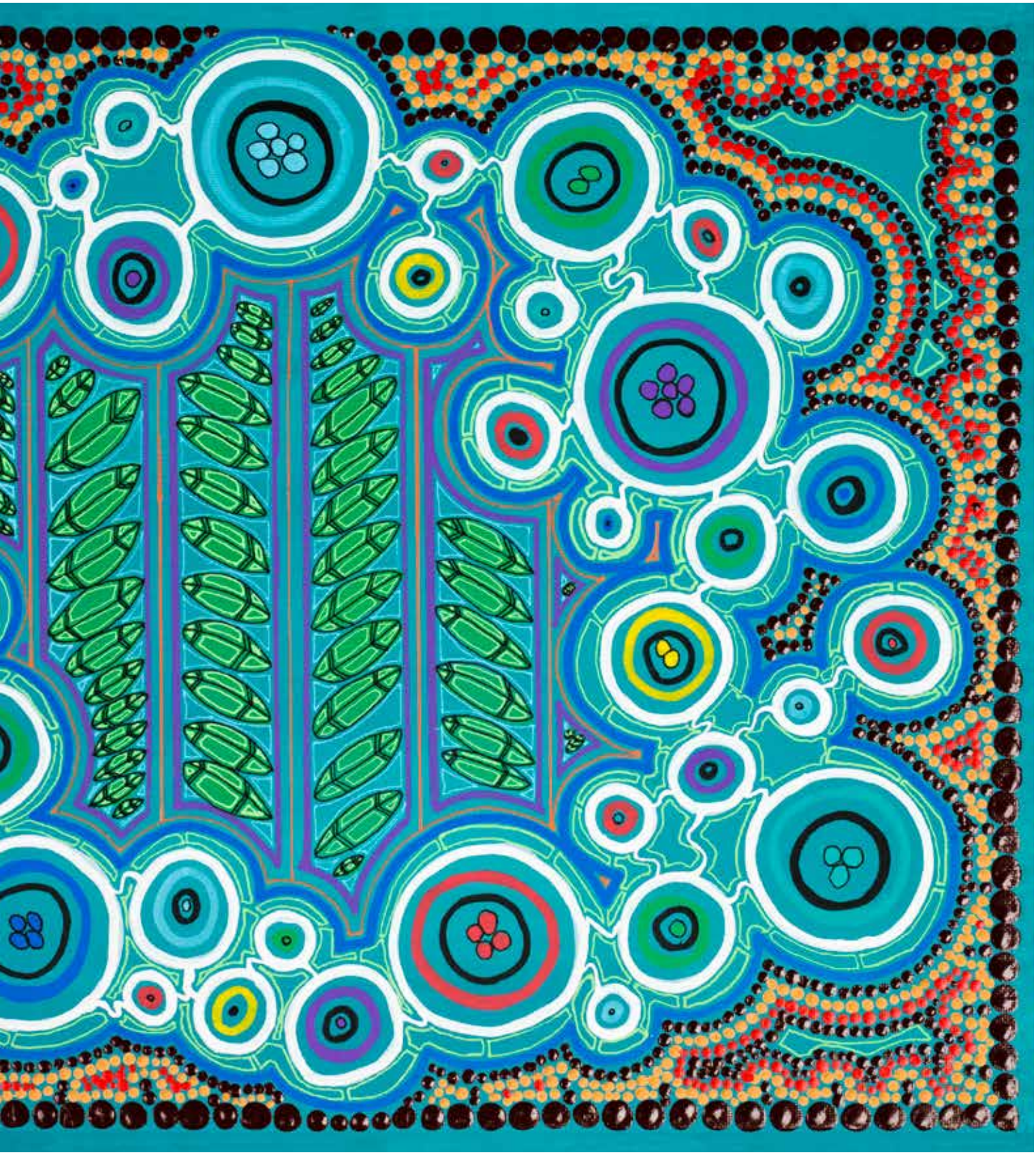
The Aboriginal Health & Medical Research Council of NSW

Annual Report 2013-14



Our Performance

Aboriginal Health and Medical Research Council of New South Wales

Financial Report for the Year Ended 30 June 2014

[ABN 66 085 654 397]

Contents

Notes to the Financial Statements

Directors' Report

Your Directors present this report on the Aboriginal Health and Medical Research Council of NSW (AH&MRC) for the financial year ended 30 June 2014.

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

Central Coast	Catherine Sinclair	Retired October 2013
Central Coast	Roy Ah, See	Elected October 2013
Central Tablelands	Donna Taylor	
Central West	Tim Horan	
Far South Coast	Anne Greenaway	
Far West	Pam Handy	
Illawarra	Craig Ardler	
Lower Central West	Valda Keed	
Metropolitan	Dea Delaney-Thiele	Retired October 2013
Metropolitan	Bradley Delaney	Elected October 2013
Murray River	Rochelle Patten	Retired October 2013
Murray River	Valdra Murray	Elected October 2013
North Coast	David Kennedy	Retired October 2013
North Coast	Scott Monagahan	Elected October 2013
North West	Christine Corby	
Riverina	Selena Lyons	

The Company's Principal Activities

The principal activities of the AH&MRC during the financial year were to:

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

The company's short-term objectives are to:

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

The company's long-term objectives are to:

- Improve the health of Aboriginal peoples across NSW;
- Increase Aboriginal people's access to ACCHSs, which provide culturally appropriate and high-quality comprehensive primary health care.
- Increase acceptance and respect for Aboriginal Community Control as a best-practice model for achieving Aboriginal health improvement.
- Achieve universal recognition of the AH&MRC as the lead representative organisation on Aboriginal health in NSW.

