Aboriginal and Torres Strait Islander
Corporation for Health

Kambu Aboriginal and Torres Strait Islander Corporation for Health Trading as Kambu Health

ABN 83 155 632 836

Financial Report

For the year ended
30 June 2022

2022

Contents

The directors present their report on Kambu Aboriginal and Torres Strait Islander Corporation for Health Trading as Kambu Health for the financial year ended 30 June 2022.

General Information

Information on Directors

The names of each person who has been a director during the year and to the date of this report are:

- Allan Fisher - Chairperson
- Lee-Ann Roch – Deputy Chairperson
- Jill Davidson – Elected Director
- Damain Storey – Elected Director
- Graham White – Skills-based Director (appointed 18/01/2022)
- Rhianna Patrick – Skills-based Director (appointed 26/07/2022)
- Maria Baker – Casual Director Appointment (appointed 27/09/2022)
- Rachel Nolan – Skills-based Director (ceased 26/11/2021)
- Andrew Weil – Skills-based Director (ceased 20/07/2022)
- Calvin Carlo – Elected Director (ceased 14/07/2022)

Allan Fisher	Director – elected 05/10/2018 to 04/10/2020 and re-elected 14/11/2020; Chairperson from 17/11/2020
Qualifications	Chairperson until 04/10/2020; Current Chairperson – elected by the Board 17/11/2020
Experience	Former Chair, Kambu CATSI transition board. Indigenous Primary Health Care; indigenous people/organisations; Board/Management Committee roles; Health Services Sector; CEO/senior management; strategy & Policy; Aboriginal controlled Community Health Services Sector
Lee-Ann Roch	Director - elected 17/10/2019 and re-elected 16/10/2021; Chairperson from 04/10/2020 to 17/11/2020 and Deputy Chairperson from 15/06/2021
Qualifications	Diploma in Leadership and Management, Cert IV Community Health Services; Former Chair May 2015 to May 2017
Experience	Indigenous people/organisations; local community; prior board/management committee roles; interim CEO
Jill Davidson	Director - elected 17/10/2019 and re-elected 16/10/2021
Qualifications	Certificates in Aged Care, Indigenous Primary Health Care
Experience	Indigenous people/organisations.
Damain Storey	Director – elected 19/11/2019 and re-elected 16/10/2021
Experience	Indigenous people/organisations; local community.

Graham White	Skills Based Director – Appointed 18/01/2022 for a 12-month period
Qualifications	Public Sector Management, Graduate AICD
Experience	Graham is Non-Executive Director on PCYC Board, a member of the Queensland Sentencing Advisory Council and has held directorships with the Aboriginal and Torres Strait Islander Legal Service. Graham has had over 20 years' experience providing cultural advice, support, information and training and policy development and implementation for Aboriginal and Torres Strait Islander peoples through Aboriginal and Torres Strait Islander Legal Service, the Department of Aboriginal and Torres Strait Islander and Multicultural Affairs, the Departments of Communities, Department of Child Safety and Department of Families.
Rhianna Patrick	Skills Based Director – Appointed 26/07/2022 for a 12-month period
Qualifications	BA (Journalism);
Experience	Rhianna has almost 25 years media experience (having started her career at Indigenous Radio Station 98.9FM). Rhianna has held a number of Board and Management Committee positions and currently sits on Aboriginal and Torres Strait Islander advisory groups for Placemakers (Bleach Festival), State Library of Queensland and National Library of Australia.
Maria Baker	Casual Director Appointment – Appointed 27/09/2022 until the 2022 Annual General Meeting (12/10/2022)
Experience	Indigenous people/organisations; active member of Kambu Health and the local community.
Rachel Nolan	Skills Based Director – Appointed 21/7/2020, re-appointed for a further 12 months from 21/7/2021 and ceased on 26/11/2021
Qualifications	BA(Hons), GradDip Arts, GAICD
Experience	Rachel Nolan is an experienced non-executive director and Chair of commercial and not for profit boards. She is a public policy specialist who, in addition to her current board roles, holds an executive position at a think-tank and teaches public administration programs for foreign governments through the University of Queensland. Rachel spent 11 years in the Queensland Parliament as Member for Ipswich and served as the Minister for Finance, Transport, Natural Resources and the Arts. In those roles she ran a major program of economic reform.

