



Aboriginal
Health & Medical
Research Council
of NSW

Annual Report 2017–18






Acknowledgment of Country

The Aboriginal Health & Medical Research Council acknowledges that we operate and function on the lands of the Gadigal people of the Eora Nation.

We pay our respect to these lands that provide for us and acknowledge and pay respect to the ancestors that walked and managed these lands for many generations before us.



Who we are About AH&MRC

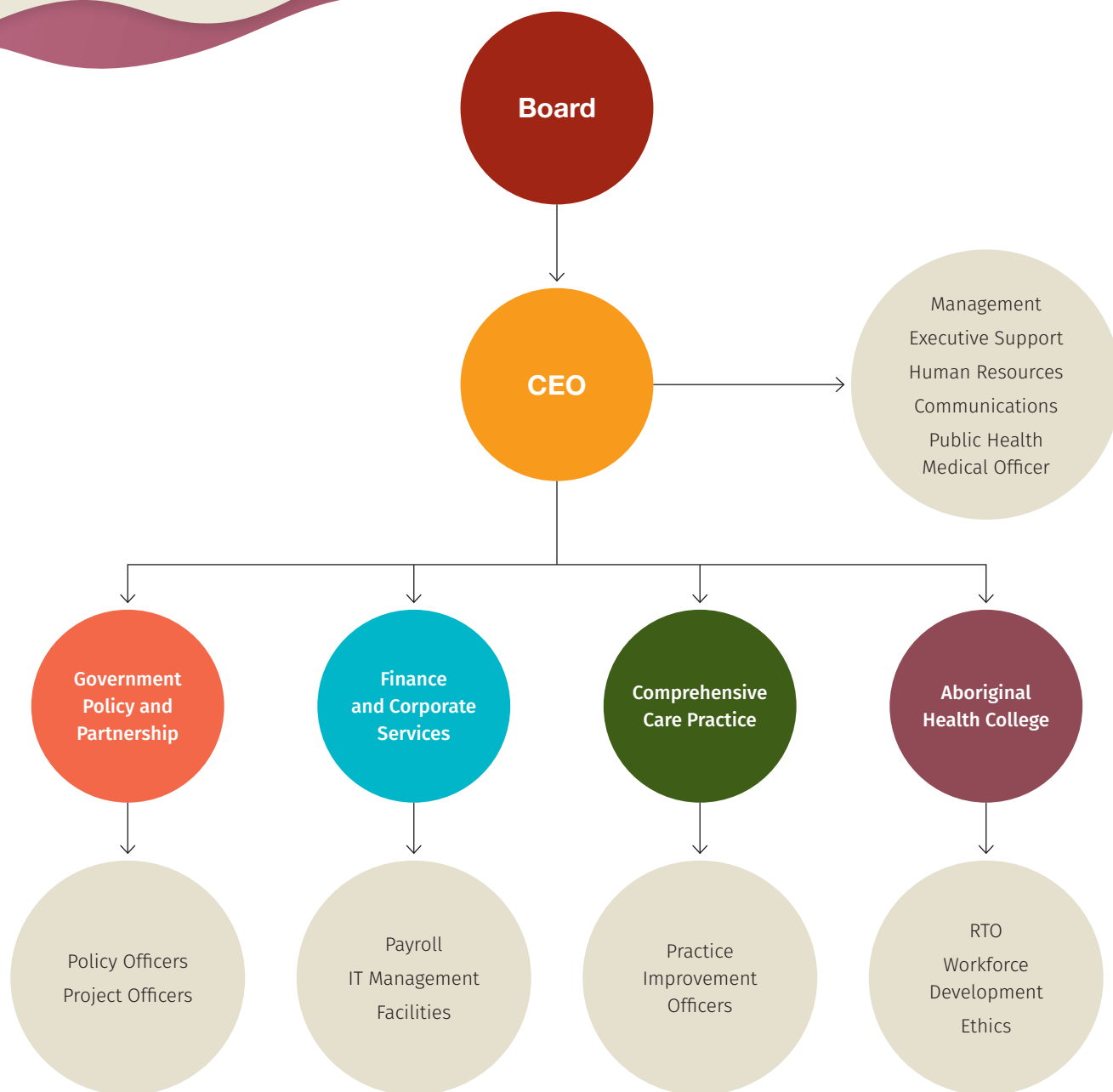
The Aboriginal Health and Medical Research Council of NSW assists the Aboriginal Community Controlled Health Services (ACCHSs) across NSW to ensure they have access to an adequately resourced and skilled workforce to provide high quality health care services for Aboriginal communities. We work in collaboration with other Aboriginal Health and non-Aboriginal health partners to address the social determinants of health and wellbeing.

We have strong fundamental values of unity, loyalty, inclusion and respect and are committed to carrying out our duties with professionalism and integrity.

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Our structure



The AH&MRC Board of Directors voted to approve a restructure of AH&MRC that took effect on 25th September 2017.

Underlying the restructure are the environmental changes relating to the Aboriginal Health Sector at both a State and Commonwealth level, demonstrated by the establishment of Aboriginal Health Networks through a single level service agreement with NACCHO and the impact associated with increased compliance and accountability frameworks of member services within New South Wales.

Note: Organisational structure subject to change

Message from the Chairperson

Dear Members,

It is a pleasure to contribute to the AH&MRC 2017-2018 Annual report in my first year as Chair of the Board. I would like to take the opportunity to thank my predecessor, Mrs Christine Corby for her years of contribution and service. As part of her work as Chairperson, Christine was responsible for significant changes to internal governance processes which will strengthen the operations of the AH&MRC in the years to come.

I wish to acknowledge with thanks the contributions of the AH&MRC Board Directors: LaVerne Belleair, Raylene Gordon, Donna Taylor, Tim Horan, Anne Greenaway, Summer Hunt, Valda Keed, Bret Biles, Christine Corby, James Williams, Julie Booker and Alan Bennett.

A special acknowledgement to the two acting CEOs and their Boards; Kristine Garrett from Galambila Aboriginal Health Service Incorporated and Stephen Blunden from Casino Aboriginal Medical Service. Their support and guidance through the restructure and rebranding of AH&MRC has ensured the stability and longevity of our organisation.

I also wish to acknowledge with thanks the work and dedication of the AH&MRC and AHC staff with whom this report and the project delivery would not be possible.

In 2017, the AH&MRC went through a year of transformation. This began with the creation of the AH&MRC's Action 2020 Plan based on the themes of Renewal, Unity and Strength. Using this as our driving force, this year the AH&MRC has been committed to making 2017-2018 the year of implementation and innovation.

We have seen some great successes in the last year. We have established 33 strategically aligned partnerships since the restructure that benefit our member services through advocacy and funding opportunities, and our Members are provided with policy and advice on issues affecting our sector. We continue to build strong relationships and partnerships with the last year seeing a range of stakeholder relationships come to fruition. We have received continuing funding from the existing Government Agencies as well as the introduction of new funding opportunities with the National Aboriginal Community Controlled Health Organisation (NACCHO). We continue to successfully collaborate with NSW Health and stakeholders to explore innovative approaches to Public Health Emergency Preparedness and ways to strengthen the ACCHS GP Network in NSW. We have delivered and implemented culturally safe and appropriate approaches to Cancer Care, Healthy Hair and Healthy Skin for Aboriginal children in NSW and continue to deliver on National, State and Regional policies that have contributed positively to our sector.

After such a successful year, we have big plans already in motion for next year. We have future aspirations of developing and delivering Governance and Finance Training for the ACCHSs and to further strengthen their workforce by delivering culturally safe, compliant and appropriate training through the Aboriginal Health College. The AHC will be our priority next year with a real focus on establishing partnerships with relevant tertiary providers to increase education pathways options for Aboriginal Health College graduates. We will continue ongoing partnerships that support the ACCHS workforce and provide health care providers with the guidance to deliver informed and culturally safe care.

We have always been committed to the 49 Aboriginal Medical Services across NSW and we will continue to provide support to Member Services through training opportunities, development of policy at a National and State level, regional workshops, strategic partnerships, ethical research and education. Let's move forward and continue to make positive change that will deliver sustainable health outcomes for our people.

Scott Monaghan

Chairperson of the Board



The AH&MRC Board of Directors

The AH&MRC is governed by twelve Board of Directors who are Aboriginal people elected by AH&MRC members on a regional basis. The AH&MRC Represents and supports its members and their respective communities on Aboriginal health at state and national levels.