To achieve these objectives, the company has adopted the following strategies:

- Advocate for early and active involvement, including local level involvement, in all decision-making processes that impact on the health of Aboriginal people in NSW.
- Develop, refine and promote AH&MRC policy positions that respond to the aspirations and needs of ACCHSs and current health environment and policy agendas.
- Foster and support strong leadership, governance and management within the AH&MRC and member ACCHSs.
- Support AH&MRC member ACCHSs with high-quality practical and technical advice that helps maximise funding opportunities to develop, extend or strengthen sustainable health programs and services that reflect the priority needs of their communities.

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

Key Performance Measures

Activity	Actual	2014 Benchmark
Hold quarterly meetings of the AH&MRC Board of Directors and an Annual General Meeting (AGM)	100%	100%
Hold quarterly Financial and Risk Management Committee meetings	100%	100%
All of the new AH&MRC Directors will be provided with a Directors' induction manual and orientation program	100%	100%
Hold meetings of the AH&MRC Ethics Committee every eight weeks	100%	100%
Ensure all AH&MRC annual reports to funding bodies are submitted in accordance with the Accounting and Auditing Standards	100%	100%
Ensure that quarterly Financial Statements, in accordance with the standards set by the Committee, are presented to the AH&MRC Finance and Risk Management Committee as well as the Board of Directors	100%	100%
Ensure the AH&MRC Compliance Register is current and accurate and all requirements are followed and reported to the Board of Directors	100%	100%
Comply with funding bodies' contractual and reporting requirements by producing a Business Plan	100%	100%
Achieve standards to ensure re-accreditation of the Aboriginal Health College as an RTO within the 5-year time frame	Yes	Yes
Ensure every employee will be employed against an approved position description	95%	100%
Increase percentage of Aboriginal staff working at the AH&MRC	55%	60%

Information on Directors

Mrs Christine Corby, Chairperson

Qualifications	Diploma in Health Sciences, University of Sydney; Graduate Diploma in Health Management, University of New England; Diploma of Business Management, Aboriginal Health College; Justice of the Peace.
Experience	Chief Executive Officer (CEO) of Walgett Aboriginal Medical Service Co-operative Limited; Director on the Board of the National Aboriginal Community Controlled Health Organisation (NACCHO); Committee member of the Far West NSW Medicare Local Limited (FWML) Chairperson (former) of Bila Muuji Aboriginal Health Service Incorporated; Chairperson of the Walgett Gamilaraay Aboriginal Community Working Party (WGACWP); Committee Member of Walgett School Reference Group; Committee member of NSW Health Ministerial Advisory Committee (HMAC) and NSW Kids and Families
Special Responsibilities	Chairperson, AH&MRC Board of Directors; Member of the AH&MRC Finance and Risk Management Committee (FARM); Member of the AH&MRC Standing Committee on Constitution Reform; Member of the Remuneration and Performance Appraisal Committee

Mr Craig Ardler, Illawarra

Experience	Current Chairman of the Booderee National Park (Joint Board); current Chairman of the Wreck Bay Aboriginal Community Council (WBACC); served on WBACC Executive on a number of occasions since 1989; previous member of WBACC Audit Committee; Previous Deputy Chairman of WBACC; previous ATSIC Regional Councillor

Ms Pam Handy, Far West

Qualifications	Associate Diploma in Adult Education, University of Technology, Sydney; Aboriginal Education Assistants Certificate, University of Sydney; Advanced Certificate in Koori Community Management and Development – Professional Development; Advanced Certificate in Koori Community Management & Development – Communication Skills; NSW Aboriginal Land Council Governance Training; Coomealla Health Aboriginal Corporation Governance Training.
Experience	Over thirty years' experience negotiating and advocating on behalf of the Aboriginal Communities at local, regional, state and national levels. Demonstrated active participation in Aboriginal Affairs, in particular community development.

Mr Tim Horan, Central West

Qualifications	Advanced Diploma in Business Management; Diploma of OHS; Member of the Australian Institute of Managers; Member of the Australia Institute of Company Directors
Experience	6 years' experience in the Aboriginal Community Controlled Health sector at local, regional, state and national levels; 5 years as AH&MRC Director; 9 years as Mayor of Coonamble Council
Special Responsibilities	Member of AH&MRC Remuneration and Performance Appraisal Committee.

Mrs Val Keed, Lower Central West

Qualifications	Accounting Certificate, TAFE.
Experience	Founding member of AH&MRC formerly AHRC; acted as either Director or Alternate Director for many years; founding member and current Chairperson of Peak Hill Aboriginal Medical Service; active member of a wide range of local and state Aboriginal organisations; long term participant in Aboriginal Health matters at local, regional, state and national levels
Special Responsibilities	Chairperson of AH&MRC Human Research Ethics Committee.

Ms Selena Lyons, Riverina

Qualifications	Diploma in Practice Management; Diploma in Legal Advocacy; Certificate IV in Medical Administration
Experience	CEO of Riverina Medical and Dental Aboriginal Corporation; 21 years engaged in planning and delivery of Aboriginal health programs
Special Responsibilities	Member of AH&MRC Remuneration and Performance Appraisal Committee; member of the AH&MRC Finance and Risk Management Committee (FARM).