Andrew Weil	Skills Based Director – Appointed 21/7/2020 and re-appointed for a further 12 months from 21/7/2021 and ceased on 20/07/2022
Qualifications	BCom LLB LLM, GradDipACG, FAICD FGIA FCG
Experience	Andrew is a Non-Executive Director, Chartered Secretary, and qualified Lawyer with over 20 years of Board experience in private and the Not-for-profit sectors. Andrew brings to the organisation skills and over 6 plus years' experience gained from chairing one of Queensland's largest and most successful health and community service organisations and from chairing a large and successful organisation based in Northern New South Wales that provides disability services (NDIS), mental health programs, community programs and community housing.
Calvin Carlo	Director – elected 19/11/2019, re-elected 16/10/2021 and ceased 14/07/2022
Experience	Indigenous people/organisations; local community; prior board and management committee roles.

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

Review of Operations

The loss of the Corporation for the financial year amounted to $45,817 (2021: $878,266 profit).

A review of operations of the Corporation during the financial year and the results of those operations found that during the year, the Corporation continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

Principal Activities

Kambu Aboriginal and Torres Strait Islander Corporation for Health's core business is to provide access to Health and Community Services that recognise in equal measure the physical, emotional, social, and spiritual wellbeing of individuals, families, and the broader community, all delivered in a supportive, professional, respectful, and culturally appropriate environment. Programs include:

- Diabetes
- Chronic Disease Prevention & Management
- Child and Maternal Health
- Family Wellbeing Services
- Mental Health Advocacy
- Family Participation Program
- Suicide Prevention
- Allied Health Services
- Men's Health
- Women's Health
- Elders
- Deadly Choices
- Hearing Health
- Children and Family Centre
- Dental Services
- Specialist Health Services

There were no significant changes in the nature of the organisation's activity during the financial year.

Short-Term and Long-Term Objectives

- Continue to expand the delivery of comprehensive primary health care, health support programs, and education services that are of the highest quality, sustainable and accessible to the Ipswich and West Moreton communities;
- Facilitate and promote partnerships and alliances with other health care providers and stakeholder groups;
- Meet the spiritual, physical, and wellbeing of Aboriginal and Torres Strait Islander peoples in the Ipswich and west Moreton region; and
- Ensure a continuous improvement framework, one that supports fit for purpose facilities, trained, and supported staff, who deliver excellence daily.

Strategy for Achieving the Objectives

To achieve these objectives, the organisation has adopted the following strategies:

1) Strengthening Governance

- Deliver a Board of Directors and Management team that demonstrate diversity in skills and capabilities ensuring a focus on long term strategy with enhanced oversight of risk and collective accountability.
- Build a competent workforce that reflects the organisation's commitment to increasing Aboriginal and Torres Strait Islander employment in the greater Ipswich region.
- Effective management of revenue sources to enhance service options better meeting the needs of clients.
- Leadership through evidence-based approaches to health care for Aboriginal and Torres Strait Islander individuals and families.

2) Building and sustaining relationships with all stakeholders

- Explore and value the input of other sectors to influence and, improve health equity and services for Aboriginal and Torres Strait Islander individuals and families.
- Demonstrate transparency through increased communication with all members and stakeholders.
- Value all feedback, ensuring opportunities to improve are considered and where applicable implemented.
- Expand our membership to ensure the voice of the community is front and centre.

3) Improving the lives of individuals and families through quality health service provision and other support services

- Engage members, clients, staff, and others to increase the number of customers serviced by Kambu Health.
- Extend and advance strategies to integrate primary health care with key social services within a framework of spiritual, physical, and social wellbeing needs.
- Collaborate with research institutes to build an evidence-based method of improving life outcomes for urban Aboriginal and Torres Strait Islander, individuals, and families.
- Expand models of coordinated care inclusive of pathways with other specialist providers.

4) Building a capable workforce supported through investment in technologies, infrastructure, and training

- Build a competent workforce that reflects the organisation's commitment to increasing Aboriginal and Torres Strait Islander employment in the greater Ipswich region.
- Develop internal innovation that supports the other priority areas through efficient and effective management.
- Deliver workplaces that meet all standards inclusive of an enhanced client experience.
- Demonstrate a commitment to the organisation's culture through staff training and development.

Performance Measures

The organisation measures its own performance through the use of both quantitative and qualitative benchmarks. The benchmarks are used by the directors to assess the financial sustainability of the organisation and whether the organisation's short-term and long-term objectives are being achieved.

Company Secretary

The following person held the position of Company secretary at the end of the financial year:

Sheridan Cooper BBus (Accountancy) LLB, GradDipCSP, AGIA AAICD

Sheridan is a corporate governance, compliance, and relationship management professional with over 20 years' experience working with boards, management committees and executive management in the governance of organisations across a wide range of industries including health, aged care, resources, financial services, insurance, construction, transport, and logistics in the not-for-profit, private, public, Government and listed sectors. Sheridan was appointed Company Secretary by the Board in December 2020.

