Financial REPORT

FOR THE YEAR ENDED
30 JUNE
2022

QAIHC
Queensland Aboriginal and Islander Health Council

ABN: 97 111 116 762

Acknowledgement

We acknowledge and wholly support all Traditional Owners for their continuing connection to this country and their communities. We recognise their continuing connection to these lands and waters, and thank them for protecting this country and its ecosystems since time immemorial. We pay respect to them and to their Elders past, present and emerging.

Artwork: *Connecting Community,* Mandy Draper © 2022.

QAIHC

Queensland Aboriginal and Islander Health Council

The Queensland Aboriginal and Islander Health Council (QAIHC) is a public company that is limited by guarantee. QAIHC is registered as a charity with the Australian Charities and Not-for-profits Commission. The responsibility for this annual report rests with QAIHC.

Chairperson: Matthew Cooke
Chief Executive Officer: Cleveland Fagan
ABN: 97 111 116 762
Auditor: Mazars Audit (QLD) Pty Limited
Report Period: 1 July 2021 to 30 June 2022

Contents

Directors Report

The Directors present this report on the company for the financial year ended 30 June 2022.

Directors

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

- Suzanne Andrews
- Matthew Cooke
- Paula Arnol *(resigned 4 September 2021)*
- James Cripps
- Stevan Ober
- Sheryl Lawton
- David Collins
- Adrian Carson *(appointed 8 September 2021)*

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

Principal Activities

During the year, the principal activities of Queensland Aboriginal and Islander Health Council was to promote, develop and expand the provision of health services through Aboriginal and Torres Strait Islander community controlled health care services in Queensland.

Short-term and Long-term Objectives

The company's **short-term objectives** are to:

- promote, develop and expand the provision of health services through Aboriginal and Torres Strait Islander community-controlled primary health care services in Queensland.
- build the capacity of Member organisations and Aboriginal and Torres Strait Islander communities in relation to planning, development and provision of health services to their communities; and
- assess the health needs of Aboriginal and Torres Strait Islander communities and take steps to meet identified needs.

The company's **long-term objectives** is to:

- support and drive a sustainable and responsive Aboriginal and Torres Strait Islander Community Controlled Health Sector in Queensland, recognised by governments and other service providers as an essential, valued and preferred partner, and to enhance primary health care provision more broadly for Aboriginal and Torres Strait Islander people, families and communities.

This objective will be achieved through work identified in QAIHC's 3-year Strategic Plan 2021–2024.

Information on Directors

Matthew Cooke

(BAILAI)

CHAIRPERSON

Matthew Cooke is the Chief Executive Officer of Gladstone Region Aboriginal and Islander Community Controlled Health Service Ltd, trading as Nhulundu Health Service.

Matthew is a proud Aboriginal and South Sea Islander from the Bailai (Byellee) people in Gladstone, Central Queensland. Matthew has a background in serving the Aboriginal and Torres Strait Islander Community-Controlled Health Sector as both a Director and CEO over the past 15 years. Mr Cooke is currently the Chief Executive Officer for the Gladstone Region Aboriginal and Islander Community Controlled Health Service Limited t/a Nhulundu Health Service and Executive Chairperson of the First Nations Bailai, Gurang, Gooreng Gooreng, Taribelang Bunda People Aboriginal Corporation.

Matthew is actively involved in all aspects of Aboriginal and Torres Strait Islander affairs at national, state, regional and local levels. In 2007 he was named Young Leader in Aboriginal and Torres Strait Islander Health, in 2008 received the Deadly Vibe Young Leader Award and in 2011 received the Australian Institute of Management 2011 Young Manager of the Year Award—Gladstone.

Mr Cooke is also a member of the Australian Institute of Company Directors and a Director of the Institute for First Nations Governance Professionals.

Suzanne Andrews

(BUNABA/JARU/BARDI)

DEPUTY CHAIRPERSON

Sue Andrews is the Chief Executive Officer of Gurriny Yealamucka Health Service Aboriginal Corporation in Yarrabah.

Sue is a Bunaba, Jaru, Bardi woman from the North Kimberley area of WA, now living on the lands of the Gungganghi people of Yarrabah. She has more than ten years' management experience in the Community Control Health Sector. Sue's experience includes:

- Board member Yarrabah Leaders Forum (YLF) 2015–current
- Board member North Queensland Primary Health Network 2017–current
- Board member NATSIHA

Sue is a firm believer in her people having a greater say and responsibility over the management of their health, and advocates for social change amongst our people and community.

