

**NATIONAL ASSOCIATION OF ABORIGINAL AND TORRES STRAIT ISLANDER  
HEALTH WORKERS AND PRACTITIONERS LIMITED**

**ABN 61 138 748 697**

**FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2021**

**NATIONAL ASSOCIATION OF ABORIGINAL AND TORRES STRAIT ISLANDER  
HEALTH WORKERS AND PRACTITIONERS LIMITED  
ABN 61 138 748 697**

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**NATIONAL ASSOCIATION OF ABORIGINAL AND TORRES STRAIT ISLANDER  
HEALTH WORKERS AND PRACTITIONERS LIMITED  
ABN 61 138 748 697**

**DIRECTORS' REPORT**

Your directors present their report on the company for the financial year ended 30 June 2021.

**DIRECTORS**

The names of the directors in office at any time during or since the end of the financial year are:

David Follent (Chair)

Robert Dann (Deputy Chair)      Up until 19 April 2021

Christine Ingram (Treasurer)

Thelma Weston

Yancy Laifoo

Raeylene McKenna

Natalie Pangquee

Suzanne Smith

Judith Parnham

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

**OBJECTIVES**

**Objective 1:** To increase the appropriate use of the full range of skills and integration of Aboriginal and/or Torres Strait Islander Health Workers and Health Practitioners into health services across all sectors in the health system

**Objective 2:** To improve the accessibility and quality of professional support and professional development opportunities for Aboriginal and/or Torres Strait Islander Health Workers and Health Practitioners

**Objective 3:** To increase our influence in the development and implementation of Aboriginal and Torres Strait Islander health policies and programs relevant to the Aboriginal and/or Torres Strait Islander Health Worker and Health Practitioner workforce.

**Objective 4:** To increase our influence in the development and implementation of recruitment and retention strategies for Aboriginal and/or Torres Strait Islander Health Workers and Health Practitioners.

**IMPACT INDICATORS FOR THE OBJECTIVES**

**Objective1:**

Stakeholders from all sectors of the health system report high interest in and improved ability to develop a scope of practice for best utilisation of Aboriginal and/or Torres Strait Islander Health Workers and Health Practitioners.

Stakeholders from all sectors of the health system report both knowledge and use of the good practice models on the effective utilisation of and expanded career pathways for Aboriginal and/or Torres Strait Islander Health Workers and Health Practitioners.

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**DIRECTORS' REPORT (CONTINUED)**

**Objective 2:**

Members report that National Association of Aboriginal and Torres Strait Islander Health Workers and Practitioners Limited ('NAATSIHWP')s professional information and support, including the online portal, professional networking forums, conferences and symposiums:

- are relevant to their professional needs and expectations
- are of high quality
- are offered in accessible formats and/or locations.

Members report that NAATSIHWP's information about professional development opportunities:

- is relevant to their professional needs and expectations
- offers them valuable options for skill development and new career pathways.

**Objective 3:**

Members report that NAATSIHWP's professional information and support, including the online Portal, NAATSIHWP advice and position statements are reflected in national and jurisdictional policy development and decision-making processes that impact on the Aboriginal and/or Torres Strait Islander Health Worker and Health Practitioner workforce and Aboriginal and Torres Strait Islander health services.

**Objective 4:**

Stakeholders from the vocational education and training (VET) sector and all sectors of the health system identify NAATSIHWP as a respected source of information and expertise on recruiting and retaining A&TSHWs and A&TSHPs.

Stakeholders from the VET sector and all sectors of the health system report they have acted on NAATSIHWP's advice and/ or implemented the learning gained from their participation in NAATSIHWP initiatives on recruitment and retention.

**Principal Activity**

The principal activity of the company during the financial year was to improve recruitment and retention of the workforce, scope and effective deployment of Aboriginal and/or Torres Strait Islander Health Workers and Health Practitioners, as a vital and valued component of a strong professional Aboriginal and Torres Strait Islander health workforce needed to close the gap in health outcomes for Aboriginal and Torres Strait Islander Australians.

No significant change in the nature of these activities occurred during the year apart from the impact of the Covid 19 Pandemic. Although there has been no impact on revenue, the company refocused its program delivery activities from a physical to a virtual delivery approach. The company continues to deliver its full program using on line technology.