Meetings of Directors

During the financial year, 12 board meetings of directors were held and 12 Finance Audit and Risk Management Committee (FARM) meetings were held. Attendances by each director to the Board and FARM Committee meetings during the year were as follows:

	Directors' Meetings			
	Board Meetings		**Finance Audit & Risk Management Committee Meetings**	
	Number eligible to attend	**Number attended**	**Number eligible to attend as a member**	**Number attended**
Allan Fisher	12	12	12	12
Jill Davidson	12	10	-	4
Lee-Ann Roch	12	9	12	4
Damain Storey	12	12	-	7
Graham White	4	5	3	4
Rhianna Patrick	-	-	-	-
Maria Baker	-	-	-	-
Rachel Nolan	6	6	-	6
Andrew Weil	12	12	12	12
Calvin Carlo	12	4	-	1

Winding Up

If any surplus remains following the winding up of the organisation, the surplus will not be paid to our distributed amongst Members, but will be given or transferred to another entity which is:

a) an organisation with similar purposes which is not carried on for profit or gain of its individual members;
b) required to apply its profits (if any) or other income in promoting objects similar to those of the organisation; and
c) endorsed as a deductible gift recipient under sub-division 30-BA of the ITAA, such entity to be determined by the Members at or before the winding up and in default, by application to the Supreme Court of Queensland for determination.

Subsequent Events

No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the consolidated group, the results of those operations or the state of affairs of the consolidated group in future financial years.

Auditor's Independence Declaration

The lead auditor's independence declaration in accordance with *Corporations (Aboriginal and Torres Strait Islander) Act 2006* has been received and can be found on page 30 of the financial report.

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

Chair Dated this 26th Day of October 2022

Allan Fisher

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2022 $	2021 $
Grants income	2	9,822,356	10,046,918
Other income	2	3,894,289	3,855,305
Employee benefits expense		(8,819,040)	(8,386,623)
Depreciation and amortisation expense		(1,158,773)	(643,979)
Administration expenses		(215,790)	(795,841)
Finance costs	3	(36,664)	(38,899)
Program expenses		(600,547)	(575,453)
Accounting and audit fees		(111,409)	(47,543)
Board meeting expenses		(178,520)	(91,090)
Computer expenses		(288,942)	(170,321)
Insurance expenses		(104,666)	(122,090)
Motor vehicle expenses		(131,328)	(139,484)
Rent expenses	12	-	(31,049)
Repairs and maintenance		(180,177)	(157,828)
Staff and recruitment costs		(160,154)	(270,435)
Other operating expenses		(1,776,452)	(1,553,322)
PROFIT / (LOSS) BEFORE INCOME TAX EXPENSE		(45,817)	878,266
Income tax (expense) / benefit		-	-
PROFIT / (LOSS) FOR THE YEAR		(45,817)	878,266
Other comprehensive income	14	1,771,706	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		1,725,889	878,266

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2022

	NOTE	2022 $	2021 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	4,147,527	4,186,156
Trade and other receivables	5	125,495	58,416
Other assets	6	94,486	8,839
TOTAL CURRENT ASSETS		4,367,508	4,253,411
NON-CURRENT ASSETS			
Property, plant and equipment	8	13,410,387	12,060,926
Right-of-use assets	9	796,223	902,414
Intangible assets	10	47,240	-
TOTAL NON-CURRENT ASSETS		14,253,850	12,963,340
TOTAL ASSETS		18,621,358	17,216,751
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	647,066	919,919
Lease liabilities	12	428,081	291,687
Short-term provisions	13	400,134	350,559
Other liabilities		-	1,713
TOTAL CURRENT LIABILITIES		1,475,281	1,563,878
NON-CURRENT LIABILITIES			
Lease liabilities	12	439,309	670,259
Long-term provisions	13	150,402	152,136
TOTAL NON-CURRENT LIABILITIES		589,711	822,395
TOTAL LIABILITIES		2,064,992	2,386,274
NET ASSETS		16,556,366	14,830,477
EQUITY			
Reserves		3,650,531	1,878,825
Retained earnings		12,905,835	12,951,652
TOTAL EQUITY		16,556,366	14,830,477

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	RETAINED EARNINGS $	RESERVES $	TOTAL $
Balance at 1 July 2020		12,073,386	1,878,825	13,952,211
Total profit/(loss) for the period		878,266	-	878,266
BALANCE AT 30 JUNE 2021		12,951,652	1,878,825	14,830,477
Balance at 1 July 2021		12,951,652	1,878,825	14,830,477
Total profit/(loss) for the period		(45,817)	-	(45,817)
Revaluation of land and buildings	14	-	1,771,706	1,771,706
BALANCE AT 30 JUNE 2022		12,905,835	3,650,531	16,556,366