Sheryl Lawton

(BIDJARA)

SOUTH AND SOUTHWEST QUEENSLAND DIRECTOR

Sheryl Lawton has been the Chief Executive Officer of Charleville and Western Areas Aboriginal Torres Strait Islander Health Services Limited (CWAATSICH) for the past 20 years.

Throughout Sheryl's career she has been instrumental in the establishment of the Aboriginal Child Care Agency (ACCA) of Southwest Queensland and importantly the ongoing development and growth of CWAATSICH. It is through her ongoing dedication, commitment and hard work that has seen CWAATSICH expand service delivery and become the lead service provider of comprehensive primary health care within the far southwest region.

Sheryl is passionate in ensuring the future of the Aboriginal Community-Controlled Health Sector and is committed to improving Aboriginal and Torres Strait Islander life expectancy.

David Collins

(GOONGARRIE/MARDIGAN)

SOUTHEAST QUEENSLAND DIRECTOR

David Collins is the Chief Executive Officer of Yulu-Burri-Ba Aboriginal Corporation for Community Health. Yulu-Burri-Ba (YBB) covers the Southern bayside areas of Brisbane and includes the Redland Bay council areas and is based on Stradbroke Island.

David has over 50 years of experience in the First Nations community including involvement in the many community organisations in and around South East Queensland where he served on many Boards.

David's background includes eight years with the Black Community Housing Service, 30 years with the Commonwealth Government starting with Centrelink and finishing with Aboriginal Hostels Limited—where he served 25 years as the State Manager for Queensland. During this period, David helped establish and monitor many community hostels for local communities.

Since his retirement from AHL, David has spent the last seven years as the CEO of YBB. Although new to the health portfolio, David brings experience in many areas of First Nations governance.

Stevan Ober

(BUTCHULLA/BADTJALA)

CENTRAL QUEENSLAND REGION DIRECTOR

Stevan Ober is the Chief Executive Officer of Galangoor Duwalami Primary Health Care Service in Fraser Coast and has over 25 years' experience in the Queensland Government, health and the community-control sector.

Stevan is a member of the Aboriginal and Torres Strait Islander Community Advisory Council (Wide Bay HHS), a member of the St Stephen's Private Hospital Advisory Committee and a former member of the Statewide Aboriginal and Torres Strait Islander Alcohol and Drug Committee.

He is also a current serving member of Marine Rescue Queensland (Hervey Bay squadron) and has been awarded the National Medal for Service from the Governor-General of Australia.

James Cripps

(PALAWA)

NORTH AND NORTH-WEST REGION DIRECTOR

James Cripps is a director of Gidgee Healing. James' family and cultural connection is from the Palawa Nation (Cape Barren Island, Flinders Island, mainland Tasmania) and relocated to Mount Isa in 2013.

James worked his way through university with degrees focussing on drug and alcohol recovery.

He joined Gidgee Healing as a Board Director in 2019, bringing a wealth of experience in the prevention and and reduction of alcohol and other substance use in discrete, remote, rural and metropolitan Indigenous communities.

James has been working in the Aboriginal and Torres Strait Islander health sector the best part of 25 years. Starting off in Victoria, he made his way to South Australia. There he coordinated some youth health activities, coordinated for small projects within Catholic Services, and moved from NGO services into government (and vice versa) where he has largely remained until this day.

Paula Arnol

(GUNGGANDJI)

FAR NORTH QUEENSLAND REGION DIRECTOR *until 4 September 2021*

Paula Arnol has more than 20 years of experience in senior executive positions within Aboriginal and Torres Strait Islander Comprehensive Primary Health Care. The majority of senior positions held has been as Chief Executive Officer in both an urban and very remote ATSICCHOs.

She has also held Director positions and responsibilities on CRC Tropical Health, CRC Aboriginal Health, NACCHO, Indigenous Health Equity Council (Federal Ministerial appointment) and NT ACCHO Peak Affiliate directorships.

Paula has experience in governance and leadership within a community-control framework, community engagement, policy advocacy, strategic planning and business development and implementation; providing extensive learnings and opportunities that assist her in maintaining ongoing commitment and passion to seeing increased access and equity in consistent strong community owned primary health care services across Australia. In particular, remote Aboriginal and Torres Strait Island communities.

Paula stepped down as a director on the 4th September 2021 to lead QAIHC's COVID-19 response before taking up her current position as Deputy Chief Executive Officer of QAIHC.

