



Chair's Report AGM 2025

This year marks the completion of transition, an important milestone for Red Lily with the successful transition of Gunbalanya health centre in July 2025. This is the result of hard work, dedication, and commitment of all Red Lily staff and Board Directors (including Alternates and Independents) Thank you for everything you have contributed to making this possible.

The final transition of Gunbalanya holds special significance. We honour the memory of our Board sister and leader, whose vision and strength continue to guide the organisation. Thank you to Shirley who supported and represented Red Lily with managing sister and her ex partners service and funeral, we and the families are grateful.

The Board also acknowledge Shirley for her support, guidance throughout the year. I would also like to acknowledge our Independent Directors for their ongoing support and guidance throughout the year, their contributions have been invaluable.

A sincere thank you to Brad for his leadership over the past two years as CEO, and for guiding Red Lily through to the completion of transition. Your commitment and service are deeply appreciated.

To our Board Directors, thank you for your continued support, your participation in Board Meetings, and your dedication to representing Red Lily in your communities. Your leadership keeps us connected to the people we serve.

Lastly, we warmly welcome Erin into her role as CEO. We look forward to working with her as Red Lily continues to grow and strengthen its services for our communities.

Marcia Brennan
Red Lily Health Board Chair
20 November 2025

RED LILY HEALTH BOARD
ANNUAL GENERAL MEETING
20TH NOVEMBER 2025

CEO REPORT

Red Lily Health Service: A Year of Growth and Impact (2024–2025)

Before I was lyrical about the progress made by Red Lily in the past year I would like to acknowledge that we lost an amazing, compassionate, gentle and wise leader in Ms Nadjamerrek during this time. This news affected everyone in the Organisation and we still miss her very much. Her warm heart for Bininj and balanda alike made working with her a pleasure and she was inspiring as she advocated for community wherever she went even to the highest offices in the land. May she rest in peace.

The 2024–2025 period was a major milestone for Red Lily Health Service. After five years of dedicated effort, the organisation successfully completed its transition to a fully established Aboriginal Community Controlled Health Organisation (ACCHO), now managing health centres in Minjilang, Waruwu, Jabiru, and Gunbalanya. This milestone was accompanied by significant workforce growth, with staff numbers rising from 38 to over 58, enabling the delivery of culturally safe care to approximately 3,500 residents across West Arnhem.

We started the year with a budget of around \$11m. Approximately 70% of this funding being provided by NT Health. We received grant funding from four key sources and also revenue from the Medicare Benefit Scheme and bank interest.

Infrastructure development was a highlight, with the opening of the new Jabiru Health Centre in September 2024, which now serves as the organisation's headquarters. Alongside this, Red Lily continued to advocate for critical upgrades to the Gunbalanya Health Centre and nurse-assisted dialysis services in Jabiru—efforts that remain central to its long-term vision.

Service delivery has expanded dramatically with the addition of Gunbalanya Health Centre. These services included essential health checks, chronic disease management plans, and maternal health services. New programs were introduced, such as the Social & Emotional Wellbeing initiative, supported by a dedicated program coordinator, and the adoption of the Territory Kidney Care system to improve renal health outcomes.

Governance and quality systems were strengthened through ISO9001 accreditation and the finalisation of a 10-year Workforce Development Strategy and a 5-year Strategic Plan. Red Lily also deepened its partnerships with our funding partners resulting in beneficial changes to grants management. For example, NT Health have consolidated six separate agreements into just one and the reporting items have reduced from what would be almost 50 to just seven in a year. Through engagement with AMSANT, NACCHO and government bodies we have actively participated in national forums to influence policy and share best practices.

This is my last CEO report to Members. The Board have long desired to employ an indigenous CEO and were successful in recruiting Erin Lew Fatt to the role to commence at the end of my

contract. This has allowed a safe and orderly handover of Red Lily business which is not everyone's experience of a change of leadership in the NT. I wish Erin all the very best in leading Red Lily to greater heights in integrating health agendas at the heart of community to achieve better health for all in West Arnhem. I also say thank you to the Board for their determination to achieve community control of primary health care services on their country – you did it! And to the staff working in the Organisation, you are all champions. The level of commitment to the goal of community control and respect for all stakeholders has given me great hope that the future is bright in West Arnhemland.

Despite challenges—such as the deferral of funding for the Gunbalanya Health Centre upgrade—the organisation demonstrated resilience and advocacy, ensuring that community needs remain front and centre. With a strong foundation, expanded workforce, and enhanced programs, Red Lily Health Service is well-positioned to continue its mission of delivering holistic, culturally safe healthcare to the people of West Arnhem.

RED LILY HEALTH BOARD ABORIGINAL CORPORATION

ABN: 45 827 246 402

**Financial Report For The Year Ended
30 June 2025**

RED LILY HEALTH BOARD ABORIGINAL CORPORATION

ABN: 45 827 246 402

Financial Report For The Year Ended 30 June 2025

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RED LILY HEALTH BOARD ABORIGINAL CORPORATION
ABN: 45 827 246 402
DIRECTORS REPORT
FOR THE YEAR ENDED 30 JUNE 2025

"Your board of directors submit the financial report on the Red Lily Health Board Aboriginal Corporation for the financial year ended 30 June 2025."

