(302,491)	(434,401)
Carrying amount at the end of the year	<u>217,232</u>	<u>519,723</u>

NOTE 9: RIGHT OF USE ASSETS

The Organisations lease portfolio includes motor vehicles, these leases have 3 years as their lease term and there were no extension options on these leases.

AASB 16 related amounts recognised in the balance sheet

	2024	2023
	\$	\$
Leased Motor Vehicles	157,243	95,161
Less Accumulated Depreciation	(102,314)	(79,008)
	<u>54,929</u>	<u>16,153</u>
Balance at the beginning of the year	16,153	4,135
Additions to the right of use assets	62,082	22,804
Depreciation expense	(23,306)	(10,786)
	<u>54,929</u>	<u>16,153</u>

AASB 16 related amounts recognised in the statement of profit or loss and other comprehensive income

	2024	2023
	\$	\$
Depreciation charge related to right-of-use assets	23,306	10,786
Interest expense on lease liabilities	2,161	461
	<u>25,467</u>	<u>11,247</u>

NOTE 10: TRADE AND OTHER PAYABLES

	2024	2023
	\$	\$
Trade creditors	1,301,828	2,319,018
GST payable	83,670	282,605
Superannuation payable	49,470	102,298
Accrued expenses	361,125	413,114
	<u>1,796,093</u>	<u>3,117,035</u>

**ABORIGINAL HEALTH COUNCIL OF WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

NOTE 11: CONTRACT LIABILITIES

	2024	2023
	\$	\$
Contract liabilities	8,434,501	9,669,539
	<u>8,434,501</u>	<u>9,669,539</u>

Contract liabilities includes funds received from funders as at reporting date but the organisation has not yet satisfied the performance obligation. In accordance with the organisation's revenue recognition policy and the requirements outlined in AASB 15 and AASB 1058, income is deferred until the performance obligations are fulfilled in future periods.

NOTE 12: PROVISION FOR EMPLOYEE ENTITLEMENTS

	2024	2023
	\$	\$
Current		
Provision for annual leave	336,751	423,731
Provision for long service leave	312,105	414,775
Provision for time off in lieu	6,684	10,984
	<u>655,540</u>	<u>849,490</u>
Non-current		
Provision for long service leave	<u>248,040</u>	<u>178,997</u>
Number of employees at the end of the year	<u>85</u>	<u>71</u>

NOTE 13: EQUITY

	2024	2023
	\$	\$
Start-up capital	11,020	11,020
Accumulated surplus	12,686,505	10,739,835
Current year surplus/(loss)	888,668	1,946,670
	<u>13,586,193</u>	<u>12,697,525</u>

NOTE 14: LEASE LIABILITIES

Lease liabilities presented in the statement of financial position are as follows:

	2024	2023
	\$	\$
Current	18,966	11,440
Non-Current	34,725	3,915
	<u>53,691</u>	<u>15,355</u>

**ABORIGINAL HEALTH COUNCIL OF WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

NOTE 14: LEASE LIABILITIES (continued)

The Organisation has leases for business operations with the exception of short-term leases and leases of low-value underlying assets. Each lease is reflected on the balance sheet as right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate (such as lease payments based on a percentage of Group sales) are excluded from the initial measurement of the lease liability and asset. The

Organisation classifies its right-of-use assets in a consistent manner to its property, plant and equipment (see Note 7).

The table below describes the nature of the Organisation's leasing activities by type of right-of-use asset recognised on balance sheet:

Right of Use Asset	No of right-of-use assets leased	Range of remaining term	Average remaining term lease	No of leases with extension options	No of leases with options to purchase	No of leases with termination options
Motor Vehicles	2	0-1 year	1.5 years	0	0	2

The lease liabilities are secured by the related underlying assets. Future minimum lease payments at 30 June 2024 were as follows:

30 June 2024	Minimum lease payments due			
	Within 1 year	1-2 years	2-3 years	Total
Lease Payments	18,966	34,725	0	53,691
Net present values	18,966	34,725	0	53,691

NOTE 15: CONTINGENT LIABILITIES

There are no contingent liabilities that the Organisation is aware of as at 30 June 2024 (none as at 30 June 2023).

NOTE 16: EVENTS SUBSEQUENT TO THE REPORTING DATE

There are no matters subsequent to the reporting date that are expected to have a material or adverse impact requiring disclosure

NOTE 17: LEGAL PROCEEDINGS

There are no legal actions pending as at 30 June 2024.

**ABORIGINAL HEALTH COUNCIL OF WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

NOTE 18: RELATED PARTIES AND KEY MANAGEMENT PERSONNEL

(a) The names of the committee members throughout the year and at the date of this report are:

Name	Position	Region	Period of Tenure		Director Meetings	
					No. of Meetings Eligible to Attend	No. of Meetings Attended
Vicki O'Donnell	Chairperson	Kimberley	18.08.2014	Present	11	11
Christopher Bin Kali	Deputy Chairperson	Kimberley	4.11.2017	Present	11	11
Fabian Tucker	Secretary	Goldfields	4.11.2017	Present	11	9
Deborah Woods	Treasurer	Murchison Gascoyne	27.11.2020	27.10.2023	4	4
Deborah Woods	Director	Murchison Gascoyne	27.10.2023	15.02.2024	4	2
Raymond Christophers	Director	Kimberley	15.11.2014	Present	11	11
Rachel Mallard	Director	Murchison Gascoyne	25.03.2021	27.10.2023	4	1
Rachel Mallard	Director	Murchison Gascoyne	26.04.2024	Present	2	2
June Councillor	Director	Pilbara	4.11.2017	27.10.2023	4	2
June Councillor	Treasurer	Pilbara	27.10.2023	Present	7	7
Eric Simpson	Director	Goldfields	25.03.2019	Present	11	9
Preston Thomas	Director	Central Desert	27.11.2020	Present	11	6
Wade Garwood	Director	Youth	17.02.2021	27.10.2023	4	4
Ernie Hill	Director	South West	24.03.2019	Present	11	2
Stanley Watson	Director	Pilbara	27.10.2023	Present	7	7
Doreen Nelson	Director	Metro	27.10.2023	14.02.2024	2	1

