NGANAMPA HEALTH COUNCIL INCORPORATED

STATUTORY FINANCIAL REPORT
YEAR ENDED 30 JUNE 2012

INDEX

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Photograph by Cyndi Cole

NGANAMPA HEALTH COUNCIL INCORPORATED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2012

	Note	2012 $	2011 $
Revenue			
Grant revenue	2	19,169,447	15,479,384
Other revenue	2	1,499,015	1,129,086
Net gain on disposal of non current assets	4	186,607	174,679
TOTAL REVENUE		20,855,069	16,783,149
Expenses			
Employee benefits expenses		11,036,276	9,719,626
Goods and services expenses	3	6,094,482	5,027,792
Finance costs		-	-
Depreciation expense	8	1,863,079	1,780,156
TOTAL EXPENSES		18,993,837	16,527,574
Total comprehensive income for the year		1,861,231	255,574

NGANAMPA HEALTH COUNCIL INCORPORATED

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2012

	Note	2012 $	2011 $
CURRENT ASSETS			
Cash and cash equivalents	5	3,337,567	3,930,089
Accounts Receivable and Other Debtors	6	668,749	1,021,760
Inventories on hand		269,593	236,688
Other current assets	7	257,152	215,699
TOTAL CURRENT ASSETS		4,533,061	5,404,236
NON-CURRENT ASSETS			
Property Plant and equipment	8	16,717,676	15,209,557
Other non-current assets	9	-	2,393
TOTAL NON-CURRENT ASSETS		16,717,676	15,211,950
TOTAL ASSETS		21,250,737	20,616,186
CURRENT LIABILITIES			
Trade and other payables	10	2,722,529	4,236,832
Employee benefits	10	1,370,385	1,140,312
TOTAL CURRENT LIABILITIES		4,092,914	5,377,144
NON-CURRENT LIABILITIES			
Employee benefits	11	216,109	173,285
Other non-current liabilities	11	43,554	28,825
TOTAL NON-CURRENT LIABILITIES		259,663	202,110
TOTAL LIABILITIES		4,352,576	5,579,254
NET ASSETS		16,898,159	15,036,931
EQUITY			
Retained surpluses		15,998,444	14,057,907
Asset replacement reserve	12	899,715	979,024
TOTAL EQUITY		16,898,159	15,036,931

The accompanying notes form part of these financial statements

NGANAMPA HEALTH COUNCIL INCORPORATED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2012

	Retained Surpluses $	Asset Replacement Reserve $	Total $
Balance at 1 July 2010	13,803,556	977,800	14,781,356
Net surplus/(deficit) attributable to the Members of the entity	255,574	-	255,574
Transfer to Reserve	(1,224)	1,224	-
Balance at 30 June 2011	**14,057,907**	**979,024**	**15,036,931**
Net surplus/(deficit) attributable to the Members of the entity	1,861,231	-	1,861,231
Transfer from Reserve	79,309	(79,309)	-
Balance at 30 June 2012	**15,998,444**	**899,715**	**16,898,159**

The accompanying notes form part of these financial statements

NGANAMPA HEALTH COUNCIL INCORPORATED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2012

	Note	2012 $	2011 $
CASH FLOW FROM OPERATING ACTIVITIES			
Cash receipts in the course of operations		21,053,128	17,931,590
Cash payments in the course of operations		(18,703,004)	(15,015,911)
Interest received		241,948	218,179
Net cash provided by/(used in) operating activities	17	2,592,072	3,133,858
CASH FLOW FROM INVESTING ACTIVITIES			
Payments for plant and equipment		(3,445,461)	(1,596,516)
Receipts from disposal of plant and equipment		260,867	252,392
Net cash used in investing activities		(3,184,594)	(1,344,124)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net cash provided by financing activities		-	-
NET INCREASE/(DECREASE) IN CASH HELD		(592,522)	1,789,734
Cash and cash equivalents at the beginning of the financial year		3,930,089	2,140,355
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	5	3,337,567	3,930,089

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Nganampa Health Council Incorporated ("the Association") is an association Incorporated in South Australia under the Associations Incorporated Act 1985.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, (Including Australian Accounting Interpretations) and the Associations Incorporation Act 1985. The Association is a not-for-profit entity 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 to which they apply. Material accounting policies adopted in the preparation of these 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.

Accounting Policies

(a) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment is measured on the cost basis and is 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. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(k) for details of impairment).

