



DERBARL YERRIGAN HEALTH SERVICE

ABN 60 824 221 416

Annual Financial Report

FOR THE YEAR ENDED

30 June 2025

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DIRECTORS' REPORT

for the year ended 30 June 2025

The Directors of Derbarl Yerrigan Health Service Aboriginal Corporation ("DYHSAC" or "the Service") present their report for the year ended 30 June 2025, as approved by the board on 21 October 2025.

Directors

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

- Daniel McAullay, Chairperson (ceased 3 October 2024), Deputy Chairperson (appointed 4 October 2024, term ended at the AGM 23 November 2024)
- Sandra Eades, Deputy Chairperson (ceased 3 October 2024), Member Director (appointed 4 October 2024, term ended at the AGM 23 November 2024)
- Thierra Clanton, Member Director (ceased 3 October 2024), Chairperson (appointed 4 October 2024, resigned 18 July 2025)
- Katiska Davis, Member Director (appointed 4 July 2024, ceased 10 December 2024), Deputy Chairperson (appointed 11 December 2024, resigned 18 July 2025)
- Kaya Carson, Member Director (appointed 17 July 2024)
- Joslyn Eades-Tass, Member Director (appointed 23 November 2024, ceased 18 July 2025), Chairperson (Appointed 18 July 2025)
- Jasmine Eades, Member Director (appointed 23 November 2024, resigned 10 April 2025)
- Nathan Riley, Member Director (appointed 23 May 2025, ceased 18 July 2025), Deputy Chairperson (appointed 18 July 2025)
- George Hayden, Member Director (appointed 22 August 2025)
- Mathew Wilson, Member Director (appointed 29 August 2025)
- Brian Roche, Independent Director (appointed 16 April 2024, resigned 11 July 2025)
- Paul Gregory, Independent Director (appointed 21 May 2024, resigned 11 July 2025)
- Richard Brooks, Independent Director (appointed 18 July 2025)
- Tuguy Esgin, Independent Director (appointed 23 July 2025)

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

Board Meetings Held/Attended while in office

Name of Director	Position	Number of Meetings Attended whilst a Director	Number of Meetings Held whilst a Director
Daniel McAullay	Chairperson & Deputy Chairperson	3	4
Sandra Eades	Member Director & Deputy Chairperson	2	4
Thierra Clanton	Member Director & Chairperson	10	11
Katiska Davis	Member Director & Deputy Chairperson	10	11
Kaya Carson	Member Director	10	10
Joslyn Eades-Tass	Member Director	6	7
Jasmin Eades	Member Director	4	5
Brian Roche	Independent Director	11	11
Paul Gregory	Independent Director	8	11

DIRECTORS' REPORT

for the year ended 30 June 2025

Finance Audit & Risk Management Sub-Committee Meetings held/attended while in office

Name of Director	Position	Number of Meetings Attended whilst a Director	Number of Meetings Held whilst a Director
Daniel McAullay	Chairperson & Deputy Chairperson	1	2
Sandra Eades	Member Director & Deputy Chairperson	1	2
Thierra Clanton	Member Director & Chairperson	2	2
Kaya Carson	Member Director	4	4
Joslyn Eades-Tass	Member Director	2	2
Brian Roche	Independent Director	4	4
Paul Gregory	Independent Director	4	4

Research Sub-Committee

Name of Director	Position	Number of Meetings Attended whilst a Director	Number of Meetings Held whilst a Director
Thierra Clanton	Member Director & Chairperson	2	4
Daniel McAullay	Chairperson & Deputy Chairperson	1	2
Paul Gregory	Independent Director	1	1
Joslyn Eades-Tass	Member Director & Chairperson	2	3
Kaya Carson	Member Director	2	3
Katiska Davis	Member Director & Deputy Chairperson	2	3

Newsletters issued during the year

Month of issue
July 2024
March 2025

Directors' remuneration and allowances paid during the financial year

Director	Gross Remuneration (\$)	Superannuation (\$)	Total (\$)
Sandra Eades	19,638	2,258	21,896
Daniel McAullay	11,318	1,301	12,620
Thierra Clanton	23,669	2,722	26,391
Jasmine Eades	5,750	661	6,411
Joslyn Eades-Tass	9,083	1,045	10,128
Katiska Davis	17,661	2,031	19,692
Kaya Carson	14,355	1,651	16,006
Nathan Riley	1,613	185	1,798
Brian Roche	16,250	1,869	18,119
Paul Gregory	16,250	1,869	18,119
Robert Morrison	1,042	120	1,161
Total	136,629	15,712	152,341

In addition, during the financial year, DYHSAC funded governance training and professional development for Directors at a cost of \$40,436 in total.

