

# Health Assessment Team

Funding Body: Office of Aboriginal and Torres Strait Islander Health (OATSIH)



**Irina Holmes**  
Registered Nurse



**Tracey Bradshaw**  
Aboriginal Health Worker



**Kahlia Bradshaw**  
Administration Officer

The aims of the Health Assessment Unit is to encourage all Aboriginal people to have health assessments empowers people to be able to make informed decisions about their health and life style choices that can help to prevent chronic disease and therefore decrease the gap in life expectancy and increase the quality of life for the community within the Nambucca Valley.

The teams reaches out to the smaller communities within the valley these include the townships of Nambucca Heads, Bowraville, Macksville, Stuarts Point, Eungai, Valla and Scotts Head.

Over the past 12months we have also been involved many Hearing Screening throughout the valley pre school and primary schools.

## Highlights

- Both Tracey Bradshaw and Kahlia Bradshaw have begun their Aboriginal Health worker Certificates. Both are both due to complete their Certificates at the end of 2010.
- The renovations at Darrimba Maarra Health Clinic at Nambucca Heads were completed in 2009 and we moved in February 2010. With this lovely new fresh clinic setting we started doing the assessments.
- Continuing to work in partnership with NCAHS at the primary school and pre schools doing Otitis Media Screenings.
- Continuing the Healthy Active Program in partnership Bulgarr Ngaru Medical Aboriginal Corporation, Grafton, Mid North Coast Division of

GP, Symbion Pathology, and all the staff from Durri ACMS that helped on the screening days.

- Women's Health Day's increasing access to the Breast Screening van and NCAHS Women's Health nurse.
- Improving the Childhood Immunisation rate for Valley, making sure our community's children are up to date with all vaccinations.
- Providing the community with access to the free Panvax H1N1 vaccination throughout the period of pandemic.
- Keeping updated with the implementation of QUMAX- for access to vital medications for all Aboriginal people.
- Referrals to Durri Chronic Disease Team both at Giingan Durranday Marluunggu and Darrimba Maarra Health Clinics.
- On going GP referrals, appointments, transport arrangements to the Medical Specialists, Diagnostic Imaging, Physiotherapists, Dieticians, Podiatrists, and all other Allied health Providers that is the day to day workings of the unit.

Health assessments over the last year is a total of 175, the breakdown is as follows:-

Ages 0-14years – 6

Ages 15 years- 54 years - 121

Ages 55 years and over - 48

I would like to take this opportunity to thank everyone who assists in the Health Assessment process; Tracey, Kahlia and Irina for their support over the past 12months, the Durri Finance team, all our GP's, the reception at Nambucca and Bowraville who have to fit everyone in and

last but not least our Transport Officers who do a wonderful job finding everyone and getting them to their appointments. If we didn't all work together we would not succeed in delivering Health Assessment to our people.

# Health Promotions Officer

Funding Body: Office of Aboriginal and Torres Strait Islander Health (OATSIH)



Natasha Wilson was employed in May 2010 to replace Jaleel Jarrett.

## Aims:

The aim is to better the health awareness and life styles of Aboriginal people within the Nambucca Valley (Bowraville, Nambucca Heads and Macksville).

## Highlights:

- Being involved in programs with the Nambucca Shire Council.
- Healthy Living program for women of the Nambucca Valley.
- Hearing Health testing and awareness with Children of the Nambucca Valley.
- Durri Dental van visiting the Bowraville Health Clinic on a regular bases for Adult and Children.
- Weekly Water Aerobics classes for ages 13 and up.
- Healthy Eating: delivery of fresh Fruit, Vegetables and Meat to Aboriginal families.

## Key Achievements:

- Having successful Hearing Health days with over 20 children at each School of the Nambucca Valley (Frank Partridge, Nambucca Primary, Macksville Primary, St Mary's, Bowraville Central, Nambucca Catholic and St Patrick's).
- Being booked two weeks in advance with Dental, both adult and children.
- Regular families ordering the Healthy Eating boxes as a part of the Healthy Active Program.
- Having women acknowledging they are over-weight, and getting them to do something about it, such as Water Aerobics once a week and setting up a Healthy Living Program.

# Assets Co-ordinator

Funding Body: Office of Aboriginal and Torres Strait Islander Health (OATSIH)



**Brian Bradshaw**  
Assets Co-ordinator

## Snapshot:

Responsible for the coordination and managing the organisations equipment, assets, facilities, vehicles and maintenance for the organisation to ensure all assets are utilised and maintained appropriately here at Durri ACMS, Bowraville Health Outpost and Darrimba Maarra Health.

## Aim:

Coordination and management of all organisations assets, including purchase and delivery of all assets and ensuring that the most appropriate and cost effective items is acquired. In compliance with legislation requirements and providing leadership and direction to the Assets Team to ensure all employees are recruited, developed, and empowered to assist in achieving the company strategic objectives.

## Highlights:

- Durri ACMS achieving accreditation from the Australian General Practitioner Accreditation Limited.
- Recruitment of various positions for the organisation including Bowraville Health Post and Darrimba Maarra Health Post.
- Mitel telephone system installed at Durri ACMS for the better of access to staff directly from clients, service providers, etc.
- Purchasing and implementing the use of the pooling system for all Durri ACMS motor vehicles.
- Purchasing information technology equipment for all management and program staff so that they are

accessible in the field e.g. iphones with Microsoft Outlook, upgrading computer assets.

- Involvement in the Return to Work of all employees when re-entering the work force from Workers Compensation.
- Assisting in other areas when required e.g. Human Resources, management of Nambucca and Bowraville Health Outposts when required.