Mrs Donna Taylor, Central Tablelands

Qualifications	Certificate IV of Business – Frontline Management
Experience	CEO Pius X Aboriginal Corporation since 2004. Over 15 years of active representation on a broad range Aboriginal issues, advocating and negotiating at local, regional, state, and national levels.

Anne Greenaway, Far South Coast

Qualifications	Bachelor of Arts, Masters of Letters (History); Diploma of Business (Management); Certificate IV Governance and Certificate IV in Training and Assessment.
Experience	Currently Deputy Chair, Katungul Aboriginal Corporation Community & Medical Services and Chief Executive Officer, Merrimans Local Aboriginal Land Council; Previous Chief Executive Officer, Katungul Aboriginal Corporation Community & Medical Services and South Coast Medical Service Aboriginal Corporation; Previous Director AH&MRC (9 Years). Over 15 year's experience in Aboriginal Community Controlled Health and active participation and representation on a wide range of Aboriginal Issues.
Special Responsibilities	Member of the AH&MRC Finance and Risk Management Committee (FARM).

Ms Valda Murray, Murray River

Qualifications	Assoc. Dip Applied Science in Aboriginal Health and Community Development Cumberland College, NSW; Graduate Certificate in Health (Diabetes Management) Flinders University SA; Certificate IV in Indigenous Community Management, Albury Wodonga Tafe, Victoria; Bachelor of Nursing, Deakin University Geelong; Certificate IV in Training and Assessment, Albury Tafe, Victoria; Governance Training for Board Members, AWAHS.
Experience	Over 25 years experience working in the area of health, the majority of which was spent as an Aboriginal Health Worker in a variety of roles; Currently Project officer for Hume Regional Integrated Cancer Services; AH&MRC Board member; Board member Albury Wodonga Aboriginal Health Service; member of Woomera Aboriginal Corporation; member Mungarbareena Corporation; member Albury Lands Council; Chair Albury Wodonga Aboriginal Community Working Party; Representative on the Albury Wodonga Aboriginal Health Reference Group.
Special Responsibilities	Elected Interim Member AH&MRC Remuneration and Performance Appraisal Committee 2014.

Mr Roy Ah See, Central Coast

Qualifications	Bachelor of Arts Degree (Social Welfare) Research Project, Newcastle University.
Experience	Deputy Chairperson, NSW Aboriginal Land Council; Deputy Chairperson of the Eleanor Duncan Aboriginal Medical Service in Wyong; AH&MRC Board Member; worked for various government and non-government organisations in the area of policy.

Mr Bradley Delaney, Metropolitan

Experience — Current Chairperson of the Aboriginal Medical Service, Western Sydney (7 Years), Board member for 18 years; Member of Deerubbin Local Aboriginal Land Council; Worked in various government and non-government roles in Aboriginal programs in health, justice and out of home care; Current Board member of the Western Sydney Medicare Local.

Special Responsibilities — Member of the AH&MRC Standing Committee on Constitution Reform.

Mr Scott Monagahan, North Coast

Experience — Active Board member of Bulgarr Ngaru Medical Aboriginal Corporation from 1996 to 2005; Appointed Chief Executive of Bulgarr Ngaru Medical Aboriginal Corporation in 2005, including Auspice and transition of Armajun Health service to independence from 2007 to 2013; Secretary, Many Rivers Alliance 2006 to 2013; 2011 endorsed as alternate director AH&MRC Board of Directors, for the North Coast Region; 2013 elected as Director, North Coast region for the AH&MRC.

Special Responsibilities — Member of the AH&MRC Standing Committee on Constitution Reform

Meetings of Directors

During the financial year, 4 meetings of directors were held. Attendances by each director were as follows:

Region	Name	Directors meetings eligible to attend	Directors meetings attended
Central Coast	Ms Catherine Sinclair*	1	1
Central Coast	Ah See, Roy**	3	1
Central Tablelands	Taylor, Donna	4	4
Central West	Horan, Tim	4	3
Far South Coast	Greenaway, Anne	4	4
Far West	Handy, Pam	4	1
Illawarra	Ardler, Craig	4	1
Lower Central West	Keed, Valda	4	4
Metropolitan	Delaney, Bradley**	3	3
Metropolitan	Delaney-Thiele, Dea*	1	0
Murray River	Murray, Valda**	3	3
Murray River	Patten, Rochelle*	1	0
North West	Corby, Christine	4	3
Riverina	Lyons, Selina	4	4
North Coast	Monagahan, Scott**	3	3
North Coast	Kennedy, David*	1	1

*Resigned as Director October 2013 (AGM)
** Elected as Director October 2013 (AGM)

Company Secretary

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

Ms Sandra Bailey — CEO, Aboriginal Health and Medical Research Council of NSW, has held the position of Company Secretary since 2006.

Mr John Hendry — Legal and Policy Officer, Aboriginal Health and Medical Research Council of NSW, has held the position of joint Company Secretary since May 2011.

Incorporation

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 contribute a maximum of $10 each towards meeting any outstanding obligations of the entity. At 30 June 2014, the total amount that members of the company are liable to contribute if the company is wound up is $490 (2013: $480).

Aboriginal Health & Medical Research Council of New South Wales

The lead auditor's independence declaration for the year ended 30 June 2014 has been received and can be found on page 42 of the financial report.