The cost of fixed assets constructed by the Association includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.
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 in profit or loss during the financial period in which they are incurred.

(b) Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is available 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 assets are:

Class of Fixed Asset	Depreciation Rate
Leasehold improvements	2-20%
Motor Vehicles	10-25%
Computing Equipment	10-50%
Other Plant & Equipment	5-25%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.
Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive Income. When revalued assets are sold, amounts included in the revaluation relating to that asset are transferred to retained earnings.

(c) Leases

Leases of property, plant and equipment, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the Association, are classified as finance leases.
Finance leases are capitalised by recognising an asset and a liability at the lower of the amount equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.
Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the Association will obtain ownership of the asset or ownership over the term of the lease.
Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.
Lease Incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(d) Employee Benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy any vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

(e) 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. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

(f) Revenue

Non-reciprocal grant revenue is recognised in the statement of comprehensive income when the Association obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the Association and the amount of the grant can be measured reliably.
If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.
Donations and bequests are recognised as revenue when received.
Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customer.
All revenue is stated net of the amount of goods and services tax (GST).

(g) Taxation

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

(h) Accounts Receivable and Other Debtors

The collectability of accounts receivable and other debtors is assessed at year end and specific provision is made for any doubtful accounts.

(I) Accounts Payable and Other Payables

Liabilities are recognised for amounts to be paid in the future for goods or services received. Trade accounts payable are normally settled within 60 days.

(j) Goods and Services Tax (GST)

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

Receivables and payables are stated with the amount of GST included.

The net amount of the GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are Included in the cash flow statement on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(k) Impairment of Assets

At the end of each reporting period, the Association 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 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 entity 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 Association 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 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.

(l) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Association commits itself to either purchase or sell the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as: (i) the amount at which the financial asset or financial liability is measured at initial recognition; (ii) less principal repayments; (iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and (iv) less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (Incorporating fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

(i) *Loans and Receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

(ii) *Financial Liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Impairment

At each reporting date, the Association assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the income statement.

Derecognition

Financial assets are derecognised where the contractual right to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, incorporating the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(m) 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.

(n) Third Statement of Financial position

Two comparative periods are presented for the statement of financial position when the Association ;

(i) Applies an accounting policy retrospectively
(ii) Makes a retrospective restatement of items in its financial statements, or
(iii) Reclassifies items in the financial statements

We have determined that only one comparative period for the statement of financial position was required for the current reporting period as the application of the new accounting standards have had no material impact on the previously presented primary financial statements that were presented in the prior year financial statements.

(o) Critical Accounting Estimates and Judgements

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

Key Estimates

Impairment – general

The Association assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the Association that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

(p) New Accounting Standards for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Association. The Association has decided not to early adopt any of the new and amended pronouncements. The Association's assessment of the new and amended pronouncements that are relevant to the Association but applicable in future reporting periods is set out below:

– AASB 9: Financial Instruments (December 2010) and AASB 2010–7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) (applicable for annual reporting periods commencing on or after 1 January 2013).

  These Standards are applicable retrospectively and include revised requirements for the classification and measurement of financial instruments, as well as recognition and derecognition requirements for financial instruments.

  The key changes made to accounting requirements include:

  - simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value;
  - simplifying the requirements for embedded derivatives;
  - removing the tainting rules associated with held-to-maturity assets;
  - removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;
  - allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument;
  - requiring financial assets to be reclassified where there is a change in an entity's business model as they are initially classified based on:
    (a) the objective of the entity's business model for managing the financial assets; and
    (b) the characteristics of the contractual cash flows; and
  - requiring an entity that chooses to measure a financial liability at fair value to present the portion of the change in its fair value due to changes in the entity's own credit risk in other comprehensive income, except when that would create an accounting mismatch. If such a mismatch would be created or enlarged, the entity is required to present all changes in fair value including the effects of changes in the credit risk of the liability) in profit or loss.

  The Association has not yet been able to reasonably estimate the impact of these pronouncements on its financial statements.

– AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010–2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050 & 1052 and Interpretations 2, 4, 5, 15, 17, 127, 129 & 1052] (applicable for annual reporting periods commencing on or after 1 July 2013).

  AASB 1053 establishes a revised differential financial reporting framework consisting of two tiers of financial reporting requirements for those entities preparing general purpose financial statements:

  - Tier 1: Australian Accounting Standards; and
  - Tier 2: Australian Accounting Standards – Reduced Disclosure Requirements.