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2022 $	2021 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		5,083,071	4,352,957
Operating grants received		9,820,643	10,943,887
Payments to suppliers and employees		(14,158,411)	(13,758,943)
Interest received		8,502	14,912
NET CASH PROVIDED BY / (USED IN) OPERATING ACTIVITIES		753,805	1,552,813
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		16,364	60,247
Payments for property, plant and equipment		(337,015)	(97,526)
NET CASH PROVIDED BY / (USED IN) INVESTING ACTIVITIES		(320,651)	(37,279)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of lease liabilities		(471,783)	(354,257)
NET CASH PROVIDED BY / (USED IN) FINANCING ACTIVITIES		(471,783)	(354,257)
Net increase / (decrease) in cash and cash equivalents		(38,629)	1,161,277
Cash and cash equivalents at beginning of financial year		4,186,156	3,024,879
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	4	4,147,527	4,186,156

The accompanying notes form part of these financial statements.

Kambu Aboriginal and Torres Strait Islander Corporation for Health ("Kambu", "the Corporation") is incorporated and domiciled in Australia. The Corporation's registered office and principal place of business is detailed at Note 19.

The Corporation is a not-for-profit entity and is primarily involved in delivering comprehensive, culturally appropriate primary health care and health support programs.

The financial statements were authorised for issue on 26 October 2022 by the directors of the Corporation.

1. Summary of Significant Accounting Policies

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures of the Australian Accounting Standards Board and the *Corporations (Aboriginal and Torres Strait Islander) Act 2006*.

The financial statements comply with the recognition and measurement requirements of Australian Accounting Standards, the presentation requirements in those Standards as modified by AASB *1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* (AASB 1060) and the disclosure requirements in AASB 1060. Accordingly, these financial statements are the first general purpose financial statements prepared in accordance with Australian Accounting Standards – Simplified Disclosures. In the prior year the financial statements were prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements. There was no impact on the recognition and measurement of amounts recognised in the statements of financial position, profit and loss and other comprehensive income and cash flows of the Corporation as a result of the change in the basis of preparation.

The financial statements are presented in Australian dollars, which is the Corporation's functional currency. The amounts presented in the financial statements have been rounded to the nearest dollar, unless otherwise indicated.

Accounting Policies

(a) Income Tax

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

(b) 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.

Property

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less accumulated depreciation for buildings.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation surplus in other comprehensive income. Decreases that offset previous increases of the same asset are recognised against revaluation surplus directly in other comprehensive income; all other decreases are recognised in profit or loss.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

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 the estimated recoverable amount, the carrying amount is written down immediately to the 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(e) for details of impairment).

The cost of fixed assets constructed within the Corporation 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 Corporation 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 basis over the asset's useful life to the Corporation 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. Depreciation is recognised in profit or loss.

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

Class of Fixed Asset	Depreciation Rate
Plant and Equipment	10% – 25%
Furniture, Fixtures and Fittings	1% - 15%
Motor Vehicles	18.75%
Office Equipment	2.5% - 10%
Leasehold Improvements and Capital Works	2.5% - 10%

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss when the item is derecognised. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(c) Leases

The Corporation as Lessee

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

Initially, the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Corporation uses the incremental borrowing rate.

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

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

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

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the Corporation anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

The following useful lives are used in the calculation of depreciation:

Right-of-use Asset	**Useful Life**
Buildings	2 years – 7 years
Motor Vehicles	2 years – 5 years

(d) Financial Instruments

Initial recognition and measurement

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

Financial instruments (except for trade receivables) 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. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15.63.

Classification and subsequent measurement

Financial liabilities

Financial liabilities are subsequently measured at:

- amortised cost; or
- fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability, that is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if it is:

- incurred for the purpose of repurchasing or repaying in the near term;
- part of a portfolio where there is an actual pattern of short-term profit taking; or
- a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in an effective hedging relationship).

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial liability.

If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses should be taken to profit or loss rather than other comprehensive income. A financial liability cannot be reclassified.

Financial assets

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit or loss.

On the basis of the two primary criteria:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset is subsequently measured at amortised cost if it meets the following conditions:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

By default, all other financial assets that do not meet the conditions of amortised cost and the fair value through other comprehensive income's measurement condition are subsequently measured at fair value through profit or loss.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All the following criteria need to be satisfied for the derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Corporation no longer controls the asset (i.e. it has no practical ability to make unilateral decisions to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity which was elected to be classified under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Impairment

The Corporation recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets (e.g. amount due from customers under construction contracts);
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

A loss allowance for expected credit losses is not recognised for:

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The Corporation uses the simplified approach to impairment, as applicable under AASB 9 *Financial Instruments*:

Simplified approach

The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times.