Chairperson of the Board – Scott Monaghan

Scott has had twenty one years of senior management experience in Aboriginal Community Controlled organisations.

He has been the CEO of Bulgarr Ngaru Medical Aboriginal Corporation since 2005, providing primary health care to the people of the Clarence Valley on the North Coast of NSW.

Scott is the Secretary of the Many Rivers Aboriginal Medical Services Alliance which includes the Aboriginal medical services from Taree to Tweed Heads in its membership (established in 2005). Since 2016, Scott has been the Director of the National Aboriginal Community Controlled Health Organisation.

Ms Anne Greenway

Anne Greenaway has recently retired from full-time work as CEO of Merrimans Local Aboriginal Land Council and was previously the CEO of South Coast Medical Service Aboriginal Corporation, Moruya Women's Refuge and Katungul Aboriginal Corporation Community & Medical Services.

With over 30 years' experience in Aboriginal Education and Training, Community Controlled Health and Housing, as well as active participation and representation on a wide range of Aboriginal Issues, Anne plans to continue to live and participate in the local community.

Currently, Ms Greenaway is on the Board of Katungul ACC&MS, an association that spans over 20 years, chairs Katungul's Finance and Risk Management Committee and is on the Board of SEARMS. As a strong advocate for women and children's health and wellbeing issues, Anne currently chairs the Little Yuin Preschool and Family Centre.

Anne has been a Director of the AH&MRC for both the Far South Coast (1998-2005) and the Illawarra regions (2007-2010). She holds a Bachelor of Arts and Master of Letters (History) and Diploma of Business (Management, Governance and Training). Ms Greenaway worked for TAFE NSW for 17 years in Aboriginal Education and Training and is a member, Board member/past Board member of: AbSec (Aboriginal Child, Family and Community Care State Secretariat NSW Inc), Cobowra CDEP (Community Development and Employment Program), ATSIEN (Aboriginal and Torres Strait Islander Employment Network), SEALS (South Eastern Region Aboriginal Legal Service), Oolong House, SEARMS (Regional Aboriginal Housing Management) and SESIAHS (South Eastern Sydney and Illawarra Area Health Service) Area Health Advisory Committee.

Anne is soon to be a great grandmother for the sixth time.



AH&MRC Board of Directors and Acting CEO of AH&MRC

Summer Hunt

Summer Hunt is a proud Aboriginal Barkindji woman born in Mildura and raised in a small community called Dareton. She is a mother of three boys and one girl and a grandmother to a beautiful baby girl.

Summer has over seven years' experience working as an Aboriginal Health Worker, five years as Team Leader and three years as a Deputy CEO. She has an Advanced Diploma of Indigenous Primary Health Care, a Graduate Certificate in Family Therapy, a Diploma in Practice Management and is a Justice of the Peace.

Currently, Summer is the CEO of Coomealla Health Aboriginal Corporation and has had the pleasure of sitting on the AH&MRC Board of Directors for the past two years.

LaVerne Belleair

LaVerne Belleair is from the Bundjalung Nation (North Coast NSW) where she grew up in and around the Minjungbal region before moving to Sydney. LaVerne strongly believes that empowering Aboriginal people will create opportunities to make better informed decisions and choices regarding personal management of health care, ultimately resulting in better health outcomes.

LaVerne's background involves management and strategic planning. Currently she is the Chief Executive Officer of Aboriginal Medical Service Cooperative Limited, Redfern. LaVerne was the former Director of Aboriginal Health, Northern Sydney Local Health District, where her role was to develop various Aboriginal Health models of care along with the development and implementation of regional, strategic health plans that meet the needs of the local Aboriginal community.

Ms Belleair has extensive experience in health and as such has worked in community health for the former Northern Rivers Area Health Service and also managed the Aboriginal Health Management Training Program, Australian College of Health Service Executives (NSW Branch).

Ms Belleair has a Bachelor of Business, is a member of the Alumni at Griffith University, Gold Coast Campus; has a Professional Certificate in Indigenous Research in Training and Practices, University of Melbourne; along with studying Masters of Health Management, University of NSW.

Raylene Gordon

Raylene is a descendent of the Kamilaroi people of Moree.

Raylene has been the CEO of Awabakal Ltd since April 2015. Raylene's background is in Health and Education. She has tertiary qualifications in both and has had many years' experience in driving change in these areas at the community level. Raylene's career has largely been in Aboriginal affairs and advocating for the right to equitable health and education outcomes for Aboriginal people.

Raylene commenced her career in teaching and then progressed to Government, working as a bureaucrat in program and policy development. Although she experienced many successes in senior management roles within Government, it is not where she wanted to be.

Raylene believes her skill set sits best with the community sector where accountability, transparency and innovation are required on a daily basis. The community sector is where you see the smallest of things make the biggest difference.

Raylene's official skills are in strategic leadership, community development and change management.

James Williams

James is a proud Wiradjuri man from the Riverina area, living in Griffith NSW. James Williams started his career in Aboriginal Health in 2004 as the first receptionist for the Griffith Aboriginal Medical Service.

Over the years James has grown within the organisation, taking on Health Worker roles including AOD and Outreach Worker before being the successful applicant for the position of Operations Manager of Griffith AMS.

James' portfolio includes Cert IV in Primary Health (Practice) & Diploma in Leadership and Management. This is James's second term as a Director for the AH&MRC.

Christine Corby

Christine Corby, OAM, is a Gamilaraay woman from north-western New South Wales (NSW).

She holds the position of Chief Executive Officer of Walgett Aboriginal Medical Service Limited (WAMS) and Brewarrina Aboriginal Medical Service (BAMS).

She is a Justice of the Peace and has a Diploma in Health Sciences from the University of Sydney, Graduate Diploma in Health Management from the University of New England and a Diploma of Business Management from the Aboriginal Health College in Little Bay.

Living and working in a rural community offers her a first-hand insight into the social changes needed for individuals and their families. Christine's commitment to advocacy has seen WAMS as a significant contributor to the economic growth and health improvements for its industry.

Tim Horan

Mr Tim Horan, Central West, is new to the health scene, having spent 20 years with the NSW Police. He has been involved in supporting local communities for many years and is committed to the people of western NSW, particularly those communities that are socially disadvantaged.

Mr Horan has been a Councillor on Walgett and Coonamble Shire Council and has served as Mayor of Coonamble Council since March 2004. Mr Horan was employed by the Coonamble Aboriginal Health Service as the CEO in August 2008 and has helped drive the new service forward, guiding the organisation as it provides vital health services to the area and contributes to Closing the Gap initiatives.

Donna Taylor

Mrs Taylor is a proud Murri woman from the Kamilaroi Nation, born and raised in Moree, Northern NSW.

After completing High School in Moree, Mrs Taylor started her career as a secretary to Mr Lyall Munro, who was an executive member of the National Aboriginal Conference (NAC) in the early 1980s.

Mrs Taylor has worked for Pius X Aboriginal Corporation for the past 20 years, commencing as a trainee bookkeeper and now in the role of CEO. She has also served as a representative on the Moree Health Service Advisory Committee and the Roy Thorne Rehabilitation Committee.

Valda Keed

Mrs Val Keed was born in Peak Hill, NSW and is descended from a long line of proud Wiradjuri people in this area.

She was a founding member of the AH&MRC since its establishment (initially as the Aboriginal Health Resource Committee) in 1985. Val has held the position of the AH&MRC Lower Central West Regional Director on many occasions over the years, most recently having been re-elected in 2017, and is currently the Chairperson of the Peak Hill Aboriginal Medical Service. She is also involved in many community-based organisations in the region, including the Peak Hill Local Aboriginal Land Council, Warramunga Aboriginal Advancement Co-operative, Mid Lachlan Aboriginal Housing Management Association, Weigelli Drug and Alcohol Centre (Cowra), and the National Parks Peak Hill/Bogan River Aboriginal Joint Management Group. As an AH&MRC Director, Val also holds the Chairperson position on the AH&MRC Ethics Committee.

Aboriginal Health College

The Aboriginal Health College (AHC) is the result of a long term vision of the AH&MRC to establish and maintain an Aboriginal community controlled educational institution to provide culturally appropriate accredited education courses in Aboriginal health. In pursuit of this vision, The AH&MRC Board endorsed the establishment of the College in 2002 and Registered Training Organisation (RTO 91020) status was achieved in 2004.