DIRECTORS' REPORT

for the year ended 30 June 2025

Review of operations

DYHSAC's operations for the financial year resulted in a surplus of \$1,579,161 (2024: \$1,539,826).

Principal activities

During the year ended 30 June 2025, DYHSAC was involved in the provision of a variety of services, including:

- Preventive care focused on early detection and management of chronic illness across all ages;
- Team-based management of chronic diseases with a focus on preventing disease progression and complications and maintaining quality of life;
- Holistic, comprehensive and culturally safe care across all ages;
- Pre-conception, antenatal and postnatal care for women;
- Delivering a comprehensive, holistic paediatric model of care aimed at the early detection, diagnosis and management of children with developmental vulnerabilities;
- Childhood immunisation clinics, child-health nurses' assessments and developmental assessments;
- Dental services to DYHSAC clients aged 13 years and above, including the development of complete dental plans;
- SEWB support programs, including counselling, social work, family and domestic violence support, yarning groups, suicide prevention and aftercare;
- Outreach programs, including health promotion, smoking prevention, and school-based education;
- COVID-19 vaccination programs;
- Tackling Indigenous Smoking and Vaping Program;
- Regular visiting Adult and Paediatric specialist services
- Podiatry service;
- Sexual health services and STI Program;
- Elder Care Program;
- Assistance to the Metropolitan Communicable Diseases Program for case management of conditions, including acute post-streptococcal glomerulonephritis;
- Heart Rehabilitation Program and Rheumatic Heart Disease treatment;
- Optometry service;
- Infection prevention and control program to minimise the risk of transmission of communicable diseases, including COVID and influenza;
- Pharmacy and transport services to DYHSAC clients.

Subsequent events

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

Likely developments and expected results of operations

It is expected that the operations of the Service will continue in line with that of the current reporting period.

Environmental regulations

DYHSAC's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Dividends, shares, options and other interests

DYHSAC's rule book does not permit dividends to be paid and thus no dividends were paid or are recommended to be paid.

Similarly, DYHSAC is an Aboriginal Corporation and does not issue shares, options or other interests in the Service. As a consequence, no shares, options or other interests were granted during or since the end of the year and no options were outstanding at the date of this report.

Indemnification and insurance of directors and officers

Directors' and Officers' Liability Insurance is held to cover a director for certain liabilities arising whilst acting as a director of the Service.

Indemnification of auditors

To the extent permitted by law, DYHSAC has agreed to indemnify its auditors, AMW Audit, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify AMW Audit during or since the financial year.

Legal proceedings

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

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

DIRECTORS' REPORT

for the year ended 30 June 2025

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required by Subdivision 339-50 of the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* Subdivision 60-C of the *Australian Charities and Not-for-profits Commission Act 2012* is set out on page 8.

Signed in accordance with a resolution of the board of directors.



Joslyn Eades-Tass
Chairperson

Perth
Dated : 21/10/2025

DIRECTORS DECLARATION

for the year ended 30 June 2025

In accordance with a resolution of the Directors of Derbarl Yerrigan Health Service Aboriginal Corporation, I state that in the opinion of the Directors:

- (a) the financial statements and notes of Derbarl Yerrigan Health Service Aboriginal Corporation are in accordance with the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* and the *Australian Charities and Not-for-Profits Commission Act 2012*, including:
 - (i) giving a true and fair view of the Service's financial position as at 30 June 2025 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards – Simplified Disclosures, the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* and the *Australian Charities and Not-for-Profits Commission Regulation 2013*; and
- (b) there are reasonable grounds to believe that Derbarl Yerrigan Health Service Aboriginal Corporation will be able to pay its debts as and when they become due and payable.

On behalf of the Board of Directors



Joslyn Eades-Tass
Chairperson

Perth
Dated: 21/10/2025



**AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF
DERBARL YERRIGAN HEALTH SERVICE ABORIGINAL CORPORATION**

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2025 there have been:

- No contraventions of the auditor independence requirements as set out in the Subdivision 339-50 of the *Corporations Aboriginal and Torres Strait Islander Act 2006 (CATSI Act)*, in relation to the audit; and
- No contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in blue ink that reads 'AMW Audit'.

AMW AUDIT
Chartered Accountants

A handwritten signature in blue ink, appearing to be 'M Shone'.