Effective 1 July 2020 the company was endorsed as a Health Promotion Charity with the following tax concessions: GST Concession, Income Tax Exemption and FBT Exemption. The Company has Deductible Gift (DGR) Recipient Status. As a consequence, the financial statements now must be prepared as required by the [ACNC Act and ACNC Regulations](#) and in accordance with the [Australian Accounting Standards](#) set by the Australian Accounting Standards Board (AASB)

On 22 October 2020, The Company changed its name from "National Aboriginal and Torres Strait Islander Health Workers Association" to National Association of Aboriginal and Torres Strait Islander Health Workers and Practitioners Ltd".

NAATSIHWP is a party to a four year funding agreement with the Department of Health for the period 1 July 2018 to 30 June 2022. Under this agreement, NAATSIHWP has received funding of \$5,742,509 (excl GST) to 30 June 2021. Grant expenditure was \$5,747,255 to 30 June 2021.

**NATIONAL ASSOCIATION OF ABORIGINAL AND TORRES STRAIT ISLANDER  
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**DIRECTORS' REPORT (CONTINUED)**

**MEETINGS OF DIRECTORS**

<b>DIRECTORS</b>	<b>DIRECTORS' MEETINGS</b>	
	<b>Number eligible to attend</b>	<b>Number attended</b>
David Follent (Chair)	4	4
Robert Dann (Deputy Chair)	3	2
Christine Ingram (Treasurer)	4	3
Thelma Weston	4	2
Yancy Laifoo	4	2
Raeylene McKenna	4	2
Natalie Pangquee (Secretary)	4	4
Suzanne Smith	4	4
Judith Parnham	4	4

**CONTRIBUTIONS ON WIND UP**

The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to make a maximum contribution of \$10.00 towards meeting any outstanding obligations. At 30 June 2021, the total maximum amount that members of the company are liable to contribute if the company is wound up is \$10,180 (2020: \$9,600).

The maximum amount that members of the company are liable to contribute if the company is wound up is now calculated for Full Members only.

**NATIONAL ASSOCIATION OF ABORIGINAL AND TORRES STRAIT ISLANDER  
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**DIRECTORS' REPORT (CONTINUED)**

A copy of the auditor's independence declaration as required under the Australian Charities and Not-for-profits Commission Act 2012 is set out on page 8.

David Follent  
Chair  ..... Dated this.....23<sup>rd</sup>.....day of.....August.....2021

Christine Ingram  
Treasurer  ..... Dated this.....23<sup>rd</sup>.....day of.....August.....2021

**RSM Australia Partners**

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## INDEPENDENT AUDITOR'S REPORT

### To the Members of National Association of Aboriginal and Torres Strait Islander Health Workers and Practitioners Limited

#### Opinion

We have audited the financial report of National Association of Aboriginal and Torres Strait Islander Health Workers and Practitioners Limited (the Company), which comprises the statement of financial position as at 30 June 2021, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2021 and of its financial performance and cash flows for the year ended on that date; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the *Australian Charities and Not-for-profits Commission Regulation 2013*.

#### Basis for Opinion

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

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

#### Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2021, 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 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.

#### THE POWER OF BEING UNDERSTOOD

##### AUDIT | TAX | CONSULTING

RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

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

#### **Responsibilities of the Directors for the Financial Report**

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements 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 ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's Responsibilities for the Audit of the Financial Report**

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of our auditor's report.



**RSM Australia Partners**



**RODNEY MILLER**  
Partner

Canberra, Australian Capital Territory  
Dated: 26 August 2021

**RSM Australia Partners**

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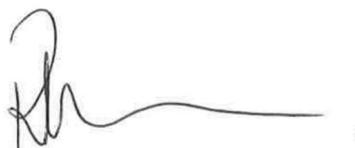
**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the audit of the financial report of National Association of Aboriginal and Torres Strait Islander Health Workers and Practitioners Limited for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Australian Charities and Not-for-profit Act 2012* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.