In the last financial year, the AHC has provided full qualifications for a number of Aboriginal students on Diploma level, Certificate III level and Certificate IV level and has successfully delivered the Diploma of Nursing course. The AHC has opened its doors to a range of venue hire opportunities in the past year and continues to receive bookings to this day.

It has been a challenging year for the AHC with our Registered Training Organisation status, however through perseverance the AHC is continuing to move forward with the creation of new accredited and non-accredited courses on our training scope and the increase of recruitment to support the Aboriginal students who study at the AHC.

Our future directions are for the AHC to become the centre of excellence within the RTO sector in NSW by providing leadership, best practice, research, support and training for Aboriginal people.



Research Ethics Unit

The role of the AH&MRC Ethics Committee is to assess research proposals affecting the health and wellbeing of Aboriginal people and communities in NSW and to monitor the collection of data on Aboriginal health to ensure the ethical conduct of these activities. This role is endorsed by the NSW Health Department and embodied within the NSW Aboriginal Health Information Guidelines which guide all NSW government agencies responsible for the management of Aboriginal health and health-related information. These Guidelines operate in conjunction with the NSW Aboriginal Health Partnership, a formal agreement between the NSW Government and the AH&MRC.

This year the Research Ethics Team relocated to the Aboriginal Health College at Little Bay. Over the last twelve months the unit have been working hard, and since the 1st of July 2017 there have been 133 applications submitted to the AH&MRC Ethics Committee for full Human Research Ethics Committee review.

For an environmentally friendly approach the unit has gone paperless through the digitisation of the files for 22 years' worth of operations. More time is now devoted to planning and working on what is essential to our organisation, our communities and our members.

In 2017 the Ethics Committee partnered with the Justice Health and Forensic Mental Health Network (the Network). This partnership enables us to promote best practice in culturally appropriate research and to collaborate on issues relating to the overrepresentation of Aboriginal people in the custodial setting. As a testament to the AH&MRC's commitment to an ongoing relationship with the Network, an Aboriginal Reference Group (ARG) was established. The ARG provides cultural input and engages representatives of the Aboriginal Community who provide a cultural endorsement of research proposals before submission to the AH&MRC Ethics Committee for approval.

In June this year the AH&MRC hosted the inaugural 21st Century Aboriginal Health Research Seminar. As the first in a series, the seminar included presenters from the Sax Institute, Tharawal Aboriginal Corporation, The Poche Centre and the University of Wollongong. The AH&MRC Research Ethics Unit hopes to bridge the gap between researchers and the non-academic world. The event attracted Aboriginal Health workers, researchers, academics, community members and other interested organisations to observe innovative research projects being undertaken with Aboriginal and Torres Strait Islander populations across New South Wales.

The Research Ethics Unit would like to thank; our member services, researchers, research institutions, community members and our fellow ethics committees who continue to promote Aboriginal-led research projects in Aboriginal Health. We look forward to another year of working with you all on new research projects.

Below: 21st Century Aboriginal Health Research Seminar with attendees



Comprehensive Care Practice Unit

The Comprehensive Care Practice Unit (CCPU) is committed to providing members with guidance and assistance to support management systems and sustainability by improved clinical service delivery, better understanding of Medicare - MBS items and processes required for effective chronic disease management, continuous quality improvement (CQI) initiatives to both clinical and non-clinical activities, recall systems and ensuring data cleansing is actioned regularly and accreditation preparedness.

In the past year, the team has visited 13 Aboriginal Medical Services across the state of NSW. These include Viney Morgan AMS, Orange AMS, Tamworth AMS, Waminda, Yerin, Bourke, Brewarrina, Bullinah, RivMed, Ungooroo, Awabakal, Griffith AMS and Pius X.

During these site visits the CCPU has enhanced the efficacy of systems and processes including client pathways, partnerships, mental health, CQI and maximised Medicare Billing.

The CCPU conduct regular site visits to support staff in the use of Communicare, creating clinical items within the system to better capture and utilise the data for reporting purposes. Waminda uses these clinical items for the ongoing development of a Cancer Care template to ensure all required information for their patients is captured.

Below, left-to-right: Orange AMS CEO Jamie Newman with Orange AMS staff, Waminda staff and AH&MRC staff members; Bullinah CEO Dea Delaney-Thiele with Bullinah staff and AH&MRC staff members

Site Exchange Program

The CCPU had recently re-established this program to provide opportunities for networking and information sharing amongst Member Services regarding chronic disease management processes, Medicare utilisation and other relevant areas.

Last May the team facilitated a session day with Waminda's Chronic Disease Manager and newly appointed Medicare Officer with host OAMS's Medicare Specialist. Both Waminda and AH&MRC staff were fortunate to engage in discussion with the CEO, Business Manager and Practice Manager regarding OAMS's operational, financial and clinical processes.

Experiences from ACCHS staff involved in this preliminary session:

"We gained a lot of information from the visit in regards to Medicare, OAMS processes around claims, and clinical practices. These discussions have met our expectations and we have now incorporated our learnings into our Practice."

— Participant

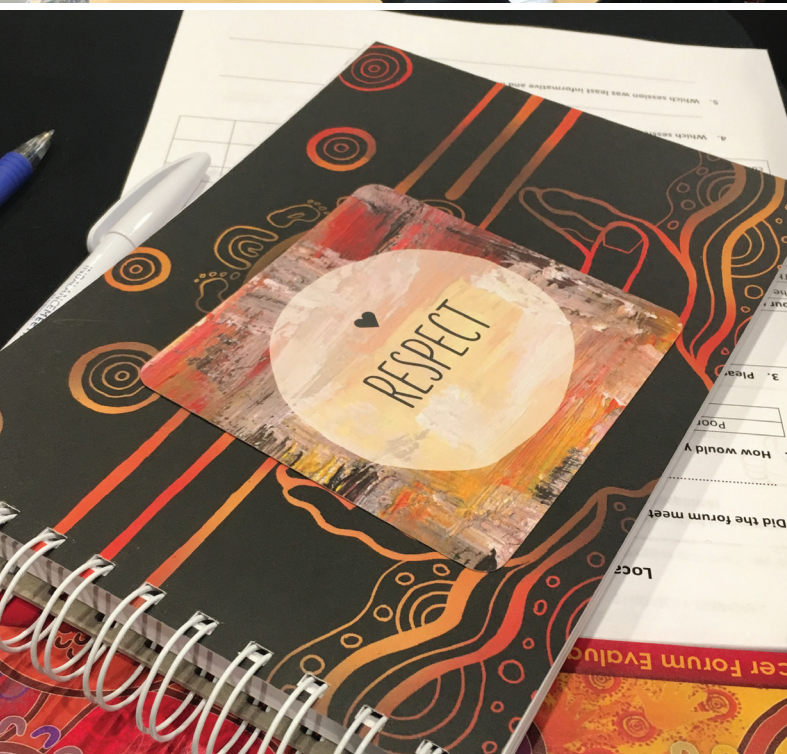
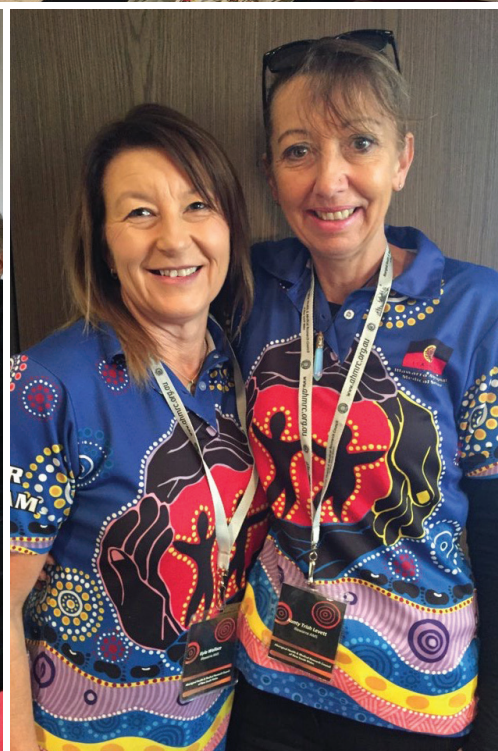
"I would highly recommend going on site visits with other Practices, staff and ACCHSs."

— Participant

"Sharing ideas and experiences to see how other ACCHSs function daily and the challenges they face."