MARTIN SHONE
Principal

Dated at Perth, Western Australia this 21st day of October 2025

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the year ended 30 June 2025

		2025	2024
	Notes	\$	\$
Revenue	2.1	27,713,932	24,922,399
Other income	2.1	1,601,203	1,307,503
Administration expenses	2.2	(5,307,196)	(4,058,477)
Staff expenses		(20,244,076)	(18,465,328)
Rent and other property expenses		(1,066,034)	(963,824)
Motor vehicle expenses		(125,305)	(131,864)
Right-of-use assets amortisation		(366,328)	(366,328)
Depreciation	3.1	(514,692)	(562,658)
Operating surplus		1,691,504	1,681,423
Finance costs		(112,343)	(141,597)
Surplus before tax		1,579,161	1,539,826
Income tax expense		-	-
Surplus after tax		1,579,161	1,539,826
Other comprehensive income		-	-
Total comprehensive surplus		1,579,161	1,539,826

This statement should be read in conjunction with the accompanying notes to the financial statements.

STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	Notes	2025 \$	2024 \$
ASSETS			
Current assets			
Cash and cash equivalents	4.1	20,311,735	14,342,301
Trade and other receivables	4.2	688,218	725,301
Prepayments	4.3	329,489	316,498
Total current assets		21,329,442	15,384,100
Non-current assets			
Property, plant and equipment	3.1	6,736,330	5,796,112
Right-of-use assets	4.7	935,306	1,301,634
Total non-current assets		7,671,636	7,097,746
TOTAL ASSETS		29,001,078	22,481,846
LIABILITIES			
Current liabilities			
Trade and other payables	4.4	1,947,936	1,914,315
Unearned income	4.5	12,811,909	7,320,201
Provisions	4.6	2,385,966	2,528,863
Lease liabilities	4.7	483,005	461,221
Total current liabilities		17,628,816	12,224,600
Non-current liabilities			
Provisions	4.6	134,849	219,297
Lease liabilities	4.7	644,312	1,024,009
Total non-current liabilities		779,161	1,243,306
TOTAL LIABILITIES		18,407,977	13,467,906
NET ASSETS		10,593,101	9,013,940
EQUITY			
Retained surplus		10,593,101	9,013,940
TOTAL EQUITY		10,593,101	9,013,940

This statement should be read in conjunction with the accompanying notes to the financial statements.

STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2025

	Retained surplus	Total equity
	\$	\$
At 1 July 2024	9,013,940	9,013,940
Surplus for the year	1,579,161	1,579,161
At 30 June 2025	10,593,101	10,593,101
At 1 July 2023	7,474,114	7,474,114
Surplus for the year	1,539,826	1,539,826
At 30 June 2024	9,013,940	9,013,940

This statement should be read in conjunction with the accompanying notes to the financial statements.

STATEMENT OF CASH FLOWS

for the year ended 30 June 2025

		2025	2024
	Notes	\$	\$
Operating activities			
Receipts from customers, inclusive of GST		7,341,849	6,099,230
Receipts of government contributions and subsidies		30,075,946	23,316,440
Payments to suppliers and employees, inclusive of GST		(30,275,346)	(25,691,501)
Interest received		752,153	567,697
Net cash flows generated from operating activities		7,894,602	4,291,866
Investing activities			
Payment for the acquisition of assets		(2,398,752)	(3,534,996)
Proceeds from disposal of assets		943,840	859,817
Net cash flows used in investing activities		(1,454,912)	(2,675,179)
Financing activity			
Payment of lease liabilities		(470,256)	(443,040)
Net cash flows used in financing activity		(470,256)	(443,040)
Net increase in cash and cash equivalents		5,969,434	1,173,647
Cash and cash equivalents at 1 July		14,342,301	13,168,654
Cash and cash equivalents at 30 June	4.1	20,311,735	14,342,301

This statement should be read in conjunction with the accompanying notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

SECTION ONE: ABOUT THIS REPORT

Corporate information:

Derbarl Yerrigan Health Service Aboriginal Corporation (“DYHSAC” or “the Service”) is an incorporated entity domiciled in Australia. The Service is a not-for-profit entity organisation established to provide health services to the Aboriginal community. The Board have determined that the Service is a reporting entity.

The financial statements were authorised for issue in accordance with a resolution of the Board of Directors on 21 October 2025.

Statement of compliance:

The financial report is a general-purpose financial report, which was prepared in accordance with the requirements of the *Corporations (Aboriginal and Torres Strait Islander) Act 2006*, the *Australian Charities and Not-for-Profit Commission Act 2012*, *Australian Accounting Standards – Simplified Disclosures* and other authoritative pronouncements of the Australian Accounting Standards Board. The Service is a not-for-profit, private sector entity which is not publicly accountable for the purposes of preparing these financial statements.

The Service has adopted AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* in the current year. Other than the change in disclosure requirements, the adoption of AASB 1060 has no significant impact on the financial statements because the Service’s previous financial statements complied with *Australian Accounting Standards – Reduced Disclosure Requirements*.

Basis of preparation:

The financial report was prepared on a historical cost basis.

Currency:

The functional and presentation currency of the Service is Australian dollars.