  Tier 2 of the framework comprises the recognition, measurement and presentation requirements of Tier 1, but contains significantly fewer disclosure requirements.

  Since the Association is a not-for-profit private sector entity, it qualifies for the reduced disclosure requirements for Tier 2 entities. It is anticipated that the Association will take advantage of Tier 2 reporting at a later date.

– AASB 13: Fair Value Measurement and AASB 2011–8: Amendments to Australian Accounting Standards arising from AASB 13 (applicable for annual reporting periods commencing on or after 1 January 2013).

  AASB 13 defines fair value, sets out in a single Standard a framework for measuring fair value, and requires disclosures about fair value measurement.

  AASB 13 requires:

  - inputs to all fair value measurements to be categorised in accordance with a fair value hierarchy;
  - enhanced disclosures regarding all assets and liabilities (incorporating, but not limited to, financial assets and financial liabilities) measured at fair value.

  These Standards are not expected to significantly impact the Association.

– AASB 2011–9: Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income (applicable for annual reporting periods commencing on or after 1 July 2012).

The main change arising from this Standard is the requirement for entities to group items presented in other comprehensive income (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently.

This Standard affects presentation only and is therefore not expected to significantly impact the Association.

– AASB 119: Employee Benefits (September 2011) and AASB 2011–10: Amendments to Australian Accounting Standards arising from AASB 119 (applicable for annual reporting periods commencing on or after 1 January 2013).

These Standards introduce a number of changes to accounting and presentation of defined benefit plans. The Association does not have any defined benefit plans and so is not impacted by the amendment.

AASB 119 (September 2011) also incorporates changes to:

(a) require only those benefits that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service to be classified as short-term employee benefits. All other employee benefits are to be classified as either other long-term employee benefits, post-employment benefits or termination benefits, as appropriate; and

(b) the accounting for termination benefits that require an entity to recognise an obligation for such benefits at the earlier of:

   (i) for an offer that may be withdrawn – when the employee accepts;
   (ii) for an offer that cannot be withdrawn – when the offer is communicated to affected employees; and
   (iii) where the termination is associated with a restructuring of activities under AASB 137 and if earlier than the first two conditions – when the related restructuring costs are recognised.

The Association has not yet been able to reasonably estimate the impact of these changes to AASB 119.

NOTE 2 - REVENUE

	2012 $	2011 $
Grant Revenue:		
Operating grants - State & Federal Government	15,984,856	14,135,260
Capital grants - State & Federal Government	3,184,591	1,344,124
Total Grant Revenue	19,169,447	15,479,384
Other Revenue:		
Interest	241,948	218,179
Other	1,257,067	910,907
Total Other Revenue	1,499,015	1,129,086
Net gain on disposal of non current assets	186,607	174,679
TOTAL REVENUE	20,855,069	16,783,149

NOTE 3 - GOODS AND SERVICES EXPENSES

Goods and services expenditure recorded in the Statement of Comprehensive Income comprises:

	2012 $	2011 $
Accounting fees	300	11,823
Bank charges	1,853	1,579
Client related expenses	546,051	537,650
Consultancy fees	587,846	464,196
Cleaning	88,707	78,284
Donations & subscriptions	10,842	5,565
Electricity & gas	135,394	175,803
External Auditors remuneration	20,592	26,551
Freight	102,285	100,554
Furnishings and equipments	158,460	150,863
Grants refunded	440,177	30,964
Information technology	324,907	267,039
Insurance	167,214	136,173
Motor vehicle expenses	532,692	513,860
Office, administration & corporate expenses	50,794	47,599
Postage, printing & stationery	38,678	36,955
Program costs	62,021	56,507
Repairs, maintenance & rental costs	798,400	547,674
Staff development and recruitment	270,556	302,833
Patient Assisted Transport	748,674	673,147
Travel & accommodation	834,244	700,472
Telephone	173,795	161,702
	6,094,482	5,027,792

Note that accounting standards require that the initial cost of assets purchased during the year is recorded in the Statement of Financial Position. In accordance with Note 1(b) these assets are then depreciated over their useful lives and charged to expenses.

In accordance with accounting standards and Note 1(f) all capital grants received in relation to these assets 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 expenditure.