— Host





Government Policy and Partnerships Unit

The Government Policy & Partnership Unit (GPPU) is responsible for the advocacy work of the Aboriginal Community Controlled Health Services (ACCHSs) as well as managing key programs for the benefit of the ACCHSs and Aboriginal peoples in NSW.

The GPPU implements this by emphasising co-design, continuous improvement, innovation and leadership on policy as it relates to Aboriginal people at a National, State and Regional level.

The GPPU has focused on a range of issues including human rights, sexual health, mental health and social emotional and wellbeing.

Over the past year, the GPPU has collaborated with; Take Blaktion, NACCHO, NSW Aboriginal Sexual Health Advisory Committee, Close The Gap Refresh Advisory Committee, NSW State Advisory Committee (My Health), NSW Ear Health Coordinators Network, Ear Health for Life Network, AHMRC SEWB Expert Advisory Committee, Ministry of Health Steering Committee for Annual Aboriginal Mental Health Wellbeing Forum, Ministry of Health Aboriginal Mental Health Worker Program Advisory Group, NSW Syphilis Working Group, Centre for Aboriginal Health, Prime Minister & Cabinet and the Department of Health.

The GPPU has achieved National and State policy delivery on Aboriginal Child Protection, “Their Future Matters”, Close the Gap Refresh submission, submission to the Human Rights Commission – National Statement of principles for Child Safe Organisations, submission on the Aboriginal and Torres Strait Islander Health Workers standards, submission on the training for Aboriginal Health Workers – Cervical Screening / BenchMarque, briefing paper NDIS – NSW, factsheet on Syphilis within NSW, participation and evaluation report: Mid-term evaluation of the Aboriginal Health Plan, discussion paper on effective treatment for head lice within Community, network submission - Accessibility & Quality of Mental Health Services in Rural & Remote Australia, submission on the National Redress Scheme for Institutional Child Sexual Abuse Bill 2018 and a consultation paper on Out Of Home Care.

Cancer Forum

The AH&MRC convened the NSW Aboriginal State-wide Cancer Forum in May 2018. More than 15 Aboriginal Medical Services were in attendance to talk about what works in providing locally led support programs for people with cancer and their families. The AH&MRC’s goal was to identify what resources, training and support is needed to support Aboriginal people living with cancer and to strengthen locally led cancer support networks in NSW.

The AH&MRC worked closely with Aunty Trish Levett and Kyla Wallace who are members of the cancer team at the Illawarra Aboriginal Medical Service in Wollongong. Aunty Trish and Kyla provide a range of health promotion, prevention, early intervention and support services to patients to their families and carers.

Participants acknowledged the forum as a “massive eye opener” for the opportunity to learn about what other AMSs are doing around cancer. They spoke of the importance of staying connected through open communication channels to continue the sharing of resources and ideas across the state.

Healing Cards and Journals

The AH&MRC in partnership with Illawarra Aboriginal Medical Service developed a collection of Aboriginal healing cards and journals.

The cards can be used as a therapeutic resource to begin a healing conversation within support groups or individually. The cards can be used to reflect on the past or to discuss current feelings on the healing journey. The journal can be used to draw, write or record the individuals’ feelings and thoughts during the reflection process. The cancer team at IAMS use these cards and journals to assist families to move through grief and trauma.

Opposite, clockwise from top-left: AH&MRC Cancer and Tobacco Forum attendees; AH&MRC staff with Cancer and Tobacco Discussion Paper; AH&MRC Hearing Health Collaborative; Aunty Trish Levett and Kyla Wallace at the AH&MRC Cancer and Tobacco Forum; Healing Cards and Journals.

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Aboriginal Health and Medical Research Council of NSW and Controlled Entity
ABN: 66 085 654 397

Your directors present this report on the Aboriginal Health and Medical Research Council of NSW for the financial year ended 30 June 2018.

Directors Report

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

Central Coast	Raylene Gordon	
Central Tablelands	Donna Taylor	
Central West	Tim Horan	
Far South Coast	Anne Greenaway	
Far West	Summer Hunt	
Illawarra	Julie Booker	(Position vacant since January 2018)
Lower Central West	Valda Keed	
Metropolitan	Laverne Belleair	
Murray River	Brett Biles	(Position vacant since May 2018)
North Coast	Scott Monaghan	
North West	Christine Corby	
Riverina	James Williams	

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

Principal Activities

The principal activities of the company during the financial year were to:

- › Lead the Aboriginal health agenda for better policies, programs, services and practices.
- › Ensure Aboriginal knowledge informs decision-making processes.
- › Support, strengthen and sustain Aboriginal Community Controlled Health Services (ACCHSs).

Short-term and Long-term Objectives

The company's short-term objectives are to:

- › Strengthen the capacity of ACCHSs in NSW to deliver high-quality, comprehensive wholistic primary health care services.
- › Consolidate growth and performance of the AH&MRC to ensure capacity to achieve our strategic objectives.
- › Increase the involvement and effectiveness of the AH&MRC in decision-making regarding Aboriginal health in NSW.
- › Ensure Aboriginal health programs and services are effective, sustainable and reflect local Aboriginal community needs.

The company's long-term objectives are to:

- › Improve the health of Aboriginal peoples across NSW.
- › Increase Aboriginal people's access to ACCHSs, which provide culturally appropriate and high-quality comprehensive primary health care.
- › Increase acceptance and respect for Aboriginal Community Control as a best-practice model for achieving Aboriginal health improvement.
- › Achieve universal recognition of the AH&MRC as the lead representative organisation on Aboriginal health in NSW.
- › To broaden the scope of services to Members in areas otherwise not funded and to be in a position to provide products and services on a commercial basis to the broader sector and community as a means of supplementing AH&MRC income.

Strategies

To achieve its stated objectives, the company has adopted the following strategies:

- › Advocate for early and active involvement, including local level involvement, in all decision-making processes that impact on the health of Aboriginal people in NSW.
- › Develop, refine and promote AH&MRC policy positions that respond to the aspirations and needs of ACCHSs and current health environment and policy agendas.
- › Foster and support strong leadership, governance and management within the AH&MRC and member ACCHSs.

- › Support AH&MRC member ACCHSs with high-quality practical and technical advice that helps maximise funding opportunities to develop, extend or strengthen sustainable health programs and services that reflect the priority needs of their communities.
- › Establish effective continuous quality improvement processes which will strengthen the capacity of AH&MRC members to evaluate their services and programs.
- › Promote and support long-term, comprehensive, needs-based, local health and state-wide planning that is linked to funding commitments.
- › Strengthen the effectiveness of partnership agreements between the AH&MRC and government and non-government agencies.
- › Promote Aboriginal health as a career and support the development of the Aboriginal health workforce by helping to improve the recruitment, training and retention of appropriately skilled health professionals in NSW ACCHSs.
- › Advocate for, and support, the development of sustainable, evidence-informed and culturally appropriate Aboriginal health programs and services.
- › Implement the AH&MRC Strategic Plan by developing detailed business plans for each of the four identified priority areas: self-determination, relationships, workforce development, and health services and programs.

Key Performance Measures

The company 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 company and whether the company's short-term and long-term objectives are being achieved.