Comparative information:

The financial statements provide comparative information in respect of the previous period. The re-classification of items in the financial statements of the previous period was made in accordance with the classification of items in the financial statements of the current period.

Going concern:

The financial statements have been prepared on the basis that the Service is a going concern.

The Service’s ability to continue as a going concern is dependent upon the ongoing receipt of State and Commonwealth Government Grants. The ongoing receipt of these Grants is subject to compliance with the conditions attached to the Grants. Should the Service be unable or ineligible to receive recurrent Government Grants, then it would need to reduce operational expenditure to continue as a going concern.

The Directors are confident that the Service will continue to receive ongoing funding from recurrent Government Grants from both the State and Commonwealth to continue to finance operations. On this basis the Directors believe that the Service will continue to generate sufficient cash flow to be able to pay its debts as and when they fall due.

Key estimates and judgements:

In applying the Service’s accounting policies, management continually evaluates judgements, estimates and assumptions based on experience and other factors, including expectations of future events that may have an impact on the Service.

All judgements, estimates and assumptions made are believed to be reasonable based on the most current set of circumstances known to management. Actual results may differ from those judgements, estimates and assumptions.

Significant judgements, estimates and assumption made by management in the preparation of these financials are found in the following notes:

Note 3.1 Useful lives of plant and equipment	Page 17
Note 3.1 Impairment of non-financial assets	Page 17
Note 4.5 Unearned income	Page 19
Note 4.6 Provision for long-service leave	Page 20
Note 4.7 Incremental borrowing rate	Page 21
Note 4.7 Lease term	Page 22

NOTES TO THE FINANCIAL STATEMENTS

SECTION TWO: CURRENT PERFORMANCE

2.1 REVENUE AND OTHER INCOME

	2025	2024
	\$	\$
Revenue		
Service delivery grants	21,814,018	18,967,286
Capital grants	-	644,077
Medicare revenue	5,899,914	5,311,036
	27,713,932	24,922,399
Other income		
Interest income	752,153	567,697
Donations	18,420	15,750
Other (a)	830,630	724,056
	1,601,203	1,307,503

(a) Other income

	2025	2024
	\$	\$
GP Training Support payments	471,332	331,332
Medical income	40,566	33,812
Training subsidy	194,686	22,750
Sundry income	124,046	336,162
	830,630	724,056

Revenue and Other Income

The Service is first required to determine whether amounts received are accounted for as Revenue per AASB 15: Revenue from Contracts with Customers or Income per AASB 1058: Income of Not-for-Profit Entities.

Funding arrangements which are enforceable and contain sufficiently specific performance obligations are recognised as revenue under AASB 15. Otherwise, such arrangements are accounted for under AASB 1058, where upon initial recognition of an asset, the Service is required to consider whether any other financial statement elements should be recognised (e.g. financial liabilities representing repayable amounts), with any difference being recognised immediately in profit or loss as income.

Revenue and Other Income

Operating Grants, Donations and Bequests

When the Service receives operating grant funding, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance to AASB 15,

When both these conditions are satisfied, the Service:

- identifies each performance obligation relating to the grant;
- recognises a contract liability for its obligations under the agreement; and
- recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the Service:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (e.g. AASB 9, AASB 16, AASB 116 and AASB 138);
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions); and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

NOTES TO THE FINANCIAL STATEMENTS

SECTION TWO: CURRENT PERFORMANCE

Other Income

Contributed Assets

The Service receives assets from the government and other parties for nil or nominal consideration in order to further its objectives. These assets are recognised in accordance with the recognition requirements of other applicable accounting standards (e.g. AASB 9, AASB 16, AASB 116 and AASB 138).

On initial recognition of an asset, the Service recognises related amounts being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer.

The Service recognises income immediately in profit or loss as the difference between initial carrying amount of the asset and the related amounts.

Capital Grant

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

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

Interest Income

Interest income is recognised using the effective interest method.

2.2 ADMINISTRATION EXPENSES

	2025	2024
	\$	\$
Operational (a)	4,949,259	3,951,207
Board related (b)	357,937	107,270
	5,307,196	4,058,477

(a) Operational

	2025	2024
	\$	\$
Administration fees	1,773,999	1,505,724
Program expenses	823,638	849,569
Medical supplies	581,402	543,720
Insurance expenses	653,475	536,644
Staff expenses	525,124	280,731
Consultants' fees	442,009	159,045
Travel expenses	97,546	45,570
Audit fees	31,750	29,850
Net loss on disposal of property, plant and equipment	20,316	354
	4,949,259	3,951,207

NOTES TO THE FINANCIAL STATEMENTS
SECTION TWO: CURRENT PERFORMANCE

(b) Board related

	2025	2024
	\$	\$
Sitting fees	136,629	56,065
Salaries and wages - Secretariat & AGM/SGM Staff	124,733	26,940
Board conferences and travel expenses	12,832	7,630
Superannuation contributions	15,712	6,167
Professional Development	40,436	-
AGM expenses	9,530	5,296
Printing and stationery	18,065	5,172
	357,937	107,270

2.3 INCOME TAX EXPENSE

No provision for income taxes was recognised by the Service, which is exempt from income tax under Division 40 of the *Income Tax Assessment Act 1997*.

