

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

ABN 61 138 748 697

**FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2017**

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

ABN 61 138 748 697

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**NATIONAL ABORIGINAL AND TORRES STRAIT ISLANDER HEALTH WORKERS ASSOCIATION
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DIRECTORS' REPORT

Your directors present their report on the company for the financial year ended 30 June 2017.

DIRECTORS

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

Josslyn Tully – Chairperson

Christine Ingram – Treasurer

Thelma Weston – Secretary

Yancy Laifoo

Jacob Prehn (Appointed on 6 October 2016)

Naomi Zaro (Appointed on 6 October 2016)

Robert Dann (Appointed on 14 November 2016)

Natalie Pangquee (Appointed on 3 March 2017)

David Follent (Appointed on 3 April 2017)

Emma Robertson (Resigned on 3 August 2016)

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 awareness of NATSIHWA as the peak body for the ATSIHW profession.

Objective 2: To strength the quality and effectiveness of professional support for members.

Objective 3: To strength the effectiveness of our relationships with external stakeholders.

Objective 4: To strength our leadership in advocating on behalf of ATSIHWs.

STRATEGY FOR ACHIEVING THE OBJECTIVES

Objective1:

Promote public understanding of the definition of a NATSIHW and NATSIHWA member eligibility.

Develop and implement a national membership recruitment campaign.

Objective 2:

Provide up to date and relevant professional information through a variety of formats on a consistent basis, including matters such as:

- NATSIHWA activities
- Current national policy and initiatives
- National registration and accreditation
- Scope of practice
- Provide input into educational events, resources and learning opportunities for ATSIHWs that contribute to their professional development.
- Encourage and support the development of discipline-specific networking for ATSIHWs in liaison with other key stakeholders.
- Explore the viability of establishing state and territory branches of NATSIHWA.
- Facilitate professional networking among members in liaison with other key stakeholders.

**NATIONAL ABORIGINAL AND TORRES STRAIT ISLANDER HEALTH WORKERS ASSOCIATION
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DIRECTORS' REPORT (CONTNUED)

Objective 3:

Develop and implement a public relations strategy aimed at a broad range of external stakeholders that:

- Markets NATSIHWA's identity and role.
- Fosters regular, transparent and respectful communication with external stakeholders.
- Enables NATSIHWA participation in external stakeholder activities.
- Facilitates mutual support and shared visions for the ATSIHW profession.
- Identify and create opportunities for cooperation and collaboration with relevant stakeholders who support NATSIHWA initiatives.

Objective 4:

Collaborate with relevant stakeholders in articulating and promoting the scope of practice of ATSIHWs (noting jurisdictional implications)

- Promote the benefits of employing and supporting ATSIHWs across the health sectors.
- Represent and participate in policy and planning committees and working groups addressing ATSIHW workforce business.
- Advocate for appropriate ATSIHW education, training and professional development.
- Represent and participate in reviews of ATSIHW education and training.

Principal Activity

The principal activity of the company during the financial year was to promote and develop Aboriginal and Torres Strait Islander Health Workers through advocacy on workforce issues including recruitment and retention strategies, accreditation and registration and appropriate education. Training and development needs.

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

MEETINGS OF DIRECTORS

DIRECTORS' MEETINGS

DIRECTORS	Number eligible to attend	Number attended
Josslyn Tully	5	5
Christine Ingram	5	5
Thelma Weston	5	4
Yancy Laifoo	5	5
Jacob Prehn	3	3
Naomi Zaro	3	3
Robert Dann	3	3
Natalie Pangquee	1	1
David Follent	1	1
Emma Robertson	0	0

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 2017, the total maximum amount that members of the company are liable to contribute if the company is wound up is \$7,140 (2016: \$11,760).

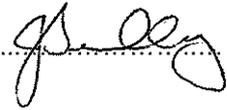
NATIONAL ABORIGINAL AND TORRES STRAIT ISLANDER HEALTH WORKERS ASSOCIATION
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A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 8.

Josslyn Tully

Director



Dated this... 30 ...day of... AUGUST...2017

Christine Ingram

Treasurer



Dated this... 30th ...day of... AUGUST...2017

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INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF NATIONAL ABORIGINAL AND TORRES STRAIT ISLANDER HEALTH WORKERS ASSOCIATION LIMITED****Opinion**

We have audited the financial report of National Aboriginal and Torres Strait Islander Health Workers Association Limited ("the company"), which comprises the statement of financial position as at 30 June 2017, 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 is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2017 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Other Information

The directors 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 2017, 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.