Adrian Carson

(COBBLE COBBLE)

INDEPENDENT DIRECTOR
from 8 September 2021

Adrian Carson is a Cobble Cobble man from Queensland's Western Downs Region. He was born and bred on Turrbal, Jagera and Quandamooka Country in South East Queensland.

Adrian is the CEO of the Institute for Urban Indigenous Health, a Community-Controlled Health Organisation and has held this role for more than 11 years.

He is a former CEO of QAIHC, former Board Member of Brisbane ATSICHS and is a founding member of Galangoor Duwalami Healthcare Service.

Adrian has held senior policy and program roles within both the Queensland and Australian Governments and served on various committees, including most recently the Queensland Reform Planning Group and the Primary Health Care Reform Steering Committee. He is a Board Member of the Metro North HHS. Adrian holds a Graduate Certificate in Health Service Management from Griffith University and is completing a Master of Business Administration (MBA) from the University of Queensland.

Board Meetings

During the financial year, eight (8) Board meetings of Directors were held. Attendances by each director were as follows:

Director	Meetings eligible to attend	Meetings attended
Suzanne Andrews	8	6
Matthew Cooke	8	8
Paula Arnol	1	1
James Cripps	8	8
Stevan Ober	8	7
Sheryl Lawton	8	6
David Collins	8	7
Adrian Carson	6	6

Company Guarantee

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 full Member is required to contribute a maximum of $10 each towards meeting any outstanding obligations of the entity.

At 30 June 2022, the total amount that Members of the company are liable to contribute if the company is wound up is $330 (2021: $280.00).

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* can be found below.

mazars

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Auditor's independence declaration to the Directors' of Queensland Aboriginal and Islander Health Council

In accordance with the requirements of section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012, as lead auditor for the audit of Queensland Aboriginal and Islander Health Council for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, during the year ended 30 June 2022, there have been:

(i) no contraventions of the auditor independence requirements as set out in section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Mazars

Mazars Assurance Pty Ltd
Authorised Audit Company: 338599

Michael Georghiou
Director
Brisbane, 1 December 2022

Statement of Profit or Loss and Other Comprehensive Income

For the year ending 30 June 2022

	Note	2022 $	2021 $
Revenue	3	20,109,698	9,737,982
Other income	3	1,575,277	2,304,312
Employee expense	4	(5,262,260)	(5,836,710)
Depreciation and amortisation expense	4	(877,834)	(909,298)
Interest expense on leased assets		(100,236)	(134,665)
Repairs, maintenance and vehicle running expenses		(46,434)	(27,561)
Fuel, light and power expense		(60,800)	(53,614)
Training expense		(10,551)	(159,269)
Audit, legal and consultancy fees		(930,073)	(400,328)
Marketing expenses		(420,486)	(31,572)
Bank charges & fees		(5,273)	(5,030)
Catering expense		(108,070)	(71,277)
Cleaning, waste removal & security		(87,381)	(83,514)
Computer maintenance & software expense		(151,385)	(124,632)
Dues & subscriptions expense		(10,080)	(9,886)
Fringe benefits tax expense		(2,737)	(411)
Insurance expense		(34,201)	(32,901)
Printing, postage, stationary & storage		(194,289)	(100,052)
Program expenses		(9,126,821)	(851,928)
Repairs & maintenance expense		(121,762)	(29,197)
Recruitment expenses		(33,728)	(63,822)
Staff uniforms & amenities		(49,523)	(27,846)
Seminars, conferences & venue fees		(85,109)	(90,794)
Travel, accommodation & meals		(412,323)	(432,307)
Travel – allowances		(75,162)	(110,741)
Telephone, Internet & website expense		(88,144)	(76,189)
Unexpended grants		(1,889,160)	(1,408,017)
Gain/(Loss) on disposal of asset		-	(428)
Current year surplus before income tax		1,501,153	970,307
Tax expense		-	-
Net current year surplus		1,501,153	970,307
Net current year surplus attributable to members of the entity		**1,501,153**	**970,307**

The accompanying notes form part of these financial statements.