NOTES TO THE FINANCIAL STATEMENTS

SECTION THREE: GROWTH ASSETS

3.1 PROPERTY, PLANT AND EQUIPMENT

	Land and buildings	Office equipment	Plant and equipment	Artworks	Motor vehicles	Other	Total
	\$	\$	\$	\$	\$	\$	\$
Cost							
At 30 June 2024	8,265,138	870,330	1,055,959	21,333	899,494	93,927	11,206,182
Additions	1,362,810	-	10,000	-	1,016,282	-	2,389,091
Disposals	-	(120,874)	(85,367)	-	(995,393)	-	(1,201,634)
At 30 June 2025	9,627,948	749,456	980,592	21,333	920,383	93,927	12,393,639
Depreciation and impairment							
At 30 June 2024	(3,455,140)	(833,115)	(959,347)	(21,333)	(47,208)	(93,927)	(5,410,070)
Depreciation charge for the year	(351,004)	(31,615)	(50,791)	-	(81,282)	-	(514,692)
Disposals	-	120,874	85,367	-	61,212	-	267,453
At 30 June 2025	(3,806,144)	(743,856)	(924,772)	(21,333)	(67,278)	(93,927)	(5,657,310)
Net book value							
At 30 June 2024	4,809,998	37,215	96,611	0	852,286	-	5,796,110
At 30 June 2025	5,821,804	5,600	55,820	0	853,104	-	6,736,330

Recognition and measurement

Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses. Such costs include the cost of replacing part of the plant and equipment. When a major inspection is performed, the cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are expensed to the profit or loss as incurred. Land and buildings at Wittenoom Street, East Perth are subject to encumbrances (caveat and easement burden) and as such, these may not be sold by the Service

Freehold land and buildings are measured at cost less accumulated depreciation and impairment losses recognised. The carrying amounts of the Service's assets are reviewed at each balance date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

Key judgement and estimate: Impairment of non-financial assets

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

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised immediately in the profit and loss.

Depreciation and de-recognition

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

- **Buildings:** 5% per annum
- **Building Improvements:** 20% per annum
- **Plant and equipment:** 10% to 33.33% per annum
- **Furniture and fittings:** 20% to 33.33% per annum
- **Motor vehicles:** 20% to 25% per annum
- **Computer Equipment:** 10% to 33.33% per annum

An item of property, plant and equipment is de-recognised on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal of an asset, calculated as the difference between the net disposal proceeds and the carrying amount of the asset, is recognised in profit and loss.

Key judgement: Useful life of depreciable assets

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively based on the expected utility of the assets.

NOTES TO THE FINANCIAL STATEMENTS

SECTION FOUR: OPERATING ASSETS AND LIABILITIES

4.1 CASH AND CASH EQUIVALENTS

	2025	2024
	\$	\$
Cash at bank and on hand	8,502,553	5,922,487
Deposits on call	11,809,182	8,419,814
	20,311,735	14,342,301

Recognition and measurement

Cash and cash equivalents in the statement of financial position comprise cash at bank and short-term deposits with an original maturity of three months or less.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents defined above, net of outstanding bank overdrafts (if any).

Cash flows included in the statement of cash flows are on a gross basis. The GST component of cash flows arising from investing and financing activities, which are recoverable from, or payable to, the Australian Taxation Office, are classified as financing cash flows.

4.2 TRADE AND OTHER RECEIVABLES

	2025	2024
	\$	\$
Trade receivables and other receivables	692,140	728,870
Allowance for expected credit loss	(3,922)	(3,569)
	688,218	725,301

Recognition and measurement

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost, less an allowance for expected credit losses. Trade receivables are non-interest bearing with settlement terms of between 14 to 60 days.

Allowance for expected credit losses

The Service recognises an allowance for expected credit losses ("ECLs") for all debt instruments which are not held at fair value through profit or loss. For trade receivables, the Service applies a simplified approach in calculating ECLs. The Service does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Service has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Fair value

Due to the short-term nature of these receivables, the carrying amount is assumed to approximate their fair value.

