

**ABORIGINAL & TORRES STRAIT ISLANDER
COMMUNITY HEALTH SERVICE BRISBANE
LIMITED**

ABN: 22 009 943 435

ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE 2025

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ABORIGINAL & TORRES STRAIT ISLANDER COMMUNITY HEALTH SERVICE BRISBANE LIMITED
ABN: 22 009 943 435

**DIRECTOR’S REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025**

The directors of Aboriginal & Torres Strait Islander Community Health Service Brisbane Limited present their report on the Company together with the financial statements for the financial year ended 30 June 2025.

1. General Information

(a) Directors Names

The directors of Aboriginal & Torres Strait Islander Community Health Service Brisbane Limited in office at any time during, or since the end of the year are:

- Keiron Lander (Board Chair)
- Anthony Morgan (Deputy Board Chair)
- Felicity Wall
- Justin Welfare (appointed effective 21 November 2024)
- Pele Ware (appointed effective 26 February 2025)
- Peter Sheville (appointed effective 23 April 2025)
- Melody Ingra (retired effective 21 November 2024)
- Anthony Lynham (resigned effective 30 April 2025)
- Karina Hogan (resigned effective 21 November 2024)
- Dane Corowa (retired effective 21 November 2024)

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

(b) Meetings of Directors

The number of meetings of the Company’s Board of Directors (the Board) held during the year ended 30 June 2025, and the number of meetings attended by each director were:

	Number Eligible to Attend	Number Attended
Keiron Lander	10	10
Anthony Morgan	6	10
Felicity Wall	7	10
Justin Welfare	4	5
Pele Ware	3	3
Peter Sheville	2	2
Melody Ingra	3	3
Anthony Lynham	9	9
Karina Hogan	3	5
Dane Corowa	5	5

(c) Information on Directors

Keiron Lander (Board Chair)

Keiron is a proud Mithaka and Dieri Karna who has worked across various Aboriginal and Torres Strait Islander communities in Queensland over the past decade, implementing and managing the statewide preventative health strategy known as Deadly Choices. Keiron has a Masters of Business Administration from the University of Queensland. He has dedicated time to volunteering on community and non-profit boards and mentoring young Indigenous individuals. His experiences have equipped him with essential leadership qualities and skills in governance, finance, and strategy. Keiron continues to apply these skills in his current roles at Young Guns Container Crew and the charity Orange Sky, where he provides cultural leadership and contributes to meaningful initiatives.

**DIRECTOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025**

(c) Information on Directors (continued)

Anthony Morgan (Deputy Board Chair)

Anthony has extensive operational and management experience across the not-for-profit sector in the areas of Mental Health, Disability, Child Safety and Aboriginal and Torres Strait Islander health organisations. He has also held positions in Queensland Government. He is currently employed at the Queensland Family and Child Commission. His expertise is in Corporate Service functions, particularly finance and human resource management. He has worked with many community-controlled health organisations and strongly believes in the right to self-determination. He is an advocate for vulnerable people, a very proud Aboriginal and Torres Strait Islander gay man, and an animal lover, particularly dogs. Anthony holds qualifications in business administration, commerce and e-commerce.

Felicity Wall

Felicity is a Chartered Professional Civil Engineer (CPEng) and Registered Professional Engineer QLD (RPEQ) with experience in delivering civil infrastructure projects. She lived in Alice Springs for nine years, including five years with the Central Land Council, working on projects in remote Aboriginal Communities with Traditional Owner groups. Her experience includes both asset and construction management for a variety of civil infrastructure, including water, roads, housing, masterplanning, health, civil, and commercial building projects. For the past five years, she has been leading and delivering large scale health projects, including the Logan and Ipswich Hospital Expansion projects as part of the Queensland Health Capacity Expansion Program. She is currently the Project Director on the Ipswich Hospital expansion project. Felicity is excited to join ATSICHS Brisbane as a skills-based director and looks forward to working with other board members on Indigenous-led health projects.

Justin Welfare

Justin is a proud Yorta Yorta man through his mum's family. He is an experienced leader with a strong focus on First Nations affairs and impact. With a background in health and human services, governance, compliance, quality, and risk management, he brings extensive expertise to this role. Known for his exceptional communication skills and effective engagement with communities, sectors, and government, Justin understands the sector-specific challenges and best practices of not-for-profits. Currently, with QIC, he leverages his comprehensive knowledge to drive meaningful change in First Nations affairs.

Pele Ware

Pele is a descendant of the peoples on St Paul's Village, Moa Island in the Torres Straits and was born and raised in Brisbane. She is a dedicated member of the region's First Nations community. Pele commenced her professional career as a health worker and a health promotion advocate working in government and the non-government sector. She holds qualifications in a number of fields: Bachelor of Health Sciences, certificates in leadership, trainer/educator and coaching/mentor with expert knowledge, practice and skill in mentoring/coaching, epidemiology, prevention, facilitation, and health promotion. Pele continues to advocate, holding onto the values and beliefs of her people. Setting high professional standards, Pele is committed with drive and passion for a fair and just economic societal upscale for Aboriginal and Torres Strait Islander people in this 21st century.

Peter Sheville

Peter has a career that spans many years as a professional services provider, operating extensively in leadership, executive and ownership roles. He has established, owned, and led professional services firms in executive roles with international, national and local firms in Canberra, Brisbane and South East Asia. Peter has extensive experience and qualifications in audit, assurance, financial reporting, risk and governance. He has a long history of working with the not-for-profit sector across Australia and South East Asia. He was appointed to numerous local and state government audit committees in New South Wales, Queensland and the Australian Capital Territory as a Chair and as an independent member.

**DIRECTOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025**

(c) Information on Directors (continued)

Melody Ingra

Melody is a proud Gooreng Gooreng/Wakka Wakka woman from Central Queensland. Born and raised on country in Gladstone, she has a teaching degree and has worked in primary and high schools in regional and remote communities. While working as the Principal Project Officer for Early Childhood Education and Care in the Remote Indigenous Professional Development Program, Melody delivered professional development to early childhood educators in Queensland, Northern Territory and South Australia. Melody now works in the early childhood sector in a national role promoting reconciliation and is passionate about our little people and growing them to be healthy and proud.

Anthony Lynham

Associate Professor Anthony Lynham is a well-respected maxillofacial surgeon with over 25 years' experience in surgery. He trained in Queensland and Switzerland and has worked in various roles including as a consultant surgeon at RBWH. In 2014 Dr Lynham entered Queensland politics where he served as a Member for Stafford and as Minister for State Development and Minister for Natural Resources and Mines. Today he is a clinical director of one of the nation's leading institutes in trauma research and is Associate Professor at the School of Medicine University of Queensland. Dr Lynham is passionate about community health and works in the ATSIHS Brisbane's dental clinics on a regular basis.

Karina Hogan

Karina Hogan is a proud First Nations and South Sea Islander woman with strong ancestral ties to Northern NSW, Bundjalung Country. Her passion for elevating voices in her community is at the heart of what she does. She is a Content Producer, Broadcaster and Journalist with a thirst for making a positive impact in the health, media and art space. With 13 years' experience in media, she works for ABC Brisbane, is a businesswoman, studies at Griffith University and recently finished broadcasting for the flagship program for Triple A's Let's Talk Program. She is a researcher and impact producer for the Logie Award winning documentary 'Incarceration Nation' and is completing a research Honors degree at Griffith University focusing on the representation of diverse and First Nations women impacted by violence in the media. She is an experienced and passionate Non-Executive Director on the Board of the Children's Hospital Queensland and the Deputy Director of BlakDance theatre company Brisbane.

Dane Corowa

Dane is passionate about evidence based health initiatives leading to positive health outcomes within the community. Dane was born in Tweed Heads and belongs to the Minjungbal tribe within the Bundjalung nation. He has completed a Bachelor of Applied Science in Human Movement Studies and a Graduate Diploma in Cardiac Ultrasound both at the Queensland University of Technology. He has been employed as a Cardiac Sonographer with Queensland Cardiovascular Group since 2009 and Heart of Australia since 2015, travelling to rural towns throughout Outback Queensland.

(d) Principal Activities

In accordance with the objectives of the Company, the principal activities of the Company during the financial year were to assist Aboriginal and Torres Strait Islander people in need of medical and dental advice, treatment and other services.

There have been no significant changes in the nature of Company's principal activities during the financial year.

**DIRECTOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025**

2. Business Review

(a) Operating Results

The profit of the Company during the financial year after providing for income tax amounted to \$13,491,184 (Revised 2024: \$1,109,507). The profit generated during the year, was primarily attributable to the application of accounting standard AASB 15, *Revenue from Contracts with Customers* and AASB 116, *Property Plant and Equipment*. During the year, the Company received funding for the development of a building located at 643-651 Deception Bay Road, Deception Bay. In accordance with AASB 116, the costs associated with the building's development have been capitalised on the balance sheet, disclosed as "Capital Work-in Progress". However, in accordance with AASB 15, the corresponding funding income has been recognised as revenue in the statement of profit or loss. This accounting treatment has resulted in the recognition of a profit, that does not reflect the underlying operational performance of the Company, but rather, an accounting outcome arising for the standard's application.

(b) Short Term Objectives

The Company's short term objectives are to:
To continue to embed the Institute of Urban Indigenous Health (IUIH) model of care across all of the ATSICHS Brisbane Limited clinics;
To continue on the path of building the financial sustainability of the organisation; and
To maintain quality accreditation through ISO, AGPAL, Aged Care Licencing and Child Safety Licencing.

(c) Long Term Objectives

The Company's long term objectives are to:
Provide leadership in the provision of health services to Aboriginal and Torres Strait Islander people in Brisbane;
Operate services with strong community and client support; and
Build a quality and sustainable organisation.

(d) Strategy for Achieving the Objectives

To achieve these objectives, the Company has adopted the following strategies:
Maintain a strong focus on governance and transparency;
Maintain and expand the provision of services across Brisbane; and
Contribute to the development of a competent and sustainable Aboriginal and Torres Strait Islander workforce.

(e) Performance Measures

The following measures are used within the Company to monitor performance:
The company measures its own performance through the use of both quantitative and qualitative benchmarks. The benchmarks are used by the directors to assess the financial sustainability of the company and whether the company's short term and long term objectives are being achieved.

3. Other Items

(a) Events Subsequent to the End of the Reporting Period

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

**DIRECTOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025**

(b) Going Concern

This financial report has been prepared on a going concern basis which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. The ability of the company to continue to operate as a going concern is dependent upon the ability of the company to generate sufficient cashflows from the operations and the continued state and federal government funding to meet its liabilities. The directors of the company believe that the going concern assumption is appropriate.

4. Members' Guarantee

Aboriginal and Torres Strait Islander Community Health Services ("ATSICHS") Brisbane Limited was originally incorporated under the Corporations Act 2001 and is a company limited by guarantee. It is now governed by the Australian Charities and Not for profits Commission Act 2012 (ACNC Act 2012). In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each members and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$ 1 per member, subject to the provisions of the company's constitution. At 30 June 2025 the collective liability of members was 57 (2024: 54 members).