	2018		2017	
	Actual	Benchmark	Actual	Benchmark
Hold quarterly meetings of the AH&MRC Board of Directors and an Annual General Meeting (AGM)	75%	100%	100%	100%
Hold quarterly Financial and Risk Management Committee meetings	100%	100%	100%	100%
All of the new AH&MRC Directors will be provided with a Directors' induction manual and orientation program	100%	100%	100%	100%
Hold meetings of the AH&MRC Ethics Committee every eight weeks	100%	100%	100%	100%
Ensure all AH&MRC annual reports to funding bodies are submitted in accordance with the Accounting and Auditing Standards	75%	100%	100%	100%
Ensure that quarterly Financial Statements, in accordance with the standards set by the Committee, are presented to the AH&MRC Finance and Risk Management Committee as well as the Board of Directors	100%	100%	100%	100%
Ensure the AH&MRC Compliance Register is current and accurate and all requirements are followed and reported to the Board of Directors	100%	100%	100%	100%
Achieve standards to ensure re-accreditation of the Aboriginal Health College as an RTO within the 5-year time frame	Yes	Yes	Yes	Yes
Increase percentage of Aboriginal staff working at the AH&MRC	51%	60%	41%	60%

Meetings of Directors

During the financial year, 3 meetings of directors were held. Attendances by each director were as follows:

Region	Name	Director's meetings number eligible to attend	Director's meetings number attended
Central Coast	Raylene Gordon	3	2
Central Tablelands	Donna Taylor	3	3
Central West	Tim Horan	2	1
Far South Coast	Anne Greenaway	3	3
Far West	Summer Hunt	2	2
Illawarra	Julie Booker	1	1
Lower Central West	Valda Keed	3	3
Metropolitan	LaVerne Belleair	3	3
Murray River	Brett Biles	2	2
North Coast	Scott Monaghan	3	3
North Coast	Stephen Blunden	2	2
North West	Christine Corby	3	2
Riverina	James Williams	3	2

Company Secretary

The following persons held the position of AH&MRC Secretary during the financial year:

- › Mr John Hendry — Acting CEO, Aboriginal Health and Medical Research Council of NSW, has held the position of Company Secretary until August 2017.
- › Ms Kristine Garrett — Acting CEO, Aboriginal Health and Medical Research Council of NSW, held the position of Company Secretary until March 2018.
- › Mr Stephen Blunden — Acting CEO, Aboriginal Health and Medical Research Council of NSW, has held the position of Company Secretary since April 2018.

Incorporation

The Company is regulated under the Australian Charities and Not-for-profits Commission Act 2012 and is a company limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the entity. At 30 June 2018, the total amount that members of the company are liable to contribute if the company is wound up is \$490 (2017: \$470).

Auditor's Independence Report

The lead auditor's independence declaration for the year ended 30 June 2018 has been received and can be found on page 49 of the financial report.

This directors' report is signed in accordance with a resolution of the Board of Directors.



Director: **Mr Scott Monaghan**

Dated this 28th day of August 2018



**Aboriginal Health and Medical Research Council of NSW and
Controlled Entity
ABN: 66 085 654 397**

**Auditor's Independence Declaration
under the *Australian Charities and Not-for-profits
Commission Act 2012*
To the Directors of Aboriginal Health and Medical Research
Council of NSW**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2018, there have been no contraventions of:

1. the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
2. any applicable code of professional conduct in relation to the audit.

**A. F. Wallis & Co.
Chartered Accountants**

**A. F. Wallis
Director**

Dated this 28th day of August 2018

Consolidated statement of profit or loss and other comprehensive income

for year ended 30 June 2018

	Note	2018 (\$)	2017 (\$)
Revenue	2	4,483,961	5,754,318
Other income	2	547,823	522,224
Employee benefits expense		(2,813,726)	(3,742,241)
Travel and accommodation expense		(774,493)	(1,062,546)
Audit, legal and consultancy expense	3(a)	(407,556)	(689,858)
Rent and occupancy expense	3(a)	(786,138)	(704,354)
Venue Expenses		(212,277)	(325,036)
Repairs and maintenance expense		(248,612)	(259,560)
Computer software & consumables expense		(139,044)	(222,499)
Depreciation and impairment expense	3(b)	(97,219)	(127,781)
Other expense		(162,617)	(146,187)
Program printing and promotion expenses		(1,166,475)	(262,298)
Printing and postage expense		(45,329)	(120,158)
Telephone expense		(39,496)	(32,893)
Motor vehicle running expense		(18,946)	(16,513)
Recruitment and training		(222,154)	(56,085)
Bad debts expense		(1,905)	—
Current year surplus before income tax		(2,104,203)	(1,491,467)
Tax expense	1(k)	—	—
Net current year surplus / (deficit)		(2,104,203)	(1,491,467)
Other comprehensive income			
Gain on revaluation of plant and equipment		—	—
Other comprehensive income for the year		—	—
Total other comprehensive surplus/ (deficit) for the year			
Net current year surplus / (deficit) attributable to members of the AH&MRC		(2,104,203)	(1,491,467)
Total comprehensive surplus / (deficit) attributable to members of the AH&MRC		(2,104,203)	(1,491,467)

The accompanying notes form part of these financial statements.

Consolidated statement of financial position

as at 30 June 2018

	Note	2018 (\$)	2017 (\$)
Assets			
Current assets			
Cash on hand	4	5,319,336	7,937,836
Accounts receivable and other debtors	5	104,182	96,223
Total current assets		5,423,518	8,034,059
Non-current assets			
Property, plant and equipment	6	351,014	311,854
Deposits		112,389	172,294
Total non-current assets		463,403	484,148
Total assets		5,886,921	8,518,207
Liabilities			
Current liabilities			
Accounts payable and other payables	8	93,052	479,965
Provisions	10	2,025,156	2,148,169
Total current liabilities		2,118,208	2,628,134
Non-current liabilities			
Provisions	10	9,165	26,322
Loan		85,000	85,000
Total non-current liabilities		94,165	111,322
Total liabilities		2,212,373	2,739,456
Net assets		3,674,548	5,778,751
Equity			
Retained surplus		3,674,548	5,778,751
Total equity		3,674,548	5,778,751

The accompanying notes form part of these financial statements

Consolidated statement of changes in equity

for the year ended 30 June 2018

	Note	Retained surplus (\$)	Total (\$)
Balance at 1 July 2016		7,270,218	7,270,218
Comprehensive Income			
Surplus/(Deficit) for the year attributable to members of the entity		(1,491,467)	(1,491,467)
Other comprehensive income for the year		—	—
Total comprehensive income attributable to members of the AH&MRC		(1,491,467)	(1,491,467)
Balance at 30 June 2017		5,778,751	5,778,751
Balance at 1 July 2017		5,778,751	5,778,751
Comprehensive Income			
Surplus/(Deficit) for the year attributable to members of the entity		(2,104,203)	(2,104,203)
Other comprehensive income for the year		—	—
Total comprehensive income attributable to members of the AH&MRC		(2,104,203)	(2,104,203)
Balance at 30 June 2018		3,674,548	3,674,548

The accompanying notes form part of these financial statements

Consolidated statement of cash flows

for the year ended 30 June 2018

	Note	2018 (\$)	2017 (\$)
Cash flows from operating activities			
Receipt of grants	2	4,354,815	5,584,472
Other income	2	547,823	531,588
Payments to suppliers and employees		(7,492,588)	(7,510,891)
Interest received	2	111,146	169,846
Net cash generated from operating activities	14	(2,478,804)	(1,224,985)
Cash flows from investing activities			
Proceeds from sale of plant and equipment	3(b)	—	53,500
Payment for plant and equipment		(139,696)	(73,676)
Net cash used in investing activities		(139,696)	(20,176)
Net increase in cash held		(2,618,500)	(1,245,161)
Cash on hand at beginning of the financial year		7,937,836	9,182,997
Cash on hand at end of the financial year	4	5,319,336	7,937,836

The accompanying notes form part of these financial statements

Notes to the financial statements

for the year ended 30 June 2018

The financial statements cover the Aboriginal Health and Medical Research Council of New South Wales (AH&MRC) as an individual entity, incorporated and domiciled in Australia. The Aboriginal Health and Medical Research Council of NSW is a company limited by guarantee.

The financial statements were authorised for issue on 28th August 2018 by the directors of the company.

Note 1

Summary of Significant Accounting Policies

Basis of Preparation

These general purpose financial statements have been prepared in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. 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 accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

(a) Revenue

Non-reciprocal grant revenue is recognised in profit or loss when the AH&MRC obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before the entity is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

In the event that grant funding is unspent at the end of the financial year, the AH&MRC applies to have those funds rolled over into future accounting periods. If funding agencies insist on the return of unspent funds, it is generally made known to the AH&MRC after reporting deadlines. This precludes such funds being shown as deferred revenue in the financial statements.

In the event of the AH&MRC being required to return unspent grant funds, such funds are usually deducted against future grant revenue by the funding agencies. In the event of the AH&MRC being required to forward payment for unspent funds to the funding agencies these payments are shown against revenue received in the year payment is made.

The AH&MRC receives non-reciprocal contributions of assets from the government and other parties for no or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss and other comprehensive income.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised as revenue when received.

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.

(b) Fair Value of Assets and Liabilities

The entity measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the entity would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

(c) Plant and Equipment

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

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 its estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(d) for details of impairment).

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 company and the cost of the item can be measured reliably.

All other repairs and maintenance are recognised as expenses in profit or loss in the financial period in which they are incurred.