NOTES TO THE FINANCIAL STATEMENTS

SECTION FOUR: OPERATING ASSETS AND LIABILITIES

4.3 PREPAYMENTS

	2025	2024
	\$	\$
Prepayments	329,489	316,498
Current	329,489	316,498
Non-current	-	-

4.4 TRADE AND OTHER PAYABLES

	2025	2024
	\$	\$
Trade creditors	1,759,612	1,598,798
Net GST payable	188,324	315,517
	1,947,936	1,914,315

Recognition and measurement

Liabilities for trade and other payables are initially recognised at fair value when goods and services are received, whether or not billed to the Service, prior to the end of the reporting period.

Trade and other payables are subsequently measured at amortised cost. Amounts are non-interest bearing with settlement terms of 30 days, on average.

Fair value

Due to the short-term nature of these payables, the carrying amount is assumed to approximate their fair value.

TREATMENT OF GOODS AND SERVICES TAX (GST)

Revenue, 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"), in which case the GST is recognised as part of the revenue or the expense item or as of the cost of acquisition of the asset, as applicable, or when receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included within other receivables or payables in the statement of financial position.

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

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.

4.5 UNEARNED INCOME

The liability for unearned income is the unutilised amount of grants received on the condition that specified services are delivered or conditions are fulfilled. Ordinarily, the services are provided or the conditions are satisfied within twelve months on the receipt of the grant contributions.

Where the amount received is in respect of services to be provided over a period that exceeds twelve months after the reporting date or the conditions will only be satisfied more than twelve months after the reporting date, the liability is discounted and presented as non-current in the statement of financial position.

The movement in unearned income is as follows:

	2025	2024
	\$	\$
At 1 July	7,320,201	5,788,141
Arising	27,068,184	20,906,217
Utilised	(21,576,476)	(19,374,157)
At 30 June	12,811,909	7,320,201
Current	12,811,909	7,320,201
Non-current	-	-

Key judgements: Unearned income

Management requires judgement to determine key assumptions used in evaluating whether performance criteria attached to a service arrangement were satisfied and the likelihood that the State or Commonwealth would request a refund, partially or in full, for unspent grant contributions.

NOTES TO THE FINANCIAL STATEMENTS

SECTION FOUR: OPERATING ASSETS AND LIABILITIES

4.6 PROVISIONS

	Annual leave \$	Long service leave \$	Other \$	Total \$
At 1 July 2024	1,363,436	1,384,722	-	2,748,158
Arising	1,637,372	507,278	-	2,144,650
Utilised or reversed	(1,834,385)	(537,608)	-	(2,371,993)
At 30 June 2025	1,166,423	1,354,392	-	2,520,815
Current	1,166,423	1,219,543	-	2,385,966
Non-current	-	134,849	-	134,849

Recognition and measurement

Provisions are recognised when the Service has a present obligation, legal or constructive, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate may be made of the amount of the obligation.

When the Service expects some or all of the provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense related to any provision is recognised in profit and loss, net of any reimbursement.

Employee benefits

Provision is made for employee benefits accumulated as a result of employee rendering services up to the end of the reporting period. These benefits include wages, salaries, annual leave and long-service leave.

Liabilities in respect of employees' services rendered that are not expected to be wholly settled within one year after the end of the reporting period in which the employees render the related services are recognised as long-term employee benefits.

These liabilities are measured at the present value of the estimated future cash outflow to be made to the employees using the projected unit cost method. Liabilities expected to be wholly settled within one year after the end of the reporting period in which the employees render the related services are classified as short-term benefits and measured at the amount due to be paid.

Key judgments: Long-service leave

Long service leave is measured at the present value of the benefits accumulated up to the end of the reporting period. The liability is discounted using an appropriate discount rate. Management requires judgement to determine key assumptions used in the calculation of future increases in salaries and wages, future on-cost rates and future settlement dates of employees' departures.

NOTES TO THE FINANCIAL STATEMENTS

SECTION FOUR: OPERATING ASSETS AND LIABILITIES

4.7 LEASES

(a) Right-of-use assets recognised in the balance sheet:

	2025	2024
	\$	\$
Opening balance at 1 July	1,301,634	1,667,962
Additions during the year	-	-
Depreciation	(366,328)	(366,328)
Closing Balance at 30 June	935,306	1,301,634
Non-current	935,306	1,301,634

Set out below are the carrying amounts of lease liabilities recognised and the movements during the year:

	2025	2024
	\$	\$
Opening balance at 1 July	1,485,230	1,786,673
Additions during the year	-	-
Accretion of interest	112,343	141,597
Payments	(470,256)	(443,040)
Closing Balance at 30 June	1,127,317	1,485,230
Current	483,005	461,221
Non-current	644,312	1,024,009

(b) Total future lease payments at the end of the reporting period:

	2025	2024
	\$	\$
No later than 1 year	531,301	514,007
Later than 1 year and not later than 5 years	876,356	1,407,674
Later than 5 years	-	-
	1,407,657	1,921,681

The amount of expense relating to short-term leases and leases of low-value assets recognised in profit or loss during the year ended 30 June 2025 was nil (2024: nil).