5. Auditor's Independence Declaration

The lead auditor's independence declaration in accordance with Section 60 40 of the Australian Charities and Not for profits Commission Act 2012 (Cth) (ACNC Act), for the year ended 30 June 2025 has been received and can be found on the next page of the financial report.

This statement is made in accordance with a resolution of the directors and is signed by the Board Chair of the Company:



Keiron Lander

Board Chair

29 October 2025

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 60-40 OF THE CHARITIES AND NOT-FOR-PROFIT COMMISSION ACT 2012
TO THE DIRECTORS OF INSTITUTE FOR
ABORIGINAL & TORRES STRAIT ISLANDER COMMUNITY HEALTH SERVICE BRISBANE LIMITED**

As lead auditor for the audit of Aboriginal & Torres Strait Islander Community Health Service Brisbane Limited for the year ended 30 June 2025, I declare that to the best of my knowledge and belief, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *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.

MGI Audit Pty Ltd



G I Kent
Director

Brisbane

29 October 2025

**ABORIGINAL & TORRES STRAIT ISLANDER COMMUNITY HEALTH SERVICE BRISBANE
LIMITED**
ABN: 22 009 943 435

**DIRECTOR'S DECLARATION
FOR THE YEAR ENDED 30 JUNE 2025**

In the directors' opinion:

1. There are reasonable grounds to believe that the registered entity is able to pay its debts, as and when they become due and payable; and
2. The financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profits Regulations 2022*.



.....
Keiron Lander

Board Chair

Brisbane

29 October 2025

**ABORIGINAL & TORRES STRAIT ISLANDER COMMUNITY HEALTH SERVICE BRISBANE
LIMITED**
ABN: 22 009 943 435

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025**

	Notes	2025 \$	Revised 2024 \$
Grants	3	66,201,144	44,158,566
Revenue from contracts with customers	4	12,715,964	10,689,912
		<u>78,917,108</u>	<u>54,848,478</u>
Other income	5	5,291,844	2,903,868
Employee benefits expense		(51,152,589)	(41,915,924)
Depreciation and amortisation expense	6	(2,751,278)	(2,425,854)
Occupancy costs		(4,258,235)	(2,521,776)
Motor vehicle expenses		(709,383)	(707,874)
Loss on disposal of property, plant and equipment		(310,265)	(54,719)
Administrative expenses		(1,781,037)	(1,560,675)
Other expenses		(9,370,319)	(7,066,094)
Finance costs		(384,658)	(389,923)
Profit before income tax		<u>13,491,188</u>	<u>1,109,507</u>
Income tax expense		-	-
Profit for the year		<u><u>13,491,188</u></u>	<u><u>1,109,507</u></u>
Other Comprehensive Income		-	-
Total Comprehensive Income for the year		<u><u>13,491,188</u></u>	<u><u>1,109,507</u></u>

The accompanying notes form part of these financial statements

**ABORIGINAL & TORRES STRAIT ISLANDER COMMUNITY HEALTH SERVICE BRISBANE
LIMITED**
ABN: 22 009 943 435

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025**

	Notes	2025 \$	Revised 2024 \$	Revised 2023 \$
ASSETS				
Current assets				
Cash and cash equivalents	8	24,382,044	15,051,871	8,272,696
Trade and other receivables	9	249,667	85,910	129,483
Other financial assets	10	25,160,000	10,521,937	9,503,365
Other assets	11	662,727	581,038	822,072
Total current assets		<u>50,454,438</u>	<u>26,240,756</u>	<u>18,727,616</u>
Non-current assets				
Property, plant and equipment	13	40,759,757	38,878,909	38,650,842
Capital work in progress	14	11,234,352	1,089,769	-
Investment properties	12	-	4,900,761	4,900,761
Right-of-use assets	15	5,287,892	6,228,074	3,559,795
Total non-current assets		<u>57,282,001</u>	<u>51,097,513</u>	<u>47,111,398</u>
TOTAL ASSETS		<u>107,736,439</u>	<u>77,338,269</u>	<u>65,839,014</u>
LIABILITIES				
Current liabilities				
Trade and other payables	16	8,515,401	5,164,572	3,791,213
Income received in advance	20	22,339,223	6,321,583	501,811
Lease liabilities	18	2,509,249	2,610,101	1,422,890
Short-term provisions	19	3,566,751	2,876,736	2,223,054
Borrowings	17	-	2,314,389	74,465
Total current liabilities		<u>36,930,624</u>	<u>19,287,381</u>	<u>8,013,433</u>
Non-current liabilities				
Borrowings	17	-	-	2,412,287
Lease liabilities	18	3,273,484	4,087,504	2,544,016
Long-term provisions	19	345,049	267,290	282,691
Total non-current liabilities		<u>3,618,533</u>	<u>4,354,794</u>	<u>5,238,994</u>
TOTAL LIABILITIES		<u>40,549,157</u>	<u>23,642,175</u>	<u>13,252,427</u>
NET ASSETS		<u>67,187,282</u>	<u>53,696,094</u>	<u>52,586,587</u>
EQUITY				
Retained earnings		<u>67,187,282</u>	<u>53,696,094</u>	<u>52,586,587</u>
TOTAL EQUITY		<u>67,187,282</u>	<u>53,696,094</u>	<u>52,586,587</u>