Directors

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

Director Name	Position	Appointment Date
June Nadjamerrek	Chair Person	Appointed as Director on 26 May 2011 Appointed as Chairperson 19 October 2023 Deceased March 2025
Marcia Brennan	Deputy Chair Person	Appointed as Director on 26 July 2023 Appointed as Deputy Chair 19 October 2023 Appointed as Chairperson 29 May 2025
Reuben Cooper	Director	Appointed as Director on 26 May 2011 Resigned as Chairperson 19 October 2023 Resigned as Director 29 May 2025
Mary Djurundudu	Director	Appointed as Director on 26 May 2011 Appointed as Deputy Chair 29 May 2025
Raelene Djandjul	Secretary	Appointed as Director on 18 November 2021 Appointed as Secretary 19 October 2023
Steven Fejo	Treasurer	Appointed as Director on 3 September 2018 Appointed as Treasurer on 19 October 2023
Rosemary Nabalwad	Director	Appointed as Director on 28 November 2016 Resigned as Treasurer on 19 October 2023
Brian Stacey	Independent Director	Appointed as Director on 16 June 2021 Resigned as Director November 2024
Liza Houghton	Independent Director	Appointed as Director on 26 July 2023
Kristy Brain	Independent Director	Appointed as Director on 26 July 2022 Resigned as Director November 2024
Robyn Williams	Independent Director	Appointed as Director on 28 November 2024
Le Smith	Independent Director	Appointed as Director on 28 November 2024

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

Meetings of Directors

The number of meetings of the Corporation's Board of Directors ('the Board') held during the year ended 30 June 2025 and the number of meetings attended by each director were:

Director Name	Number of Meetings Eligible to Attend	Number of Meetings Attended
June Nadjamerrek	3	2
Marcia Brennan	4	4
Reuben Cooper	3	0
Mary Djurundudu	4	4
Raelene Djandjul	3	2
Steven Fejo	4	4
Rosemary Nabalwad	4	4
Brian Stacey	2	1
Liza Houghton	4	4
Kristy Brain	1	1
Robyn Williams	2	2
Le Smith	2	2

RED LILY HEALTH BOARD ABORIGINAL CORPORATION
ABN: 45 827 246 402
DIRECTORS REPORT
FOR THE YEAR ENDED 30 JUNE 2025

Principal Activities

The principal activity of the Corporation during the financial year were the provision of health services to the residents and visitors of the West Arnhem Region and planning and collaborating with all relevant stakeholders for the transition of West Arnhem Primary Health Care services from the NT Government to community control.

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

Significant Changes

No significant changes in the Corporation's state of affairs occurred during the financial year.

Operating Result

The operating profit for the year amounted to \$740,773 (2024: Profit of \$81,993).

Performance Measures

The profit of the Corporation for the financial year amounted to \$740,773 (30 June 2024: \$81,993) which includes grant funding received but yet to be expended as at 30th June. The total of off-balance sheet unexpended grant liability included in retained earnings and which will be applied in the subsequent financial year for ongoing program related activities is \$340,129 (2024 : \$516,965).

Events Subsequent to the End of the Reporting Period

2025

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.

2024

On 2nd of September 2024 operational management of the Jabiru Health Clinic was transitioned from NT Department of Health to Red Lily Health Board. A 5 year funding agreement (02/09/2024 – 30/06/2029) was executed for delivery of primary health care services to all residents, visitors and tourists in Jabiru and nearby communities. Funding under the agreement is \$3,164,105 (Ex GST) in the initial year 2024/25 and \$18,351,813 over the 5 year term.

Likely Developments and Expected Results of Operations

The Corporation expects to increase the level of its operations resulting from the transition to Red Lily control of the Gunbalanya Health Clinic on 1st July 2025. This will result in an increase in staff, assets and all related operational resources.

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.

RED LILY HEALTH BOARD ABORIGINAL CORPORATION
ABN: 45 827 246 402
DIRECTORS REPORT
FOR THE YEAR ENDED 30 JUNE 2025

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2025 has been received and can be found on page 4 of the financial report.

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

Director

MB

Date:

19th

day of November 2025

Director

Mary Djundudu

Date:

19th

day of November 2025

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 339-50 OF THE CORPORATIONS (ABORIGINAL AND TORRES STRAIT ISLANDER) ACT 2006 AND UNDER SUBDIVISION 60-40 OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012

TO THE DIRECTORS OF RED LILY HEALTH BOARD ABORIGINAL CORPORATION

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2025 there have been no contraventions of:

- (i) the auditor independence requirements as set out in *the Corporations (Aboriginal and Torres Strait Islander) Act 2006* and section 60-40 *Australian Charities Not-for-profits Commission Act 2012*, in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.



Nexia Edwards Marshall NT
Chartered Accountants



Noel Clifford
Partner

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Darwin, Northern Territory
Dated: 19 November 2025

Advisory. Tax. Audit.