The names of Key Management Personnel ("KMP") throughout the year and at the date of this report are:

Name	Position	Period of Tenure	
Vicki O'Donnell	Working Chairperson (0.5FTE)	4/11/2017	Present
Desmond Martin	Chief Executive Officer	11/01/2010	Present
Collins-Clinch, Amanda	Executive Manager – Workforce and Health Programs	13/01/2020	12/07/2021
Collins-Clinch, Amanda	Deputy Chief Executive Officer	13/07/2021	Present
Gates, Kim	Executive Manager Public Health & CQI (secondment in OVAHS from 05/06/2023 – 31/03/2024)	13/01/2020	Present
Amanda Bedford	Executive Manager Public Health & CQI (secondment in Kim Gates' absence)	05/06/2023	31/03/2024
Webster, Andrew	Executive Manager Corporate Services	24/09/2012	26/04/2024
Pitt, Trina	Executive Manager Corporate Services	13/05/2024	Present
Sala, Jennifer	Executive Manager - Business Development and Strategy	03/07/2007	08/02/2024
Rebeiro, Kate	Executive Manager - Business Development and Strategy	09/02/2024	30/06/2024

(b) The above committee/board members and KMP have been paid the following meeting fees and allowances in the normal course of operations.

	2024			2023		
	Board	Management	Total	Board	Management	Total
Meeting Fees	138,239 ⁽ⁱ⁾	-	138,239	75,085 ⁽ⁱ⁾	-	75,085
Travel Allowance	50,559	23,374	73,933	33,233	23,677	56,910
	188,798	23,374	212,172	108,318	23,677	131,995

(i) Meeting fees disclosed are inclusive of superannuation paid.

**ABORIGINAL HEALTH COUNCIL OF WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

NOTE 18: RELATED PARTIES AND KEY MANAGEMENT PERSONNEL (continued)

(c) Executive Remuneration

Total income paid or payable, or otherwise made available, to the above committee/board members and KMP includes the following expenses:

	2024	2023
	\$	\$
Short-term employee benefits	1,327,371	1,065,487
Post-employment benefits	141,226	107,756
Long-term employee benefits	29,911	30,493
Total executive remuneration	<u>1,498,508</u>	<u>1,203,736</u>

(d) Interest in Contracts

During the year ended 30 June 2024, the Aboriginal Health Council of WA did not enter into any contracts with any organisation where any board member acts as a Director.

NOTE 19: CASH FLOW INFORMATION

	2024	2023
	\$	\$
(a) Reconciliation of Cash		
Cash at bank	9,751,843	10,883,952
Cash on short term deposit	-	5,000,000
Petty cash	663	600
Cash at the end of the year	<u>9,752,506</u>	<u>15,884,552</u>
(b) Reconciliation of Net Cash provided by operating activities		
Surplus / (loss) from ordinary activities	888,668	1,946,670
<i>Non cash flows in profit from ordinary activities</i>		
Depreciation and amortisation		
Loss on sale or disposal of non-current assets	629,585	673,201
	-	-
<i>Changes in assets and liabilities:</i>		
(Increase) / decrease in receivables		
(Increase) / decrease in other receivables	426,249	(255,574)
(Increase) / decrease in prepayments	(24,354)	(28,232)
Increase / (decrease) in creditors and accruals	26,669	(4,559)
Increase / (decrease) in lease liabilities	(969,749)	(250,469)
Increase / (decrease) in unexpended grants	(1,382,604)	3,766,964
Increase / (decrease) in superannuation payable	(52,828)	62,135
Increase / (decrease) in GST payable	(313,123)	148,234
Increase / (decrease) in provisions for leave entitlements	(124,906)	72,732
Net cash (used in) / generated from operating activities	<u>(896,393)</u>	<u>6,131,102</u>

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Independent Auditor's Report

To the Directors of Aboriginal Health Council of WA

Report on the audit of the financial report

Opinion

We have audited the financial report of Aboriginal Health Council of WA (the Company) and its subsidiaries (the Group) which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and the Directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- a giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the year ended on that date; and
- b complying with Australian Accounting Standards *AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* 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 Group 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2024, 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, 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 Registered Entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities, the ACNC Act 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 is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Group's ability to continue as 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 Group or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the Registered Entity's financial reporting process

Auditor's responsibilities for the audit of the financial report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/auditors_responsibilities/ar3.pdf. This description forms part of our auditor's report.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



C A Becker
Partner – Audit & Assurance

Perth, 30 October 2024

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Auditor's Independence Declaration

To the Directors of Aboriginal Health Council of WA

In accordance with the requirements of section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012, as lead auditor for the audit of Aboriginal Health Council of WA for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



C A Becker

Partner - Audit & Assurance

Perth, 30 October 2024

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