



## Chair's Report AGM 2023

As we meet today, we reflect on the financial year of 2022-2023. The original plan was that the transition of all four community health centres into Red Lily would be done by now. As you would know if you have been following our newsletters and social media posts, the transition of Jabiru and Gunbalanya services has been delayed. The COVID pandemic meant that the transition process suffered but we all remain committed to finishing the job.

We look forward to welcoming Jabiru into the Red Lily family in mid-2024, along with a brand new health centre building, and we're encouraged by the news that NT Government has announced the allocation of \$20m in its last budget statement, for the building of a new health centre at Gunbalanya. The Red Lily team have been establishing services at Minjilang and Warruwi and maintaining health promotion and community engagement services in Jabiru and Kakadu. We are very happy to see a GP, Dr Brad, employed by Red Lily, providing services at Minjilang and look forward to employing a GP for Warruwi and Jabiru in the near future.

The year has given the Board some sadness though when we said goodbye to our Deputy Chair, Na-Warrkatj, as he passed away earlier this year. We honour his memory and stand together to continue working towards our goal of community-controlled health services in West Arnhem.

The Board members were happy this year to welcome Marcia Brennan as the Board Director representing Kakadu Homelands, Ralph Blyth as the Alternate Director representing Kakadu Homelands and Liza Houghton as an Independent Director and we will present our proposed Board arrangement for your endorsement later in the meeting.

The Board has worked through a recruitment process together and are pleased to announce the selection of Mr Brad Palmer in the role of Chief Executive Officer. We wish Brad every success in this important role and look forward to working closely together to create the best health service that we can for the communities we serve.

Thanks also to all the Red Lily Staff, AMSANT, NT Health and the NT Government, NT PHN, KWAAT and the Australian Government Department of Health for their continued support during the year.

June Nadjamerrek  
Board Chair

### Meetings of directors

The number of meetings of the Corporation's Board of Directors ('the Board') held during the year ended 30 June 2023, and the number of meetings attended by each director were:

Cobourg Peninsula - Reuben Cooper - Chairperson	6	3
Waruwi - Mary Djurundudu	6	4
Gunbalanya Outstations - Rosemary Nabalwad - Secretary	6	5
Gunbalanya - June Nadjamerrek - Treasurer	6	6
Minjilang - Steven Fejo	6	6
Kakadu - Mr Henry	5	5
Independent Director - Brian Stacey	6	6
Independent Director - Melanie Matthews	5	0
Jabiru - Raelene Djandjul	6	5
Independent Director - Kristy Brain	5	5



## RED LILY HEALTH BOARD AGM 19<sup>th</sup> OCTOBER 2023

### CEO REPORT

#### **GROWTH**

The 2022-2023 financial year has been one of significant growth and development for Red Lily Health Service. At the beginning of the year, we were responsible for the Jabiru Public Health team and one health centre (Minjilang) and had a total workforce of 21 people. By the end of the year we had added responsibility for Warruwi Health Centre and our workforce had grown to 46 people. In fact we had grown enough to be able to justify a CEO role and also to recruit a Director of Primary Health Care. We also moved into our own premises for the Darwin office.

#### **ACHIEVEMENTS**

Such growth involves a great deal of recruitment activity which in itself has been an achievement. Over the year we saw 46 'new hires' whilst 23 people finished working for Red Lily.

In July we received funding to recruit the Director of Primary Health Care and more Corporate team members. In September we transitioned Warruwi Health Centre. As well as establishing our own workforce there we were able to renew the IT infrastructure as well as refurbish the clinic space.

In October we moved into our new Darwin office on Bishop Street. As well as housing our Darwin-based staff the office can accommodate Board meetings.

In November the Board appointed an Acting CEO in response to the growing need for leadership and representation in the sector. The CEO and Transition Manager (along with 2 Board Directors) travelled to Canberra to lobby parliamentarians on a range of matters affecting West Arnhem health service delivery. This visit yielded a useful linkage with the Regional Technology Hub who assisted us as we engaged with Telstra to understand and improve the telecommunications infrastructure in West Arnhem, particularly on the islands. In the same month we attained RACGP Accreditation at Minjilang.

April saw the first Red Lily Medical Officer employed for Minjilang.

At the conclusion of the year we reviewed our NT Aboriginal Health Key Performance Indicators (AHKPIs) and National KPIs (nKPIs) and were pleased to acknowledge at Minjilang and Warruwi the following items of note;

1. lower than NT average childhood anaemia;
2. higher than NT average childhood immunisation rates; and
3. higher than NT average clients on a chronic disease management plan.