Nexia Edwards Marshall NT (ABN 74 414 259 116) is a firm of Chartered Accountants. It is affiliated with, but independent from Nexia Australia Pty Ltd. Nexia Australia Pty Ltd is a member of Nexia International, a leading, global network of independent accounting and consulting firms. For more information please see www.nexia.com.au/legal. Neither Nexia International nor Nexia Australia Pty Ltd provide services to clients.

Liability limited under a scheme approved under Professional Standards Legislation.

RED LILY HEALTH BOARD ABORIGINAL CORPORATION
ABN: 45 827 246 402
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025	2024
		\$	\$
Revenue			
Grant Income	2(i)	9,784,898	5,977,588
Other Income :	2(ii)	779,866	282,240
Total Revenue		10,564,764	6,259,828
Expenses			
Depreciation Expenses	3(i)	263,415	183,526
Employee and Personnel Benefit Expenses	3(ii)	5,743,699	4,152,130
Finance Expenses	3(iii)	30,517	23,050
Other Administrative Expenses	3(iv)	3,786,400	1,819,129
Total Expenses		9,824,031	6,177,835
Net Current Year Profit		740,733	81,993
Other Comprehensive Income		-	-
Total Comprehensive Income for the year		740,733	81,993
PROFIT ATTRIBUTABLE TO MEMBERS OF THE CORPORATION		740,733	81,993
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO MEMBERS OF THE CORPORATION		740,733	81,993

The accompanying notes form part of these financial statements.

RED LILY HEALTH BOARD ABORIGINAL CORPORATION
ABN: 45 827 246 402
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

	Note	2025	2024
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	4	3,714,754	1,668,584
Trade and Other Receivables	5	11,745	11,999
Other Current Assets	6	146,194	95,476
TOTAL CURRENT ASSETS		3,872,693	1,776,059
NON-CURRENT ASSETS			
Property, Plant and Equipment	7	164,276	181,156
Right of Use Assets	8	561,872	336,090
TOTAL NON-CURRENT ASSETS		726,148	517,246
TOTAL ASSETS		4,598,841	2,293,305
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	9	777,413	611,560
Contract Liabilities	10	1,011,204	-
Lease Liabilities	11	219,450	139,622
Employee Provisions	12	346,899	210,211
TOTAL CURRENT LIABILITIES		2,354,966	961,393
NON-CURRENT LIABILITIES			
Lease Liabilities	11	346,374	201,535
Employee Provisions	12	63,980	37,589
TOTAL NON-CURRENT LIABILITIES		410,354	239,124
TOTAL LIABILITIES		2,765,320	1,200,517
NET ASSETS		1,833,521	1,092,788
EQUITY			
Retained Earnings		1,833,521	1,092,788
TOTAL EQUITY		1,833,521	1,092,788

The accompanying notes form part of these financial statements.

RED LILY HEALTH BOARD ABORIGINAL CORPORATION
ABN: 45 827 246 402
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2025

	Retained Earnings	Total Equity
Note	\$	\$
Balance at 1 July 2023	1,010,795	1,010,795
Comprehensive income:		
Net profit for the year	81,993	81,993
Other comprehensive income for the year	-	-
Total comprehensive income attributable to Members of the Corporation for the year	81,993	81,993
Balance at 30 June 2024	1,092,788	1,092,788
Balance at 1 July 2024	1,092,788	1,092,788
Comprehensive income:		
Net profit for the year	740,733	740,733
Other comprehensive income for the year	-	-
Total comprehensive income attributable to Members of the Corporation for the year	740,733	740,733
Balance at 30 June 2025	1,833,521	1,833,521

The accompanying notes form part of these financial statements.

RED LILY HEALTH BOARD ABORIGINAL CORPORATION
ABN: 45 827 246 402
STATEMENT OF CASH FLOWS
FOR YEAR ENDED 30 JUNE 2025

	Note	2025	2024
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Commonwealth, Territory, Local Government and Other grants		10,796,102	5,977,588
Medicare and other receipts		641,745	438,458
Interest received		138,375	34,565
Payments to suppliers and employees		(9,253,201)	(5,603,149)
Net cash provided by operating activities	16	2,323,021	847,462
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		-	-
Payment for property, plant and equipment		(62,334)	(96,750)
Net cash (used in) investing activities		(62,334)	(96,750)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments for lease liabilities		(214,517)	(122,326)
Net cash (used in) financing activities		(214,517)	(122,326)
Net increase in cash held		2,046,170	628,386
Cash and cash equivalents at beginning of the financial year		1,668,584	1,040,198
Cash and cash equivalents at end of the financial year	4, 16	3,714,754	1,668,584

The accompanying notes form part of these financial statements.

RED LILY HEALTH BOARD ABORIGINAL CORPORATION
ABN: 45 827 246 402
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2025

Note 1 Material Accounting Policy Information

The financial statements cover Red Lily Health Board Aboriginal Corporation as an individual entity, incorporated and domiciled in Australia. Red Lily Health Board Aboriginal Corporation is operating pursuant to the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* (CATSI Act) and the *Australian Charities and Not for Profits Commission Act 2012* (ACNC Act).

The financial statements were authorised for issue on 19 November 2025 by the Directors of the Corporation.