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

Mrs **Christine Corby**, OAM
Dated this 26th day of August 2014

Supported by the NSW Ministry of Health

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ABN 90 075 605 122

Chartered Accountants

Auditor's Independence Declaration Under S 307c of the Corporations Act 2001 to the Directors of the Aboriginal Health and Medical Research Council of New South Wales

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2014 there have been no contraventions:

i. of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. of any applicable code of professional conduct in relation to the audit.

A.F. Wallis & Co.
Chartered Accountants

A.F. Wallis

Dated this 26th day of August 2014

Liability limited by a scheme approved under Professional Standards Legislation

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Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2014

	NOTE	2014 $	2013 $
Revenue	2	9,258,809	10,661,633
Other income	2	809,271	949,338
Employee benefits expense		(5,165,898)	(4,934,909)
Travel and accommodation expense		(1,337,719)	(1,395,848)
Audit, legal and consultancy expense	3a	(995,100)	(1,162,627)
Rent and occupancy expense	3a	(728,597)	(674,636)
Venue expenses		(606,939)	(435,032)
Depreciation and impairment expense	3b	(371,164)	(203,842)
Repairs and maintenance expense		(288,037)	(249,930)
Program printing and promotion expenses		(224,607)	(330,309)
Printing and postage expense		(188,284)	(132,722)
Recruitment and training		(184,453)	(148,019)
Computer software and consumables expense		(134,920)	(86,170)
Other expense		(112,708)	(129,912)
Telephone expense		(43,410)	(39,929)
Motor vehicle running expense		(40,069)	(38,427)
Current year surplus/(deficit) before income tax		**(353,825)**	**1,648,659**
Tax expense	1i	-	-
Net current year surplus/(deficit)		(353,825)	1,648,659
Other comprehensive income			
Gain on revaluation of plant and equipment		-	-
Other comprehensive income for the year		-	-
Total other comprehensive surplus/(deficit) for the year		-	-
Net current year surplus/(deficit) attributable to members of the AH&MRC		(353,825)	1,648,659
Total comprehensive surplus/(deficit) attributable to members of the AH&MRC		(353,825)	1,648,659

The accompanying notes form part of these financial statements.

Statement of Financial Position as at 30 June 2014

Assets	NOTE	2014 $	2013 $
CURRENT ASSETS			
Cash on hand	4	7,755,895	7,429,134
Accounts receivable and other debtors	5	288,365	1,174,413
TOTAL CURRENT ASSETS		8,044,260	8,603,547
NON-CURRENT ASSETS			
Plant and equipment	6	435,702	323,387
Deposits		160,603	153,459
TOTAL NON-CURRENT ASSETS		596,305	476,846
TOTAL ASSETS		8,640,565	9,080,393
Liabilities			
CURRENT LIABILITIES			
Accounts payable and other payables	7	244,251	585,967
Provisions	9	1,839,236	1,586,658
TOTAL CURRENT LIABILITIES		2,083,487	2,172,625
NON-CURRENT LIABILITIES			
Provisions	9	42,819	39,684
Loan		85,000	85,000
TOTAL NON-CURRENT LIABILITIES		127,819	124,684
TOTAL LIABILITIES		2,211,306	2,297,309
NET ASSETS		6,429,259	6,783,084
Equity			
Retained surplus		6,429,259	6,783,084
TOTAL EQUITY		6,429,259	6,783,084

The accompanying notes form part of these financial statements.

Statement of Changes in Equity for the year ended 30 June 2014

	Note	Retained Surplus $	Total $
Balance at 1 July 2012		5,134,425	5,134,425
Comprehensive income			
Surplus for the year attributable to members of the AH&MRC		1,648,659	1,648,659
Other comprehensive income for the year		-	-
Total comprehensive income for the year attributable to members of the AH&MRC		1,648,659	1,648,659
Balance at 30 June 2013		**6,783,084**	**6,783,084**
Balance at 1 July 2014		**6,783,084**	**6,783,084**
Comprehensive income			
Surplus for the year attributable to members of the AH&MRC		(353,825)	(353,825)
Other comprehensive income for the year		-	-
Total comprehensive income attributable to members of the AH&MRC		(353,825)	(353,825)
Balance at 30 June 2014		**6,429,259**	**6,429,259**

The accompanying notes form part of these financial statements.

Statement of Cash Flows for the year ended 30 June 2014

Cash flow from operating activities	Note	2014	2013
Receipt of grants	2	9,050,630	10,394,477
Other income	2	809,271	949,338
Payments to suppliers and employees		(9,589,466)	(10,002,254)
Interest received	2	208,179	267,156
Net cash generated from operating activities	**14**	**478,614**	**1,608,717**
Cash flow from investing activities			
Proceeds from sale of plant and equipment	3b	76,000	39,000
Payment for plant and equipment		(227,853)	(210,674)
Net cash used in investing activities		(151,853)	(171,674)
Net increase in cash held		326,761	1,437,043
Cash on hand at beginning of the financial year		7,429,134	5,992,091
Cash on hand at end the of the financial year	4	7,755,895	7,429,134

The accompanying notes form part of these financial statements.

Notes to the Financial Statements for the year ended 30 June 2014

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

The financial statements were authorised for issue by the Directors of the AH&MRC on 26 August 2014.