Other Information (continued)

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

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

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Corporations Act 2001 and is appropriate to meet the needs of the members. The directors' responsibility also includes 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. This description forms part of our auditor's report.

**RSM Australia Partners****RODNEY MILLER**
Partner

Canberra, Australian Capital Territory
Dated: 29 August 2017

RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of National Aboriginal and Torres Strait Islander Health Workers Association Limited for the year ended 30 June 2017, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

RSM Australia Partners

RSM Australia Partners



RODNEY MILLER
Partner

Canberra, Australian Capital Territory
Dated: 29 August 2017

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DIRECTORS DECLARATION

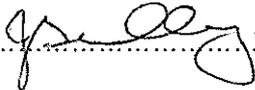
In the director's opinion:

1. the attached financial statements and notes comply with the *Corporations Act 2001*, the Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
2. the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in Note 1 to the financial statements;
3. the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2017 and of its performance for the financial year ended on that date; and
4. there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

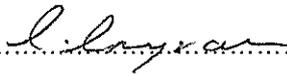
On behalf of the directors

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

Director: 

Josslyn Tully

Dated this..... 30 day of..... AUGUST 2017

Treasurer: 

Christine Ingram

Dated this..... 30th day of..... AUGUST 2017

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**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2017**

	Note	2017 \$	2016 \$
Revenue	2	1,404,357	1,357,956
Employee benefits		(588,064)	(615,186)
Depreciation	3	(4,679)	(8,511)
Training		(29,402)	-
Travel		(222,616)	(219,462)
Program related		(191,210)	(80,454)
Rent		(29,640)	(29,640)
Accounting		(13,054)	(15,346)
Marketing and media		(29,165)	(30,181)
IT		(19,986)	(26,080)
Subcontractors		-	(8,663)
Consultancy fees		(14,390)	(51,247)
Legal		(134,050)	(17,177)
Other expenses		(79,643)	(128,621)
CURRENT YEAR SURPLUS		48,458	127,389
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME		48,458	127,389

The accompanying notes form part of this financial report.

**NATIONAL ABORIGINAL AND TORRES STRAIT ISLANDER HEALTH WORKERS ASSOCIATION
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**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017**

	Note	2017 \$	2016 \$
CURRENT ASSETS			
Cash and cash equivalents	9a	262,384	263,797
Trade and other receivables	5	122,387	24,193
TOTAL CURRENT ASSETS		<u>384,771</u>	<u>287,990</u>
NON-CURRENT ASSETS			
Property, plant and equipment	6	65,653	25,163
TOTAL NON-CURRENT ASSETS		<u>65,653</u>	<u>25,163</u>
TOTAL ASSETS		<u>450,424</u>	<u>313,153</u>
CURRENT LIABILITIES			
Trade and other payables	7	113,283	41,593
Provisions	8	46,819	29,696
TOTAL CURRENT LIABILITIES		<u>160,102</u>	<u>71,289</u>
TOTAL LIABILITIES		<u>160,102</u>	<u>71,289</u>
NET ASSETS		<u>290,322</u>	<u>241,864</u>
EQUITY			
Retained earnings		241,864	114,475
Current year earnings		48,458	127,389
TOTAL EQUITY		<u>290,322</u>	<u>241,864</u>

The accompanying notes form part of this financial report.

**NATIONAL ABORIGINAL AND TORRES STRAIT ISLANDER HEALTH WORKERS ASSOCIATION
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**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2017**

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2015	114,475	114,475
Surplus from operations	127,389	127,389
Balance at 30 June 2016	241,864	241,864
Surplus from operations	48,458	48,458
Balance at 30 June 2017	290,322	290,322

The accompanying notes form part of this financial report.

**NATIONAL ABORIGINAL AND TORRES STRAIT ISLANDER HEALTH WORKERS ASSOCIATION
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**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2017**

	Note	2017 \$	2016 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Government grants received		1,510,429	1,480,518
Sundry receipts		(69,308)	46,999
Interest received		4,980	3,848
Payments to suppliers and employees		(1,402,345)	(1,369,794)
Net cash provided by operating activities	9b	<u>43,756</u>	<u>161,571</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed asset purchases		(45,169)	(6,072)
Net cash (used in) investing activities		<u>(45,169)</u>	<u>(6,072)</u>
Net (decrease) increase in cash held		(1,413)	155,499
Cash at beginning of year		263,797	108,298
Cash at end of year	9a	<u><u>262,384</u></u>	<u><u>263,797</u></u>

The accompanying notes form part of this financial report.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

The financial statements cover National Aboriginal and Torres Strait Islander Health Workers Association Limited as an individual entity. National Aboriginal and Torres Strait Islander Health Workers Association Limited is a company incorporated under the *Corporations Act 2001*.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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

New or amended Accounting Standards and Interpretations adopted

The 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 and Interpretations issued by the Australian Accounting Standards Board ('AASB'), and the Corporations Act 2001, as appropriate for not-for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

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.