This approach is applicable to:

- trade receivables or contract assets that results from transactions that are within the scope of AASB 15 *Revenue from Contracts with Customers*, that contain a significant financing component; and
- lease receivables.

In measuring the expected credit loss, a provision matrix for trade receivables was used taking into consideration various data to get to an expected credit loss.

Recognition of expected credit losses in financial statements

At each reporting date, the Corporation recognised the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. The amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

For financial assets that are unrecognised (e.g. loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

(e) Impairment of Assets

At the end of each reporting period, the Corporation assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information and internal sources of information, including dividends received from subsidiaries, associates or joint ventures deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. in accordance with the revaluation model in AASB 116 *Property, Plant and Equipment*). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

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

(f) Employee Benefits

Short-term employee benefits

Provision is made for the Corporation'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 holiday leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

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

Long-term employee benefits

Provision is made for employees' long service leave and 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 corporate bonds that have maturity dates that approximate

the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

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

(g) Provisions

Provisions are recognised when the Corporation 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 are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(h) 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 one month or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

(i) Trade and Other Receivables

Trade and other receivables include amounts due from customers for goods sold and services performed 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.

Trade and other receivables 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(e) for further discussion on determination of impairment losses

(j) Revenue Recognition

Revenue is measured based on the consideration specified in a contract with a customer. The Corporation recognises revenue when it transfers control over a good or service to a customer.

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

Revenue Stream	**Nature**	**Recognition Criteria**
Grants	Kambu receives grants from a number of government organisations. Upon receiving grant revenue, the Corporation assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15 *Revenue from Contracts with Customers*.	If there are sufficiently specific performance obligations in the contract then revenue is recognised at the point in time that Kambu satisfies the performance obligations in the contract. Otherwise revenue is recognised on receipt of the funds.
Medicare	Revenue is received from Medicare where a patient bulk bills in place of the patient paying for the visit.	Revenue is recognised at the point in time that the payments are received.
COVID-19	Kambu receives revenue for providing COVID-19 testing and vaccinations to patients.	Revenue is recognised at the point in time that the payments are received.
Practice inventive payments	Payments are received based upon performance targets (e.g. number of patients treated).	Revenue is recognised at the point in time that the payments are received.
Kindy and LDCC fees	Fees are received from parents of enrolled children for the rendering of education services.	Revenue is recognised at the point in time where it is probable that the Corporation will be compensated for services rendered and the amount of consideration for such services can be reliably measured.
C & K Funding	Kambu receives quarterly funding based on children numbers in the Kindergarten and Long Day Care Centre.	Revenue is recognised at the point in time the funding is received.

Interest income is recognised using the effective interest method.

(k) Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the Corporation that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability. Trade and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

(l) 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.

(m) Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgements 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 Corporation.

Key judgements

(i) *Lease term and option to extend under AASB 16*

The lease term is defined as the non-cancellable period of a lease together with both periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and also periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option. The options that are reasonably certain of being exercised is a key management judgement that the Corporation will make. The Corporation determines the likeliness to exercise on a lease-by-lease basis, looking at various factors such as which assets are strategic and which are key to the future strategy of the Corporation.

(ii) Performance obligations under AASB 15

To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the 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.

(n) Comparative Figures

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

(o) New and Amended Accounting Policies Adopted by the Corporation

Initial application of AASB 1060

As at 1 July 2021, the Corporation has adopted AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-For-Profit Tier 2 Entities*.

The above standard did not have any impact on the amounts recognised in prior periods and is not expected to significantly affect the current or future periods.

		NOTE	2022 $	2021 $
2.	**REVENUE AND OTHER INCOME**			
A)	**TIMING OF REVENUE RECOGNITION**			
	At a point in time		9,822,356	10,046,918
	Over time		-	-
	TOTAL GRANT REVENUE		**9,822,356**	**10,046,918**
B)	**OTHER INCOME**			
	Medicare		1,695,835	1,739,086
	COVID-19 income		797,072	793,460
	Practice incentive payments		256,640	449,792
	LDCC fees		708,293	384,863
	C & K funding		180,610	212,975
	Sundry income		153,436	191,736
	Gain on disposal of property, plant and equipment		16,364	60,247
	Interest received		8,502	14,912
	Kindy fees		77,537	8,234
	TOTAL OTHER INCOME		**3,894,289**	**3,855,305**
3.	**PROFIT / (LOSS) BEFORE INCOME TAX**			
	EXPENSES			
	Superannuation		759,531	697,860
	Bad debts		-	1,371
	Finance costs:			
	Interest on financial liabilities measured at amortised cost			
	- Interest on obligations under leases		36,664	38,899
	TOTAL FINANCE COSTS		**36,664**	**38,899**
	Remuneration of auditor:			
	- Auditing or reviewing the financial report		53,811	48,003
	- Finance function review		-	20,000
	- Other accounting services		8,000	15,750
	TOTAL AUDITOR REMUNERATION		**61,811**	**83,753**