The Public Health Team at Jabiru have contended with staff turnover this year but still supported 23 program activities through the year.

#### **General Activity**

No incidents with High or Severe rating have been reported this year.

Red Lily began to receive Medicare revenue in May 2023.

Two Workers Compensation cases were resolved in the course of the year.



## **RED LILY HEALTH BOARD AGM 19<sup>th</sup> October 2023**

### **TRANSITION MANAGER'S REPORT**

#### **JABIRU TRANSITION**

Transition is planned for mid-2024, following the completion of the new clinic building. We are using this language to reflect the continuing delays to a completion date for the new building, which has gone from September 2023 to, now late April 2024. Internally, we anticipate transition for July 2024.

NT Health will move the service out of the existing building and into the new one. The new building is larger with more rooms. There will be a new morgue, a 4-chair Renal Ready room for self-dialysis clients and new dental facilities for both adults and children. All children oral health services will be provided at the new clinic, so there will be no school based services. NT Health have ordered a new X-Ray machine, but currently no date for installation, so the old clinic x-ray machine may need to be utilised.

This transition will include the 1FTE doctor and 3 Darwin-based Outreach clinicians (see below headings).

The financial package has not been agreed and there are some significant discrepancies between the resourcing offered by NT Health and the amount I believe we require to run the service. Examples of this includes: the 2<sup>nd</sup> ambulance, likely increased costs of cleaning and gardens maintenance, power, furniture and equipment, corporate costs (Darwin-based support services). NT Health are currently examining their ability to provide adequate funding. The AOD funding for the Jabiru team has also been removed from current service delivery; although this was not scheduled to be part of transition, it is a service that has been removed by NT Health. We are looking at ways to address this need with NT Health.

Can the Board approve the naming of the new Jabiru Renal Ready Room – ‘Na-Warrkadj Renal Unit’? Do we need to check with any other local corporations as to the suitability?

#### **GUNBALANYA TRANSITION**

The current Commonwealth DoH Regionalisation grant extension stipulates that the 2023-2024 grant is for the transition of Jabiru. Transition of Gunbalanya and related Outstations will be addressed following the granting of a tender to build a new Health Centre.

NTG have advised that \$20m has been allocated to the building of a new Health Centre in the next year or so. Once the successful tender has been announced, Red Lily will be able to advise a date for transition.

The current plan is for Red Lily to consider the option for transitioning Gunbalanya into the existing clinic building, whilst the new building is in progress. The considerations will include due diligence on the opportunities and risks involved to Red Lily. NT Health have yet to provide a continuity of service plan, i.e. a plan outlining how they will continue to provide all services during the build. The new building and morgue are on the same plot as the existing clinic and morgue.

The Regionalisation grant (which funds the transition project) expires June 2024 and currently does not include Gunbalanya. We are working to apply for another 12-month extension for the 2024-2025 year to include Gunbalanya.

#### **MEDICAL SERVICES TRANSITION**

Red Lily have transitioned the medical services for the 2 islands (Minjilang and Waruwi). The NT Health funding only provides for 0.3FTE for each island, but we have negotiated that NT Health will provide the expected Medicare revenue of \$222,333 for the first 2 years (pro rata). The RLHS Executive have been able to utilise

these funds to increase the hours for Warruwi and possibly Minjilang doctor time. While we have recruited to the Minjilang doctor (Dr Brad Martin), this should assist with attracting a doctor for Warruwi.

As per previous advice to the Board, Red Lily needs to employ doctors to commence receiving significant Medicare revenue required to build our business. The sooner we do so, the quicker we can consider new services and improvement of existing services and greater employment of local people.

The Jabiru doctor will likely transition at the same time as the Jabiru Health Centre, but there has not been agreement on the financial package yet, although negotiations continue. One of the items in contention is that NT Health are wanting to provide costs for a Darwin-based GP, rather than a Jabiru-based doctor, which equates to less funding.

### **OUTREACH TRANSITION**

We are still to agree a financial package and there remains considerable doubt as to the suitability of funding effective resourcing, due to re-structuring by NT Health. E.g. There was no funds for travel or accommodation. The plan is to transition 3 Outreach resources at the same time as Jabiru Health Centre. These resources include the positions – Child Health Nurse Coordinator, Women’s Health Nurse Coordinator and Chronic Disease AO4.