Statement of Compliance

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures of the Australian Accounting Standards Board (AASB), the *CATSI Act 2006* and the *Australian Charities and Not-for-profits Commission Act 2012*. The Corporation is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

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

Basis of Preparation

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

Critical Accounting Estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also 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 1(p) Critical Accounting Judgements, Estimates and Assumptions.

Current and Non Current Classification

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

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 and 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 and 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.

Note 1 Material Accounting Policy Information

Material Accounting Policies

(a) Revenue and Other Income 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.

Operating Grants

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

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.

Capital Grant

When the Corporation receives a capital grant, it recognises a liability for the excess of the initial carrying amount of the financial asset received over any related amounts (being contributions by owners, lease liability, financial instruments, provisions) recognised under other Australian Accounting Standards.

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

Interest Income

Interest income is recognised using the effective interest method.

Donations and Bequests

Donations and bequests are recognised on receipt of the funds with control of this revenue having passed to the Corporation.

Income from Sale of Goods

The Corporation sells medical and pharmaceutical products to the general public. Revenue is recognised when control of the products has transferred to the customer. For such transactions, this is when the products are delivered to the customers. Discounts and settlement rebates are not provided with the sale of these items.

A receivable will be recognised when the goods are delivered. The Corporation's right to consideration is deemed unconditional at this time as only the passage of time is required before payment of that consideration is due. There is no significant financing component because sales are made within a credit term of 30 to 45 days.

The Corporation's historical experience with sales returns show that they are negligible and considered to be highly improbable. As such no provision for sale refunds is recognised by the Corporation at the time of sale of goods.

All revenue is stated net of the amount of goods and services tax.

RED LILY HEALTH BOARD ABORIGINAL CORPORATION
ABN: 45 827 246 402
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2025

Note 1 Material Accounting Policy Information (Cont.)

(b) Property, Plant and Equipment

Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses 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(g) for details of impairment).

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

Depreciation

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

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

Class of Fixed Asset	Depreciation Rate
Plant and equipment	10-40%
Motor Vehicles	20-25%
Leased motor vehicles	20-25%

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

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss 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.

(c) Leases

The Corporation as Lessee

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

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

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

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

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

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

Concessionary Leases

For leases that have significantly below market terms and conditions principally to enable the Corporation to further its objectives (commonly known as peppercorn / concessionary leases), the Corporation has adopted the temporary relief under AASB 2019-8 and measures the right of use assets at cost on initial recognition.

Note 1 Material Accounting Policy Information (Cont.)

(d) 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.

(e) Impairment of Financial Assets

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

- financial assets that are measured at amortised cost or fair value through other comprehensive income; and
- contract assets (eg amount due from customers under contracts).

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

- the simplified approach;

Simplified Approach

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

This approach is applicable to:

- trade receivables; and
- lease receivables.

In measuring the expected credit loss, a provision matrix for trade receivables is used taking into consideration various data to get to an expected credit loss (ie diversity of its customer base, appropriate groupings of its historical loss experience, etc).

Trade receivables are initially measured at the transaction price if the trade receivables do not contain significant financing component or if the practical expedient was applied as specified in AASB 15: Revenue from Contracts with Customers.

Recognition of Expected Credit Losses in Financial Statements

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

(f) Impairment of Non Financial Assets

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

Where the assets are not held primarily for their ability to generate net cash inflows – that is, they are specialised assets held for continuing use of their service capacity – the recoverable amounts are expected to be materially the same as fair value.

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

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.

(g) Employee Benefits

Short-term employee benefits

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

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

Note 1 Material Accounting Policy Information (Cont.)

(g) Employee Benefits (Cont.)

Other long-term employee benefits

The Corporation classifies employees' long service leave and annual leave entitlements as other long-term employee benefits as they are 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. Provision is made for the Corporation's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long term employee benefits are recognised in profit or loss in the periods in which the changes occur.

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

The Corporation based on past experience records employee's long service leave entitlements on commencement of their employment with the organisation.

Retirement benefit obligations

Superannuation benefits

Contributions are made by the Corporation to employees superannuation funds and are charged as expenses when incurred.

All employees of the Corporation receive accumulated contribution superannuation entitlements, for which the Corporation pays the fixed superannuation guarantee contribution to the employee's superannuation fund of choice. For the period 1 July 2024 to 30 June 2025 this was 11.5% of the employee's ordinary average salary. From 1 July 2025 this rate has increased to 12%. All contributions in respect of employees' accumulated contribution entitlements are recognised as an expense when they become payable. The Corporation's obligation with respect to employees' accumulated contribution entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the Corporation's statement of financial position.

(h) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(i) Trade and Other Receivables

Trade and other receivables include amounts due from clients for fees and goods and services provided, from donors and any outstanding grant receipts. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

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

(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) Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the Corporation during the reporting period that remain unpaid at the end of the reporting period. Trade payables are recognised at their transaction price. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

Note 1 Material Accounting Policy Information (Cont.)