Note 1: Summary of Significant Accounting Policies

Basis of Preparation

These general purpose financial statements have been prepared in accordance with the *Corporations Act 2001* and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The AH&MRC is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an 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 have been rounded to the nearest dollar.

Accounting Policies

a. Revenue

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

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

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

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

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

The AH&MRC receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss and other comprehensive income.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised as revenue when received.

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

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

b. Plant and Equipment

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

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

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

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

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over the asset's useful life to the AH&MRC commencing from the time the asset is available for use.

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

Class of Fixed Asset	Depreciation Rate
Plant and equipment	15% - 40%

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

c. Leases

Leases of property, where substantially all the risks and benefits incidental to the ownership of the asset but not the legal ownership are transferred to the AH&MRC, are classified as financial leases.

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

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

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

d. Impairment of Assets

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

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the AH&MRC would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an asset's class, the AH&MRC estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

Where an impairment loss on a revalued 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.

e. Employee Provisions

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

Other long-term employee provisions
Provision is made for employees' long service leave not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. The AH&MRC's obligations for long-term employee benefits are presented as non-current employee provisions in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12months after the end of the reporting period, in which case the obligations are presented as current provisions.

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

g. Accounts Receivable and Other Debtors
Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for services provided in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

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

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

k. Provisions
Provisions are recognised when the AH&MRC has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefit 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 the reporting period.

l. Comparative Figures

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

When the AH&MRC applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period must be disclosed.

m. Accounts Payable and Other Payables

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

n. Critical Accounting Estimates and Judgements

The Directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

Key Estimates

Impairment

The plant and equipment were independently valued at 17 June 2014 by Andrew Nock Pty Limited. The valuation was based on fair value less cost to sell.

At the 26 August 2014 meeting of the AH&MRC Board, the Directors reviewed the key assumptions made by the valuers at 17 June 2014. They have concluded that these assumptions remain materially unchanged, and are satisfied that the carrying amount does not exceed the recoverable amount of plant and equipment at 30 June 2014.

Key Judgments

Employee Benefits

For the purpose of measurement, AASB 119: *Employee Benefits* (September 2011) defines obligations for short-term employee benefits as obligations to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. The AH&MRC expects most employees will take their annual leave entitlements within 24 months of the reporting period in which they were earned, but this will not have a material impact on the amounts recognised in respect of obligations for employees' leave entitlements.

o. Economic Dependence

The AH&MRC is dependent on the Department of Health and Ageing and the NSW Ministry of Health for the majority of it's revenue used to operate the business. At the date of this report, the Board of Directors has no reason to believe that the said Departments will not continue to support and finance the AH&MRC.

p. New Accounting Standards for Application in Future Periods

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

- AASB 2013-3: Amendments to *AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets* (applicable for annual report periods commencing on or after 1 January 2014).

This standard amends the disclosure requirements in AASB 136: *Impairment of Assets* pertaining to the use of fair value in impairment assessment and is not expected to significantly impact the company's financial statements.

Note 2: Revenue and Other Income

	2014 $	2013 $
Revenue from government grants and other grants		
- State/federal government grants - operating	7,328,980	7,092,399
- Other organisations - operating	1,721,650	3,302,078
	9,050,630	10,394,477
Other revenue		
- Interest received on investments	208,179	267,156
Total Revenue	9,258,809	10,661,633

Other Income

- Gain on disposal of plant and equipment	-	-
- Charitable income and fundraising	106,150	786,104
- Royalties	36,198	32,351
- College activities	647,675	130,151
- Other	19,248	732
Total Other Income	809,271	949,338
Total Revenue and Other Income	10,068,080	11,610,971

Note 3: Surplus for the Year

a) Expenses	2014 $	2013 $
Rental expense on operating leases		
- minimum lease payments	578,202	475,975
- rates, utility and service charges	150,395	198,661
Total Rental Expenses	728,597	674,636
Audit, legal and consultancy expense		
- legal and professional fees	-	1,372
- audit fee	45,000	45,000
- consultancy expense	950,100	1,116,255
Total Audit, legal and Consultancy expense	995,100	1,162,627
Consultancy expense		
Dubbo Interim Services - Wellington Aboriginal Corporation Health Service	543,240	395,103
Other consultants	406,860	721,152
Total Consultancy expense	950,100	1,116,255

b) Significant Revenue and Expenses

Plant and equipment - depreciation and amortisation	39,200	82,107
Motor vehicles - depreciation and amortisation	52,634	39,821
Plant and equipment - impairment	239,487	58,208
Motor vehicles impairment	39,843	23,706
Total Depreciation and Impairment	371,164	203,842
Plan and equipment		
Proceeds on disposal	76,000	39,000
Disposal at carrying value	(44,374)	(13,446)
Net gain on disposals	31,626	25,554

Note 4: Cash on hand

Current	2014 $	2013 $
Cash at bank - unrestricted	7,755,795	7,429,034
Cash float	100	100
Total cash on hand as stated in the statement of financial position and statement of cash flows	7,755,895	7,429,134

Note 5: Accounts Receivable and Other Debtors

Current	Note	2014 $	2013 $
Accounts receivables		287,873	1,173,876
Provision for doubtful debts		-	-
		287,873	1,173,876
Other debtors		492	537
Total current accounts and other debtors	15	288,365	1,174,413