The outstanding resources will transition at a later date, likely with the Gunbalanya clinic. These include the Social and Emotional Wellbeing program (NT PHN), Healthy Under 5 Kids Nurse, Nurse Practitioner, CQI Facilitator and Community Development Officer.

### **COMMUNITY ENGAGEMENT**

I have continued to visit Jabiru communities and related Kakadu Outstations including Patonga Airstrip, Patonga Homestead, Kapalga and Mudginberri.

I also visited Gunbalanya and the related Outstations at Wiligi and Black Point on Cobourg Peninsula, where I installed the last of the community AED’s (thanks Steven Fejo).

Following each site visit, I provide written documentation of this visit for Red Lily and NT Health. This includes community feedback on current services and ideas for future service improvement.

It is important for all members, residents and stakeholders to understand that the new Renal Ready rooms at both Jabiru and Gunbalanya will not be nurse-assisted, but only for self-caring renal clients. This means clients and a family member needs to complete dialysis training in Darwin on use of the machine and be confident to use the dialysis machine themselves.

# **Red Lily Health Board Aboriginal Corporation**

**ICN 7558**

**Financial Report - 30 June 2023**

## **Red Lily Health Board Aboriginal Corporation**

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### **General information**

The financial report consists of the financial statements, notes to the financial statements and the directors' declaration

The Corporation is a corporation registered under the Corporations (Aboriginal and Torres Strait Islander) Act 2006, incorporated and domiciled in Australia

#### **Registered office**

18 Bishop Street, Woolner NT 0820, Australia

#### **Principal place of business**

18 Bishop Street, Woolner NT 0820, Australia

The financial statements were authorised for issue, in accordance with a resolution of directors, on 19 October 2023. The directors have the power to amend and reissue the financial statements.

**Red Lily Health Board Aboriginal Corporation  
Directors' report  
For the year ended 30 June 2023**

The directors present their report, together with the financial statements, on the Corporation for the year ended 30 June 2023.

**Directors**

The Corporation was first registered with the Office of the Registrar of Indigenous Corporations on 26 June 2011. The Corporation commenced operations on 1 April 2019.

The following persons were directors of the Corporation during the financial year and up to the date of this report.

Reuben Cooper - Chairperson	Appointed 26 May 2011
Mary Djurundudu -	Appointed 26 May 2011
Rosemary Nabalwad - Treasurer	Appointed 28 November 2016
June Nadjamerrek - Secretary	Appointed 26 May 2011
Steven Fejo	Appointed 3 September 2018
Mr Henry	Retired 11 March 2023
Brian Stacey - Independent Director	Appointed 16 June 2021
Melanie Matthews - Independent Director	Retired 19 March 2023
Raelene Djandjul	Appointed 18 November 2021
Kristy Brain – Independent Director	Appointed 26 July 2022
Liza Houghton – Independent Director	Appointed 26 July 2023
Marcia Brennan	Appointed 26 July 2023

**Information on Contact Person**

Mr Bradley Palmer was the contact person for the Corporation during the whole of the financial year and up to date of this report.

**Meetings of directors**

The number of meetings of the Corporation's Board of Directors ('the Board') held during the year ended 30 June 2023, and the number of meetings attended by each director were:

	Number eligible to attend	Number attended
Reuben Cooper - Chairperson	6	3
Mary Djurundudu	6	4
Rosemary Nabalwad - Treasurer	6	5
June Nadjamerrek - Secretary	6	6
Steven Fejo	6	6
Mr Henry	5	5
Brian Stacey	6	6
Melanie Matthews	5	0
Raelene Djandjul	6	5
Kristy Brain	5	5

Held: represents the number of meetings held during the time the director held office.

**Principal activities**

During the financial year the principal continuing activities of the Corporation consisted of:

- Provision of health services to the residents and visitors of the West Arnhem Region,
- Planning and collaborating with all relevant stakeholders for the transition of West Arnhem Primary Health Care service from NT Government to community control.

**Performance measures**

The surplus of the Corporation for the financial year amounted to \$345,351 (2022: \$294,363) which includes untied grant balances and ongoing projects. The total of off-balance sheet unexpended grant liability of \$587,654 is included in equity to be applied in the subsequent financial year for ongoing program related activities.

**Red Lily Health Board Aboriginal Corporation  
Directors' report  
For the year ended 30 June 2023**

**Events Subsequent to the End of the Reporting Period**

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

**Likely Developments and Expected Results of Operations**

The Corporation expects to maintain the present status and level of operations.