Plant and equipment that have been contributed at no cost or for nominal cost are recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of the majority of fixed assets is calculated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is available for use.

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

Class of Fixed Asset	Depreciation Rate
Plant and equipment	5% – 40%

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 or losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained surplus.

(d) 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 entity, are classified as finance leases.

Finance leases are capitalised, recognising an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the entity will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

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.

(e) Impairment of Assets

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

Where 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 entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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

(f) Employee Provisions

Short-term employee provisions

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

Other long-term employee provisions

Provision is made for employees' long service 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.

The company's obligations for long-term employee benefits are presented as non-current employee provisions in its statement of financial position, except where the company 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.

(h) Cash and cash equivalents

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

(i) Accounts receivable and other debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for services provided 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.

(j) 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.

(k) Income Tax

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

(l) Intangible Assets

Software

Software is recorded at cost. It has a finite life and is carried at cost less any accumulated amortisation and any impairment losses. Software has an estimated useful life of between one and three years. It is assessed annually for impairment.

(m) Provisions

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

(n) Comparative Figures

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

When the company retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period, in addition to the minimum comparative financial statements, must be disclosed.

(p) Accounts Payable and Other Payables

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

(q) Critical Accounting Estimates and Judgements

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 company.

Key Estimates

i Impairment

The plant and equipment were independently valued at 15th May 2018 by Andrew Nock Pty Limited. The valuation was based on fair value less cost to sell.

At the 28th August 2018 meeting of the AH&MRC Board, the Directors reviewed the key assumptions made by the valuers at 15th May 2018. They have concluded that these assumptions remain materially unchanged and are satisfied that the carrying amount does not exceed the recoverable amount of plant and equipment at 30 June 2018.

Key Judgements

i Employee benefits

For the purpose of measurement, AASB 119: Employee Benefits defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. The company expects most employees will take their annual leave entitlements within 24 months of the reporting period in which they were earned, but this will not have a material impact on the amounts recognised in respect of obligations for employees' leave entitlements.

(r) Economic Dependence

During this financial year the AH&MRC was dependent on the Department of Health and Ageing, National Aboriginal Community Controlled Health Organisation, Department of Prime Minister and Cabinet and the NSW Ministry of Health for the majority of its revenue used to operate the business. At the date of this report the Board of Directors believes that Department of Prime Minister and Cabinet, National Aboriginal Community Controlled Health Organisation and NSW Ministry of Health will continue to support the AH&MRC.

At the date of this report the Board of Directors have no reason to believe this organisation's will not continue to support the AH&MRC.

(s) New Accounting Standards for Application in Future Periods

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

AASB 9: *Financial Instruments* and associated Amending Standards (applicable to annual reporting periods beginning on or after 1 January 2018).

The Standard will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments, and simplified requirements for hedge accounting.

The key changes that may affect the entity on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for expected credit loss, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge that will allow greater flexibility in the ability to hedge risk, particularly with respect to the hedging of non-financial items. Should the entity elect to change its hedge policies in line with the new hedge accounting requirements of the Standard, the application of such accounting would be largely prospective.

Although the directors anticipate that the adoption of AASB 9 may have an impact on the entity's financial instruments, it is impracticable at this stage to provide a reasonable estimate of such impact.

AASB 2014-7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)

AASB 2014-7 (issued December 2014) gives effect to the consequential amendments to Australian Accounting Standards (including Interpretations) arising from the issue of AASB 9: Financial Instruments (December 2014). More significantly, additional disclosure requirements have been added to AASB 7: Financial Instruments: Disclosures regarding credit risk exposures of the entity. This Standard also makes various editorial corrections to Australian Accounting Standards and an Interpretation.

AASB 2014-7 mandatorily applies to annual reporting periods beginning on or after 1 January 2018. Earlier application is permitted, provided AASB 9 (December 2014) is applied for the same period.

AASB 16: Leases (applicable to annual reporting periods beginning on or after 1 January 2019).

When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: *Leases* and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

The main changes introduced by the new Standard are as follows:

- › new lessee accounting requirements for leases at significantly below-market terms and conditions (commonly known as 'peppercorn leases') principally to enable the lessee to further its objectives. This requires the lessee to recognise the leased asset / right-of-use asset at fair value per AASB 13, the lease liability per AASB 117/AASB 16 and the residual as income (after related amounts) at the inception of the lease per AASB 1058;
- › recognition of a right-of-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);
- › depreciation of right-of-use assets in line with AASB 116: *Property, Plant and Equipment* in profit or loss and unwinding of the liability in principal and interest components;

- › inclusion of variable lease payments that depend on an index or a rate in the initial measurement of the lease liability using the index or rate at the commencement date;
- › application of a practical expedient to permit a lessee to elect not to separate non-lease components and instead account for all components as a lease; and
- › inclusion of additional disclosure requirements.

The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108: *Accounting Policies, Changes in Accounting Estimates and Errors* or recognise the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial application.

Although the directors anticipate that the adoption of AASB 16 will impact the entity's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

AASB 1058: Income of Not-for-Profit Entities (applicable to annual reporting periods beginning on or after 1 January 2019).

This Standard is applicable when an entity receives volunteer services or enters into other transactions where the consideration to acquire the asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives.

The significant accounting requirements of AASB 1058 are as follows:

- › Income arising from an excess of the initial carrying amount of an asset over the related amount being contributions by owners, increases in liabilities, decreases in assets and revenue should be immediately recognised in profit or loss. For this purpose, the assets, liabilities and revenue are to be measured in accordance with other applicable Standards.
- › Liabilities should be recognised for the excess of the initial carrying amount of a financial asset (received in a transfer to enable the entity to acquire or construct a recognisable non-financial asset that is to be controlled by the entity) over any related amounts recognised in accordance with the applicable Standards. Income must be recognised in profit or loss when the entity satisfies its obligations under the transfer.

A private sector not-for-profit entity may elect to recognise volunteer services or a class of volunteer services as an accounting policy choice if the fair value of those services can be measured reliably, whether or not the services would have been purchased if they had not been donated. Recognised volunteer services should be measured at fair value and any excess over the related amounts (such as contributions by owners or revenue) immediately recognised as income in profit or loss.

The transitional provisions of this Standard permit an entity to either: restate the contracts that existed in each prior period presented in accordance with AASB 108 (subject to certain practical expedients); or recognise the cumulative effect of retrospective application to incomplete contracts on the date of initial application. For this purpose, a completed contract is a contract or transaction for which the entity has recognised all of the income in accordance with AASB 1004 *Contributions*.

Although the directors anticipate that the adoption of AASB 1058 may have an impact on the entity's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

AASB 2016-8: Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities

AASB 2016-8 (issued December 2016) inserts Australian requirements and authoritative implementation guidance for not-for-profit entities into AASB 9: *Financial Instruments* and AASB 15: *Revenue from Contracts with Customers* as a consequence of AASB 1058: *Income of Not-for-Profit Entities* (refer to [1-0900]).

AASB 2016-8 mandatorily applies to annual reporting periods beginning on or after 1 January 2019. Earlier application is permitted, provided AASB 1058 is applied for the same period.