		NOTE	2022 $	2021 $
4.	CASH AND CASH EQUIVALENTS			
	CURRENT			
	Cash at bank		4,147,326	4,185,955
	Cash on hand		201	201
	TOTAL CASH AND CASH EQUIVALENTS		4,147,527	4,186,156
	RECONCILIATION OF CASH AND CASH EQUIVALENTS			
	Cash and cash equivalents at the end of the financial year as shown in the statement of cash flows are reconciled to items in the statement of financial position as follows:			
	Cash and cash equivalents		4,147,527	4,186,156
5.	TRADE AND OTHER RECEIVABLES			
	CURRENT			
	Trade receivables due from third parties		108,272	50,460
	Loss allowance		(4,632)	(29,345)
	Deposits		6,736	600
	Other receivables		15,119	36,701
	TOTAL CURRENT TRADE AND OTHER RECEIVABLES		125,495	58,416
6.	OTHER ASSETS			
	CURRENT			
	Prepayments		76,256	8,642
	DiviPay expenses		18,230	197
	TOTAL CURRENT		94,486	8,839
7.	RELATED PARY TRANSACTIONS			
A)	KEY MANAGEMENT PERSONNEL COMPENSATION			
	Total key management personnel compensation		1,195,198	1,373,017
8.	PROPERTY, PLANT AND EQUIPMENT			
	LAND AND BUILDINGS			
	Land		5,250,000	1,793,910
	Buildings		6,825,000	9,448,753
	TOTAL LAND AND BUILDINGS		12,075,000	11,242,663

	NOTE	2022 $	2021 $
OFFICE FURNITURE AND EQUIPMENT			
Office furniture and equipment at cost		143,188	161,991
Accumulated depreciation		(69,929)	(90,989)
TOTAL OFFICE EQUIPMENT		73,259	71,002
LEASEHOLD IMPROVEMENTS			
Leasehold improvement at cost		1,602,168	645,798
Accumulated depreciation		(926,833)	(380,833)
TOTAL LEASEHOLD IMPROVEMENTS		675,335	264,965
PLANT AND EQUIPMENT			
Plant and equipment at cost		1,120,352	1,507,996
Accumulated depreciation		(555,005)	(1,025,700)
TOTAL PLANT AND EQUIPMENT		565,347	482,296
MOTOR VEHICLES			
Motor vehicles at cost		25,897	-
Accumulated depreciation		(4,451)	-
TOTAL MOTOR VEHICLES		21,446	-
TOTAL PROPERTY, PLANT AND EQUIPMENT		13,410,387	12,060,926

A) RECONCILIATION OF CARRYING AMOUNT:

	LAND AND BUILDINGS	OFFICE FURNITURE AND EQUIPMENT	LEASEHOLD IMPROVEMENTS	PLANT AND EQUIPMENT	MOTOR VEHICLES	TOTAL
Carrying amount at 1 July 2021	11,242,663	71,002	264,965	482,296	-	12,060,926
Additions	-	18,321	-	284,839	25,897	329,057
Increases / (decreases) from revaluations	1,771,706	-	-	-	-	1,771,706
Depreciation	(70,558)	(16,064)	(458,441)	(147,280)	(4,451)	(696,794)
Reclassification	(868,811)	-	868,811	(54,508)	-	(54,508)
Carrying amount at 30 June 2022	**12,075,000**	**73,259**	**675,335**	**565,347**	**21,446**	**13,410,387**

B) ASSET REVALUATIONS:

LAND AND BUILDINGS

On 16 June 2022, the freehold land and buildings held by the Corporation were valued by an independent valuer. The valuation was based on recent market transactions on arm's length terms for similar properties. The fair value of the freehold land and buildings was determined based on the capitalisation of net income approach and the direct comparison approach.

The fair value of the freehold land and buildings was determined to be $12,075,000. The fair value of the freehold land and buildings increased by $1,771,706.

The revaluation increment was credited directly to the revaluation surplus.