**Environmental Regulation**

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

**Indemnification of Officers**

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

**Proceedings on Behalf of Corporation**

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

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

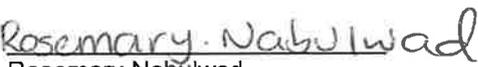
**Auditor's independence declaration**

A copy of the auditor's independence declaration as required under section 339-D of the Corporations (Aboriginal and Torres Strait Islander) Act 2006 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors.

On behalf of the directors

  
June Nadjamerrek  
Secretary

  
Rosemary Nabulwad  
Treasurer

19 October 2023

DECLARATION OF INDEPENDENCE BY CASMEL TAZIWA TO THE DIRECTORS OF RED LILY HEALTH BOARD ABORIGINAL CORPORATION

As lead auditor of Red Lily Health Board Aboriginal Corporation for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

- 1 No contraventions of the auditor independence requirements of the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* in relation to the audit; and
- 2 No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Red Lily Health Board Aboriginal Corporation during the period.



Casmel Taziwa  
Audit Partner

BDO Audit (NT)

Darwin

20 October 2023

**Red Lily Health Board Aboriginal Corporation**  
**Statement of profit or loss and other comprehensive income**  
**For the year ended 30 June 2023**

	Note	2023 \$	2022 \$
<b>Revenue</b>			
Grant income	3	4,866,080	1,843,518
Other income	4	527,564	899,730
		<u>5,393,644</u>	<u>2,743,248</u>
<b>Expenses</b>			
Employee benefits expense	5	3,615,163	1,699,498
Motor vehicle expenses		96,021	29,641
IT expenses		209,241	106,343
Cleaning Expenses		12,499	16,753
Board/Governance Expenses		87,011	39,228
Repairs & Maintenance		20,766	3,903
Consultancy Fees		35,474	29,750
Travel & accommodation		208,776	182,203
Other operational expenses		584,118	251,383
Depreciation		172,342	86,869
Interest Expenses		6,882	3,314
Total expenses		<u>5,048,293</u>	<u>2,448,885</u>
<b>Surplus for the year</b>		345,351	294,363
Other comprehensive income for the year		-	-
<b>Total comprehensive income for the year</b>		<u><u>345,351</u></u>	<u><u>294,363</u></u>

*The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes*

**Red Lily Health Board Aboriginal Corporation**  
**Statement of financial position**  
**As at 30 June 2023**

	Note	2023 \$	2022 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	6	1,040,198	734,380
Trade and other receivables	7	202,782	33,776
Other current assets	8	148,850	91,982
Total current assets		<u>1,391,830</u>	<u>860,138</u>
<b>Non-current assets</b>			
Property, plant and equipment	9	154,600	70,827
Right-of-use assets	10	118,732	61,167
Total non-current assets		<u>273,332</u>	<u>131,994</u>
<b>Total assets</b>		<u>1,665,162</u>	<u>992,132</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	11	335,127	169,203
Lease liabilities	13	49,894	49,266
Provisions	12	180,667	88,880
Total current liabilities		<u>565,688</u>	<u>307,349</u>
<b>Non-current liabilities</b>			
Lease liabilities	13	60,058	8,233
Provisions	12	28,621	11,106
Total non-current liabilities		<u>88,679</u>	<u>19,339</u>
<b>Total liabilities</b>		<u>654,367</u>	<u>326,688</u>
<b>Net assets</b>		<u>1,010,795</u>	<u>665,444</u>
<b>Equity</b>			
Accumulated surplus		<u>1,010,795</u>	<u>665,444</u>
<b>Total equity</b>		<u>1,010,795</u>	<u>665,444</u>

*The above statement of financial position should be read in conjunction with the accompanying notes*

**Red Lily Health Board Aboriginal Corporation**  
**Statement of changes in equity**  
**For the year ended 30 June 2023**

	<b>Accumulated surplus \$</b>	<b>Total equity \$</b>
Balance at 1 July 2021	371,081	371,081
Surplus for the year	294,363	294,363
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u>294,363</u>	<u>294,363</u>
Balance at 30 June 2022	<u><u>665,444</u></u>	<u><u>665,444</u></u>
	<b>Accumulated surplus \$</b>	<b>Total equity \$</b>
Balance at 1 July 2022	665,444	665,444
Surplus for the year	345,351	345,351
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u>345,351</u>	<u>345,351</u>
Balance at 30 June 2023	<u><u>1,010,795</u></u>	<u><u>1,010,795</u></u>