**ABORIGINAL & TORRES STRAIT ISLANDER COMMUNITY HEALTH SERVICE BRISBANE
LIMITED**

ABN: 22 009 943 435

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2025**

	Retained Earnings \$	Total \$
Balance at 1 July 2023 (Revised)	52,586,587	52,586,587
Profit for the year (revised)	1,109,507	1,109,507
Balance at 30 June 2024	53,696,094	53,696,094
Profit for the year	13,491,188	13,491,188
Balance at 30 June 2025	67,187,282	67,187,282

ABORIGINAL & TORRES STRAIT ISLANDER COMMUNITY HEALTH SERVICE BRISBANE LIMITED
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025

	Notes	2025 \$	Revised 2024 \$
Cash flows from operating activities			
Receipts from customers		103,089,699	66,286,490
Payments to suppliers and employees		(70,367,632)	(55,736,571)
Interest received		242,856	137,763
Finance costs		(43,179)	(389,923)
Net cash provided by operating activities		<u>32,921,744</u>	<u>10,297,759</u>
Cash flows from investing activities			
Purchase of property, plant and equipment		(12,928,785)	(1,948,094)
Proceeds from disposal of investment property		7,635,685	-
Purchase of financial assets		(14,011,391)	(302,119)
Net cash used in investing activities		<u>(19,304,491)</u>	<u>(2,250,213)</u>
Cash flows from financing activities			
Repayment of lease liabilities		(1,631,212)	(1,096,008)
Repayment of borrowings		(2,314,389)	(172,363)
Net cash used in financing activities		<u>(3,945,601)</u>	<u>(1,268,371)</u>
Net increase in cash and cash equivalents		9,330,173	6,779,175
Cash and cash equivalents at beginning of year		15,051,871	8,272,696
Cash and cash equivalents at end of year	8	<u>24,382,044</u>	<u>15,051,871</u>

ABORIGINAL & TORRES STRAIT ISLANDER COMMUNITY HEALTH SERVICE BRISBANE LIMITED
ABN: 22 009 943 435

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

The financial statements cover Aboriginal & Torres Strait Islander Community Health Service Brisbane Limited as an individual entity. Aboriginal & Torres Strait Islander Community Health Service Brisbane Limited is a not-for-profit company limited by guarantee, incorporated and domiciled in Australia. The Company is also a registered charity under the *Australian Charities and Not-for-profit Commission* incorporated. The financial statements are presented in Australian dollars, which is Aboriginal & Torres Strait Islander Community Health Service Brisbane Limited's functional and presentation currency.

NOTE 1: MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies that are material to the company are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

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

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

(a) Revenue Recognition

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

NOTE 1: MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(a) Revenue (continued)

Interest

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

Rent

Rent revenue from the investment properties is recognized on a straight-line basis over the lease term. Lease incentives granted are recognized as part of the rental revenue. Contingent rentals are recognized as income in the period when earned.

Other revenue

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

(b) Income tax

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

(c) Current and non-current classification

Assets and liabilities are presented in the balance sheet based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

(d) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(e) Trade Receivables

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

NOTE 1: MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(f) Investments in other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the company has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Impairment of financial assets

The company recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

(g) Investment properties

Investment properties principally comprise of freehold land and buildings held for long-term rental and capital appreciation that are not occupied by the company. Investment properties are initially recognised at cost, including transaction costs, and are subsequently remeasured annually at fair value. Movements in fair value are recognised directly to profit or loss.

Investment properties are derecognised when disposed of or when there is no future economic benefit expected.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

NOTE 1: MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(g) Investment properties (continued)

Transfers to and from investment properties to property, plant and equipment are determined by a change in use of owner-occupation. The fair value on the date of change of use from investment properties to property, plant and equipment are used as deemed cost for the subsequent accounting. The existing carrying amount of property, plant and equipment is used for the subsequent accounting cost of investment properties on the date of change of use.

Investment properties also include properties under construction for future use as investment properties. These are carried at fair value, or at cost where fair value cannot be reliably determined and the construction is incomplete.

(h) Property, Plant and Equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a diminishing value basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Buildings	2%
Leasehold improvements	20 – 30%
Plant and equipment	20 – 30%

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

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

(i) Capital work in progress

Capital work in progress represents the cost of assets under construction or development that are not yet ready for their intended use. These assets are carried at cost and are not depreciated until they are available for use, at which point, they are transferred to the appropriate category of property, plant and equipment.

Costs include all expenditure directly attributable to the construction or development of the asset, including:

- Materials and labour
- Professional fees
- Site preparation costs
- Borrowing costs capitalized in accordance with AASB 123 *Borrowing Costs*

Capital work in progress is reviewed regularly to ensure that only costs that meet the recognition criteria of AASB 116 *Property, Plant and Equipment* are capitalised. Any costs that do not meet these criteria are expensed as incurred.

Transfers from capital work in progress to property, plant and equipment occur when the asset is in the location and condition necessary for it to be capable of operating in the manner intended by management.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

NOTE 1: MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(j) Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

(k) Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

(l) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

(m) Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

(n) Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

NOTE 1: MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(o) Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

(p) Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave, long service leave and accumulating sick leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled. Non-accumulating sick leave is expensed to profit or loss when incurred.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(q) Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

(r) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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 tax authority is included in other receivables or other payables in the balance sheet.