**RSM Australia Partners**



**RODNEY MILLER**  
Partner

Canberra, Australian Capital Territory  
Dated: 26 August 2021

**THE POWER OF BEING UNDERSTOOD**  
**AUDIT | TAX | CONSULTING**

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**DIRECTORS DECLARATION**

In the director's opinion:

1. the attached financial statements and notes comply with the Australian Accounting Standards – Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standard Board ('AASB') and the *Australian Charities and Not for Profits Commission Act 2012*;
2. the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2021 and of its performance for the financial year ended on that date; and
3. there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the directors

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

Chair:  .....

David Follent

Dated this..... 23<sup>rd</sup>.....day of..... August..... 2021

Treasurer:  .....

Christine Ingram

Dated this..... 23<sup>rd</sup>.....day of..... August..... 2021

**NATIONAL ASSOCIATION OF ABORIGINAL AND TORRES STRAIT ISLANDER  
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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2021**

	Note	2021 \$	2020 \$
Revenue	2	2,188,688	2,132,058
Expenditure	3	(1,800,608)	(2,125,703)
<b>CURRENT YEAR SURPLUS</b>		<u><b>388,080</b></u>	<u><b>6,355</b></u>
<b>OTHER COMPREHENSIVE INCOME</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME</b>		<u><b>388,080</b></u>	<u><b>6,355</b></u>

The accompanying notes form part of this financial report.

**NATIONAL ASSOCIATION OF ABORIGINAL AND TORRES STRAIT ISLANDER  
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**STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2021**

	Note	2021 \$	2020 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	12a	622,433	224,718
Trade and other receivables	4	83,540	20,916
Prepayments		77,391	24,130
Inventories	5	15,890	61,271
<b>TOTAL CURRENT ASSETS</b>		<b>799,254</b>	<b>331,035</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	6	130,009	96,808
Right of use assets	7	99,063	182,594
<b>TOTAL NON-CURRENT ASSETS</b>		<b>229,072</b>	<b>279,402</b>
<b>TOTAL ASSETS</b>		<b>1,028,326</b>	<b>610,437</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	8	97,760	82,242
Lease liabilities	9	102,038	64,490
Deferred revenue	11	39,545	-
Provisions	10	128,824	89,850
<b>TOTAL CURRENT LIABILITIES</b>		<b>368,167</b>	<b>236,582</b>
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities	9	19,757	121,533
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>19,757</b>	<b>121,533</b>
<b>TOTAL LIABILITIES</b>		<b>387,924</b>	<b>358,115</b>
<b>NET ASSETS</b>		<b>640,402</b>	<b>252,322</b>
<b>EQUITY</b>			
Retained earnings		252,322	245,967
Current year earnings		388,080	6,355
<b>TOTAL EQUITY</b>		<b>640,402</b>	<b>252,322</b>

The accompanying notes form part of this financial report.

**NATIONAL ASSOCIATION OF ABORIGINAL AND TORRES STRAIT ISLANDER  
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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2021**

	<b>Retained Earnings</b>
	<b>\$</b>
<b>Balance at 1 July 2019</b>	<b>245,967</b>
Surplus from operations	6,355
<b>Balance at 30 June 2020</b>	<b>252,322</b>
Surplus from operations	388,080
<b>Balance at 30 June 2021</b>	<b>640,402</b>

The accompanying notes form part of this financial report.

**NATIONAL ASSOCIATION OF ABORIGINAL AND TORRES STRAIT ISLANDER  
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**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2021**

	Note	2021 \$	2020 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Government grants received		2,134,224	2,244,498
National conference receipts		43,500	126,136
Sale of merchandise		4,525	11,388
Sundry receipts		219,686	99,788
Interest received		1,282	1,015
Payments to suppliers and employees		<u>(1,831,069)</u>	<u>(2,439,269)</u>
<b>Net cash provided by operating activities</b>	12b	<b><u>572,148</u></b>	<b><u>43,556</u></b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Fixed asset purchases		(110,205)	(12,324)
Fixed asset disposals		<u>-</u>	<u>-</u>
<b>Net cash used in investing activities</b>		<b><u>(110,205)</u></b>	<b><u>(12,324)</u></b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Lease repayments		<u>(64,228)</u>	<u>(54,916)</u>
<b>Net cash used in financing activities</b>		<b><u>(64,228)</u></b>	<b><u>(54,916)</u></b>
Net (decrease) increase in cash held		397,715	(23,684)
Cash at beginning of year		<u>224,718</u>	<u>248,402</u>
<b>Cash at end of year</b>	12a	<b><u>622,433</u></b>	<b><u>224,718</u></b>

The accompanying notes form part of this financial report.

