

NGANAMPA HEALTH COUNCIL INCORPORATED

ABN : 25 284 162 604

**FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

NGANAMPA HEALTH COUNCIL INCORPORATED
ABN : 25 284 162 604

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2023

Committee members report	1
Statement of Profit or Loss and Other Comprehensive Income	2
Statement of Financial Position	3
Statement of Changes in Equity	4
Statement of Cash Flows	5
Notes to The Financial Statements	6
Statement by members of the committee	17
Auditor's Independence Declaration	18
Independent Auditor's Report	19

NGANAMPA HEALTH COUNCIL INCORPORATED
ABN : 25 284 162 604

COMMITTEE MEMBERS' REPORT

The committee presents their report, together with the financial statements, on the association for the year ended 30 June 2023.

Committee members

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

			Appointed	Ceased
John	Singer	Executive Director		
Jamie	Nyaningu	Chairperson and Anangu Cultural Leadership Advisor		
Sharon	Ah Chee	Community Representative		
Anthony	Quinn	Community Representative		
Benyi	Stewart	Community Representative	28/02/2023	
Dickie	Marshall	Community Representative	28/02/2023	
Vivienne	Thompson	Community Representative	28/02/2023	6/06/2023
Alison	Carrol	Community Representative	28/02/2023	6/06/2023
Anita	Amos	Senior Community Connector		28/02/2023
Imala (She Bannington)	Health Mayatja			28/02/2023
Christine	De Rose	Health Mayatja		21/08/2022
Lorraine	Fraser	Clinic Coodinator		28/02/2023
Phillip	Marshall	Health Worker Representative		28/02/2023

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

Principal Activities

The principal activities of the association during the financial year include operating seven clinics and assorted health related programs on the Anangu Pitjantjatjara Yankunytjatjara (APY) Lands in the far north west of South Australia

No significant change in the nature of these activities occurred during the year.

Significant Changes in the State of Affairs

There was no significant change in the state of affairs of the association during the year

Operating results

The association incurred a net surplus for the year of \$588,635 (2022: \$710,348 Deficit).

Subsequent events

There has not been any matter or circumstance occurring subsequent to the end of the financial year and not disclosed in the financial statements that has significantly affected, or may significantly affect, the operations of the association, the results of those operations, or the state of affairs of the association in future financial years.

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2023 has been received and can be found on page 18 of the financial report.

Signed in accordance with a resolution of the Committee



Board member



Board member

Dated this Fourth day of October 2023

NGANAMPA HEALTH COUNCIL INCORPORATED
ABN : 25 284 162 604

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 \$	2022 \$
Revenue and other income	2	24,812,182	22,500,519
Employee benefits expenses		(17,146,155)	(16,488,088)
Audit, legal and accounting		(39,103)	(35,856)
Communications		(560,609)	(589,676)
Consultancy Fees		(447,826)	(288,472)
Depreciation and amortisation expenses	7, 8	(1,414,091)	(1,483,968)
Equipment		(140,513)	(120,463)
Insurance		(100,272)	(92,431)
Finance Costs		(5,221)	(8,077)
Medical Supplies		(787,221)	(690,240)
Motor Vehicle Expenses		(881,135)	(716,937)
Occupancy Costs		(727,408)	(806,188)
Office, Administration & Corporate Expenses		(672,876)	(766,446)
Travel & Accommodation		(438,001)	(363,517)
Patient Travel Assistance		(863,116)	(760,508)
Current year surplus (deficit) before income tax		588,635	(710,348)
Income tax expense		-	-
Net Current year surplus (deficit)		588,635	(710,348)
Other comprehensive income			
Loss on disposal of aged care assets		-	(1,727,271)
Total other comprehensive income (losses) for the year		-	(1,727,271)
Total comprehensive income attributable to members of the entity		588,635	(2,437,619)