Statement of Financial Position

For the year ending 30 June 2022

	Note	2022 $	2021 $
ASSETS			
CURRENT ASSETS			
Cash on hand	5	8,071,166	6,998,222
Trade and other receivables	6	585,237	107,011
Other current assets	7	160,033	298,777
TOTAL CURRENT ASSETS		**8,816,436**	**7,404,010**
NON-CURRENT ASSETS			
Plant and equipment	8a	277,876	275,108
Intangibles	8b	37,270	54,426
Right of use - leased assets	12	1,358,587	1,728,067
TOTAL NON-CURRENT ASSETS		**1,673,733**	**2,057,601**
TOTAL ASSETS		**10,490,169**	**9,461,611**
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	1,401,312	1,007,411
Contract liabilities	10	2,237,701	2,633,377
Employee provisions	11	432,710	486,620
Lease liabilities	12	859,255	760,344
TOTAL CURRENT LIABILITIES		**4,930,979**	**4,887,752**
NON-CURRENT LIABILITIES			
Employee provisions	11	85,068	108,122
Lease liabilities	12	659,027	1,151,798
TOTAL NON-CURRENT LIABILITIES		**744,096**	**1,259,920**
TOTAL LIABILITIES		**5,675,075**	**6,147,672**
NET ASSETS		**4,815,094**	**3,313,941**
EQUITY			
Retained surplus		4,815,094	3,313,941
TOTAL EQUITY		**4,815,094**	**3,313,941**

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the year ending 30 June 2022

	Note	Retained Surplus $	Total $
Balance at 1 July 2020		**2,343,634**	**2,343,634**
Comprehensive Income			
Surplus for the year attributable to members of the entity		970,307	970,307
Total comprehensive income attributable to members of the entity		**970,307**	**970,307**
Balance at 30 June 2021		**3,313,941**	**3,313,941**
Balance at 1 July 2021		**3,313,941**	**3,313,941**
Comprehensive Income			
Surplus for the year attributable to members of the entity		1,501,153	1,501,153
Total comprehensive income attributable to members of the entity		**1,501,153**	**1,501,153**
Balance at 30 June 2022		**4,815,094**	**4,815,094**

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the year ending 30 June 2022

	Note	2022 $	2021 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Commonwealth, state and local government grants		18,537,890	8,548,613
Receipts from donations, bequests and raffles		2,804,750	3,525,458
Payments to suppliers and employees		(19,284,490)	(9,455,625)
Interest received		2,855	4,258
Interest paid		(100,236)	(134,665)
Net cash generated from operating activities	17	**1,960,769**	**2,488,039**
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of plant and equipment		–	428
Payment for plant and equipment		(494,822)	(194,370)
Net cash used in investing activities		**(494,822)**	**(193,943)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment for leased assets		(393,003)	(743,360)
Net cash used in financing activities		**(393,003)**	**(743,360)**
Net increase in cash held		1,072,944	1,550,736
Cash on hand at beginning of the financial year		6,998,222	5,447,486
Cash on hand at end of the financial year	5	**8,071,166**	**6,998,222**

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

The financial statements cover QUEENSLAND ABORIGINAL AND ISLANDER HEALTH COUNCIL as an individual entity, incorporated and domiciled in Australia. QUEENSLAND ABORIGINAL AND ISLANDER HEALTH COUNCIL is a company limited by guarantee.

The financial statements were authorised for issue on 1 December 2022 by the directors of the company.

Note 1: Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and the Australian Charities and Not-for-profits Commission Act 2012. The financial statements have been prepared on an accruals basis and are based on historical cost modified, where applicable, by the measurement at fair value of selected non current assets, financial assets and financial liabilities. Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

Note 2: Summary of Significant Accounting Policies

(a) Revenue and Other Income

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability. None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

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

Specific revenue streams

Grant revenue
Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue is recognised when control of each performance obligation is satisfied. Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract. Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

Professional services
The Company earns revenue from provision of professional services, incorporating consulting advice. Revenue is recognised over time in the accounting period when services are rendered. Fee arrangements include fixed fee arrangements, unconditional fee for service arrangements ("time and materials") and variable fee arrangements. For fixed fee arrangements, revenue is recognised based on the stage of completion with reference to the actual services provided as a proportion of the total services expected to be provided under the contract. The stage of completion is tracked on a contract by contract basis using a milestone based approach. Estimates of revenues (including interim billing), costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

In fee for service contracts, revenue is recognised up to the amount of fees that the Company is entitled to invoice for services performed to date based on contracted rates. The Company estimates fees for variable fee arrangements using a most likely amount approach on a contract by contract basis. Management makes a detailed assessment of the amount of revenue expected to be received and variable consideration is included in revenue only to the extent that it is highly probable that the amount will not be subject to significant reversal. The Company has determined that no significant financing component exists in respect of the professional services revenue streams since the period between when the Company transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less. A receivable in relation to these services is recognised when a bill has been invoiced, as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

(b) Plant and Equipment

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 its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(f) 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 company 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 plant and equipment, including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is available for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Class of Asset	Depreciation
Plant and equipment	10%–33%
Communication equipment	33%
Computing equipment	33%–40%
Artwork	N/A
Leasehold improvements	22%–50%

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 as income in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

(c) Leases

At inception of a contract, the Company assesses whether a lease exists i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration. This involves an assessment of whether:

- The contract involves the use of an identified asset this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.