(m) Contract Liabilities

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

(n) Provisions

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

(o) Comparative Figures

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

(p) Critical Accounting Judgements, Estimates and Assumptions

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

(i) Useful lives of property, plant and equipment

As described in Note 1(b), the Corporation reviews the estimated useful lives of property, plant and equipment at the end of each reporting period, based on the expected utility of the assets.

(ii) Impairment- General

The Corporation assesses impairment at the end of each reporting period by evaluating conditions and events specific to the Corporation that may be indicative of impairment triggers.

Impairment of leasehold improvements and plant and equipment

The Corporation assesses impairment of plant and equipment at each reporting date by evaluating conditions specific to the Corporation and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs to sell or value-in-use calculations, which incorporate a number of key estimates and assumptions. There was no provision for impairment of plant and equipment at 30 June 2025 (2024: \$Nil).

Impairment of accounts receivable

The provision for impairment of receivables assessment requires a degree of estimation and judgement. The level of provision is assessed by taking into account the recent sales experience, the ageing of receivables, historical collection rates and specific knowledge of the individual debtors' financial position. Provision for impairment of receivables at 30 June 2025 amounted to \$Nil (2024: \$Nil).

(iii) Performance Obligations Under AASB 15

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

(iv) Lease Term and Options Under AASB 16

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the Corporation's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The Corporation reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Corporation estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

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NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2025

Note 1 Material Accounting Policy Information (Cont.)

(q) Fair Value of Assets and Liabilities

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

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.

(r) Economic Dependence and Going Concern

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

The Corporation is dependent on the Commonwealth Departments of Health and Aged Care, and the NT Government Department of Health for the majority of its revenue to operate its programs and business. At the date of this report, the Board of Directors has no reason to believe that the above government departments will not continue to support the Corporation. The operations and future success of the Corporation is dependent upon the continued support and funding by the government bodies and the achievement of operating surpluses and positive operating cash flows.

The Corporation has successfully procured funding until 30 June, 2030. All previous NTG contracts have been consolidated, with an ending date of 30 June 2030. The Corporation continues to be offered continuation of contracts for new positions and programs through federal funding streams and other sources.

(s) New and Amended Accounting Standards Adopted By The Corporation

AASB 2022-5: Amendments to Australian Accounting Standards- Lease Liability in a Sale and Leaseback.

AASB 2022-5 amends AASB 16 to add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements in AASB 15: Revenue from Contracts with Customers to be accounted for as a sale.

The adoption of the amendment did not have a material impact on the financial statements.

AASB 2022-6: Amendments to Australian Accounting Standards - Non-current liabilities with covenants.

The Corporation adopted AASB 2022-6 Amendments to Australian Accounting Standards - Non-current liabilities with covenants which amends AASB 101 to improve the information an entity provides in its financial statements about liabilities from loan arrangements for which the entity's right to defer settlement of those liabilities for 12 months after the reporting period is subject to the entity complying with conditions specified in the loan arrangement.

The adoption of the amendment did not have a material impact on the financial statements.

AASB 2023-3: Amendments to Australian Accounting Standards – Disclosure of Non-current Liabilities with Covenants - Tier 2.

AASB 2023-3 amends AASB 1060 to align the disclosure requirements of Tier 2 entities with the Tier 1 equivalents in AASB 2020-1 and AASB 2022-6AASB 2023-3 amends AASB 1060 to:

- (a) Clarify that a liability is classified as non-current if an entity has the right at the reporting date to defer settlement of the liability for at least 12 months after the reporting date;
- (b) Clarify the reference to settlement of a liability by the issue of equity instruments in classifying liabilities; and
- (c) Require the disclosure of information that enables users of the financial statements to understand the risk that non-current liabilities with covenants could become repayable within twelve months.

The adoption of the amendment did not have a material impact on the financial statements.

RED LILY HEALTH BOARD ABORIGINAL CORPORATION
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NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2025

Note 2 Revenue and Other Income

Government Grants

The majority of Red Lily Health Aboriginal Corporation's funding is in the form of grants from governmental department bodies. The Corporation has assessed that the majority of its grant agreements are enforceable and contain sufficiently specific performance obligations. This determination was made on the basis that the funding agreements require the Corporation to carry out various clinical and medical support services and programs for remote communities, with the types of services to be provided, duration of such programs and reporting obligations prescribed within the relevant agreements. The Corporation therefore recognises funding received under such agreements as Revenue under AASB 15. Revenue is recognised as the Corporation delivers the required services over the duration of the underlying programs.