NGANAMPA HEALTH COUNCIL INCORPORATED

ABN : 25 284 162 604

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023**

	Note	2023 \$	2022 \$
CURRENT ASSETS			
Cash and cash equivalents	3	10,312,776	10,619,798
Accounts receivable and other debtors	4	1,304,014	351,276
Inventories	5	405,179	385,913
Other current assets	6	85,678	77,807
TOTAL CURRENT ASSETS		<u>12,107,647</u>	<u>11,434,794</u>
NON-CURRENT ASSETS			
Property, plant and equipment	7	10,149,690	10,022,394
Right of use assets	8	56,671	117,489
TOTAL NON-CURRENT ASSETS		<u>10,206,361</u>	<u>10,139,883</u>
TOTAL ASSETS		<u>22,314,008</u>	<u>21,574,677</u>
CURRENT LIABILITIES			
Accounts payable and other payables	9	2,500,125	2,395,435
Contract liabilities		4,479,604	4,570,097
Lease liabilities	12	70,489	66,348
Employee provisions	10	2,499,354	2,380,818
TOTAL CURRENT LIABILITIES		<u>9,549,572</u>	<u>9,412,698</u>
NON-CURRENT LIABILITIES			
Lease liabilities	12	-	66,447
Employee provisions	10	311,965	237,028
Other non-current liabilities	14	76,801	71,469
TOTAL NON-CURRENT LIABILITIES		<u>388,766</u>	<u>374,944</u>
TOTAL LIABILITIES		<u>9,938,338</u>	<u>9,787,642</u>
NET ASSETS		<u>12,375,670</u>	<u>11,787,035</u>
EQUITY			
Retained surplus		10,093,135	9,951,089
Asset replacement reserve	11	2,282,535	1,835,946
TOTAL EQUITY		<u>12,375,670</u>	<u>11,787,035</u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes

NGANAMPA HEALTH COUNCIL INCORPORATED
ABN : 25 284 162 604

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

	Retained Surplus	Asset Replacement Reserve	Total
	\$	\$	\$
Balance at 1 July 2021	12,160,464	2,064,190	14,224,654
Comprehensive income			
Net surplus (deficit) for the year	(710,348)	-	(710,348)
Other Comprehensive income			
Loss on disposal of aged care assets	(1,727,271)	-	(1,727,271)
Total comprehensive income for the year	(2,437,619)	-	(2,437,619)
Transfer to reserve	228,244	(228,244)	-
Balance at 30 June 2022	9,951,089	1,835,946	11,787,035
Balance at 1 July 2022	9,951,089	1,835,946	11,787,035
Comprehensive income			
Net surplus (deficit) for the year	588,635	-	588,635
Other Comprehensive income	-	-	-
Total comprehensive income for the year	588,635	-	588,635
Transfer from reserve	(446,589)	446,589	-
Balance at 30 June 2023	10,093,135	2,282,535	12,375,670

NGANAMPA HEALTH COUNCIL INCORPORATED
ABN : 25 284 162 604

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 \$	2022 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from funding bodies, members and customers		23,606,133	24,068,971
Payments to suppliers and employees		(22,616,666)	(22,388,702)
Interest received		221,984	18,757
Interest paid		(5,221)	(8,077)
Net cash provided by (used in) operating activities		<u>1,206,229</u>	<u>1,690,949</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant & equipment		63,314	57,950
Payments for property, plant and equipment		(1,522,498)	(1,087,791)
Net cash used in investing activities		<u>(1,459,184)</u>	<u>(1,029,841)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of lease liabilities		(54,067)	(54,067)
Net cash provided by (used in) financing activities		<u>(54,067)</u>	<u>(54,067)</u>
NET INCREASE (DECREASE) IN CASH HELD		(307,022)	607,041
Cash at the beginning of the financial year		<u>10,619,798</u>	<u>10,012,757</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	3	<u><u>10,312,776</u></u>	<u><u>10,619,798</u></u>

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

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

The financial statements cover Nganampa Health Council Incorporated ("the association") as an individual entity. Nganampa Health Council Incorporated is an association incorporated in South Australia and operating pursuant to the Australian Charities and Not-for-profits Commission Act 2012.