Right of use - asset
At the lease commencement, the Company recognises a right of use asset and associated lease liability for the lease term. The lease term includes extension periods where the Company believes it is reasonably certain that the option will be exercised. The right of use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received. The right of use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

Lease liability
The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Company's incremental borrowing rate is used. Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Company's assessment of lease term. Where the lease liability is remeasured, the right of use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right of use asset has been reduced to zero.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Company's incremental borrowing rate is used.

Exceptions to lease accounting
The Company has elected to apply the exceptions to lease accounting for both short term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low value assets. The Company recognises the payments associated with these leases as an expense on a straight line basis over the lease term.

(d) Financial Instruments

(i) Initial Recognition and Measurement
Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

(ii) Classification
On initial recognition, the Company classifies its financial assets into the following categories, those measured at amortised cost.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

(iii) Amortised Cost
Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

(iv) Impairment of Financial Assets
Impairment of financial assets is recognised on an expected credit loss (ECL) basis for financial assets measured at amortised cost.

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk. The Company uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

(v) Trade Receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flowa are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

(vi) Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise trade payables, bank and other loans and finance lease liabilities.

(e) Employee Provisions

Short-term employee provisions

Provision is made for the company'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 and annual leave entitlements 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. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as part of employee benefits expense.

The Company'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 12 months 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, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(g) Trade and Other Receivables

Trade and other receivables include amounts due from members as well as amounts receivable from customers for goods sold 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.

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

(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 entity is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997.*

(j) Intangible Assets

Software

Software is initially recognised at cost. It has a finite life and is carried at cost less any accumulated amortisation and any impairment losses. Software has an estimated useful life of between 3 and 4 years. It is assessed annually for impairment.

(k) Provisions

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

(l) Comparative Figures

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

(m) Trade and Other Payables

Trade 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.

(o) Economic Dependence

The Queensland Aboriginal and Islander Health Council is dependent on the Departments of Health (Federal & State), National Aboriginal Community Controlled Health Organisation and National Indigenous Australians Agency for the majority of its revenue used to operate the business. At the date of this report the Board of Directors has no reason to believe these Departments will not continue to support the Queensland Aboriginal and Islander Health Council.

(p) New and Amended Standards and Interpretations

These general purpose financial statements for the year ended 30 June 2022, are the first the Company has prepared complying with Australian Accounting Standards – Simplified Disclosures. The Company has availed itself of the relief from distinguishing corrections of errors from changes in accounting policies, as permitted by AASB 1053 Application of Tiers of Australian Accounting Standards. The Company has been preparing special purpose financial statements for periods up to and including the year ended 30 June 2021.

The Company changed its accounting policies on 1 July 2021 to comply with Simplified Disclosures. The transition is accounted for in accordance with AASB 1 First-time Adoption of Australian Accounting Standards, with 1 July 2020 as the date of transition. The transition did not result in significant differences on the current year financial statements.

A number of new standards and interpretations are effective for annual periods beginning after 1 July 2022 and earlier application is permitted. However the Company has not early adopted the new and amended standards and interpretations in preparing these financial statements as these are not significant to the Company.

Note 3: Revenue and Other Income

	2022	2021
Revenue	**$**	**$**
Revenue from (non-reciprocal) government grants and other grants		
— Federal Government Grants - Department of Health/National Indigenous Australians Agency	2,278,011	2,254,526
— State Government Grants - Queensland Health	10,716,242	2,091,836
— James Cook University	237,001	172,000
— My Health for Life (Diabetes Queensland)	190,000	185,000
— Australian Digital Health Agency	164,963	199,855
— Other Grants	39,000	59,545
— GPTQ (Central & Southern QLD Training Consortium)	108,600	108,600
— Commonwealth Scientific and Industrial Research Organisation	20,000	112,000
— BHP COVID Flexible Funding	454,545	-
— Royal Australian College of Physicians	56,250	25,356
— National Aboriginal Community Controlled Health Organisation	3,821,111	3,339,895
— Department of Seniors, Disability Services and Aboriginal and Torres Strait Islander Partnerships	251,000	-
— Western Queensland Primary Health Network	201,166	-
— Unexpended Grants	1,568,955	1,185,111
	20,106,844	**9,733,724**
Other revenue		
— Interest received on investments in government and fixed interest securities	2,855	4,258
	2,855	4,258
Total revenue	**20,109,698**	**9,737,982**
Other income		
— Rental income	313,491	292,293
— Insurance Recoveries	44,676	54,723
— Business Quality Centre	938,052	955,126
— Reimbursements	224,063	173,301
— Miscellaneous Income	54,995	9,125
— ATO Income	-	819,744
Total other income	1,575,277	2,304,312
TOTAL REVENUE AND OTHER INCOME	**21,684,975**	**12,042,294**