	2025	2024
	\$	\$
2(i) Grant Revenue :		
— Commonwealth Government Grants	2,442,736	1,517,442
— NT Government Grants	6,117,057	3,682,271
— NTPHN Grants	781,875	678,680
— NACCHO Grants	238,379	-
— Other Grants	204,851	99,195
Total Grant Revenue	9,784,898	5,977,588
2(ii) Other Income :		
— Medicare Fees	426,173	233,596
— Insurance Recoveries	62,221	-
— Interest	138,375	34,565
— Recoupment Charges	17,758	1,500
— Subsidies Received	80,643	5,000
— Sundry Income	54,696	7,579
Total Other Income	779,866	282,240
Note 3 Expenses	2025	2024
	\$	\$
(i) Depreciation and Amortisation:		
— Furniture and equipment	71,321	50,753
— Motor vehicles	7,893	7,893
	<u>79,214</u>	<u>58,646</u>
— Right of Use Assets - property	47,647	47,647
— Right of Use Assets - motor vehicles	136,554	77,233
	<u>184,201</u>	<u>124,880</u>
Total Depreciation and Amortisation	263,415	183,526
(ii) Employee and Personnel Benefits Expenses:		
— Salaries and wages	4,113,158	3,000,508
— Allowances	142,793	138,254
— Superannuation	487,054	331,558
— Work cover insurance	177,210	131,657
— Staff training and development	35,257	27,677
— Uniforms	36,226	5,179
— Staff amenities	5,562	9,362
— Leave entitlement costs	716,746	480,398
— Other employee benefit expenses	29,693	27,537
Total Employee Benefits Expense	5,743,699	4,152,130
(iii) Finance Expenses:		
— Interest paid - ATO	1,316	209
— ROU Lease interest - buildings	2,501	5,493
— ROU Lease interest - motor vehicles	26,700	17,348
Total Finance Expenses	30,517	23,050

RED LILY HEALTH BOARD ABORIGINAL CORPORATION
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NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2025

Note 3 Expenses (Cont.)		2025	2024
		\$	\$
(iv) Other Administrative Expenses			
— Accounting fees		5,562	-
— Advertising and Promotion		13,472	3,070
— Agency - Nurses		1,053,510	254,187
— Agency - Non Clinical		-	19,717
— Audit Fees		35,847	26,981
— Bank Charges		648	276
— Board and Meeting Expenses		8,504	3,248
— Cleaning		26,647	13,341
— Community Programs and Events		42,242	16,526
— Consultancy Fees		13,000	24,258
— Flights and Charters		313,303	99,043
— Fuel		67,242	48,727
— Insurance		112,465	35,925
— Internet, Mobile and Telecommunications		105,556	68,006
— Locum Doctors		475,024	95,359
— Minor Capital and Medical Equipment Expenditure		246,582	118,943
— Other Expenses		56,209	56,611
— Pharmacy and Medical Consumables		200,255	97,406
— Printing, Postage and Stationery		82,206	86,535
— Recruitment Expenses		51,519	9,184
— Repairs and Maintenance		53,254	52,376
— Rental Costs		109,327	102,350
— Return of Unexpended Grant Funds		-	163,829
— Software and Subscriptions		125,038	106,713
— Support Service and Other Agreements		131,438	112,629
— Travel and Accommodation Expenses		229,770	118,727
— Utilities and Rates		227,780	85,162
Total Other Administrative Expenses		3,786,400	1,819,129
Note 4 Cash and Cash Equivalents	Note	2025	2024
		\$	\$
CURRENT			
Cash at bank		3,714,754	1,668,584
Total Cash on hand and at bank	16(a), 17	3,714,754	1,668,584
Cash and Cash Equivalents are comprised of :			
Tied Cash Holdings :		2,348,196	1,268,147
Untied Cash Holdings :		1,366,558	400,437
Total Cash Holdings :		3,714,754	1,668,584
Note 5 Trade and Other Receivables	Note	2025	2024
		\$	\$
CURRENT			
Trade Receivables :			
Trade receivables		2,330	6,918
Less :Provision for impairment of receivables		-	-
Total Trade Receivables		2,330	6,918
Other Receivables :			
Other receivables		9,415	5,081
Total Other receivables		9,415	5,081
Total Current trade and Other Receivables	17	11,745	11,999

The Corporation's normal credit term is 30 days.
No collateral is held over trade and other receivables.

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NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2025

Note 6 Other Current Assets	2025	2024
	\$	\$
CURRENT		
Bonds	20,132	18,062
Prepayments	126,062	77,414
Total Other Current Assets	<u>146,194</u>	<u>95,476</u>

Note 7 Property, Plant and Equipment	2025	2024
	\$	\$
NON CURRENT		
FURNITURE, PLANT AND EQUIPMENT		
Furniture, Plant and equipment:		
At cost	385,066	322,733
Less Accumulated depreciation	(228,682)	(157,362)
	<u>156,384</u>	<u>165,371</u>
Motor vehicles:		
At Cost	39,462	39,462
Less Accumulated depreciation	(31,570)	(23,677)
	<u>7,892</u>	<u>15,785</u>
Total Furniture, Plant and Equipment & Vehicles	<u>164,276</u>	<u>181,156</u>

Movements in Carrying Amounts

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

	Furniture, Plant and Equipment \$	Motor Vehicles \$	Total \$
Carrying amount at 1 July 2024	<u>165,371</u>	<u>15,785</u>	<u>181,156</u>
Revaluations (increments)	-	-	-
Additions at cost	62,334	-	62,334
Disposals	-	-	-
Depreciation expense	(71,321)	(7,893)	(79,214)
Carrying amount at 30 June 2025	<u>156,384</u>	<u>7,892</u>	<u>164,276</u>

RED LILY HEALTH BOARD ABORIGINAL CORPORATION
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NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2025

Note 8 Right of Use Assets	Note	2025 \$	2024 \$
NON CURRENT			
(a) AASB 16 Related Amounts Recognised in the Balance Sheet			
Right of Use Assets			
Leased Property		142,942	142,942
Less Accumulated depreciation		(127,059)	(79,412)
		15,883	63,530
Leased Motor Vehicles		755,755	345,772
Less Accumulated depreciation		(209,766)	(73,212)
		545,989	272,560
Total Right of Use Assets		561,872	336,090

The Corporation's lease portfolio includes buildings, plant and equipment and motor vehicles. These leases have an average of 3 years as their lease term.