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The association has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Simplified Disclosure issued by the Australian Accounting Standards committee (AASB) and the Australian Charities and Not-for-profits Commission Act 2012. The association is a not-for-profit association for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Critical Accounting Estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also required management to exercise its judgement in the process of applying the association's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant, are disclosed in note 1(r)

Accounting Policies

(a) Income Tax

The association is not subject to income tax and therefore no income tax expense or income tax payable is shown in the financial statements.

(b) Fair Value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

(c) Property, Plant and Equipment

Property, Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(d) for details of impairment).

The cost of fixed assets constructed within the association includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

NGANAMPA HEALTH COUNCIL INCORPORATED

ABN : 25 284 162 604

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the association and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets but excluding freehold land, is depreciated on a straight-line or diminishing value basis over the asset's useful life commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Leasehold Buildings - Clinics	20 years
Leasehold Buildings - Non-Clinics	40 years
Motor Vehicles	6 years
Plant and equipment	8 years
IT Equipment	3 years
Medical Equipment	5 - 10 years

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the association. Gains and losses on disposals are determined by comparing net proceeds with the carrying amount. These gains and losses are recognised in profit or loss in the period in which they occur. When revalued assets are sold, amounts included in the revaluation relating to that asset are transferred to retained surplus.

(d) Impairment of Assets

At the end of each reporting period, the association reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

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

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

(e) Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the association expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The association has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

(f) Employee Provisions

Short-term employee benefits

Provision is made for the association's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The association's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

Long-term employee benefits

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

Provision is made for employees' annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements of obligations for other long-term employee benefits for changes in assumptions are recognised in profit or loss in the periods in which the changes occur.

The association's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the association does not have an unconditional right to defer settlement for at least 12 months after the reporting date, in which case the obligations are presented as current provisions.

(g) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(h) Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from customers in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

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

(i) Revenue recognition

The association recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the incorporated association is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the incorporated association: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Donations

Donations are recognised at the time the pledge is made.

Grants

Grant revenue is recognised in profit or loss when the incorporated association satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the grant which must be satisfied before the incorporated association is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

Capital grants

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

For acquisitions of assets, the revenue is recognised when the asset is acquired and controlled by the association.

Interest Income

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

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

(j) Inventories on Hand

Inventories held for sale are measured at the lower of cost and net realisable value.

(k) Goods and Services Tax (GST)

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(l) Comparative Figures

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

(m) Accounts Payable and Other Payables

Accounts payable and other payables represent the liabilities outstanding at the end of the reporting period for goods and services received by the association during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(n) Provisions

Provisions are recognised when the association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(o) Contract Liabilities

Contract liabilities represent the incorporated association's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the incorporated association recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the incorporated association has transferred the goods or services to the customer.

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

(p) Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the association's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

(q) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the incorporated association's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the incorporated association's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

(r) Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

(i) Useful lives of property, plant & equipment

The incorporated association determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

(ii) Employee benefits provision

As described in note 1(f), the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future 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.

For the purpose of measurement, AASB 119: Employee Benefits defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. As the association expects that all of its employees would use all of their annual leave entitlements earned during a reporting period before 12 months after the end of the reporting period, the association believes that obligations for annual leave entitlements satisfy the definition of short-term employee benefits and, therefore, can be measured at the (undiscounted) amounts expected to be paid to employees when the obligations are settled.

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

(iii) Accruals

The Accruals at reporting date have been reviewed to determine whether there is any objective evidence that any of the accruals are payable. An payable provision is included for any accrual where the entire balance is not considered received. The provision is based on the best information at the reporting date.

(iv) Performance obligations under AASB15

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

(v) Lease term and Option to Extend under AASB16

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 is a key management judgement that the association will make. The association determines the likeliness 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 association.