Credit Risk – Accounts Receivable and Other Debtors

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

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

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

		Past due but not impaired				
	Gross amount	< 30	31 – 60	61 – 90	> 90	Within initial trade terms
2014	$	$	$	$	$	$
Accounts receivable	287,873	251,803	4,850	2,500	28,720	251,803
Other debtors	492	492	-	-	-	492
Total	288,365	252,295	4,850	2,500	28,720	252,295
2013						
Accounts receivable	1,173,876	1,055,757	38,056	37,400	42,663	1,055,757
Other debtors	537	537	-	-		537
Total	1,174,413	1,056,294	38,056	37,400	42,663	1,056,294

Note 6: Plant and Equipment

Plant and Equipment	2014 $	2013 $
At cost	1,432,565	1,061,827
Less accumulated depreciation	(1,124,598)	(845,911)
	307,967	215,916
Motor vehicles		
At cost	255,680	257,737
Less accumulated depreciation	(127,945)	(150,266)
	127,735	107,471
Total plant and equipment	435,702	323,387

Movements in Carrying Amounts

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

	Motor Vehicles $	Furniture and Equipment $	Total $
2013			
Balance at the beginning of the year	85,877	244,123	330,000
Additions at cost	98,567	112,107	210,674
Disposals	(13,446)	-	(13,446)
Impairment	(23,706)	(63,434)	(87,140)
Depreciation expense	(39,821)	(76,880)	(116,701)
Carrying amount at end of year	107,471	215,916	323,387
2014			
Balance at the beginning of the year	107,471	215,916	323,387
Additions at cost	157,114	370,739	527,853
Disposals	(44,374)	-	(44,374)
Impairment	(39,843)	(239,487)	(279,330)
Depreciation expense	(52,634)	(39,200)	(91,834)
Carrying amount at end of year	127,734	307,968	435,702

Asset revaluation

The plant and equipment were independently valued at 17 June 2014 by Andrew Nock Pty Limited. The valuation was based on fair value less cost to sell.

At 26 August 2014 meeting of the AH&MRC Board, the Directors reviewed the key assumptions made by the valuers at 17 June 2014. They have concluded that these assumptions remain materially unchanged, and are satisfied that carrying value does not exceed the recoverable amount of plant and equipment at 30 June 2014.

Note 7: Accounts Payable and Other Payables

Current	Note	2014 $	2013 $
Accounts payables		84,451	412,634
Other current payables		159,800	173,333
Total Current	7a	244,251	585,967

a. Financial liabilities at amortised cost classified as trade and other payables

		2014 $	2013 $
Accounts payable and other payables			
Total current	7	244,251	585,967
Total non-current		-	-
Total current and non-current	15	244,251	585,967

Note 8: Lease Liabilities

	Note	2014 $	2013 $
Current	10	372,014	452,664
Non-current	10	323,880	695,894
Total Lease Liabilities	15	695,894	1,148,558

Note 9: Provisions

	Long-term Employee Benefits $	Leasehold Building Maintenance $	Total $
Opening balance at 1 July 2013	787,175	839,168	1,626,342
Additional provisions raised during the year	573,193	215,300	788,493
Amounts used	(532,780)	-	(532,780)
Balance at 30 June 2014	827,588	1,054,468	1,882,055

Analysis of Total Provisions	2014 $	2013 $
Current	1,839,236	1,586,658
Non-current	42,819	39,684
	1,882,055	1,626,342

Employee Provisions

Employee provisions represent amounts accrued for annual leave and long service leave.

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

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

Note 10: Capital and Leasing Commitments

Operating Lease Commitments	2014 $	2013 $
Non-cancellable operating leases contracted for but not recognised in the financial statements		
Payable – minimum lease payments		
- not later than 12 months	372,014	452,664
- later than 12 months but not later than 5 years	323,880	695,894
- later than 5 years	-	-
	695,894	1,148,558

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

The AH&MRC has a commitment to finalise the installation of a new accounting/reporting system, known as SAGE. As at 30 June 2014 this commitment amounts to approximately $38,000.

Note 11: Contingent Liabilities and Contingent Assets

	2014 $	2013 $
In 2009 the Department of Education and Training reimbursed the AH&MRC an amount of $300,000 for plant and equipment associated with the fit-out of the Aboriginal Health College. Ownership of these assets vested in the AH&MRC during the current year.	-	300,000

Note 12: Events after the Reporting Period

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

Note 13: Related Party Transactions

a. Key Management Personnel

	2014 $	2013 $
Any person(s) having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, including any director (whether executive or otherwise) is considered key management personnel.		
Key management personnel compensation		
- short-term benefits	791,087	805,647
- post-employment benefits	-	-
- other long-term benefits	-	-
	791,087	805,647

b. Other Related Parties

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

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

There were no other related party transactions during the year.