NOTE 4 - NET GAIN (LOSS) ON DISPOSAL OF NON CURRENT ASSETS

	2012 $	2011 $
Proceeds from disposal	201,151	252,392
Proceeds from insurance settlement	59,716	
Less: net book value of assets disposed	(74,260)	(77,713)
NET GAIN (LOSS) ON DISPOSAL OF NON CURRENT ASSETS	186,607	174,679

NOTE 5 - CASH AND CASH EQUIVALENT ASSETS

	2012 $	2011 $
Cash at bank	1,154,883	902,716
Cash on deposit	2,182,484	3,027,173
Cash on hand	200	200
	3,337,567	3,930,089

NOTE 6 - ACCOUNTS RECEIVABLE AND OTHER DEBTORS

	2012 $	2011 $
Grant funding receivable	655,623	1,003,996
Other receivables	13,126	17,764
	668,749	1,021,760
Less: provision for doubtful debts	-	-
	668,749	1,021,760

Past due but not impaired receivables

2012	Within initial trade terms	Past due and impaired	Past due but not impaired (days overdue) <30	31-60	61-90	>90	Total
Grant funding receivable	283,215		279,891		81,517	11,000	655,623
Other receivables	4,710	-		298	-	8,118	13,126
Total current accounts receivable and other debtors	287,925	-	279,891	298	81,517	19,118	668,749

2011	Within initial trade terms	Past due and impaired	Past due but not impaired (days overdue) <30	31-60	61-90	>90	Total
Grant funding receivable	984,951		17,600			1,445	1,003,996
Other receivables	9,618			440		7,706	17,764
Total current accounts receivable and other debtors	994,569	-	17,600	440	-	9,151	1,021,760

NOTE 7 - OTHER CURRENT ASSETS

	2012 $	2011 $
GST Claimable	254,759	190,615
Rental Bond	2,393	-
Prepayments	-	25,084
	257,152	215,699

NOTE 8 - PROPERTY, PLANT AND EQUIPMENT

	2012 $	2011 $
Leasehold buildings at cost	21,390,138	19,393,911
Less: accumulated depreciation	(8,568,652)	(7,618,104)
	12,821,486	11,775,807
Plant and equipment at cost	4,445,610	4,205,195
Less: accumulated depreciation	(2,591,055)	(2,380,412)
	1,854,555	1,824,783
Motor vehicles at cost	3,476,455	2,917,341
Less: accumulated depreciation	(1,434,819)	(1,308,374)
	2,041,636	1,608,967
Total property plant & equipment	16,717,676	15,209,557

Reconciliation
Reconciliations of the carrying amounts for each class of asset are set out below:

	Leasehold Buildings $	Plant & Equipment $	Motor Vehicles $	Total $
Balance at 1 July 2010	12,488,074	1,528,129	1,454,708	15,470,911
Additions	225,060	640,903	730,553	1,596,516
Disposals		(1,744)	(75,969)	(77,713)
Depreciation expense	(937,331)	(342,516)	(500,309)	(1,780,156)
Balance at 30 June 2011	11,775,803	1,824,772	1,608,983	15,209,557
Additions	1,996,219	459,598	989,641	3,445,458
Disposals		(24,190)	(50,070)	(74,260)
Depreciation expense	(950,541)	(405,636)	(506,902)	(1,863,079)
Carrying Amount at 30 June 2012	12,821,482	1,854,544	2,041,652	16,717,676

NOTE 9 - OTHER NON CURRENT ASSETS

	2012 $	2011 $
Rental bond	-	2,393

NOTE 10 - CURRENT LIABILITIES

	2012 $	2011 $
Accounts Payable		
Trade creditors and accruals	1,491,956	1,323,128
Anangu Study Scholarship Fund	6,240	17,872
Unexpended grants	1,224,332	2,895,832
Trade and other payables	2,722,529	4,236,832
Employee benefits	1,370,385	1,140,312
Total current liabilities	4,092,914	5,377,144

Employee benefits are comprised of the following;

	2012	2011
Provision for payroll liabilities	158,342	109,459
Provision for annual airfare	75,031	72,903
Provision for annual leave	698,240	559,455
Provision for long service leave	438,772	398,495
	1,370,385	1,140,312

NOTE 11 - NON CURRENT LIABILITIES

	2012 $	2011 $
Other Current Liabilities		
Anangu Study Scholarship Fund	25,918	26,612
Stores rebate	40	40
Deceased estates/other	17,596	2,173
	43,554	28,825
Employee benefits - provision for long service leave	216,109	173,285
Total non current liabilities	259,663	202,110