Note 4: Surplus for the year

	2022	2021
	$	$
Employee benefits expense:		
— Provision - Annual Leave	(8,093)	1,138
— Provision - Long Service Leave	(68,868)	44,743
— Superannuation Expense	465,927	526,295
— Wages & Salaries Expense	4,844,942	5,238,828
— Workcover Expense	28,353	25,705
Total employee benefits expense	**5,262,260**	**5,836,710**
Depreciation and amortisation:		
— plant and equipment	111,541	88,533
— leased assets	766,292	820,765
Total depreciation and amortisation	**877,834**	**909,298**
Bad and doubtful debts:		
— trade and other receivables	-	-
Audit fees:		
— audit services	22,547	34,241
Total Audit Remuneration	**22,547**	**34,241**
(b) Significant Revenue and Expenses		
Plant and equipment:	-	(428)
Net gain/(loss) on disposals	**-**	**(428)**

Note 5: Cash on Hand

	2022	2021
	$	$
Cash at bank	8,071,166	6,998,222
Total cash on hand as stated in the statement of financial position and statement of cash flows	**8,071,166**	**6,998,222**

Note 6: Trade and Other Receivables

	2022	2021
	$	$
CURRENT		
Accounts receivable	561,581	86,055
Expected credit losses	(6,214)	(6,214)
	555,367	79,841
Other debtors	29,870	27,170
Total current accounts receivable and other debtors	**585,237**	**107,011**

Note 7: Other Current Assets

	2022	2021
	$	$
Accrued Income	54,300	153,485
Prepayments	105,733	145,292
	160,033	**298,777**

Note 8: Plant and Equipment

a. PLANT AND EQUIPMENT	2022 $	2021 $
Plant and equipment:		
At cost	377,692	361,700
Less accumulated depreciation	(239,329)	(205,304)
	138,363	156,396
Communication Equipment		
At cost	99,257	62,552
Less accumulated depreciation	(56,766)	(39,197)
	42,490	23,356
Computing Equipment		
At cost	410,705	397,867
Less accumulated depreciation	(358,559)	(331,224)
	52,147	66,644
Artwork		
At cost	12,748	12,748
Less accumulated depreciation	-	-
	12,748	12,748
Leasehold Improvements		
At cost	44,673	21,298
Less accumulated depreciation	(12,546)	(5,332)
	32,128	15,966
Total plant and equipment	**277,876**	**275,108**

b. INTANGIBLES		
In-house Software		
At cost	118,169	109,926
Less accumulated amortisation	(80,899)	(55,500)
Total ingtangibles	37,270	54,426

Movements in Carrying Amounts

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

	Leashold Improvement $	Artwork $	In-house Software $	Plant & Equipment $	Computers & IT Equipment $	Communication Equipment $	Total $
2021							
Balance at the beginning of the year	6,634	12,748	73,418	140,363	25,128	9,726	268,018
Additions at cost	13,877	-	3,267	49,892	59,183	24,259	150,478
Disposals	-	-	-	-	-	(428)	(428)
Depreciation expense	(4,545)	-	(22,259)	(33,859)	(17,667)	(10,202)	(88,533)
Carrying amount at the end of the year	**15,966**	**12,748**	**54,426**	**156,396**	**66,644**	**23,356**	**329,535**
2022							
Balance at the beginning of the year	15,966	12,748	54,426	156,396	66,644	23,356	329,535
Additions at cost	23,376	-	8,243	15,992	12,838	37,561	98,010
Disposals	-	-	-	-	-	(428)	(428)
Depreciation expense	(7,213)	-	(25,399)	(34,025)	(27,335)	(17,999)	(111,971)
Carrying amount at the end of the year	**32,128**	**12,748**	**37,270**	**138,363**	**52,147**	**42,490**	**315,146**