(s) Economic Dependence

The association is dependent on Federal and State Government Departments(" Departments") for the majority of its revenue used to operate the business. At the date of this report, the committee has no reason to believe the Departments will not continue to support the association.

NGANAMPA HEALTH COUNCIL INCORPORATED
ABN : 25 284 162 604

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

NOTE 2: REVENUE AND OTHER INCOME	2023	2022
	\$	\$
Revenue from contracts with customers:		
Grant income	22,732,864	20,972,236
Medical Rebates & Incentives	<u>1,496,603</u>	<u>1,394,654</u>
	<u>24,229,467</u>	<u>22,366,890</u>
Non-contract income:		
Interest received	252,614	18,757
Gain / (loss) on disposal of non current assets	52,222	(99,449)
Other income	<u>277,879</u>	<u>214,321</u>
	<u>582,715</u>	<u>133,629</u>
Total revenue and other income	<u>24,812,182</u>	<u>22,500,519</u>
Government revenue (including Grants)		
Commonwealth government		
Department of Health	16,328,157	14,615,081
The National Indigenous Australians Agency	371,820	371,820
Department of Prime Minister and Cabinet	154,029	101,918
National Disability Insurance Agency	687,181	621,569
National Aboriginal Community Controlled Health Organisation	<u>194,269</u>	<u>602,150</u>
	<u>17,735,456</u>	<u>16,312,538</u>
State government		
Eyre and Far North Local Health Network	2,860,083	2,722,930
Department of Health and Wellbeing	476,256	505,321
SA Health	8,259	204,177
SA Performance Health	163,583	-
Country SA PHN	623,178	634,804
South Australian Government	<u>3,260</u>	<u>-</u>
	<u>4,134,619</u>	<u>4,067,232</u>
TOTAL	<u>21,870,075</u>	<u>20,379,770</u>
NOTE 3 - CASH AND CASH EQUIVALENT ASSETS	2023	2022
	\$	\$
Cash at bank	5,229,010	7,435,508
Short term investments - bank deposits	<u>5,083,766</u>	<u>3,184,290</u>
	<u>10,312,776</u>	<u>10,619,798</u>
Reconciliation of cash		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:		
Cash and cash equivalents	<u>10,312,776</u>	<u>10,619,798</u>
NOTE 4 - ACCOUNTS RECEIVABLE AND OTHER DEBTORS	2023	2022
	\$	\$
Current		
Accounts receivable	<u>1,304,014</u>	<u>351,276</u>
Total current accounts receivable and other debtors	<u>1,304,014</u>	<u>351,276</u>
NOTE 5 - INVENTORIES	2023	2022
	\$	\$
Consumables on hand (at cost)	<u>405,179</u>	<u>385,913</u>
	<u>405,179</u>	<u>385,913</u>
NOTE 6 - OTHER CURRENT ASSETS	2023	2022
	\$	\$
Prepayments	<u>85,678</u>	<u>77,807</u>
	<u>85,678</u>	<u>77,807</u>

NGANAMPA HEALTH COUNCIL INCORPORATED
ABN : 25 284 162 604

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

NOTE 7 - PROPERTY, PLANT AND EQUIPMENT	2023	2022
	\$	\$
Leasehold Buildings at cost	21,961,574	20,987,031
Less: Accumulated Depreciation	<u>(14,573,759)</u>	<u>(14,053,740)</u>
	<u>7,387,815</u>	<u>6,933,291</u>
Plant and Equipment at cost	2,303,448	2,139,228
Less: Accumulated Depreciation	<u>(1,546,280)</u>	<u>(1,400,478)</u>
	<u>757,168</u>	<u>738,750</u>
IT Equipment at Cost	754,723	657,777
Less: Accumulated Depreciation	<u>(620,281)</u>	<u>(566,675)</u>
	<u>134,442</u>	<u>91,102</u>
Motor Vehicles at cost	5,059,247	5,050,739
Less: Accumulated Depreciation	<u>(3,507,794)</u>	<u>(3,078,410)</u>
	<u>1,551,453</u>	<u>1,972,329</u>
Medical Equipment at cost	1,695,511	1,907,488
Less: Accumulated Depreciation	<u>(1,376,699)</u>	<u>(1,620,566)</u>
	<u>318,812</u>	<u>286,922</u>
Total Property, plant & equipment	<u><u>10,149,690</u></u>	<u><u>10,022,394</u></u>