NOTE 12 - ASSET REPLACEMENT RESERVE

The Asset replacement Reserve represents funds set aside for future replacement of motor vehicles

NOTE 13 - FINANCIAL LIABILITIES

	2012 $	2011 $
Financial liabilities classified as accounts payable		
Accounts payable and other payables		
Total current	4,092,914	5,377,144
Total non current	259,663	202,110
	4,352,576	5,579,254
Less: Unexpended Grants	(1,224,332)	(2,895,832)
Less: Provision for employee benefits	(1,586,494)	(1,313,597)
Financial liabilities as accounts payable	1,541,750	1,369,825

NOTE 14 - COMMITMENTS

	2012 $	2011 $
Operating Lease Commitments		
Houses & office rent	656,458	850,451
Motor vehicle	1,691	1,893
Total operating lease commitments	658,149	852,344
Operating lease commitments are payable:		
- not later than 1 year	165,806	195,886
- later than 1 year but not later than 5 years	492,343	656,458
Total operating lease commitments	658,149	852,344

Operating lease commitments are shown at GST inclusive values.

NOTE 15 - RELATED PARTY DISCLOSURES

Board of Management

No member of the Board received remuneration from the Association in their capacity as member. No other entity that the Board 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

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Association, directly or indirectly, including its Board Members, is considered key management personnel.

	2012 $	2011 $
Short term benefit	1,133,702	845,990
Post employment benefit	181,713	138,720
Total Compensation	1,315,415	984,710

Other Related Parties

Other related parties include close family members of key management personnel, and entities that are controlled or jointly controlled by those key management personnel individually or collectively with their close family members.

Short term benefit	238,037	215,394
Post employment benefit	57,288	51,229
Total Compensation	295,325	266,623

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

NOTE 16 - AUDITOR REMUNERATION

	2012 $	2011 $
Auditor Remuneration		
Audit services	20,592	26,551
Non-audit services	300	2,273
	20,892	28,824

NOTE 17 - CASH FLOW INFORMATION

	2012 $	2011 $
Reconciliation of net cash provided by/(used in) operating activities to Net surplus/(deficit)		
Net Surplus/(Deficit)	1,861,231	255,574
Non-cash flow in operating surplus/(deficit)		
- (gain)/loss on disposal of plant and equipment	(186,607)	(174,679)
- depreciation	1,863,079	1,780,156
	3,537,703	1,861,051
Change in assets and liabilities		
Increase/(decrease) in receivables	350,618	(237,522)
Increase/(decrease) in other assets	(5,426)	(21,650)
Increase/(decrease) in creditors and accrued expense	(1,566,820)	1,474,746
Increase/(decrease) in other operating liabilities	3,096	(9,321)
Increase/(decrease) in employee benefits	272,901	66,553
Net cash provided by/(used in) operating activities	2,592,072	3,133,858

NOTE 18 - ECONOMIC DEPENDENCY

The Association is dependent on funding from the State and Federal Government to maintain its operations.

NOTE 19 - CONTINGENT LIABILITIES

At 30 June 2012 the Association estimates it has possible contingencies regarding construction contracts of $91,000. This amount has not been included in the financial statements of the Association.

NOTE 20- ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURE

The Association's financial instruments consist mainly of deposits with banks, accounts payable and receivable. The Association does not have any derivative financial instruments as at 30 June 2012 & 2011.

(a) Interest Rate Risk

The Association's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities, is as follows:

2012	Weighted Average Effective Interest Rate	Non-Interest Bearing	Interest Bearing	Maturity Profile Within 1 Year	1 Year to 5 Years	More than 5 Years
FINANCIAL ASSETS						
Cash and cash equivalents	4.03%	200	3,337,367	3,337,567	-	-
Receivables	-	668,749	-	668,749	-	-
TOTAL FINANCIAL ASSETS		668,949	3,337,367	4,006,316	-	-
FINANCIAL LIABILITIES						
Payables	-	1,541,750	-	1,541,750	-	-
Borrowings	-					
TOTAL FINANCIAL LIABILITIES		1,541,750	-	1,541,750	-	-

2011	Weighted Average Effective Interest Rate	Non-Interest Bearing	Floating Interest Rate	Maturity Profile Within 1 Year	1 Year to 5 Years	More than 5 Years
FINANCIAL ASSETS						
Cash and cash equivalents	5.49%	200	3,929,889	3,930,089		
Receivables	-	1,021,760		1,021,760		
TOTAL FINANCIAL ASSETS		1,021,960	3,929,889	4,951,849	-	-
FINANCIAL LIABILITIES						
Payables	-	1,369,825		1,369,825		
Borrowings						
TOTAL FINANCIAL LIABILITIES		1,369,825	-	1,369,825	-	-

(b) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date on recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the balance sheet and notes to the financial statements.