Note 9: Trade and Other Payables

	Note	2022 $	2021 $
CURRENT			
Accounts payable		287,217	203,110
Other current payables		8,414	8,510
Other payables (net amount of GST payable)		172,270	80,650
Provisions		64,100	64,100
Accrued Expenses		667,253	364,766
Deposits Held		-	-
GST Collected		202,538	387,323
GST Paid		(481)	(101,049)
	9(a)	1,401,312	1,007,410

(a) Financial liabilities at amortised cost classified as accounts payable and other payables

	2022	2021
Accounts payable and other payables:		
— Total current	1,401,312	1,007,410
— Total non-current	-	-
	1,401,312	1,007,410
Less other payables (net amount of GST payable)	(202,057)	(286,274)
Financial liabilities as accounts payable and other payables	1,199,255	721,136

Note 10: Contract Liabilities

	2022 $	2021 $
Deferred income	3,600	-
Unexpended Grants - Government Departments	1,757,324	1,408,017
Grants Received in Advance	476,777	1,225,359
	2,237,701	2,633,377

Note 11: Employee Provisions

CURRENT	2022 $	2021 $
Provision for employee benefits: annual leave	398,888	406,980
Provision for employee benefits: long service leave	33,823	79,640
	432,710	**486,620**
NON-CURRENT		
Provision for employee benefits: long service leave	85,068	108,122
	85,068	108,122
	517,779	594,742

Analysis of total provisions:	**Employee Benefits**	**Total**
Opening balance at 1 July 2021	594,742	594,742
Additional provisions raised during the year	578,533	578,533
Amounts used	(655,496)	(655,496)
Balance at 30 June 2022	**517,779**	**517,779**

Employee Provisions

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 company 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 right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

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

In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits have been discussed in Note 3(e).

Note 12: Leased Assets and Liabilities

Right of use - leased assets	Buildings $	Motor vehicles $	Plant & equipment $	Total $
Year ended 30 June 2022				
Balance at beginning of the year	1,629,233	13,664	85,170	1,728,067
Additions	328,495	-	68,317	396,812
Disposals	-	-	(174,058)	(174,058)
Less: Depreciation charge	(698,952)	(12,551)	119,269	(592,234)
Balance at 30 June 2022	**1,258,776**	**1,113**	**98,698**	**1,358,587**

Lease liabilities

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year $	1 - 5 years $	> 5 years $	Total undiscounted lease liabilities $	Lease liabilities included in Statement of Financial Position $
Year ended 30 June 2022					
Lease liabilities	859,255	659,027	-	1,518,282	
Lease liabilities - current					859,255
Lease liabilities - non current					659,027
					1,518,282

Note 13: Commitments and Contingencies

At 30 June 2022, the Company had commitments of $550,000 (2021: $410,000) for a number of initiatives to support its members in managing the COVID-19 pandemic and ongoing health reform projects. These amounts were not contracted for until after year end and therefore could not be accounted for in the 2022 financial year.

Note 14: Events After the Reporting Period

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

Note 15: Key Management Personnel Disclosures

Any person(s) having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity is considered key management personnel.

The total remuneration paid to key management personnel of the Company was $1,240,469 (2021: $871,461).

Directors are not entitled to and did not receive benefits during the year other than accommodation, meals and travel reimbursements relating to duties as directors.

Note 16: Related Party Transactions

Directors Remuneration and Related Party Transactions

The Directors did not enter into any transactions with the company during the year.

The Directors received no remuneration from the company during the year.

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

Note 17: Financial Risk Management

The company'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:

	Note	2022	2021
Financial assets		**$**	**$**
Cash and cash equivalents	6	8,071,166	6,998,222
Loans and receivables	7	585,237	107,011
Total financial assets		**8,656,403**	**7,105,233**
Financial liabilities			
Financial liabilities at amortised cost:			
— accounts payable and other payables	9(a)	1,199,255	1,131,136
Total financial liabilities		**1,199,255**	**1,131,136**

Financial Risk Management Policies

The finance, risk and audit committee (FRAC) is responsible for monitoring and managing the company's compliance with its risk management strategy and consists of senior Board members. The finance committee's overall risk management strategy is to assist the company in meeting its financial targets while minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the finance committee on a regular basis. These include credit risk policies and future cash flow requirements.