Note 14: Cash Flow Information

Reconciliation of Cash Flow from Operating Activities with Current Year Surplus	2014 $	2013 $
Surplus/(Deficit) after income tax	(353,825)	1,648,659
Non cash flows		
Depreciation and amortisation expense	371,164	203,842
Surplus on sale of plant and equipment	(31,626)	(25,554)
Plant and equipment	(300,000)	-
Changes in assets and liabilities		
(Increase)/Decrease in trade and other receivables	886,048	(777,288)
Increase/(Decrease) in trade and other payables	(341,716)	242,705
(Increase)/Decrease in other assets	(7,144)	(6,876)
Increase/(Decrease) in provisions	255,713	323,229
	478,614	1,608,717

Note 15: Financial Risk Management

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

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

Financial Assets	Note	2014 $	2013 $
Cash on hand	4	7,755,895	7,429,134
Accounts receivable and other debtors	5	288,365	1,174,413
Financial assets at fair value through profit or loss			
- investments in listed shares, held for trading		-	-
Held-to-maturity investments			
- investments in government and fixed interest securities		-	-
Available-for-sale financial assets			
- investments in listed shares, available for sale		-	-
Total Financial Assets		8,044,260	8,603,547
Financial Liabilities			
Financial liabilities at amortised cost			
- accounts payable and other payables	7	244,251	585,967
- long-term loan		85,000	85,000
Total Financial Liabilities		329,251	670,967

Financial Risk Management Policies

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

Specific Financial Risk Exposure and Management

The main risks the AH&MRC is exposed to through its financial instrument are credit risk, liquidity risk and market risk relating to interest rate risk and other price risk.

There have been no substantive changes in the types of risks the AH&MRC is exposed to, how these risks arise, or the board's objectives, policies and processes for managing or measuring the risks from the previous period.

a. Credit risk
Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss for the AH&MRC.

The AH&MRC does not have any material credit risk exposures as its major source of revenue is the receipt of grants. Credit risk is further mitigated as over 90% of the grants being received from state and federal governments are in accordance with funding agreements which ensure regular funding for a period of three years.

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

Accounts receivable and other debtors that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed in Note 5.

The AH&MRC has no significant concentration of credit risk exposure to any single counterparty or group of counterparties. Details with respect to credit risk of Accounts Receivable and Other Debtors are provided in Note 5.

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

Cash on hand	Note	2014 $	2013 $
- AA rated		7,755,895	7,429,134
	4	7,755,895	7,429,134

b. Liquidity risk

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

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

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

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

	Within 1 Year		1 to 5 Years		Total	
	2014 $	**2013 $**	**2014 $**	**2013 $**	**2014 $**	**2013 $**
Financial liabilities – due for payment						
Accounts payable and other payables (excluding estimated annual leave and deferred income)	244,251	585,967	85,000	85,000	329,251	670,967
Property lease liabilities	372,014	452,664	323,880	695,894	695,894	1,148,558
Total expected outflows	616,265	1,038,631	408,880	780,894	1,025,145	1,819,525
Financial assets – cash flows realisable						
Cash on hand	7,755,895	7,429,134	-	-	7,755,895	7,429,134
Accounts receivable and other debtors	288,365	1,174,413	160,603	153,459	448,968	1,327,872
Total anticipated inflows	8,044,260	8,603,547	160,603	153,459	8,204,863	8,757,006
Net (outflow)/inflow financial instruments	7,427,995	7,564,916	(248,277)	(627,435)	7,179,718	6,937,481

c. Market Risk

i. Interest rate risk

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

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

ii. Other Price risk

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

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

	2014	**2013**
Banking	100%	100%

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

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

	Surplus $
Year ended 30 June 2013	
`+ / - 2% in interest rates	148,583
Year ended 30 June 2014	
`+ / - 2% in interest rates	156,116

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

Fair Values

Fair Value estimation

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

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

		2014		2013	
	Footnote	Net Carrying	Net Fair Value	Net Carrying Value	Net Fair Value
		$	$	$	$
Financial assets					
Cash on hand	(i)	7,755,895	7,755,895	7,429,134	7,429,134
Trade and other receivables	(i)	448,968	448,968	1,327,872	1,327,872
Total financial assets		8,204,863	8,204,863	8,757,006	8,757,006
Financial liabilities					
Accounts payable and other payables	(i)	244,251	244,251	585,967	585,967
Long term loan		85,000	85,000	85,000	85,000
Lease liabilities		372,014	372,014	452,664	452,664
Total financial liabilities		701,265	701,265	1,123,631	1,123,631

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

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

Note 16: Capital Management

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

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

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

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

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

Note 17: AH&MRC Details

The registered office and principal place of business of the AH&MRC is:

Aboriginal Health & Medical Research Council of New South Wales
Level 3, 66 Wentworth Avenue
Surry Hills NSW 2010

Note 18: Members' Guarantee

The AH&MRC is incorporated under the *Corporations Act 2001* and is an entity limited by guarantee. If the AH&MRC is wound up, the Constitution states that each member is required to contribute a maximum of $10 each towards meeting any outstanding obligations of the AH&MRC. At 30 June 2014 the number of members was 49.

Aboriginal Health & Medical Research Council
of New South Wales

Directors' Declaration

In accordance with a resolution of the Directors of the AH&MRC, the Directors declare that:

1. The financial statements and notes, as set out on pages 43-64, are in accordance with the *Corporations Act 2001* and:
   a. comply with Australian Accounting Standards; and

   b. give a true and fair view of the financial position of the AH&MRC as at 30 June 2014 and of its performance for the year ended on that date.

2. In the Directors' opinion there are reasonable grounds to believe that the AH&MRC will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with an ordinary resolution of the AH&MRC Board of Directors.

Mrs **Christine Corby**, OAM
Dated this 26th day of August 2014

Supported by the NSW Ministry of Health

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A. F. WALLIS & CO. PTY LTD
ABN 90 075 605 122

Chartered Accountants

Independent Auditor's Report to the Members of the Aboriginal Health and Medical Research Council of New South Wales

Report on the Financial Report
We have audited the accompanying financial report of the Aboriginal Health and Medical Research Council of New South Wales (AH&MRC), which comprises the statement of financial position as at 30 June 2014, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report
The directors of the AH&MRC are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* 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.