Recognition and measurement

The Service applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Service recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Service recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

NOTES TO THE FINANCIAL STATEMENTS

SECTION FOUR: OPERATING ASSETS AND LIABILITIES

- Buildings 14% per annum

If ownership of the leased asset transfers to the Service at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the Impairment of land and buildings at Note 3.1.

ii) Lease liabilities

At the commencement date of the lease, the Service recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Service and payments of penalties for terminating the lease, if the lease term reflects the Service exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Service uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Service applies the short-term lease recognition exemption to its short-term leases of residential housing for migrants (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value assets. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Key judgments: Lease term

The Service has several lease contracts that include extension options. The Service applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Service reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew.

Key judgments: Incremental borrowing rate

The Service cannot readily determine the interest rate implicit in the lease; therefore, it uses its incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Service would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Service 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Service estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain Service-specific estimates.

(c) AASB16 related amounts recognised in the statement of profit or loss and other comprehensive income:

	2025	2024
	\$	\$
Depreciation expense of right-of-use assets	366,328	366,328
Interest expense on lease liabilities	112,343	141,597
Total amount recognised in profit and loss	478,671	507,925

The Service had total cash outflows for leases of \$470,256 in 2025 (2024: \$443,040).

The Service has lease contracts that include extension options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Service's business needs. Management exercises significant judgement in determining whether these extension options are reasonably certain to be exercised.

NOTES TO THE FINANCIAL STATEMENT

SECTION FIVE AND SIX: CONTINGENCIES AND FINANCIAL RISK MANAGEMENT

5.1 CONTINGENCIES

The Service has no contingent liabilities as at 30 June 2025 and 30 June 2024.

6.1 FINANCIAL RISK MANAGEMENT

	Note	2025 \$	2024 \$
Financial Assets			
Financial assets at amortised cost			
Cash and cash equivalents	4.1	20,311,735	14,342,301
Trade and other receivables	4.2	688,218	725,301
Total financial assets		20,999,953	15,067,602
Financial Liabilities			
Financial liabilities at amortised cost			
Trade and other payables	4.4	1,947,935	1,914,315
Lease liabilities	4.7	1,407,657	1,884,716
		3,355,592	3,799,031

Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Service becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the Entity commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) 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. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

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

Classification and subsequent measurement

Financial liabilities

Financial liabilities are subsequently measured at:

- amortised cost; or
- fair value through profit or loss.

A financial liability is measured at fair value through profit or loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which AASB 3: *Business Combinations applies*;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense over in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

NOTES TO THE FINANCIAL STATEMENT

SECTION FIVE AND SIX: CONTINGENCIES AND FINANCIAL RISK MANAGEMENT

A financial liability is held for trading if it is:

- incurred for the purpose of repurchasing or repaying in the near term;
- part of a portfolio where there is an actual pattern of short-term profit taking; or
- a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in effective hedging relationships).

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial liability.

If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses should be taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.

Financial assets

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit or loss

Measurement is on the basis of two primary criteria:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset that meets the following conditions is subsequently measured at fair value through other comprehensive income:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

The Service initially designates a financial instrument as measured at fair value through profit or loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as an "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
- it is in accordance with the documented risk management or investment strategy and information about the groupings is documented appropriately, so the performance of the financial liability that is part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis; and
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial designation of financial instruments to measure at fair value through profit or loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

NOTES TO THE FINANCIAL STATEMENT

SECTION FIVE AND SIX: CONTINGENCIES AND FINANCIAL RISK MANAGEMENT

Equity instruments

At initial recognition, as long as the equity instrument is not held for trading or not a contingent consideration recognised by an acquirer in a business combination to which AASB 3 applies, the Entity made an irrevocable election to measure any subsequent changes in fair value of the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investment will still be recognised in profit or loss.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the Service's accounting policy.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (i.e. when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All the following criteria need to be satisfied for the derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Service no longer controls the asset (i.e. has no practical ability to make unilateral decision to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity which the Entity elected to classify under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment's revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Impairment

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

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets (e.g. amount due from customers under construction contracts);
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The Service uses the following approaches to impairment, as applicable under AASB 9:

- the general approach;
- the simplified approach;
- the purchased or originated credit-impaired approach; and
- low credit risk operational simplification.