Note 18: Schedule of Grants - Government Funding Bodies

Grant Receipts (financial year)	c/f Unexpended 2021	Released 2022	Expended 2022	c/f Unexpended 2022	Net Surplus 2022
Department of Health - Federal					
Ear Health Coordinator	26,964	320,000	346,964	-	-
IHWT Traineeship	584,234	592,972	413,882	763,324	-
IHWT Administration	184,745	197,657	106,973	275,429	-
Total	795,942	1,110,629	867,819	1,038,752	-
Department of Health - State (QLD)					
Secretariat Project	12,257	318,301	330,558	-	-
Immunisation Project	-	352,477	270,223	82,254	-
Sexual Health & Wellbeing	274,721	269,000	543,721	-	-
AOD Connecting Community	-	181,843	181,843	-	-
AOD Youth	50,000	100,000	150,000	-	-
Integration of Maternity	100,000	-	100,000	-	-
Suicide Prevention	19,579	-	19,579	-	-
Care Coordination	-	750,246	750,246	-	-
COVID Sector Support	-	8,300,000	8,300,000	-	-
Health Equity	-	93,574	93,574	-	-
Breakthrough Ice Education	-	121,800	121,800	-	-
Total	456,557	10,487,241	10,861,544	82,254	-
National Indigenous Australians Agency (Federal)					
Social Emotional & Wellbeing Project	-	1,167,382	1,167,382	-	-
Total	-	1,167,382	1,167,382	-	-
National Aboriginal Community Controlled Health Organisation					
Prmary Health	-	3,031,825	3,031,825	-	-
NDIS Ready	56,300	195,000	198,524	52,776	-
BBV STI	-	120,000	68,462	51,538	-
COVID	248,680	450,000	698,680	-	-
Stolen Generations	-	24,286	24,286	-	-
Total	304,980	3,821,111	4,021,777	104,314	-
Total	**1,557,479**	**16,586,363**	**16,918,522**	**1,225,320**	**-**

Note 19: Schedule of Grants - Other Organisations

Grant Receipts (financial year)	c/f Unexpended 2021	Released 2022	Expended 2022	c/f Unexpended 2022	Net Surplus 2022
Royal Australian College of Medical Practitioners	-	56,250	44,519	11,731	-
Diabetes Australia Queensland - My Health for life	-	190,000	190,000	-	-
ADHA My Health Record	11,475	164,963	176,438	-	-
BHP COVID Flexible Funding	-	454,545	454,545	-	-
Total	11,475	865,758	865,502	11,731	-

Note 20: Auditors' Remuneration

Remuneration of the auditor of the Company, Mazars Assurance Pty Ltd for auditing the financial statements is $22,547 (2021: $21,147).

Note 21: Company Details

The registered office of the Company is:
QUEENSLAND ABORIGINAL AND ISLANDER HEALTH COUNCIL
SOUTH BRISBANE, QLD 4101

The principal place of business is:
QUEENSLAND ABORIGINAL AND ISLANDER HEALTH COUNCIL
36 Russell Street
SOUTH BRISBANE, QLD 4101

Note 22: Members' Guarantee

The Company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of $10 towards meeting any outstanding obligations of the entity. At 2022 Financial Year End the number of members was 33.

Directors' Declaration

The directors of the registered entity declare that, in the Directors' opinion:

1. The financial statements and notes, as set out on pages 7 to 23, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:

   (a) comply with Australian Accounting Standards; and

   (b) give a true and fair view of the financial position of the registered entity as at 30 Jun 2022 and of its performance for the year ended on that date.

2. In the Directors' opinion, there are reasonable grounds to believe that Queensland Aboriginal and Islander Health Council will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with subs 60.15(2) of the Australian Charities and Not-for-profits Commission Regulation 2013.

Director: Matthew Cooke **Signature:** ....

Date: 1 December 2022

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Independent Audit Report to the members of Queensland Aboriginal & Islander Health Council

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Queensland Aboriginal & Islander Health Council (the Company), which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with Division 60 of the Australian Charities and Not-for-Profits Commissions Act 2012, including:

(i) giving a true and fair view of the Company's financial position as at 30 June 2022 and of its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards - Simplified Disclosure Requirements and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibilities of management and those charged with governance

The managements of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Simplified Disclosure Requirements and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013 and for such internal control as the managements determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 the 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. 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 Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the managements.

- Conclude on the appropriateness of the managements' 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 Company'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. 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 Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

Mazars

Mazars Assurance Pty Ltd
Authorised Audit Company: 338599

Michael Georghiou
Director
Brisbane, 2 December 2022

QAIHC

Queensland Aboriginal and
Islander Health Council