The option to extend or terminate are contained in several of the property leases of the Corporation. There are extension options for motor vehicles on request. These clauses provide the Corporation the opportunities to manage leases in order to align with its strategies. All of the extension or termination options are only exercisable by the Corporation. The extension or termination options which were probable to be exercised have been included in the calculation of the Right of Use Asset.

Movements in Carrying Amounts

	Leased Property \$	Leased Motor Vehicles \$	Total \$
Carrying amount at 1 July 2024	63,530	272,560	336,090
Additions at cost	-	409,983	409,983
Disposals	-	-	-
Depreciation expense	(47,647)	(136,554)	(184,201)
Carrying amount at 30 June 2025	15,883	545,989	561,872

(b) AASB 16 Related Amounts Recognised in the Statement of Profit and Loss

	2025 \$	2024 \$
Depreciation charge related to right of use assets	184,201	124,880
Interest expense on lease liabilities	29,201	22,841
Short-term leases expenses	60,357	36,801
	273,759	184,522

Note 9 Trade and Other Payables	Note	2025 \$	2024 \$
CURRENT			
Trade payables		190,808	191,319
Accrued liabilities		50,993	83,254
Employee payroll liabilities		192,943	159,933
GST and ATO liabilities		333,727	175,160
Other sundry liabilities		8,942	1,894
Total Trade and Other Payables		777,413	611,560
Financial liabilities at amortised cost are classified as Trade and Other Payables :	17	777,413	611,560

RED LILY HEALTH BOARD ABORIGINAL CORPORATION
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NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2025

Note 10 Contract Liabilities		2025	2024
		\$	\$
Unspent grants- grant funded programmes		943,915	-
Unspent grants - to be repaid		67,289	-
Contract Liabilities- grant funded programmes		1,011,204	-
(a) Contract liabilities - movement in amounts :			
Balance at the beginning of the year		-	
Additions: Grants for which performance obligations will only be satisfied in subsequent years		943,915	
Expended : Grants acquitted or utilised during the year		-	
Closing balance		943,915	
(b) Unacquitted Grant Funding Recognised in Revenue and Retained Earnings			
2025:			
Recognised in Revenue and carried forward in Retained Earnings is \$340,129 from 2025 and \$Nil From prior years. Under the terms of the grant agreement this grant income must be spent in the 2026 financial year.			
2024:			
Recognised in Revenue and carried forward in Retained Earnings is \$516,848 from 2024 and \$Nil From prior years. Under the terms of the grant agreement this grant income was to be spent in the 2025 financial year.			
Note 11 Lease Liabilities	Note	2025	2024
		\$	\$
CURRENT			
Leases - properties		13,384	51,058
Leases - motor vehicles		206,066	88,564
		219,450	139,622
NON-CURRENT			
Leases - properties		-	13,385
Leases - motor vehicles		346,374	188,150
		346,374	201,535
Total Lease Liabilities	17	565,824	341,157
The lease liabilities are secured by the underlying assets and are subject to the terms of their individual lease agreements.			
Note 12 Employee Provisions	Note	2025	2024
		\$	\$
CURRENT			
Provision for employee benefits: annual leave		346,899	210,211
		346,899	210,211
NON-CURRENT			
Provision for employee benefits: long service leave		63,980	37,589
		63,980	37,589
Total Provisions for Employee Benefits		410,879	247,800
Analysis of total provisions:		Total	
Opening balance at 1 July 2024		247,800	
Additional provisions raised during the year (net)		163,079	
Balance at 30 June 2025		410,879	
Provision For Employee Benefits			
Employee provisions represents amounts accrued for annual leave and long service leave.			

RED LILY HEALTH BOARD ABORIGINAL CORPORATION
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NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2025

Note 12 Employee Provisions (Cont.)

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amount accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the Corporation 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 Corporation 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.

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

Note 13 Capital and Leasing Commitments	2025	2024
	\$	\$
(a) Lease Liability Commitments :		
— not later than 1 year	249,055	158,800
— later than 1 year but not later than five years	370,655	218,207
— later than five years	-	-
Total Future Lease Payments at the End of the Reporting Period :	619,710	377,007
(b) Operating Lease Commitments		
<i>Rental commitments : short term and low value assets</i>		
Payable – minimum lease payments no later than 12 months :		
— Short term leases	60,357	36,801
— Low value assets	-	-
Total Operating Lease Commitments	60,357	36,801

The Corporation continues to pay a monthly rental for two other property sites. There is no fixed rental term period for these sites and as such they have been treated as short term leases. The rental expense for these short term leases was \$60,357 in 2025 (2024 : \$36,801).