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

**ABORIGINAL & TORRES STRAIT ISLANDER COMMUNITY HEALTH SERVICE BRISBANE
LIMITED**

ABN: 22 009 943 435

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

NOTE 1: MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(s) Economic dependence

Aboriginal & Torres Strait Islander Community Health Service Brisbane Limited is dependent on the State and Federal Government funding for the majority of its revenue used to operate the business. At the date of this report the directors have no reason to believe the State and Federal government funding will not continue to support Aboriginal & Torres Strait Islander Community Health Service Brisbane Limited.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

NOTE 2: PRIOR PERIOD ERROR

A prior period error has been identified in the 2024 financial statements in respect to the accounting for capital work-in-progress, right-of-use assets and lease liabilities. The Company recognised the costs for the development of the Deception Bay and Crown Street property, through the statement of profit or loss, rather than recognising these costs on the balance sheet, in accordance with AASB 116 - *Property, Plant and Equipment*. Additionally, the Company recognised the leasing costs for the motor vehicle leases through the statement of profit or loss, rather than recognising them on the balance sheet, in accordance with AASB 16 - *Leases*.

In accordance with AASB 108 – *Accounting Policies, Changes in Accounting Estimates and Errors*, the Branch has assessed that these prior period errors have had on the comparative amounts previously detailed in the prior year financial statements. The impact is as follows.

	Notes	Previously Audited 2024	Adjustments	Revised 2024
		\$	\$	\$
Grants		44,158,566	-	44,158,566
Revenue from contracts with customers		10,689,912	-	10,689,912
		<u>54,848,478</u>	<u>-</u>	<u>54,848,478</u>
Other income		2,903,868	-	2,903,868
Employee benefits expense		(41,915,925)	-	(41,915,925)
Depreciation and amortisation expense	ii	(1,930,342)	(495,512)	(2,425,854)
Occupancy costs	I	(3,611,543)	1,089,767	(2,521,776)
Motor vehicle expenses	ii	(1,248,200)	540,326	(707,874)
Loss on write-off of property, plant and		(54,719)	-	(54,719)
Administrative expenses		(1,560,675)	-	(1,560,675)
Other expenses		(7,066,094)	-	(7,066,094)
Finance costs	ii	(355,206)	(34,716)	(389,922)
Profit before income tax		<u>9,642</u>	<u>1,099,865</u>	<u>1,109,507</u>
Income tax expense		-	-	-
Profit for the year		<u>9,642</u>	<u>1,099,865</u>	<u>1,109,507</u>
Other Comprehensive Income		-	-	-
Total comprehensive income for the year		<u>9,642</u>	<u>1,099,865</u>	<u>1,109,507</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

NOTE 2: PRIOR PERIOD ERROR (continued)

Notes

- i. The Company incorrectly recognised the costs for the capital development of the Deception Bay and the Crown Street property, as expenditure, rather than recognising the costs as capital-work in-progress. These costs have therefore been removed from expenditure and reallocated to the balance sheet, as required by AASB 116 – *Property Plant and Equipment*.
- ii. The Company had motor vehicle leases that were being recorded as expenditure, rather than being recorded in accordance with the requirements of AASB 16 – *Leases*. A right-of-use asset and corresponding lease liability has been recognised for each motor vehicle lease. Depreciation has been calculated on the right-of-use asset, over the life of the lease. The leasing costs have been removed from expenditure and reallocated to repayment of the lease liabilities. Interest has also been charged on the lease liability.

Statement of cash flows

		Previously Audited 2024 \$	Adjustments \$	Revised 2024 \$
Cash flows from operating activities				
Receipts from customers	ii	60,323,824	5,962,666	66,286,490
Payments to suppliers and employees	i-ii	(51,326,302)	(4,410,269)	(55,736,571)
Interest received		137,763	-	137,763
Interest paid	ii	-	(389,923)	(389,923)
Net cash provided by/ (used in) operating activities		9,135,285	1,162,474	10,297,759
Cash flows from investing activities				
Payments for property, plant and equipment	i	(3,673,261)	1,725,167	(1,948,094)
Purchase of financial assets	i-ii	(104,633)	(197,486)	(302,119)
Net cash used in investing activities		(3,777,894)	1,527,681	(2,250,213)
Cash flows from financing activities				
Repayment of borrowings	ii	1,421,784	(1,594,147)	(172,363)
Repayment of lease liabilities	ii	-	(1,096,008)	(1,096,008)
Net cash used in financing activities		1,421,784	(2,690,155)	(1,268,371)
Net increase/ (decrease) in cash and cash equivalents		6,779,175	-	6,779,175
Cash and cash equivalents at beginning of year		8,272,696	-	8,272,696
Cash and cash equivalents at end of year	5	15,051,871	-	15,051,071

ABORIGINAL & TORRES STRAIT ISLANDER COMMUNITY HEALTH SERVICE BRISBANE LIMITED
ABN: 22 009 943 435

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

NOTE 2: PRIOR PERIOD ERROR (continued)