Movements in carrying amounts

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

	Leasehold buildings at cost \$	Plant & equipment - at cost \$	IT equipment - at cost \$	Motor vehicles - at cost \$	Medical equipment - at cost \$	Total \$
Balance at 1 July 2022	6,933,291	738,750	91,102	1,972,329	286,922	10,022,394
Additions	1,003,328	164,220	98,866	127,315	128,769	1,522,498
Disposals at book value	(25,188)	-	(139)	(16,604)	-	(41,930)
Depreciation expense	<u>(523,616)</u>	<u>(145,802)</u>	<u>(55,387)</u>	<u>(531,588)</u>	<u>(96,879)</u>	<u>(1,353,272)</u>
Carrying Amount at 30 June 2023	<u><u>7,387,815</u></u>	<u><u>757,168</u></u>	<u><u>134,442</u></u>	<u><u>1,551,453</u></u>	<u><u>318,812</u></u>	<u><u>10,149,690</u></u>

NOTE 8 - RIGHT OF USE ASSETS

2023
\$

2022
\$

The association's lease portfolio includes equipment, motor vehicles and buildings.

i) AASB 16 related amounts recognised in the statement of financial position

Leased Properties	268,553	268,553
Less: Accumulated Depreciation	<u>(214,843)</u>	<u>(161,132)</u>
	<u>53,710</u>	<u>107,421</u>
Leased Motor vehicles	31,388	31,388
Less: Accumulated Depreciation	<u>(28,427)</u>	<u>(21,320)</u>
	<u>2,961</u>	<u>10,068</u>
Total Right of Use Assets	<u><u>56,671</u></u>	<u><u>117,489</u></u>

NGANAMPA HEALTH COUNCIL INCORPORATED
ABN : 25 284 162 604

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

Movements in carrying amounts

Movement in the carrying amounts for each class of right to use asset between the beginning and the end of the current financial year:

	Leased Properties \$	Leased Motor Vehicles \$	Total \$
Balance at 1 July 2022	107,421	10,068	117,489
Additions	-	-	-
Depreciation expense	(53,711)	(7,107)	(60,818)
Carrying Amount at 30 June 2023	<u>53,710</u>	<u>2,961</u>	<u>56,671</u>

	2023 \$	2022 \$
<i>ii) AASB 16 related amounts recognised in the statement of profit or loss</i>		
Depreciation charge related to right-of-use assets	60,818	60,818
Interest expense on lease liabilities	<u>5,221</u>	<u>8,077</u>

NOTE 9 - ACCOUNTS PAYABLE AND OTHER PAYABLES

Current

Unsecured liabilities:

	2023 \$	2022 \$
Accounts payable and other payables	1,301,584	957,412
Accrued expenses & clearing accounts	<u>1,198,541</u>	<u>1,438,023</u>
	<u>2,500,125</u>	<u>2,395,435</u>

Collateral Pledged

No collateral has been pledged for any of the accounts payable and other payable balances.