**NATIONAL ASSOCIATION OF ABORIGINAL AND TORRES STRAIT ISLANDER  
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ABN 61 138 748 697**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

**NOTE 1: SIGNIFICANT ACCOUNTING POLICIES**

During the year the National Aboriginal and Torres Strait Islander Health Workers Association Limited changed its name to the National Association of Aboriginal and Torres Strait Islander Health Workers and Practitioners Limited. As of 1 July 2020 the company also became a registered charity in accordance with the requirements of the Australian Charities and Not-for-profits Commission Act 2012.

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**

National Association of Aboriginal and Torres Strait Islander Health Workers and Practitioners Limited ('NAATSIHWP' or 'the company') 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**

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB'), the Australian Charities and Not-for-profits Commission Act 2012 and associated regulations, as appropriate for not-for-profit oriented entities.

The financial statements 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.

**Revenue Recognition**

NAATSIHWP recognises revenue as follows:

*Revenue from contracts with customers*

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: 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.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are initially recognised as deferred revenue in the form of a separate refund liability.

**NATIONAL ASSOCIATION OF ABORIGINAL AND TORRES STRAIT ISLANDER  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

**NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*Grant revenue*

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

*Sale of goods*

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

*Interest*

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

*Other revenue*

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

**Income Tax**

As the incorporated association is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

**Property, Plant and Equipment**

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

*Plant and Equipment*

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised in profit or loss during the financial period in which they are incurred.

*Depreciation*

Depreciation of computer equipment assets is calculated on a diminishing value basis over the asset's useful life. Depreciation of other fixed assets is calculated on a straight-line basis to write off the net cost of each asset. The depreciation rates used for each class of depreciable asset are:

<b><i>Class of plant and equipment</i></b>	<b><i>Depreciation Rate</i></b>
Fixtures & Fittings	10-25%
Office Equipment	10-25%
Computer Equipment	33-50%

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

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the incorporated association. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

**NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Impairment of Assets**

At the end of each reporting period, the company assesses whether there is any indication that an asset may be impaired. The assessment will consider both external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of that asset, being the higher of the asset's fair value less costs to sell and its value-in-use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is immediately recognised in profit or loss.

**Cash and Cash Equivalents**

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

**Trade and other receivables**

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

**Inventories**

Inventory is stated at the lower of cost and net realisable value.

Stock in transit is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business the estimated costs necessary to make the sale.

**Trade and other payables**

These amounts represent liabilities for goods and services provided to the company 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.

**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.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

**NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*Defined contribution superannuation expense*

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

**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.

**Comparative Figures**

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

Where the company has retrospectively applied an accounting policy, made a retrospective restatement or reclassified items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 2: REVENUE</b>		
Operating activities		
DoHA funding	1,940,204	1,915,305
National Conference income	-	114,669
<b>Total operating activities</b>	<b>1,940,204</b>	<b>2,029,974</b>
Interest received	1,282	1,015
Contract income	179,688	-
Sundry income	63,400	90,716
Merchandise income	4,114	10,353
<b>Total revenue</b>	<b>2,188,688</b>	<b>2,132,058</b>

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ABN 61 138 748 697**

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	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 3: PROFIT FROM OPERATIONS</b>		
Profit from ordinary activities before income tax expenses has been determined after:		
Expenses:		
Administration and related		
- Merchandise related	46,853	6,636
- Depreciation and amortisation of property, plant and equipment	125,350	103,946
- Accommodation and office (including IT and Training)	156,887	107,062
- Disposal of assets	20,273	-
- Leasing interest	7,420	10,604
	<u>356,783</u>	<u>228,248</u>
 Employee benefits		
- Administration	130,517	112,732
- Program	856,871	827,137
	<u>987,388</u>	<u>939,869</u>
 Governance and related		
- Training	7,970	10,015
- Board meeting travel	23,428	59,956
- Insurance	12,629	12,437
- Legal	4,081	3,906
- Consultant	7,877	6,588
- Audit	10,825	14,338
- Others	18,216	20,224
	<u>85,026</u>	<u>127,464</u>
 Member support and related (including cost of forums representation and support of members)		
- General program	77,214	292,746
- Marketing	56,446	110,237
- Research and Development	163,770	-
- Consulting	3,435	9,504
- Legal	-	209,415
- Travel related	70,546	208,220
	<u>371,411</u>	<u>830,122</u>
 <b>Total expenses</b>	<b>1,800,608</b>	<b>2,125,703</b>

The Merchandise related expenses included the write-down of inventory balance of \$38,318 in the year ended 30 June 2021. In 2020, the write-down of inventory balance o \$3,880 was included in Marketing expenses.