	Note	Previously Audited 2023 \$	Adj \$	Revised 2023 \$	Previously Audited 2024 \$	Adj \$	Revised 2024 \$
ASSETS							
Current assets							
Cash and cash equivalents		8,272,696	-	8,272,696	15,051,871	-	15,051,871
Trade and other receivables		129,483	-	129,483	85,910	-	85,910
Other financial assets		9,503,365	-	9,503,365	10,521,937	-	10,521,937
Other assets		822,072	-	822,072	581,038	-	581,038
Total current assets		18,727,616	-	18,727,616	26,240,756	-	26,240,756
Non-current assets							
Property, plant and equipment		38,650,842	-	38,650,842	38,878,909	-	38,878,909
Capital work in progress	i	-	-	-	-	1,089,769	1,089,769
Investment properties		4,900,761	-	4,900,761	4,900,761	-	4,900,761
Right-of-use assets	ii - iii	2,829,941	729,854	3,559,795	4,806,059	1,422,015	6,228,074
Total non-current assets		46,381,544	729,854	47,111,398	48,585,729	2,511,784	51,097,513
TOTAL ASSETS		65,109,160	729,854	65,839,014	74,826,485	2,511,784	77,338,269
LIABILITIES							
Current liabilities							
Trade and other payables		3,791,213	-	3,791,213	5,164,572	-	5,164,572
Income received in advance		501,811	-	501,811	6,321,583	-	6,321,583
Lease liabilities	ii - iii	686,415	736,475	1,422,890	1,191,561	1,418,540	2,610,101
Short-term provisions		2,223,054	-	2,223,054	2,876,736	-	2,876,736
Borrowings		74,465	-	74,465	2,314,389	-	2,314,389
Total current liabilities		7,276,958	736,475	8,013,433	17,868,841	1,418,540	19,287,381
Non-current liabilities							
Borrowings		2,412,287	-	2,412,287	-	-	-
Lease liabilities		2,544,016	-	2,544,016	4,087,504	-	4,087,504
Long-term provisions		282,691	-	282,691	267,290	-	267,290
Total non-current liabilities		5,238,994	-	5,238,994	4,354,794	-	4,354,794
TOTAL LIABILITIES		12,515,952	736,475	13,252,427	22,223,635	1,418,540	23,642,175
NET ASSETS		52,593,208		52,586,587	52,602,850	-	53,696,094
EQUITY							
Retained earnings		52,593,208	(6,621)	52,586,587	52,602,850	1,093,244	53,696,094
TOTAL EQUITY		52,593,208	(6,621)	52,586,587	52,602,850	1,093,244	53,696,094

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

NOTE 2: PRIOR PERIOD ERROR (continued)

Notes

- i. The Company incorrectly recognised the costs for the capital development of the Deception Bay and the Crown Street property, as expenditure, rather than recognising the costs as capital-work in-progress. These costs have therefore been removed from expenditure and reallocated to the balance sheet, as required by AASB 116 – *Property Plant and Equipment*
- ii. The Company had motor vehicle leases at 30 June 2024 that were being recorded as expenditure, rather than being recorded in accordance with the requirements of AASB 16 – *Leases*. A right-of-use asset and corresponding lease liability has been recognised for each motor vehicle lease. Depreciation has been calculated on the right-of-use asset, over the life of the lease. The leasing costs have been removed from expenditure and reallocated to repayment of the lease liabilities. Interest has also been charged on the lease liability.
- iii. The Company had motor vehicle leases at 30 June 2023 that were being recorded as expenditure, rather than being recorded in accordance with the requirements of AASB 16 – *Leases*. A right-of-use asset and corresponding lease liability has been recognised for each motor vehicle lease.

	2025	2024
	\$	\$
NOTE 3: GRANTS		
Commonwealth Government Grant	7,431,432	7,658,181
State Government Grant	26,920,342	20,051,307
Capital Grant	8,193,534	1,141,875
Other Grants	11,737,564	6,521,648
JNC Subsidy	11,918,272	8,122,566
Kindy Funding	-	662,989
	66,201,144	44,158,566

NOTE 4: REVENUE FROM CONTRACTS WITH CUSTOMERS

HIC Fees	847,226	676,449
Dental Service Income	37,856	25,647
Kindy and Child Care Fees	37,941	29,393
Medicare Income	7,375,091	6,787,736
Other Organisations	1,791,955	807,367
Rental Income - Residents	1,748,904	1,668,525
Rental Income (Others)	876,991	694,795
	12,715,964	10,689,912

ABORIGINAL & TORRES STRAIT ISLANDER COMMUNITY HEALTH SERVICE BRISBANE LIMITED
ABN: 22 009 943 435

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

	2025	2024
	\$	\$

NOTE 5: OTHER INCOME

Distribution received from managed investments	-	49,175
Unrealised gain/ (loss) on managed investments	1,128,339	1,408,341
Interest	242,856	137,762
Donations received	2,960	45,163
Proceeds from sale of investment property	2,734,924	-
Other	1,182,765	1,263,427
	<u>5,291,844</u>	<u>2,903,868</u>

NOTE 6: DEPRECIATION AND AMORTISATION

Buildings	560,259	648,709
Plant and Equipment	216,289	248,471
Motor Vehicles	213,735	197,313
Leasehold Improvements	104,473	172,934
Right-of-use Assets – Land and Buildings	1,040,578	662,915
Right-of-use Assets – Motor Vehicles	615,944	495,512
	<u>2,751,278</u>	<u>2,425,854</u>

NOTE 7: EMPLOYEE BENEFITS EXPENSE

Salary and Wages	41,522,300	34,439,234
Superannuation Contributions	4,683,407	3,700,318
Other Payroll Expenses	4,946,883	3,776,373
	<u>51,152,591</u>	<u>41,915,925</u>

NOTE 8: CASH AND CASH EQUIVALENTS

Cash at bank	<u>24,382,044</u>	<u>15,051,871</u>
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NOTE 9: TRADE AND OTHER RECEIVABLES

Trade receivables	<u>249,667</u>	<u>85,910</u>
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ABORIGINAL & TORRES STRAIT ISLANDER COMMUNITY HEALTH SERVICE BRISBANE LIMITED
ABN: 22 009 943 435

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

	2025 \$	2024 \$
NOTE 10: OTHER FINANCIAL ASSETS – FAIR VALUE THROUGH PROFIT OR LOSS		
Investments in KODA Funds	10,895,665	10,268,993
ANZ Term Deposits	14,264,335	252,944
	<u>25,160,000</u>	<u>10,521,937</u>

Reconciliation

Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:

Opening fair value	10,521,937	9,503,365
Additions	14,011,391	10,513,942
Disposals	-	(10,260,997)
Revaluation increments	626,672	765,627
Closing Fair Value	<u>25,160,000</u>	<u>10,521,937</u>

NOTE 11: OTHER ASSETS

Bonds and deposits paid	<u>662,727</u>	<u>581,038</u>
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NOTE 12: INVESTMENT PROPERTIES

Reconciliation

Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:

Opening fair value	4,900,761	4,900,761
Disposals	(4,900,761)	-
Closing Fair Value	<u>-</u>	<u>4,900,761</u>

ABORIGINAL & TORRES STRAIT ISLANDER COMMUNITY HEALTH SERVICE BRISBANE LIMITED
ABN: 22 009 943 435

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

	2025 \$	2024 \$
NOTE 13: PROPERTY, PLANT AND EQUIPMENT		
Land and buildings		
At cost	44,226,331	42,104,374
Less accumulated depreciation	(6,990,751)	(6,441,308)
	<u>37,235,580</u>	<u>35,663,066</u>
Leasehold improvements		
At cost	2,020,240	2,034,758
Less accumulated depreciation	(1,611,337)	(1,517,792)
	<u>408,903</u>	<u>516,966</u>
Plant and equipment		
At cost	3,368,351	4,023,842
Less accumulated depreciation	(1,015,762)	(2,013,015)
	<u>2,352,589</u>	<u>2,010,827</u>
Motor vehicles		
At cost	1,214,273	1,518,502
Less accumulated depreciation	(451,588)	(830,452)
	<u>762,685</u>	<u>688,050</u>
TOTAL PROPERTY PLANT AND EQUIPMENT	<u>40,759,757</u>	<u>38,878,909</u>

(a) 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:

	Land and Buildings \$	Plant and Equipment \$	Motor Vehicles \$	Leasehold Improvements \$	Total \$
Balance at 1 July 2024	35,663,066	2,010,827	688,050	516,966	38,878,909
Additions	2,136,525	804,890	360,144	-	3,301,559
Disposals	(3,752)	(246,839)	(71,774)	(3,590)	(325,955)
Depreciation expense	(560,259)	(216,289)	(213,735)	(104,473)	(1,094,756)
Carrying amount 30 June 2025	<u>37,235,580</u>	<u>2,352,589</u>	<u>762,685</u>	<u>408,903</u>	<u>40,759,757</u>

NOTE 14: CAPITAL WORK-IN-PROGRESS	\$	\$
Opening balance – Capital work-in-progress	1,089,767	-
Additions	10,144,585	1,089,769
Closing balance – Capital work-in-progress	<u>11,234,352</u>	<u>1,089,769</u>

ABORIGINAL & TORRES STRAIT ISLANDER COMMUNITY HEALTH SERVICE BRISBANE LIMITED
ABN: 22 009 943 435

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

	2025 \$	2024 \$
NOTE 15: RIGHT-OF-USE ASSETS		
Land and buildings	7,211,541	6,880,666
Motor vehicles – right-of-use	2,598,264	2,212,800
Less: Accumulated depreciation	(4,521,913)	(2,865,392)
	<u>5,287,892</u>	<u>6,228,074</u>
NOTE 16: TRADE AND OTHER PAYABLES		
CURRENT		
Trade payables	2,596,146	2,258,098
Resident funds held	1,276,237	1,117,532
Other current payables	4,643,020	1,788,942
	<u>8,515,403</u>	<u>5,164,572</u>
NOTE 17: BORROWINGS		
Loan – Bendigo Bank	<u>-</u>	<u>2,314,389</u>
NOTE 18: LEASE LIABILITIES		
CURRENT		
Lease liabilities	<u>2,509,249</u>	<u>2,610,101</u>
NON CURRENT		
Lease liabilities	<u>3,273,484</u>	<u>4,087,504</u>
NOTE 19: PROVISIONS		
CURRENT		
Provision for annual leave	2,542,355	2,176,453
Provision for long service leave	1,024,396	700,283
	<u>3,566,751</u>	<u>2,876,736</u>
NON CURRENT		
Provision for long service leave	<u>345,049</u>	<u>267,290</u>
Total provisions	<u>3,911,800</u>	<u>3,144,026</u>

ABORIGINAL & TORRES STRAIT ISLANDER COMMUNITY HEALTH SERVICE BRISBANE LIMITED

ABN: 22 009 943 435

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025**

	2025	2024
	\$	\$

NOTE 20: INCOME RECEIVED IN ADVANCE

Revenue received in advance	<u>22,339,223</u>	<u>6,321,583</u>
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NOTE 21: 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.

Compensation

The aggregate compensation made to the senior executives and directors of the Company is set out below:

Aggregate compensation	<u>1,836,831</u>	<u>741,292</u>
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NOTE 22: AUDITORS' REMUNERATION

Remuneration of the auditor of the company for:	<u>72,500</u>	<u>88,000</u>
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NOTE 23: RELATED PARTY TRANSACTIONS

Parent entity

Aboriginal & Torres Strait Islander Community Health Services Brisbane Limited is the parent entity.

Key management personnel

Disclosures relating to key management personnel are set out in note 21.

Transactions with related parties

Other related parties include the Institute for Urban Indigenous Health Ltd, of which the Aboriginal & Torres Strait Islander Community Health Service Brisbane Limited, is a member. All transactions between the Company and its related entities are on normal commercial terms and conditions no more favourable than those available to other persons, unless otherwise stated.