Note 2

Revenue and Other Income

	2018 (\$)	2017 (\$)
Revenue		
Revenue from (non-reciprocal) government grants and other grants:		
State/Federal government grants – operating	3,034,675	531,588
Other organisations – operating	1,320,140	(7,510,891)
Total government grant revenue	4,354,815	5,584,472
Other revenue:		
Interest received on investments	111,146	169,846
Total other revenue	111,146	169,846
Total revenue	4,465,961	5,754,318
Other income		
Charitable income and fundraising	1,738	52,846
College activities	420,868	416,997
Other	125,217	52,381
Total other income	547,823	522,224
Total revenue and other income	5,013,784	6,276,542

Note 3

Surplus for the Year

	2018 (\$)	2017 (\$)
(a) Expenses		
Rental expense on operating leases:		
Minimum lease payments	538,001	512,899
Rates, utility and service charges	248,137	191,455
Total rental expenses	786,138	704,354
Audit, legal and consultancy expense:		
Legal & Professional Fees	41,146	30,866
Audit fee	47,000	47,000
Consultancy expense	319,410	611,992
Total audit, legal and consultancy expense	407,556	689,858
(b) Significant Revenue and Expenses		
Plant and equipment – depreciation and amortisation	70,947	97,172
Motor vehicles – depreciation and amortisation	26,273	23,985
Plant and equipment – impairment	—	—
Motor vehicles impairment	—	6,624
Total depreciation and impairment	97,219	127,781
Plant and equipment:		
Proceeds on disposal	—	53,500
Disposal at carrying value	(3,317)	(35,528)
Net gain/(loss) on disposals	(3,317)	17,972

Note 4

Cash and Cash Equivalents

	2018 (\$)	2017 (\$)
Current		
Cash at bank – unrestricted	5,318,949	7,937,679
Cash float	387	157
Total cash on hand as stated in the statement of financial position and statement of cash flows	5,319,336	7,937,836

Note 5**Accounts Receivable and Other Debtors**

	2018 (\$)	2017 (\$)
Current		
Accounts receivable	18,711	94,862
Provision for doubtful debts	—	—
Total current accounts receivable	18,711	94,862
Other debtors	85,471	1,361
Total current accounts receivable and other debtors	104,182	96,223

(b) Credit Risk – Accounts Receivable and Other Debtors

The AH&MRC has no significant concentration of credit risk with respect to any single counterparty or group of counterparties other than those receivables specifically provided for and mentioned within Note 5. The main source of credit risk to the AH&MRC is considered to relate to the class of assets described as “accounts receivable and other debtors”.

The following table details the AH&MRC’s accounts receivable and other debtors exposed to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as ‘past due’ when the debt has not been settled within the terms and conditions agreed between the AH&MRC and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the AH&MRC.

The balances of receivables that remain within initial trade terms (as detailed in the table below) are considered to be of high credit quality.

	Gross amount	Past due but not impaired				Within initial trade terms
		<30	31–60	61–90	>90	
2018	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Accounts receivable	18,711	14,326	1,605		2,780	14,326
Other debtors	85,471	85,471				85,471
Total	104,182	99,797	1,605	—	2,780	99,797
2017	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Accounts receivable	94,862	93,074	—	699	1,089	93,074
Other debtors	1,361	1,361	—	—	—	1,361
Total	96,223	94,435	—	699	1,089	94,435

Note 6

Plant and Equipment

	2018 (\$)	2017 (\$)
Plant and equipment		
Plant and equipment:		
At cost	1,658,498	1,622,023
Less accumulated depreciation	(1,363,765)	(1,392,722)
Net written down value – plant and equipment	294,734	229,301
Motor vehicles		
At cost	111,713	111,713
Less accumulated depreciation	(55,433)	(29,160)
Net written down value – motor vehicles	56,280	82,553
Total plant and equipment	351,014	311,854

Movements in Carrying Amounts

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

	Motor Vehicles (\$)	Furniture and Equipment (\$)	Total (\$)
2017			
Balance at the beginning of the year	75,014	326,473	401,487
Additions at cost	73,676	—	73,676
Disposals	(35,528)	—	(35,528)
Revaluation increment	(6,624)	—	(6,624)
Depreciation expense	(23,985)	(97,172)	(121,157)
Carrying amount at end of year	82,553	229,301	311,854
2018			
Balance at the beginning of the year	82,553	229,301	311,854
Additions at cost	—	139,696	139,696
Disposals	—	(3,317)	(3,317)
Revaluation increment	—	—	—
Depreciation expense	(26,273)	(70,946)	(97,219)
Carrying amount at end of year	56,280	294,734	351,014

Asset revaluations

The plant & equipment were independently valued at 15th May 2018 by Andrew Nock Pty Limited. The valuation was based on fair value less cost to sell.

At the 28th August 2018 meeting of the AH&MRC Board, the Directors reviewed the key assumptions made by the valuers at 15th May 2018. They have concluded that these assumptions remain materially unchanged, and are satisfied that the carrying amount does not exceed the recoverable amount of plant and equipment at 30 June 2018.

Note 7

Loan, subsidiary

During the financial year AH&MRC Consultants Pty. Ltd. ceased operations and repaid its loan to AH&MRC from its residual funds. The unpaid balance of this loan being \$213,420, was forgiven by the AH&MRC.

Note 8

Accounts Payable and Other Payables

	Note	2018 (\$)	2017 (\$)
Current			
Accounts payable		58,339	313,483
Other current payables		34,714	166,482
Total accounts payable	8a	93,053	479,965
(a) Financial liabilities at amortised cost classified as trade and other payables			
Accounts payable and other payables:			
Total current	8	93,053	479,965
Total non-current		—	—
Total accounts and other payables	15	93,053	479,965

Note 9

Lease Liabilities

	Note	2018 (\$)	2017 (\$)
Current	11	341,757	442,224
Non-current	11	86,277	—
Total lease liabilities	15(b)	428,035	442,224

Note 10

Provisions

	Long-term Employee Benefits (\$)	Leasehold Building Maintenance (\$)	Total (\$)
Opening balance at 1 July 2017	449,427	1,698,742	2,148,169
Additional provisions raised during the year	59,363	215,000	274,363
Amounts used	(373,286)	(24,091)	(397,378)
Balance at 30 June 2018	135,505	1,889,651	2,025,156

	2018 (\$)	2017 (\$)
Analysis of Total Provisions		
Current	2,025,156	2,148,169
Non-current	9,165	26,322
Total provisions	2,034,321	2,174,491

Employee Provisions

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

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

Note 11

Capital and Leasing Commitments

Operating Lease Commitments

Non-cancellable operating leases contracted for but not recognised in the financial statements

	Note	2018 (\$)	2017 (\$)
Payable – minimum lease payments			
Not later than 12 months		341,757	442,224
Later than 12 months but not later than 5 years		86,277	—
Later than 5 years		—	—
Total minimum lease payments		428,035	442,224

The property lease commitments are non-cancellable operating leases contracted for but not recognised in the financial statements with a five-year term. Increase in lease commitments may occur in line with the Consumer Price Index (CPI).

Note 12

Events after the Reporting Period

The directors of a subsidiary company, AH&MRC Consultants Pty. Ltd., are proceeding with the process of voluntary liquidation of the company which is envisaged to take place in the next 60–90 days.

Note 13

Related Party Transactions

(a) Key Management Personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the company directly or indirectly, including any director (whether executive or otherwise) is considered key management personnel.

	2018 (\$)	2017 (\$)
Key management personnel compensation		
Short-term benefits	475,422	599,596
Post-employment benefits	—	—
Other long-term benefits	—	—
Total	475,422	599,596

(b) Other Related Parties

Other related parties include immediate family members of Key Management Personnel, and entities that are controlled or significantly influenced by those Key Management Personnel individually or collectively with their immediate family members.

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

There were no other related party transactions during the year.

Note 14

Cash Flow Information

	2018 (\$)	2017 (\$)
Reconciliation of Cash flow from Operating Activities with Current year Surplus / (Deficit)		
Deficit after income tax	(2,104,203)	(1,491,467)
Non cash flows:		
Depreciation and amortisation	97,219	127,781
Loss (Surplus) on disposal of plant and equipment	3,317	(17,972)
Changes in assets and liabilities	—	—
(Increase) decrease in accounts receivable and other debtors	(7,959)	(4,677)
Increase (decrease) in accounts payable and other payables	(537,949)	326,140
(Increase) decrease in other assets	210,941	(94,758)
Increase (decrease) in provisions	(140,170)	(70,032)
Total	(2,478,804)	(1,224,985)

Note 15

Financial Risk Management

The AH&MRC's financial instruments consist mainly of deposits with banks, local money market instruments, short-term and long-term investments, receivables and payables, and lease liabilities.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2018 (\$)	2017 (\$)
Financial Assets			
Cash and cash equivalents	4	5,319,336	7,937,836
Accounts receivable and other debtors	5	104,182	96,223
Total Financial Assets		5,423,518	8,034,059
Financial Liabilities			
Financial liabilities at amortised cost:			
› accounts payable and other payables	8	93,052	479,965
› long term loan		85,000	85,000
Total Financial Liabilities		178,085	564,965

Financial Risk Management Policies

The AH&MRC Finance and Risk Management (FARM) committee is responsible for monitoring and managing the AH&MRC's compliance with its risk management strategy and consists of senior Board members and staff. The FARM committee's overall risk management strategy is to assist the AH&MRC in meeting its financial targets while minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the FARM committee on a regular basis. These include credit risk policies and future cash flow requirements.