Employee benefits – administration expenses included \$15,204 of annual leave cost in the year ended 30 June 2021. In 2020, the annual leave cost of \$19,857 was included in Accommodation and office.

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	<b>2021</b>	<b>2020</b>
	\$	\$
<b>NOTE 4: TRADE AND OTHER RECEIVABLES</b>		
Trade debtors	55,181	18,054
GST receivable	12,790	2,662
Cab charge bond	200	200
Rental bond	15,369	-
	<b>83,540</b>	<b>20,916</b>
<b>NOTE 5: INVENTORIES</b>		
Merchandises	15,890	61,271
	<b>15,890</b>	<b>61,271</b>
<b>NOTE 6: PROPERTY, PLANT AND EQUIPMENT</b>		
Fixtures and fittings – at cost	73,774	71,258
Less accumulated depreciation	(48,179)	(32,255)
	<b>25,595</b>	<b>39,003</b>
Computer equipment – at cost	119,292	113,594
Less accumulated depreciation	(29,000)	(70,488)
	<b>90,292</b>	<b>43,106</b>
Office equipment – at cost	42,295	36,015
Less accumulated depreciation	(28,173)	(21,316)
	<b>14,122</b>	<b>14,699</b>
	<b>130,009</b>	<b>96,808</b>

*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.

	Fixtures and Fittings	Office Equipment	Computer Equipment	Total
	\$	\$	\$	\$
<b>Balance at 1 July 2019</b>	<b>53,110</b>	<b>17,882</b>	<b>54,125</b>	<b>125,117</b>
Additions	-	3,545	7,814	11,359
Disposal	-	-	-	-
Depreciation expense	(14,107)	(6,728)	(18,833)	(39,668)
<b>Balance at 30 June 2020</b>	<b>39,003</b>	<b>14,699</b>	<b>43,106</b>	<b>96,808</b>
Additions	2,516	6,280	101,409	110,205
Disposal	-	-	(20,272)	(20,272)
Depreciation expense	(15,924)	(6,857)	(33,951)	(56,732)
<b>Balance at 30 June 2021</b>	<b>25,595</b>	<b>14,122</b>	<b>90,292</b>	<b>130,009</b>

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	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 7: RIGHT OF USE ASSETS</b>		
Right of use assets – at cost	287,930	302,843
Less accumulated amortisation	(188,867)	(120,249)
	<u><b>99,063</b></u>	<u><b>182,594</b></u>
<b>Balance at 1 July 2020</b>		<b>182,594</b>
Amortisation expense		(68,618)
Reclassification		(14,913)
<b>Balance at 30 June 2021</b>		<u><b>99,063</b></u>
<b>NOTE 8: TRADE AND OTHER PAYABLES</b>		
Trade creditors	60,500	24,211
Accruals	12,584	11,363
Other payables	24,676	46,668
	<u><b>97,760</b></u>	<u><b>82,242</b></u>
<b>NOTE 9: LEASE LIABILITIES</b>		
Current	102,038	64,490
Non-current	19,757	121,533
	<u><b>121,795</b></u>	<u><b>186,023</b></u>
Lease liabilities relate to the lease of office space, office equipment and a motor vehicle		
<b>NOTE 10: PROVISIONS</b>		
Annual Leave	105,054	89,850
Long Service Leave	23,770	-
	<u><b>128,824</b></u>	<u><b>89,850</b></u>
<b>NOTE 11: DEFERRED REVENUE</b>		
National Conference	39,545	-
	<u><b>39,545</b></u>	<u><b>-</b></u>
<b>NOTE 12: CASH FLOW INFORMATION</b>		
a. Reconciliation of cash		
Cash on hand	1,251	924
Cash at bank	621,182	223,794
	<u><b>622,433</b></u>	<u><b>224,718</b></u>