NOTE 10 - EMPLOYEE PROVISIONS

Current

	2023 \$	2022 \$
Provision for annual airfare	107,525	74,883
Provision for long service leave entitlements - Current	777,376	702,460
Provision for annual leave entitlements	1,552,177	1,554,919
Provision for time in lieu entitlements	62,276	48,556
	<u>2,499,354</u>	<u>2,380,818</u>

Non- Current

Provision for long service leave entitlements - Non-current	311,965	237,028
	<u>311,965</u>	<u>237,028</u>

Analysis of total employee provisions

Opening balance at 1 July 2022	2,617,846	2,526,604
Additional provisions	1,374,204	1,403,028
Amounts used	<u>(1,180,731)</u>	<u>(1,311,786)</u>
Balance at 30 June 2023	<u>2,811,319</u>	<u>2,617,846</u>

Employee provisions

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the entity does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the entity does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

NGANAMPA HEALTH COUNCIL INCORPORATED
ABN : 25 284 162 604

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

In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits have been discussed in Note 1(f).

NOTE 11 - ASSET REPLACEMENT RESERVE

The asset replacement reserve represents funds set aside for future replacement of the following types of assets:

	2023	2022
	\$	\$
Motor vehicles	1,942,535	1,715,946
Medical equipment	110,000	60,000
IT Equipment	80,000	60,000
Leasehold	150,000	-
Total asset replacement reserve	<u>2,282,535</u>	<u>1,835,946</u>

NOTE 12 - LEASE LIABILITIES

	2023	2022
	\$	\$
Lease Liability - Current	70,489	66,348
Lease Liability - Non-current	-	66,447
	<u>70,489</u>	<u>132,795</u>

Future lease payments in relation to lease liabilities as at period end are as follows:

Within one year	72,307	69,912
Later than one year but not later than five years	-	69,912
Later than five years	-	-
	<u>72,307</u>	<u>139,824</u>

NOTE 13 - RELATED PARTY DISCLOSURES

	2023	2022
	\$	\$

Board of Management

No member of the committee received remuneration, other than noted in this financial report, from the association in their capacity as member. No other association that the above members are associated with has received funds other than through dealings with the association in the ordinary course of business and on normal commercial terms and conditions.

Key Management Personnel Compensation

The totals of remuneration paid to key management personnel (KMP) of the association during the year are as follows:

Short Term Benefit	1,211,823	1,413,587
Post Employment Benefit	83,028	78,969
Total Compensation	<u>1,294,851</u>	<u>1,492,556</u>

Other related parties

Transactions between related parties are on normal commercial terms and under conditions no more favourable than those available to other parties unless otherwise stated.

Short Term Benefit	121,881	6,651
Post Employment Benefit	11,316	56
Total Compensation	<u>133,197</u>	<u>6,707</u>

NOTE 14: OTHER NON-CURRENT LIABILITIES

	2023	2022
	\$	\$
Other Non-Current liabilities:		
Anangu Study Scholarship Fund	39,264	33,932
Deceased Estates	37,537	37,537
	<u>76,801</u>	<u>71,469</u>

NGANAMPA HEALTH COUNCIL INCORPORATED
ABN : 25 284 162 604

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

NOTE 15: AUDITOR REMUNERATION

	2023	2022
	\$	\$
During the financial year the following fees were paid or payable for services provided by Basso Newman Audit Pty Ltd, the auditor of the association and related firms		
Audit of financial statements	38,403	29,432
Tax compliance services	400	400
Total services provided by Basso Newman	<u>38,803</u>	<u>29,832</u>

NOTE 16 - CONTINGENT LIABILITIES

There are no contingent liabilities as at 30 June 2023.

NOTE 17 - CAPITAL COMMITMENTS

Significant capital expenditure contracted at the end of the reporting period but not recognised as liabilities is as follows:

	2023	2022
	\$	\$
Capital works - Clinics	3,142,918	2,793,039
Total capital expenditure not recognised as liability	<u>3,142,918</u>	<u>2,793,039</u>

NOTE 18 - EVENTS AFTER THE REPORTING PERIOD

No other matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the incorporated association's operations, the results of those operations, or the incorporated association's state of affairs in future financial years.