NOTES TO THE FINANCIAL STATEMENT

SECTION FIVE AND SIX: CONTINGENCIES AND FINANCIAL RISK MANAGEMENT

General approach

Under the general approach, at each reporting period, the Entity assesses whether the financial instruments are credit-impaired, and:

- if the credit risk of the financial instrument has increased significantly since initial recognition, the Entity measures the loss allowance of the financial instruments at an amount equal to the lifetime expected credit losses; and
- if there is no significant increase in credit risk since initial recognition, the Entity measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

Simplified approach

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

This approach is applicable to:

- trade receivables; and
- lease receivables.

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

Purchased or originated credit-impaired approach

For financial assets that are considered to be credit-impaired (not on acquisition or originations), the Entity measures any change in its lifetime expected credit loss as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment is recognised in profit or loss as an impairment gain or loss.

Evidence of credit impairment includes:

- significant financial difficulty of the issuer or borrower;
- a breach of contract (e.g. default or past due event);
- a lender has granted to the borrower a concession, due to the borrower's financial difficulty, that the lender would not otherwise consider;
- the likelihood that the borrower will enter bankruptcy or another financial reorganisation; and
- the disappearance of an active market for the financial asset because of financial difficulties.

Low credit risk operational simplification approach

If a financial asset is determined to have low credit risk at the initial reporting date, the Entity assumes that the credit risk has not increased significantly since initial recognition and, accordingly, can continue to recognise a loss allowance of 12-month expected credit loss.

In order to make such a determination that the financial asset has low credit risk, the Entity applies its internal credit risk ratings or other methodologies using a globally comparable definition of low credit risk.

A financial asset is considered to have low credit risk if:

- there is a low risk of default by the borrower;
- the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and
- adverse changes in economic and business conditions in the longer term, may, but not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

A financial asset is not considered to carry low credit risk merely due to existence of collateral, or because a borrower has a lower risk of default than the risk inherent in the financial assets, or relative to the credit risk of the jurisdiction in which it operates.

Recognition of expected credit losses in financial statements

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

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. The amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

For financial assets that are unrecognised (e.g. loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

NOTES TO THE FINANCIAL STATEMENT

SECTION FIVE AND SIX: CONTINGENCIES AND FINANCIAL RISK MANAGEMENT

Impairment of Assets

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

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

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

Where an impairment loss on a revalued individual asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

7.1 RELATED PARTY DISCLOSURES

(a) Key management personnel

Key management personnel of the Service include the Board of Directors, the Chief Executive Officer and Executive Management team.

The totals shown below represent the remuneration paid by the entity to key management personnel (KMP) during the year.

	2025	2024
	\$	\$
Key management personnel remuneration	1,784,270	1,396,345

(b) Transactions with related parties

The following transactions occurred with related parties:

	2025	2024
	\$	\$
Salaries and wages	136,629	56,065
Superannuation contributions	15,712	6,167
	152,641	62,232

7.2 EVENTS AFTER THE BALANCE SHEET DATE

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Service, the results of those operations, or the state of affairs of the Service in future financial years (2024: none).

7.3 AUDITOR'S REMUNERATION

	2025	2024
	\$	\$
Value of the services provided		
Financial statement audit services	31,000	29,500

The auditor of the Service for the year is AMW Audit (2024 - AMW Audit).

7.4 CAPITAL COMMITMENTS AND CONTINGENCIES

No commitments or contingencies existed as at 30 June 2025 and as at 30 June 2024.

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF DERBARL YERRIGAN HEALTH SERVICE ABORIGINAL CORPORATION

Opinion

We have audited the financial report of Derbarl Yerrigan Health Service Aboriginal Corporation ("the Service"), which comprises the statement of financial position as at 30 June 2025, 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, Directors' declaration and report.

In our opinion, the accompanying financial report of the Service is in accordance with *Corporations Aboriginal and Torres Strait Islander Act 2006 (CATSI Act)*, including:

- a) giving a true and fair view of the Service's financial position as of 30 June 2025 and of its financial performance for the year then ended; and
- b) complying with Australian Accounting Standards to the extent described in Note 1.

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 Service in accordance with the auditor independence 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 *Corporations Aboriginal and Torres Strait Islander Act 2006 (CATSI Act)*, which has been given to Directors, would be in the same terms if given 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.

Information Other than the Financial Report and Auditor's Report Thereon

The Directors are responsible for the other information. The other information comprises the information included in the Service's annual report for the year ended 30 June 2025 but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. 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 Directors for the Financial Report

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

In preparing the financial report, Directors are responsible for assessing the Service's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intend to liquidate the Service or to cease operations, or have no realistic alternative but to do so.

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

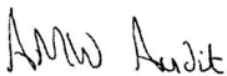
Auditor's Responsibilities for the Audit of the Financial Report

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 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.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Service's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Service's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Service to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



AMW AUDIT
Chartered Accountants



MARTIN SHONE
Principal

Dated at Perth, Western Australia this 21st day of October 2025