Accounting Policies

a. Income Tax

The Corporation is exempt from income tax under subdivision 50-B of the *Income Tax Assessment Act 1997*.

b. Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value 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 association 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

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, is depreciated on a diminishing value basis over the asset's useful life commencing from the time the asset is available for use as opposed to the straight line basis adopted in prior year. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

b. Property, plant and equipment (continued)

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

<i>Class of Fixed Asset</i>	<i>Depreciation Rate</i>
Fixtures & Fittings	10-20%
Office Equipment	10-20%
Computer Equipment	10-25%

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation relating to that asset are transferred to retained earnings.

c. Financial instruments

Initial recognition and measurement

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

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost. *Fair value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

i) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

ii) *Financial liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Impairment

At the end of each reporting period, the association assesses whether there is objective evidence that a financial instrument has been impaired.

Derecognition

Financial assets are derecognised where the contractual right to receipt of cash flows expires or the asset is transferred to another party, whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

d. Impairment of Assets

At the end of each reporting period, the association 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.

e. Employee Benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

f. 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.

g. Revenue

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Grant revenue is recognised upon the incurrence of the obligation to meet an expense to which the purpose of the grant relates.

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

h. 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.

i. 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

j. New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 30 June 2017. The company's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the company, are set out below.

AASB 15 Revenue from Contracts with Customers

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard will require: contracts (either written, verbal or implied) to be identified, together with the separate performance obligations within the contract; determine the transaction price, adjusted for the time value of money excluding credit risk; allocation of the transaction price to the separate performance obligations on a basis of relative stand-alone selling price of each distinct good or service, or estimation approach if no distinct observable prices exist; and recognition of revenue when each performance obligation is satisfied. Credit risk will be presented separately as an expense rather than adjusted to revenue. For goods, the performance obligation would be satisfied when the customer obtains control of the goods. For services, the performance obligation is satisfied when the service has been provided, typically for promises to transfer services to customers. For performance obligations satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied. Contracts with customers will be presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Sufficient quantitative and qualitative disclosure is required to enable users to understand the contracts with customers; the significant judgments made in applying the guidance to those contracts; and any assets recognised from the costs to obtain or fulfil a contract with a customer. The company will adopt this standard from 1 July 2018 but the impact of its adoption is yet to be assessed by the company.

AASB 16 Leases

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The company will adopt this standard from 1 July 2019 but the impact of its adoption is yet to be assessed by the company.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

j. New Accounting Standards and Interpretations not yet mandatory or early adopted (continued)

AASB 1058 Income of Not-for-Profit Entities

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 1004 Contributions and clarifies the treatment of the receipt of income by not-for-profit entities. Income received where there is an associated performance obligation should be recognised in line with the principles of AASB 15, whereas donations with no future obligation may be recognised immediately. In cases where assets or services that was received below market value, such assets or services should be recognised at fair value. When an entity receives volunteer services and can reliably measure the fair value of those services, the entity may elect to recognise the services as an asset (provided the relevant asset recognition criteria are met) or an expense. Local governments, government departments, general government sectors (GGSs) and whole of governments are required to recognise volunteer services if they would have been purchased if not provided voluntarily and the fair value of those services can be measured reliably. The company will adopt this standard from 1 July 2019 but the impact of its adoption is yet to be assessed by the company.

NOTE 2. REVENUE

	2017	2016
	\$	\$
Operating activities		
DoHA funding	1,345,925	1,345,925
National Conference income	27,192	-
Total operating activities	<u>1,373,117</u>	<u>1,345,925</u>
Interest received	4,980	3,848
Sundry income	26,260	8,183
Total revenue	<u>1,404,357</u>	<u>1,357,956</u>

NOTE 3. PROFIT FROM OPERATIONS

Profit from ordinary activities before income tax expense has been determined after:

Expenses:		
Depreciation of property, plant and equipment	4,679	8,511
Operating lease payments	31,065	32,796
	<u>35,744</u>	<u>41,307</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

NOTE 4. AUDITOR'S REMUNERATION

Remuneration of the auditor for:

	2017	2016
	\$	\$
Audit of the financial report	10,750	10,750
	10,750	10,750

NOTE 5. TRADE AND OTHER RECEIVABLES

Trade debtors	-	-
GST receivable	19,964	11,278
Prepayments	102,223	12,715
Bonds	200	200
	122,387	24,193

NOTE 6. PROPERTY, PLANT AND EQUIPMENT

Fixtures and fittings – at cost	17,943	8,047
Less accumulated depreciation	(4,005)	(3,242)
	13,938	4,805
Computer equipment – at cost	67,677	33,187
Less accumulated depreciation	(27,011)	(24,300)
	40,666	8,887
Office equipment – at cost	20,029	19,246
Less accumulated depreciation	(8,980)	(7,775)
	11,049	11,471
	65,653	25,163

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

NOTE 6. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

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
	\$	\$	\$	\$
Balance at 1 July 2015	3,402	9,371	14,829	27,602
Additions	2,257	3,815	-	6,072
Depreciation expense	(854)	(1,715)	(5,942)	(8,511)
Balance at 30 June 2016	4,805	11,471	8,887	25,163
Additions	9,896	783	34,490	45,169
Depreciation expense	(763)	(1,205)	(2,711)	(4,679)
Balance at 30 June 2017	13,938	11,049	40,666	65,653

NOTE 7. TRADE AND OTHER PAYABLES

	2017	2016
	\$	\$
Trade creditors	80,093	10,010
Accruals	18,410	15,623
Deferred revenue	-	2,727
Other payables	14,780	13,233
	113,283	41,593

NOTE 8. PROVISIONS

Annual Leave	46,819	29,696
	46,819	29,696

NOTE 9. CASH FLOW INFORMATION

a. Reconciliation of cash

Cash on hand	500	500
Cash at bank	261,884	263,297
	262,384	263,797

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

NOTE 9. CASH FLOW INFORMATION (CONTINUED)

b. Reconciliation of cash flow from Operating Activities with current year surplus

	2017	2016
	\$	\$
Surplus:	48,458	127,389
Non-cash flows in profit from ordinary activities:		
Depreciation	4,679	8,511
Other non-cash items	-	-
Changes in assets and liabilities:		
(Increase)/Decrease in receivables	(98,194)	37,997
Increase/(Decrease) in creditors	71,690	(34,655)
Increase/(Decrease) in provisions Increase/ (Decrease) in grants in advance	17,123	22,329
	-	-
Net cash provided by operating activities	<u>43,756</u>	<u>161,571</u>

NOTE 10. COMMITMENTS

Operating lease commitments payable:

- not later than one year	29,460	24,700
- later than one year, but no later than 5 years	-	-
	<u>29,460</u>	<u>24,700</u>

NOTE 11. 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
	\$	\$	\$
Key Management Personnel Summary			
2017	159,100	15,115	174,215
Total compensation	<u>159,100</u>	<u>15,115</u>	<u>174,215</u>
2016	140,000	13,300	153,300
Total compensation	<u>140,000</u>	<u>13,300</u>	<u>153,300</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

NOTE 12. FINANCIAL INSTRUMENTS

Interest Rate Risk

The association'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

The association is exposed to minimal credit risk as loans and receivables are cash and trade receivables. The maximum exposure to credit risk at reporting date in relation to each class of recognised financial assets is the carrying amount of those assets as indicated in the Balance Sheet.

Liquidity Risk

The association's financial liabilities are trade and other creditors. The exposure to liquidity risk is based on the notion that the association 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 association holds basic financial instruments that are not exposed to certain market risks. The association is not exposed to 'interest rate risk', 'currency risk' or 'other price risk' other than what is stated above.

NOTE 13. ECONOMIC DEPENDENCE

Economic dependence exists where the normal trading activities of a company depends upon a significant volume of business. NATSIHWA is dependent on grants from the Department of Health to carry out its normal activities. It is noted that NATSIHWA has received approval from the Department of Health for grant funding for an additional 1 year beyond 30 June 2017 with an agreement executed 1 October 2015.

NOTE 14. ASSOCIATION DETAILS

The principal place of business of the Corporation is:

National Aboriginal and Torres Strait Islander Health Workers Association
Suite 2, Level 1, 31-37 Townshend Street
PHILLIP ACT 2606

NOTE 15: EVENTS OCCURRING AFTER THE REPORTING DATE

No matter or circumstance has arisen since 30 June 2017 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.

NOTE 16: 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 2017, the total maximum amount that members of the company are liable to contribute if the company is wound up is \$7,140 (2016: \$11,760).