Auditor's Responsibility
Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the AH&MRC's preparation of the financial report that gives a true and fair view 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 AH&MRC's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

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A. F. WALLIS & CO. PTY LTD
ABN 90 075 605 122

Chartered Accountants

Independence
In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Opinion
In our opinion, the financial report of the Aboriginal Health and Medical Research Council of New South Wales 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 2014 and of its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

A.F. Wallis & Co.
Chartered Accountants

A.F. Wallis

Dated this 26th day of August 2014

Liability limited by a scheme approved under Professional Standards Legislation

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Donating to the AH&MRC

Help us create a better health future for Aboriginal people in NSW

The Aboriginal Health and Medical Research Council of New South Wales (AH&MRC) is the peak body for Aboriginal Health in NSW and is comprised of Aboriginal Community Controlled Health organisations from across the State, all of which provide vital health and related services to the Aboriginal communities they serve.

All donations to the AH&MRC are used to fund initiatives which aim to improve the health of Aboriginal people in NSW. You can choose from three donation types:

General donations

Every contribution, large or small, makes a difference to the health outcomes of Aboriginal people in NSW. Your donation will be added to a general fund which is dedicated to improving the health and wellbeing of Aboriginal communities throughout the State.

Bequests

You can leave a lasting legacy by including a bequest to the AH&MRC in your will.

Endowments & scholarships

Invest in a better health future for Aboriginal people today by making a substantive contribution to the education and training of new workers in the Aboriginal health sector. A range of education and training endowments and scholarships are available to support the important work of the Aboriginal Health College and other AH&MRC-affiliated training providers.

How to donate

Internet

To donate online, please visit the "Donate" page on the AH&MRC website at: **http://www.ahmrc.org.au**

Mail

Cheques or money orders, made payable to The Aboriginal Health and Medical Research Council of NSW may be sent to:

AH&MRC of NSW
PO Box 1565
Strawberry Hills NSW 2012
Australia

Telephone

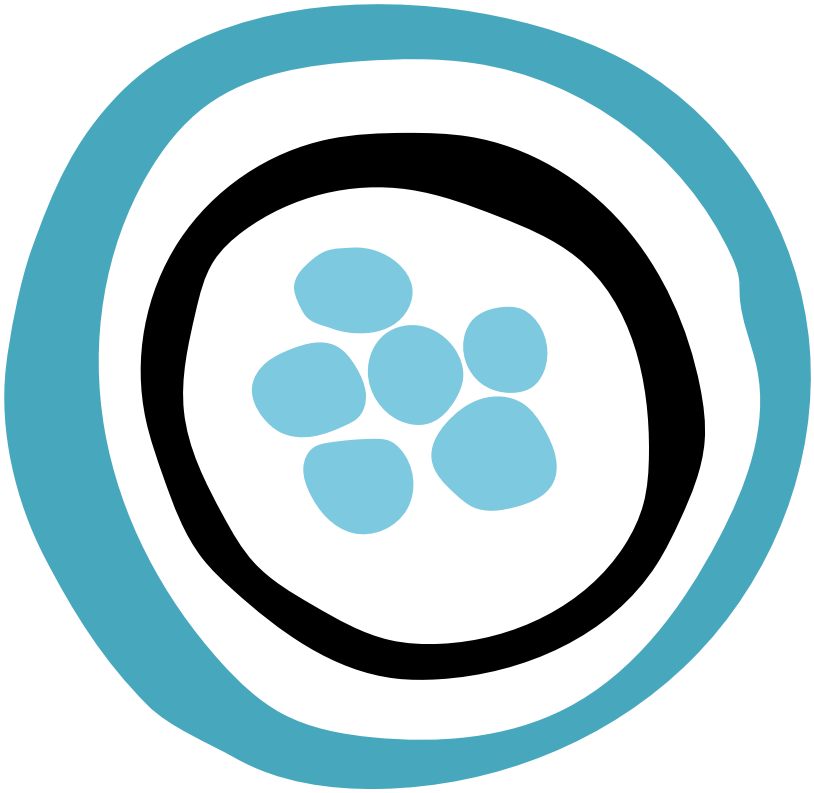
To donate via telephone, call **(02) 9212 4777**.
Please have your details on hand when you call.

Facts, Fees & Charges

- The AH&MRC is a Public Company registered with ASIC [ABN 66 085 654 397].
- The AH&MRC has a current "Endorsement as a deductible gift recipient" issued by the Australian Taxation Office.
- This may be 'cross-checked' on the ABN Lookup web site at http://www.abr.business.gov.au
- There are absolutely no management fees or charges under any spurious names.
- Bank and Audit fees are covered by the AH&MRC Secretariat
- Donations over two dollars ($2.00) are Tax Deductible.

Contact Us

If you have any questions about making a donation, please do not hesitate to contact the AH&MRC on **(02) 9212 4777**.



Aboriginal Health – the social, cultural and emotional wellbeing of the whole community, where every individual can realise their full potential

Aboriginal Health – the social, cultural and emotional wellbeing of the whole community, where every individual can realise their full potential

Aboriginal Health & Medical Research Council®
of New South Wales