		NOTE	2022 $	2021 $
9.	RIGHT-OF-USE ASSETS			

The Corporation's lease portfolio includes buildings and equipment.

Option to extend or terminate:

The option to extend or terminate is contained in the property lease of the Corporation. These clauses provide the Corporation opportunities to manage the lease in order to align with its strategies. All the extension or termination options are only exercisable by the Corporation. The extension options or termination options which were probable to be exercised have been included in the calculation of the right-of-use assets.

		NOTE	2022 $	2021 $
A)	NET CARRYING AMOUNTS			
	Buildings		581,687	509,576
	Motor vehicles		214,536	392,838
	TOTAL RIGHT-OF-USE ASSETS		796,223	902,414

B) RECONCILIATION OF CARRYING AMOUNTS

	BUILDINGS	MOTOR VEHICLES	TOTAL
Carrying amount at 1 July 2021	**509,576**	**392,838**	**902,414**
Additions	340,562	-	340,562
Depreciation	(268,451)	(178,302)	(446,753)
Carrying amount at 30 June 2022	**581,687**	**214,536**	**796,223**

		NOTE	2022 $	2021 $
10.	INTANGIBLE ASSETS			
	SOFTWARE			
	At cost		54,508	-
	Accumulated amortisation		(7,268)	-
	TOTAL INTANGIBLE ASSETS		**47,240**	-

		SOFTWARE	TOTAL
A)	RECONCILIATION OF CARRYING AMOUNTS		
	Carrying amount at 1 July 2021	**-**	**-**
	Reclassification	54,508	54,508
	Amortisation	(7,268)	(7,268)
	Carrying amount at 30 June 2022	**47,240**	**47,240**

		NOTE	2022 $	2021 $
11.	TRADE AND OTHER PAYABLES			
	CURRENT			
	Trade payables due to third parties		177,583	301,874
	GST payable		-	281
	Accrued expenses		41,664	165,563
	PAYG tax payable		238,830	182,064
	Other payables		188,989	270,137
	TOTAL CURRENT PAYABLES		647,066	919,919
12.	LEASE LIABILITIES			
	CURRENT			
	Lease liability – buildings		288,565	116,916
	Lease liability – motor vehicles		139,516	174,771
	TOTAL CURRENT LEASE LIABILITY		428,081	291,687
	NON-CURRENT			
	Lease liability – buildings		350,370	441,806
	Lease liability – motor vehicles		88,938	228,453
	TOTAL NON-CURRENT LEASE LIABILITY		439,309	670,259
	TOTAL LEASE LIABILITY		867,390	961,947
A)	SHORT-TERM LEASES AND LEASES OF LOW VALUE ASSETS			
	Lease payments recognised as an expense		-	31,049

		NOTE	2022 $	2021 $
13.	PROVISIONS			
	CURRENT			
	Provision for annual leave		399,594	324,788
	Provision for long service leave		540	25,771
	TOTAL CURRENT PROVISIONS		400,134	350,559
	NON-CURRENT PROVISIONS			
	Provision for long service leave		150,402	152,137
	TOTAL NON-CURRENT PROVISION		150,402	152,137

A) RECONCILIATION OF CARRYING AMOUNTS

	EMPLOYEES BENEFITS $	TOTAL $
Carrying amount at 1 July 2021	**502,696**	**502,696**
Additional provisions raised during the year	583,138	583,138
Provisions used during the year	(535,298)	(535,298)
Balance at 30 June 2022	**550,536**	**550,536**

14. RESERVES

A) REVALUATION SURPLUS

The revaluation surplus records revaluations of non-current assets at fair value.

B) ANALYSIS OF ITEMS OF OTHER COMPREHENSIVE INCOME BY EACH CLASS OF RESERVE

		2022	2021
REVALUATION SURPLUS			
Net gain on revaluation of land and buildings:			
- gain on revaluation of land and buildings		1,771,706	-
MOVEMENT IN REVALUATION SURPLUS		1,771,106	-
TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR		1,771,106	-

		NOTE	2022 $	2021 $
15.	**CAPITAL AND LEASING COMMITMENTS**			
A)	**LEASE COMMITMENTS**			
	Payable – future lease payments:			
	- Not later than 12 months		428,081	291,687
	- Between 12 months and five years		439,309	670,259
	FUTURE LEASE PAYMENTS		**867,390**	**961,946**

The Corporation has five non-cancellable property leases with rent payable monthly in advance. The details of these leases are as follows:

Lease Number	Initial Term	Option to Renew Term	Rental Increase
1	4 years	3 years	4% fixed
2	2 years	2 years	CPI Review
3	1 year	1 year	3% fixed
4	2 years	2 years	CPI Review
5	1 year	-	n/a

The Corporation is also committed to a total of 20 motor vehicle leases as at 30 June 2022. The term of these leases ranges from three to five years. Rent is payable monthly in advance and there are no increases to the minimum lease payments.