Specific Financial Risk Exposures and Management

The main risk the AH&MRC is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk and other price risk. There have been no substantive changes in the types of risks the AH&MRC is exposed to, how these risks arise, or the Board's objectives, policies and processes for managing or measuring the risks from the previous period.

(a) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the AH&MRC. The AH&MRC does not have any material credit risk exposures as its major source of revenue is the receipt of grants.

Credit risk is further mitigated as over 90% of the grants being received from state and federal governments are in accordance with funding agreements which ensure regular funding for a period of 12 months.

Credit Risk Exposures

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying amount and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

Accounts receivable and other debtors that are neither past due nor impaired is considered to be of high credit quality. Aggregates of such amounts are as detailed at Note 5.

The AH&MRC has no significant concentrations of credit risk exposure to any single counterparty or group of counterparties. Details with respect to credit risk of accounts receivable and other debtors are provided in Note 5.

Credit risk related to balances with banks and other financial institutions is managed by the Finance committee in accordance with approved Board policy. Such policy requires that surplus funds are only invested with counterparties with a Standard and Poor's rating of at least AA. The following table provides information regarding the credit risk relating to cash and money market securities based on Standard and Poor's counterparty credit ratings.

	Note	2018 (\$)	2017 (\$)
Cash on hand			
AA rated		5,319,336	7,937,836
Total cash on hand	4	5,319,336	7,937,836

(b) Liquidity risk

Liquidity risk arises from the possibility that the AH&MRC might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The AH&MRC manages this risk through the following mechanisms:

- › preparing forward-looking cash flow analysis in relation to its operational, investing and financing activities;
- › maintaining a reputable credit profile;
- › managing credit risk related to financial assets;
- › only investing surplus cash with major financial institutions; and comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The table below reflects an undiscounted contractual maturity analysis for non-derivative financial liabilities. The AH&MRC does not hold directly any derivative financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

	Within 1 Year (\$)		1 to 5 Years (\$)		Total (\$)	
	2018	2017	2018	2017	2018	2017
Financial liabilities due for payment						
Accounts payable and other payables (excluding estimated annual leave and deferred income)	93,052	479,965	85,000	85,000	178,052	564,965
Property lease liabilities	341,757	442,224	86,278	—	428,035	442,224
Total expected outflows	434,809	922,189	171,278	85,000	606,087	1,007,189
Financial assets – cash flows realisable						
Cash on Hand	5,319,336	7,937,836	—	—	5,319,336	7,937,836
Accounts receivable and other debtors	22,258	96,223	194,323	172,295	216,581	268,518
Total anticipated inflows	5,341,594	8,034,059	194,323	172,295	5,535,917	8,206,354
Net (outflow)/inflow on financial instruments	4,906,785	7,111,870	23,045	87,295	4,929,830	7,199,165

(c) Market Risk

(i) Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments.

The financial instruments which expose the AH&MRC to interest rate risk are limited to government and fixed interest securities, and cash on hand.

(ii) Other price risk

Other price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) of securities held.

The AH&MRC's investments are held in the following sectors at the end of the reporting date:

	2018	2017
Banking	100%	100%

Sensitivity Analysis

The following table illustrates sensitivities to the AH&MRC's exposure to changes in interest rates and equity prices. The table indicates the impact on how surplus and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

These sensitivities assume that the movement in a particular variable is independent of other variables.

Year ended 30 June 2018	Surplus (\$)
+/- 2% in interest rates	106,387

Year ended 30 June 2017	Surplus (\$)
+/- 2% in interest rates	158,757

No sensitivity analysis has been performed on foreign exchange risk as the AH&MRC has no material exposures to currency risk.

Fair Values

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying amounts as presented in the statement of financial position.

Differences between fair values and carrying amounts of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the AH&MRC. Most of these instruments, which are carried at amortised cost (i.e. accounts receivables, loan liabilities), are to be held until maturity and therefore the fair value figures calculated bear little relevance to the AH&MRC.

	Note	2018		2017	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets					
Cash and cash equivalents (i)	4	5,319,336	5,319,336	7,937,836	7,937,836
Trade and other receivables (i)	5	104,182	104,182	96,223	96,223
Total financial assets		5,423,518	5,423,518	8,034,059	8,034,059
Financial liabilities					
Accounts payable and other payables (i)	8a	93,052	93,052	479,965	479,965
Long term loan		85,000	85,000	85,000	85,000
Lease liabilities		428,035	428,035	442,224	442,224
Total financial liabilities		606,087	606,087	1,007,189	1,007,189

The fair values disclosed in the above table have been determined based on the following methodologies:

- (i) Cash and cash equivalents, accounts receivable and other debtors, and accounts payable and other payables are short-term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables exclude amounts provided for annual leave, which is outside the scope of AASB 139.

Note 16

Capital Management

Management controls the capital of the entity to ensure that adequate cash flows are generated to fund its mentoring programs and that returns from investments are maximised within tolerable risk parameters. The Finance and Risk Management committee ensures that the overall risk management strategy is in line with this objective.

The Finance and Risk Management committee operates under policies approved by the AH&MRC board of directors. Risk management policies are approved and reviewed by the board on a regular basis. These include credit risk policies and future cash flow requirements.

The AH&MRC's capital consists of financial liabilities, supported by financial assets.

Management effectively manages the AH&MRC's capital by assessing the AH&MRC's financial risks and responding to changes in these risks and in the market. These responses may include the consideration of debt levels.

There have been no changes to the strategy adopted by management to control the capital of the AH&MRC since the previous year. The strategy of the AH&MRC is to minimise debt, maximise returns and to manage cash flow timing to ensure that funds are available, without penalty or loss of interest, to meet the requirements of programs.

Note 17

AH&MRC Details

The registered office of the entity is:

Aboriginal Health & Medical Research Council of New South Wales

Level 3, 66 Wentworth Avenue

Surry Hills NSW 2010

Note 18

Members' Guarantee

The company is incorporated under the Corporations Act 2001 and is an entity limited by guarantee. It is regulated under the *Australian Charities and Not-for-profits Commission Act 2012*. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the AH&MRC. At 30 June 2018 the number of members was 49 (2017: \$470).

Note 19

Interest in Subsidiary

Information about Subsidiary

The subsidiary listed below has share capital consisting solely of ordinary shares, which is held directly by the Group. The proportion of ownership interests held equals the voting right held by the Group. The subsidiary's principal place of business is also its country of incorporation or registration.

Name of Subsidiary	Principal Place of Business	Ownership interest held by the Group %	Proportion of Non-controlling Interests
AHMRC Consultants Pty Ltd	Sydney, Australia	100	—

Directors' Declaration

In accordance with a resolution of the directors of the Aboriginal Health and Medical Research Council of NSW declare that, in their opinion:

- 1** The financials statements and notes, as set out on pages 12 to 47, are in accordance with the *Australian Charities and Not-for-profits Commission Action 2012* and:
 - a** comply with Australian Accounting Standards; and
 - b** given a true fair view of the financial position of the company as at 30 June 2018 and of its performance for the year ended on that date of the consolidated group.
- 2** There are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

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



Director: **Mr Scott Monaghan**

Dated this 28th day of August 2018



**Aboriginal Health and Medical Research Council of NSW and
Controlled Entity
ABN 66 085 654 397**

**Independent Auditor's Report to the Members of Aboriginal
Health and Medical Research Council of NSW**

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Aboriginal Health and Medical Research Council of NSW and Controlled Entity (the Group), which comprises the consolidated statement of financial position as at 30 June 2018, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements including a summary of significant accounting policies and the directors' declaration.

In our opinion, the accompanying financial report of Aboriginal Health and Medical Research Council of NSW and Controlled Entity has been prepared in accordance with Div. 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- a) giving a true and fair view of the Group's financial position as at 30 June 2018 and of its financial performance for the year then ended; and
- b) complying with Australian Accounting Standards and Div. 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

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

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



Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2018, 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 company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the directors determine is necessary to enable the preparation of a 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 ability of the Group 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 company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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



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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from an error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures by the directors.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

A. F. WALLIS & CO. PTY LTD

ABN 90 075 605 122



Chartered Accountants

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

**A F Wallis & Co.
Chartered Accountants**

**A F Wallis
Director**

Dated this 28th day of August 2018



**Aboriginal Health &
Medical Research
Council of NSW**
www.ahmrc.org.au