*The above statement of changes in equity should be read in conjunction with the accompanying notes*

**Red Lily Health Board Aboriginal Corporation**  
**Statement of cash flows**  
**For the year ended 30 June 2023**

	Note	2023 \$	2022 \$
<b>Cash flows from operating activities</b>			
Receipt of grants		4,866,080	2,031,951
Other receipts		399,029	899,730
Payments to suppliers and employees		<u>(4,703,145)</u>	<u>(2,368,234)</u>
Net cash from operating activities		<u>561,964</u>	<u>563,447</u>
<b>Cash flows used in investing activities</b>			
Purchase of property, plant and equipment		<u>(168,165)</u>	<u>(44,908)</u>
Net cash used in investing activities		<u>(168,165)</u>	<u>(44,908)</u>
<b>Cash flows used in financing activities</b>			
Repayment of Lease Liabilities		<u>(87,981)</u>	<u>(66,995)</u>
Net cash used in financing activities		<u>(87,981)</u>	<u>(66,995)</u>
Net decrease in cash and cash equivalents		305,818	451,544
Cash and cash equivalents at the beginning of the financial year		<u>734,380</u>	<u>282,836</u>
Cash and cash equivalents at the end of the financial year	6	<u><u>1,040,198</u></u>	<u><u>734,380</u></u>

*The above statement of cash flows should be read in conjunction with the accompanying notes*

**Red Lily Health Board Aboriginal Corporation**  
**Notes to the financial statements**  
**For the year ended 30 June 2023**

**Note 1. Significant accounting policies**

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

**New or amended Accounting Standards and Interpretations adopted**

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

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

**Basis of preparation**

The financial statements cover Red Lily Health Board Aboriginal Corporation as an individual entity incorporated and domiciled in Australia.

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB'), the Australian Charities and Not-for-profits Commission Act 2012 and the Corporations (Aboriginal and Torres Strait Islander) Act 2006, as appropriate for not-for profit oriented entities.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of 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.

The financial statements were authorised for issue on the same date at which the directors' declaration was signed.

*Historical cost convention*

The financial statements have been prepared under the historical cost convention.

*Critical accounting estimates*

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Corporation's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

**Revenue recognition**

The Corporation recognises revenue as follows:

*Revenue from contracts with customers*

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

**Red Lily Health Board Aboriginal Corporation**  
**Notes to the financial statements**  
**For the year ended 30 June 2023**

**Note 1. Significant accounting policies (continued)**

*Grants*

Grant revenue is recognised in in line with AASB 15 and AASB 1058. Revenue from grant recognised when the performance obligations are met and can be measured reliably in profit or loss.

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

*Donations*

Donations are recognised at the time the pledge is made.

*Other revenue*

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

**Income tax**

As the Corporation is a tax exempt institution in terms of subsection 50-10 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

**Current and non-current classification**

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

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

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

**Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**Property, plant and equipment**

Property, plant and equipment is stated at historical cost, including costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, less depreciation and any impairment.

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

Computer and equipment	3 years
Motor vehicles	5 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Corporation.

**Red Lily Health Board Aboriginal Corporation**  
**Notes to the financial statements**  
**For the year ended 30 June 2023**

**Note 1. Significant accounting policies (continued)**

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 surplus relating to that asset are transferred to retained earnings.

**Right-of-use assets**

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

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

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

**Impairment of non-financial assets**

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

**Trade and other payables**

These amounts represent liabilities for goods and services provided to the Corporation prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

**Lease liabilities**

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

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

**Provisions**

Provisions are recognised when the Corporation has a present (legal or constructive) obligation as a result of a past event, it is probable the Corporation will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

**Red Lily Health Board Aboriginal Corporation**  
**Notes to the financial statements**  
**For the year ended 30 June 2023**

**Note 1. Significant accounting policies (continued)**

**Employee benefits**

*Short-term employee benefits*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

*Other long-term employee benefits*

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

*Defined contribution superannuation expense*

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

**Fair value measurement**

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

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

**Goods and Services Tax ('GST') and other similar taxes**

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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 tax authority is included in other receivables or other 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 tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

**New Accounting Standards and Interpretations not yet mandatory or early adopted**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Corporation for the annual reporting period ended 30 June 2023. The Corporation has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