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	2021 \$	2020 \$
<b>NOTE 12: CASH FLOW INFORMATION (CONTINUED)</b>		
b. Reconciliation of cash flow from operating activities		
<b>Surplus:</b>	388,080	6,355
<b>Non-cash flows in (deficit) / surplus from ordinary activities:</b>		
Depreciation and amortisation	125,350	103,946
Disposal of assets	20,273	-
Reclassification	14,913	
<b>Changes in assets and liabilities:</b>		
(Increase)/decrease in receivables and prepayments	(115,886)	99,676
(Increase)/decrease in inventories	45,381	37,986
Increase/(decrease) in creditors	15,518	(188,810)
Increase/(decrease) in provisions	38,974	19,858
Increase/(decrease) in deferred revenue	39,545	(35,455)
<b>Net cash provided by operating activities</b>	<b><u>572,148</u></b>	<b><u>43,556</u></b>

**NOTE 13. RELATED PARTIES TRANSACTIONS**

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

Transactions with related parties:

	Salary & Fees \$	Short-term benefits Superannuation contributions \$	Total \$
<b>Key Management Personnel Summary</b>			
2021	378,310	34,831	413,141
Total compensation	<b><u>378,310</u></b>	<b><u>34,831</u></b>	<b><u>413,141</u></b>
2020	344,767	32,753	377,520
Total compensation	<b><u>344,767</u></b>	<b><u>32,753</u></b>	<b><u>377,520</u></b>

**NOTE 14: DEPARTMENT OF HEALTH GRANT SPENDING**

	Cumulative 2018 – 2021 \$	Cumulative 2018 – 2020 \$	Cumulative 2018 – 2019 \$
Department of Health grant received	5,742,509	3,802,305	1,887,000
Grant expenditure	5,747,255	4,133,982	2,014,917
<b>(Overspent)</b>	<b><u>(4,746)</u></b>	<b><u>(331,677)</u></b>	<b><u>(127,917)</u></b>

NAATSIHWP is a party to a four year funding agreement with the Department of Health for the period 1 July 2018 to 30 June 2022. Under this agreement, NAATSIHWP has received funding of \$5,742,509 (excl GST) to 30 June 2021. Grant expenditure was \$5,747,255 to 30 June 2021.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 15. FINANCIAL INSTRUMENTS**

**Interest Rate Risk**

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

**Credit Risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. The company has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The company obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The company does not hold any collateral.

The company has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the company based on recent sales experience, historical collection rates and forward-looking information that is available.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

**Liquidity Risk**

The company's financial liabilities are trade and other creditors. The exposure to liquidity risk is based on the notion that the company will encounter difficulty in meeting its obligations associated with financial liabilities. This is highly unlikely due to the nature of the business and sufficient cash reserves.

**Market Risk**

The company holds basic financial instruments that are not exposed to certain market risks. The company is not exposed to 'interest rate risk', 'currency risk' or 'other price risk' other than what is stated above.

**NOTE 16. ECONOMIC DEPENDENCE**

Economic dependence exists where the normal trading activities depends upon a significant volume of business. NAATSIHWP is dependent on grants from the Department of Health to carry out its normal activities. It is noted that NAATSIHWP has grant funding up to 30 June 2022 with an agreement executed on 26 July 2018.

**NOTE 17. COMPANY DETAILS**

The principal place of business of the Company is:

National Association of Aboriginal and Torres Strait Islander Health Workers and Practitioners  
Ground Floor, 31-37 Townshend Street  
PHILLIP ACT 2606

**NOTE 18: EVENTS OCCURRING AFTER THE REPORTING DATE**

No matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

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**NOTE 19: CONTRIBUTION ON WINDING UP**

The Company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to make a maximum contribution of \$10.00 towards meeting any outstanding obligations. At 30 June 2021, the total maximum amount that members of the company are liable to contribute if the Company is wound up is \$10,180 (2020: \$9,600).

Due to a change in membership definitions (Categories) the maximum amount that members of the company are liable to contribute if the company is wound up is now calculated for Full Members only.