Sales of Goods or Services to Related Parties

Institute for Urban Indigenous Health Ltd	<u>17,183,587</u>	<u>7,649,511</u>
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Purchases of Goods and Services from Related Parties

Institute for Urban Indigenous Health Ltd	<u>1,066,578</u>	<u>1,178,878</u>
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

NOTE 23: RELATED PARTY TRANSACTIONS (Continued)

Receivables from and payable to related parties.

There were no trade receivables from related parties at the current and previous reporting date.

Trade Payables to Related Parties

Institute for Urban Indigenous Health Ltd	150,315	68,431
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Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions

All transactions were made on normal commercial terms and conditions at the market rates.

NOTE 24: CAPITAL MANAGEMENT

Management controls the capital of the entity to ensure that within tolerable risk parameters adequate cash flows are generated to fund its mentoring programs and that returns from investments are maximised. The finance committee ensures that the overall risk management strategy is in line with this objective.

The CEO and finance officer operate under policies approved by the directors. Risk management policies are approved and reviewed by the board on a regular basis. These include credit risk policies and future cash flow requirements.

The entity's capital consists of financial liabilities, supported by financial assets.

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

There have been no changes to the strategy adopted by management to control the capital of the entity since the previous year.

NOTE 25: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2025 (30 June 2024: None).

In the opinion of the Directors, the Company did not have any commitments at 30 June 2025 (30 June 2024: None).

NOTE 26: MEMBERS' GUARANTEES

The Company was originally incorporated under the Corporations Act 2001 and is a Company limited by guarantee. It is now governed by the ACNC Act 2012.

If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$1 each towards meeting any outstanding obligations of the Company. At 30 June 2025, the number of members was 57 (2024: 54).

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025**

NOTE 27: EVENTS AFTER THE REPORTING PERIOD

No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

NOTE 28: SEGMENT REPORTING – JIMBELUNGA NURSING CENTRE

	2025	2024
	\$	\$
Profit and loss and other comprehensive income		
Revenue	13,900,774	10,115,582
Administrative expenses	(104,669)	(199,265)
Clinical and resident care	(2,058,488)	(1,064,399)
Depreciation expense	(327,191)	(366,444)
Employee benefit expenses	(9,134,160)	(7,433,978)
Motor vehicle expenses	(14,276)	(16,346)
Property expenses	(685,256)	(662,648)
Other expenses	(1,322,605)	(48,067)
Loss on write off of property, plant and equipment	(36,331)	-
Current year surplus (deficit)	217,798	324,435
Statement of financial position		
Assets		
Current assets		
Cash and cash equivalents	5,174,948	4,633,003
Interdivisional receivable	1,848,763	1,747,646
Total current assets	7,023,712	6,380,649
Non-current assets		
Property plant and equipment	14,382,218	14,708,462
Total non-current assets	14,382,218	14,708,462
Total assets	21,405,929	21,089,111
Liabilities		
Current liabilities		
Trade and other payables	1,298,077	1,308,242
Short term provisions	1,083,518	704,656
Total current liabilities	2,381,595	2,012,898
Non-current liabilities		
Long term provisions	93,194	362,871
Total non-current liabilities	93,194	362,871
Total liabilities	2,474,789	2,375,769
Net assets	18,931,140	18,713,342

ABORIGINAL & TORRES STRAIT ISLANDER COMMUNITY HEALTH SERVICE BRISBANE LIMITED

ABN: 22 009 943 435

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025**

NOTE 26: SEGMENT REPORTING – JIMBELUNGA NURSING CENTRE (continued)

	2025	2024
	\$	\$
Equity		
Retained surplus	18,931,140	18,713,342
Total equity	<u>18,931,140</u>	<u>18,713,342</u>

NOTE 27: COMPANY DETAILS

The registered office of the Company is:

Aboriginal and Torres Strait Islander Community Health Service Brisbane Limited
29 Metroplex Avenue
MURRARIE QLD 4172

The principal places of business are:

Aboriginal and Torres Strait Islander Community Health Service Brisbane Limited
29 Metroplex Avenue
MURRARIE QLD 4172

Jimbelunga Nursing Centre
259 River Hills Road
EAGLEBY QLD 4207

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF ABORIGINAL & TORRES STRAIT ISLANDER COMMUNITY HEALTH SERVICE BRISBANE LIMITED

Report on the Audit of the Financial Report

Auditor's Opinion

We have audited the financial report of Aboriginal & Torres Strait Islander Community Health Service Brisbane Limited (the Company), which comprises the statement of financial position as at 30 June 2025, 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 Director's declaration.

In our opinion, financial report of Aboriginal & Torres Strait Islander Community Health Service Brisbane Limited has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-Profits Commission Act (ACNC Act) 2012*, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2025 and of its performance for the year ended; and
- (ii) complying with Australian Accounting Standards – Simplified Disclosures and Division 60 of the *ACNC Act 2012* and the *Australian Charities and Not-for-Profits Regulations 2022*.

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 Registered Entity in accordance with the auditor independence requirements of the *ACNC Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other Information

The Directors are responsible for the other information other than the financial report.

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 on the other information obtained prior to the date of this auditor's report, 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

The Directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Simplified Disclosures and the *ACNC Act 2012*, and for such internal control as the Director's 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, the Director's are responsible for assessing the registered entity'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 Director's either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment 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 obtains 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, internal 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 reasonableness of accounting estimates and related disclosures made by the Director's.
- Conclude on the appropriateness of the Director'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 registered entity's ability to continue as a going concern. If we conclude 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 registered entity to cease to continue as a going concern.

Auditor's Responsibilities for the Audit of the Financial Report (Continued)

- 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 the audit.

MGI Audit Pty Ltd



G I Kent

Director

29 October 2025

Brisbane