**Red Lily Health Board Aboriginal Corporation**  
**Notes to the financial statements**  
**For the year ended 30 June 2023**

**Note 2. Critical accounting judgements, estimates and assumptions**

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

*Estimation of useful lives of assets*

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

*Employee benefits provision*

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

**Note 3. Grant income**

	<b>2023</b>	<b>2022</b>
	\$	\$
Grant funding received during the year	4,821,478	1,793,518
Grant Income - Others	44,602	50,000
	<u>4,866,080</u>	<u>1,843,518</u>

**Note 4. Other income**

	<b>2023</b>	<b>2022</b>
	\$	\$
Recoupment	479,547	826,589
Sundry Income	48,017	33,679
Donations	-	39,462
	<u>527,564</u>	<u>899,730</u>

**Note 5. Employee benefits expense**

	<b>2023</b>	<b>2022</b>
	\$	\$
Salaries and wages paid during the period	3,164,013	1,533,085
Accrued salaries and wages	99,187	31,773
Employee leave provision expense	53,763	12,781
Superannuation	215,989	102,110
Workers Compensation	80,307	14,762
Long Service Leave	1,904	4,987
	<u>3,615,163</u>	<u>1,699,498</u>

**Red Lily Health Board Aboriginal Corporation**  
**Notes to the financial statements**  
**For the year ended 30 June 2023**

**Note 6. Cash and cash equivalents**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<i>Current assets</i>		
Cash at bank	1,040,198	734,380
	<u>1,040,198</u>	<u>734,380</u>

**Note 7. Trade and other receivables**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<i>Current assets</i>		
Trade receivables	202,782	33,776
	<u>202,782</u>	<u>33,776</u>

**Note 8. Other current assets**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<i>Current assets</i>		
Prepayments	148,850	91,982
	<u>148,850</u>	<u>91,982</u>

**Note 9. Property, plant and equipment**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<i>Non-current assets</i>		
Plant and equipment - at cost	225,983	57,818
Less: Accumulated depreciation	(95,060)	(18,561)
	<u>130,923</u>	<u>39,257</u>
Motor vehicles - at cost	39,462	39,462
Less: Accumulated depreciation	(15,785)	(7,892)
	<u>23,677</u>	<u>31,570</u>
	<u>154,600</u>	<u>70,827</u>

**Note 10. Right-of-use assets**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<i>Non-current assets</i>		
Right of use asset at cost	329,644	196,092
Less: Accumulated depreciation	(210,912)	(134,925)
	<u>118,732</u>	<u>61,167</u>

**Red Lily Health Board Aboriginal Corporation**  
**Notes to the financial statements**  
**For the year ended 30 June 2023**

**Note 10. Right-of-use assets (continued)**

*Right of use asset Reconciliations*

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Building \$	Motor Vehicle \$	Total \$
Balance at 1 July 2021	5,625	19,732	25,357
Additions	26,046	70,970	97,016
Depreciation expense	(13,387)	(47,819)	(61,206)
	<u>18,284</u>	<u>42,883</u>	<u>61,167</u>
Balance at 30 June 2022	18,284	42,883	61,167
Additions / Adjustment	136,972	(3,420)	133,552
Depreciation expense	(40,545)	(35,442)	(75,987)
	<u>114,711</u>	<u>4,021</u>	<u>118,732</u>
Balance at 30 June 2023	<u><u>114,711</u></u>	<u><u>4,021</u></u>	<u><u>118,732</u></u>

**Note 11. Trade and other payables**

	2023 \$	2022 \$
<i>Current liabilities</i>		
Trade creditors	76,980	112,269
Sundry payables and accrued expenses	258,147	56,934
	<u>335,127</u>	<u>169,203</u>

**Note 12. Provisions**

	2023 \$	2022 \$
<i>Current liabilities</i>		
Annual leave	180,667	88,880
<i>Non-current liabilities</i>		
Long service leave	28,621	11,106
	<u>209,288</u>	<u>99,986</u>

**Note 13. Lease liabilities**

	2023 \$	2022 \$
<i>Current liabilities</i>		
Lease liability	49,894	49,266
<i>Non-current liabilities</i>		
Lease liability	60,058	8,233
	<u>109,952</u>	<u>57,499</u>

**Red Lily Health Board Aboriginal Corporation**  
**Notes to the financial statements**  
**For the year ended 30 June 2023**