		NOTE	2022 $	2021 $
B)	**CAPITAL EXPENDITURE COMMITMENTS**			
	Capital expenditure commitments contracted for:			
	Program expenses		-	31,000
	TOTAL CAPITAL EXPENDITURE COMMITMENTS		**-**	**31,000**

		NOTE	2022 $	2021 $
16.	FINANCIAL RISK MANAGEMENT			
	The Corporation's financial instruments consist mainly of deposits with banks and accounts receivable and payable.			
	The totals for each category of financial instruments, measured in accordance with AASB 9 *Financial Instruments* as detailed in the accounting policies to these financial statements, are as follows:			
	FINANCIAL ASSETS			
	CATEGORIES OF FINANCIAL ASSETS			
	Financial assets measured at amortised cost		4,273,022	4,244,572
	TOTAL FINANCIAL ASSETS		4,273,022	4,244,572
	FINANCIAL LIABILITIES			
	CATEGORIES OF FINANCIAL LIABILITIES			
	Financial liabilities measured at amortised cost		221,659	470,758
	TOTAL FINANCIAL LIABILITIES		221,659	470,758

17. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The directors are not aware of any contingent liabilities or contingent assets as at 30 June 2022.

18. EVENTS AFTER THE REPORTING PERIOD

The directors are not aware of any significant events since the end of the reporting period.

19. CORPORATION DETAILS

The registered office of the Corporation is:

27 Roderick Street

Ipswich QLD 4305

The principal place of business is:

27 Roderick Street

Ipswich QLD 4305

The Directors of the Corporation declare that:

1. In the Directors' opinion, the Corporation is not publicly accountable and the financial statements and notes, as set out on pages 8 to 28, are in accordance with the *Corporations (Aboriginal and Torres Strait Islander) Act 2006, including*:

   i. comply with Australian Accounting Standards – Simplified Disclosure Requirements and the *Coporations Regulations 2001*; and

   ii. give a true and fair view of the Corporation's financial position as at 30 June 2022 and of its performance for the year ended on that date.

2. In the Directors' opinion there are reasonable grounds to believe that the Corporation will be able to pay its debts as and when they become due and payable.

The declaration is made in accordance with the resolution of the Board of Directors.

Director __________________ Dated this 26th Day of October 2022

Allan Fisher

PILOT PARTNERS
Chartered Accountants

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AUDITOR'S INDEPENDENCE DECLARATION

UNDER SECTION 339-50(4) OF THE CORPORATIONS (ABORIGINAL AND TORRES STRAIT ISLANDER) ACT 2006

KAMBU ABORIGINAL AND TORRES STRAIT ISLANDER CORPORATION FOR HEALTH

I declare that to the best of my knowledge and belief, during the year ended 30 June 2022, there have been:

i. no contraventions of the auditor's independence requirements as set out in the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

Pilot Partners

PILOT PARTNERS
Chartered Accountants

CHRIS KING
Partner

Signed on 26 October 2022

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KAMBU ABORIGINAL AND TORRES STRAIT ISLANDER CORPORATION FOR HEALTH TRADING AS KAMBU HEALTH

OPINION

We have audited the financial report of Kambu Aboriginal and Torres Strait Islander Corporation for Health Trading as Kambu Health ("the Corporation"), which comprises the statement of financial position as at 30 June 2022, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising the summary of significant accounting policies and the directors' declaration.

In our opinion, the financial report of the Corporation is in accordance with the *Corporations (Aboriginal and Torres Strait Islander) Act 2006,* including:

- giving a true and fair view of the Corporation's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
- complying with Australian Accounting Standards and the *Corporations (Aboriginal and Torres Strait Islander) Act 2006*.

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 Corporation in accordance with the auditor independence requirements of the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations (Aboriginal and Torres Strait Islander) Act 2006*, which has been given to the directors of the Corporation, would be in the same terms if given to the directors as at the time of this auditor's report.

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

OTHER INFORMATION

Those charged with governance are responsible for the other information. The other information comprises the information included in the Corporation's annual report for the year ended 30 June 2022, but does not include the financial report and our auditor's report thereon.

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

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

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

RESPONSIBILITIES OF THE DIRECTORS FOR THE FINANCIAL REPORT

The directors of the Corporation are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Corporation or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL REPORT

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

PILOT PARTNERS
Chartered Accountants

CHRIS KING
Partner

Signed on 26 October 2022

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