(c) Capital Expenditure Commitments

The Corporation has \$Nil capital expenditure commitments as at 30 June 2025 (2024 : \$Nil).

Note 14 Contingent Liabilities and Contingent Assets

The Board is not aware of any contingent liabilities or assets as at 30 June 2025 (2024 : \$Nil).

Note 15 Events After the Reporting Period

2025:

The Directors are not aware of any significant events since the end of the reporting period that have 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.

2024:

On 2nd of September 2024 operational management of the Jabiru Health Clinic was transitioned from NT Department of Health to Red Lily Health Board. A 5-year funding agreement (02/09/2024 – 30/06/2029) was executed for delivery of primary health care services to all residents, visitors and tourists in Jabiru and nearby communities. Funding under the agreement is \$3,164,105 (Ex GST) in the initial year 2024/25 and \$18,351,813 over the 5 year term.

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NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2025

Note 16 Cash Flow Information	Note	2025	2024
		\$	\$
(a) Reconciliation of cash and cash equivalents to Statement of Cash Flows :			
Cash on hand and at bank	4	3,714,754	1,668,584
Total cash as stated in the Statement of cash flows		3,714,754	1,668,584
(b) Reconciliation of Cash Flow from Operating Activities with Current Year Profit			
Profit for the current year		740,733	81,993
Non-cash flows:			
Depreciation and amortisation expense		263,415	183,526
Interest expense on lease liabilities		29,201	22,841
Changes in assets and liabilities:			
(Increase)/decrease in trade and other receivables		254	190,783
(Increase)/decrease in other current assets		(50,718)	53,374
Increase/(decrease) in accounts payable and other payables		165,853	276,433
Increase/(decrease) in contract liabilities		1,011,204	-
Increase/(decrease) in employee provisions		163,079	38,512
Net cash provided by operating activities		2,323,021	847,462

Note 17 Financial Risk Management

The Corporation's financial instruments consist mainly of deposits with banks, local money market instruments, short term and long-term investments, account receivables and payables, contract assets, lease liabilities and contract liabilities.

The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2025	2024
		\$	\$
Financial assets			
Financial assets at amortised cost:			
Cash on hand	4	3,714,754	1,668,584
Trade and other receivables	5	11,745	11,999
Total financial assets		3,726,499	1,680,583
Financial liabilities			
Financial liabilities at amortised cost:			
Trade and other payables	9	777,413	611,560
Lease liabilities	11	565,824	341,157
Total financial liabilities		1,343,237	952,717

Refer to Note 18 for detailed disclosures regarding the fair value measurements of the Corporation's financial assets.

RED LILY HEALTH BOARD ABORIGINAL CORPORATION
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NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2025

Note 20 Other Related Party Disclosure

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

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

There were no other related party transactions in 2025 (2024: \$Nil).

Note 21 Auditor's Remuneration	2025	2024
	\$	\$
Auditing the financial statements		
- 2024 Auditors	22,447	26,981
- 2025 Auditors	13,400	-
Total Auditor's Remuneration	35,847	26,981

Note 22 Corporation Details

The Registered Office of the Corporation is:

Red Lily Health Aboriginal Corporation
Jabiru Health Centre
7 Tasman Crescent, Jabiru NT 0886

The Principal place of business is:

Red Lily Health Aboriginal Corporation
Jabiru Health Centre
7 Tasman Crescent, Jabiru NT 0886

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RED LILY HEALTH BOARD ABORIGINAL CORPORATION

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 2025, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and the Directors' declaration.

In our opinion, the accompanying financial report of Red Lily Health Board Aboriginal Corporation, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and 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 2025 and of its financial performance and its cashflows for the year then ended; and
- (ii) complying with Australian Accounting Standards – Simplified Disclosures, and the *Corporations (Aboriginal and Torres Strait Islander) Regulations 2017* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

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

Other Matter

The financial report of Red Lily Health Board Aboriginal Corporation for the year ended 30 June 2024 was audited by another auditor who expressed an unqualified opinion on the financial report on 26 November 2024.

Other information

The Directors are responsible for the other information. The other information comprises the information in Red Lily Health Board Aboriginal Corporation's annual report for the year ended 30 June 2025 but does not include the financial report and the auditor's report thereon.

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

Advisory. Tax. Audit.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RED LILY HEALTH BOARD ABORIGINAL CORPORATION (CONT.)

Other information (Cont.)

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 the 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 Red Lily Health Board Aboriginal 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 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 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 entity or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the Corporation's financial reporting process.

Auditor's responsibility 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 taken together, they could reasonably be expected to influence the economic decisions of users taken based on this financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Advisory. Tax. Audit.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RED LILY HEALTH BOARD ABORIGINAL CORPORATION (CONT.)

Auditor's responsibility for the audit of the financial report (Cont.)

- 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 Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by those charged with governance.
- 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 Corporation'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 Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with 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.



Nexia Edwards Marshall NT
Chartered Accountants



Noel Clifford
Partner

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Darwin, Northern Territory
Dated: 19 November 2025

Advisory. Tax. Audit.