NOTE 19 - TREATMENT OF CAPITAL REVENUE AND PURCHASES

In accordance with accounting standards and Note 1(i) all capital grants are treated as revenue.

Hence in years of major capital purchases the statement of comprehensive income may show major surpluses as a result of the capital

NOTE 20 - ASSOCIATION DETAILS

The registered office and principal place of business of the association is :
Nganampa Health Service Incorporated
3 Wilkinson Street, Alice Springs, NT 0870

NGANAMPA HEALTH COUNCIL INCORPORATED


STATEMENT BY MEMBERS OF THE COMMITTEE

The members of the committee declare that, in the committee's opinion:

1. The financial statements and notes, as set out on pages 1 to 16, are in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and:
 - a. comply with Accounting Standards – General Purpose Financial Statements – Simplified Disclosures, and other mandatory professional reporting requirements.
 - b. give a true and fair view of the financial position of the Nganampa Health Council Incorporated as at 30 June 2023 and of its performance for the year ended on that date.
2. There are reasonable grounds to believe that Nganampa Health Council Incorporated will be able to pay its debts as and when they become due and payable.

This statement is made in accordance with subs 60.15(2) of the Australian Charities and Not-for-profits Commission Regulation 2013 and by resolution of the board:


.....
Board member


.....
Board member

Dated this Fourth day of October 2023

NGANAMPA HEALTH COUNCIL INCORPORATED

**AUDITORS INDEPENDENCE DECLARATION UNDER SECTION 60-40 AUSTRALIAN
CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012**

To the board of Nganampa Health Council Incorporated

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2023, there have been no contraventions of any applicable code of professional conduct in relation to the audit.



**T A Basso - Director
Basso Newman Audit Pty Ltd
Chartered Accountants
286 Flinders Street, Adelaide
Dated this 11th day of October 2023**



Basso Newman Audit Pty Ltd
ABN 98 618 562 824

286 Flinders Street
Adelaide, South Australia

PO Box 7033 Hutt Street,
South Australia 5000

Telephone: (08) 8224 0066
Facsimile: (08) 8224 0670

bnc@bassonewman.com.au
www.bassonewman.com.au

"Liability limited by a scheme
approved under Professional
Standards Legislation"

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NGANAMPA HEALTH COUNCIL INCORPORATED



Opinion

We have audited the financial report of Nganampa Health Council Incorporated (“the entity”) which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the statement by members of the committee.

In our opinion, the accompanying financial report of the Nganampa Health Council Incorporated is in accordance with Div 60 of the Australian Charities and Not-for-profits Commission Act 2012, including:

- a) giving a true and fair view of the entity’s financial position as at 30 June 2023 and of its financial performance and cash flows for the year then ended; and
- b) complying with Australian Accounting Standards–Simplified Disclosures and the Australian Charities and Not-for-profits Commission Regulation 2013.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the entity in accordance with the auditor independence requirements of the Accounting Professional and Ethical Standards Board’s APES 110 *Code of Ethics for Professional Accountants* (“the Code”) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation of the financial report that gives a true and fair view in accordance with the Australian Accounting Standards- Simplified Disclosures and the Australian Charities and Not-for-profits Commission Act 2012 and for such internal control as management determines 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, management is responsible for assessing the entity’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 management either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity’s financial reporting process.

Basso Newman Audit Pty Ltd
ABN 98 618 562 824
286 Flinders Street
Adelaide, South Australia
PO Box 7033 Hutt Street,
South Australia 5000
Telephone: (08) 8224 0066
Facsimile: (08) 8224 0670
bnc@bassonewman.com.au
www.bassonewman.com.au
“Liability limited by a scheme
approved under Professional
Standards Legislation”

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
NGANAMPA HEALTH COUNCIL INCORPORATED**

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



**Trevor Basso - Director
Basso Newman Audit Pty Ltd
Chartered Accountants
286 Flinders Street, Adelaide
Dated this 11th day of October 2023**