**Note 13. Lease liabilities (continued)**

	Building \$	Motor Vehicle \$	Total \$
Balance at 1 July 2021	5,715	18,449	24,164
Additions	26,046	70,970	97,016
Less: Total payments	(13,836)	(53,159)	(66,995)
Interest	1,171	2,143	3,314
	<u>19,096</u>	<u>38,403</u>	<u>57,499</u>
Balance at 30 June 2022			
	Building \$	Motor Vehicle \$	Total \$
Balance at 1 July 2022	19,096	38,403	57,499
Additions	136,972	(3,420)	133,552
Less: Total Payments	(51,336)	(36,645)	(87,981)
Interest	5,716	1,166	6,882
	<u>110,448</u>	<u>(496)</u>	<u>109,952</u>
Balance at 30 June 2023			

**Note 14. Key management personnel disclosures**

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

Directors receive no remuneration for their services.

*Other key management personnel*

The total of remuneration paid to KMP of the Corporation during the year are as follows:

*Compensation*

The aggregate compensation made to members of key management personnel of the Corporation is set out below:

	2023 \$	2022 \$
Short-term employee benefits	<u>423,309</u>	<u>287,321</u>

**Note 15. Contingent assets and liabilities**

There are no contingent assets or contingent liabilities at 30 June 2023 (30 June 2022: Nil).

**Note 16. Commitments**

The Corporation had no commitments as at 30 June 2023 (30 June 2022: Nil).

**Note 17. Related party transactions**

Related parties of the Corporation where transactions occurred during the year are: Aboriginal Medical Services Alliance Northern Territory Aboriginal Corporation

**Red Lily Health Board Aboriginal Corporation**  
**Notes to the financial statements**  
**For the year ended 30 June 2023**

**Note 17. Related party transactions (continued)**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Amounts payable included in trade and other payables	-	8,859

**Transactions that occurred during the year are as follows:**

Rent Contribution Income	17,649	14,127
Income representing recoupment of employee costs	109,061	232,148
Cost allocation	296,599	22,500
	<u>423,309</u>	<u>268,775</u>

AMSANT received \$750,000 for Regionalisation and \$211,672 for Comprehensive Primary Health Care from the Commonwealth Department of Health. The Funding is to assist Red Lily to transition NT Government controlled clinics to community control.

There were no other related party transactions in 30 June 2023.

**Note 18. Events after the reporting period**

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

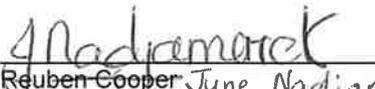
**Red Lily Health Board Aboriginal Corporation**  
**Directors' declaration**  
**For the year ended 30 June 2023**

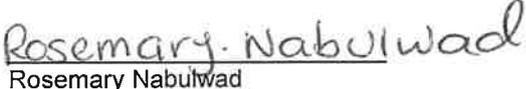
The directors of the Corporation declare that:

- the attached financial statements and notes comply with the Corporations (Aboriginal and Torres Strait Islander) Act 2006, Accounting Standards, and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with Australian Accounting Standards - Simplified Disclosures as issued by the Australian Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Corporation's financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Corporation will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors.

On behalf of the directors

  
Reuben Cooper June Nadjamerrek  
Chair

  
Rosemary Nabalwad  
Treasurer

17 October 2023  
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## INDEPENDENT AUDITOR'S REPORT

To the members of Red Lily Health Board Aboriginal Corporation

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Red Lily Health Board Aboriginal Corporation (the Corporation), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the directors' declaration.

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

- (i) Giving a true and fair view of the Corporation's financial position as at 30 June 2023 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards - Simplified Disclosures and the *Corporations Regulations 2001*.

#### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Corporation in accordance with the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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



## Other information

The directors of the Corporation are responsible for the other information. The other information comprises the information contained in Annual report for the year ended 30 June 2023, but does not include the financial statements and our auditor's report thereon, which is expected to be made available to us after that date.

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.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and will request that it is corrected. If it is not corrected, we will seek to have the matter appropriately brought to the attention of users for whom our report is prepared.

## Responsibilities of the directors for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Corporation or to cease operations, or has 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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.



A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

[http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf)

This description forms part of our auditor's report.

A handwritten signature in black ink that reads 'BDO'.

BDO Audit (NT)

A handwritten signature in black ink, appearing to be 'Casmel Taziwa'.

Casmel Taziwa  
Audit Partner

Darwin, 20 October 2023