The Association does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Association other than from the State and Commonwealth government departments.

(c) Net Fair Values

The following methods and assumptions are used in determining net fair value:

For other assets and other liabilities the net fair value approximates their carrying value. No financial assets and financial liabilities are traded on organised markets.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to the financial statements.

(d) Sensitivity Analysis

The Association's cash levels and subsequent impact on profit and equity would not change significantly through an increase of 2% of the interest rate of cash deposits. Therefore no sensitivity analysis has been performed.

NOTE 21 - ASSOCIATION DETAILS

The principal place of business for the Association is :

3 Wilkinson Street
Alice Springs NT 0871

NOTE 22 - EVENTS AFTER THE BALANCE SHEET DATE

There have been no material events after the reporting date that have not been recognised in the financial report.

NGANAMPA HEALTH COUNCIL INCORPORATED

STATEMENT BY MEMBERS OF THE COMMITTEE FOR THE YEAR ENDED 30 JUNE 2012

In the opinion of the committee the attached financial report being the Statement of Financial Position, Statement of Comprehensive Income, Statement of Cash Flow, Statement of Changes in Equity and Notes to the Financial Statements for the year ended 30 June 2012:

1 Presents a true and fair view of the financial position of Nganampa Health Council Incorporated as at 30 June 2012 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations of the Australian Accounting Standards Board).

2 In accordance with section 35(5) of the Associations Incorporation Act 1985, the committee hereby states that during the financial year ended 30 June 2012

(a) (i) no officer of the association;
(ii) no firm of which an officer is a member, and
(iii) no body corporate in which an officer has a substantial financial interest, has received or become entitled to receive a benefit as a result of a contract between the officer, firm or body corporate and the association.

(b) Officers of the association receive salaries in their role as employees of the Association. Other than this no officer of the assocation has received directly or indirectly from the association any payment or other benefit of a pecuniary value.

3 At the date of this statement there are reasonable grounds to believe that Nganampa Health Council Incorporated will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:

....	....
Board Member	**Board Member**

Signed in **Umuwa** this **18th** day of **October 2012**

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

We have audited the accompanying financial report of Nganampa Health Council Incorporated (the association), which comprises the statement of financial position as at 30 June 2012, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by the members of the committee.

basso newman & co chartered accountants

Committee's Responsibility for the Financial Report

The committee of the association is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Associations Incorporation Act 1985 and for such internal control as the committee determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the association's preparation of the financial report that gives a true and fair view 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 association's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Basso Newman & Co
ABN 31 980 764 316

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Adelaide, South Australia

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South Australia 5000

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

basso newman & co
chartered accountants

Auditor's Opinion

In our opinion, the financial report of Nganampa Health Council Incorporated is in accordance with the Associations Incorporation Act 1985 including:

i. giving a true and fair view of the association's financial position as at 30 June 2012 and of its performance for the year ended on that date; and

ii. complying with Australian Accounting Standards.

T Basso

Trevor Basso - Partner
Basso Newman & Co
Chartered Accountants
Adelaide
Dated this 25th day of October 2012

Government of South Australia
SA Health

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DX 243 Adelaide

PO Box 287
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Adelaide SA 5000

Telephone (08) 8425 2450
Facsimile (08) 8425 2471

Finance & Administration

Reference No: 2010-05406

Mr David Busuttil
Corporate Services Manager
Nganampa Health Council
PO Box 2232
ALICE SPRINGS NT 0871

Dear David

Re: Indemnity and Insurance

In response to your recent e-mail, I confirm that Nganampa Health Council is indemnified and insured for services provided in accordance with its agreement with the Department of Health under the Department's Self Insured Program.

The insurance, which is for an amount not less than $20.0 million, covers:

- Professional Indemnity
- Public Liability

The Self Insured Program which also covers motor vehicles and property and contents applies from 1 July 2011 to 30 June 2012.

Yours sincerely

JOHN MARKIC
Manager
Insurance Services

22 June 2011