## Community Engagement Events:

- NAIDOC week
- Reconciliation week
- Representation at other events on behalf of Durri ACMS as required

## Key Achievements:

- Maintaining an Assets Register for Durri ACMS.
- Certify that all motor vehicles are registered, insured, maintained, cleaned and serviced to ensure that they are available and meet the organisations operational requirements.
- Monitoring and ensuring the compliance of log sheets as required by legislation.

## Program Compliance:

Compliant with all performance reporting requirements for Aboriginal Health and Medical Research Council and the Office of Aboriginal and Torres Strait Islander Health.

# Maintenance Officer

Funding Body: Office of Aboriginal and Torres Strait Islander Health (OATSIH)



**David Scholes**  
Maintenance Officer (casual)

**Joshua Donohue - Button (casual)**

## **Aims:**

To develop and maintain the beautification program of the grounds, its equipment and operating premises of Durri premises. Maintain compliance with all Occupational Health and Safety Standards.

## **Highlights:**

A member of Durri ACMS' Occupational Health and Safety Committee

## **Community Engagement Events:**

- NAIDOC Celebrations
- Dughutti Youth Camp
- Healing Day at SWR
- Children's Day at Durri
- KGOW project with POW

## **Key Achievements:**

- Beautification of Durri ACMS and Bowraville Health Post near completion
- Emergency exit door in CEO's room
- Installation of Medical equipment at Darrimba Maara Aboriginal Medical Service Nambucca Heads.
- Organisation of equipment from Port Macquarie PAC to Nambucca Heads .
- Organised external services for the maintenance of Durri premises.

## **Staff Qualification and Professional Development Improvements:**

Occupational Health and Safety Training

# Finance Team

Funding Body: Office of Aboriginal and Torres Strait Islander Health (OATSIH)



## Other team members;

Adam Lysle – Executive Officer – Business Services to February 2010

Robert Dodd – Accountant resigned May 2010

## Snapshot:

The finance department assists staff and allied agencies with procurement, petty cash, travel allowance, Medicare accounts management, general finance, monthly reporting, annual compliance reports, budget management all in the aid of enhancing better primary and allied health care services. The finance department is responsible for the operational management of all financial services, administration and associated support services to ensure the achievement of the company's strategic direction.

## Aims:

Our aim and focus for the coming year is to provide more services to the front line.

## Objectives:

We will achieve our aim by carrying out the following:-

- Liaise with the CEO, the Executive Team, and the Board of Directors
- To ensure the sound financial performance of the organisation by supporting each program within Durri with financial budgets and robust management accounting;
- Identify expenditure wastage or inefficiencies and take proactive action to improve the situation for Durri ACMS;

- Provide a reliable and confidential service in respect of all staff transactions with Durri ACMS;
- To ensure the organisation taxation, audit requirement, funding Agreements and legal obligations are met in accordance with our regulatory and statutory requirements
- Develop policies and procedures to ensure that the functions are demonstrating consistent practices nationally and are inline with strategic objectives.
- Ensure all employees are to date with training, such as OHS, and first aid.

## Highlights:

- Obtaining recognition by the funding bodies for compliance.
- Submitting all acquittals and reports in on time, every time.

Of particular note is the outstanding teamwork that was carried out during the interim audit. Whilst the auditors provided the organisation with a number of corrective actions required, these were carried out efficiently and quickly.

Durri ACMS Finance Team would like to thank and acknowledge Robert Dodd for his contribution to the organization and wish him well in his future endeavors.

I would also like to acknowledge the whole of the Business Service Team for their team work and support throughout the year.

**Isobel Bradshaw**  
Acting Business Service Manager

# Finance Staff



**Kayla Bennett**  
**Book keeper**

**Aims:** To maintain efficiency and accuracy in all aspects of financial recording to ensure Durri delivers its services to our community now and in the future.

I would also like to see the Finance Department continue with its professional

development and have the staff trained in all aspects of Accounting practices and policies.

I am currently enrolled in Certificate IV frontline Management which I aim to have completed by the end of 2011

**Highlights:** Successful in applying for the Bookkeeper position at Durri ACMS 2009. Team leader for Financial Department 2009 – present.

**Key Achievements:** Completion of Certificate III Financial Services Accounts Clerical.



**Colleen Campbell- Cook**  
**Acting Business Service Support Officer**

**Aim:** To continue assisting the Finance team and to provide the organisation and especially the community to a much more improved service.

I would like to further my education and gain more knowledge within the financial area.

**Highlights:** To be able to give excellent support to the Finance and Durri ACMS team. Participating in Durri days and other events held by Durri ACMS.

**Key Achievements:** Completion of Certificate III Business Administration and MYOB Computer Accounting.



**Marrenyingke Pearce**  
**Causal Business Service Administration**

**Aim:** To successfully complete my certificate 3 in Business Administration

and learn all aspects of the Finance Department from my team.

**Highlights:** Successful in applying for the Administration Assistant position. Assisting the finance team to the best of capabilities.

**Key Achievements:** Complete of Certificate 2 in Business Administration in 2008. Completion of Senior First Aid in 2010.

**Chris Gorman**  
**Accountant**

**Aim:** Further professional development

**Highlights:** Starting at Durri having had no experience of an AMS and meeting and working with the friendly, experienced and professional people employed here.



**Kristina Lyon (Tina)**  
**Accountant**

**Aims:** To achieve the highest standard of financial accountability in all areas of regulatory and legislative requirements.

To provide accurate and timely financial information to Durri programs so that they

**Key Achievements:** Completing my first Audit experience at Durri. Becoming familiar with the acquittal process and the various funding bodies. Streamlining the BAS, GST process to make the accounting system

are able to provide the most efficient and effective service to the community.




To promote a happy work environment for the finance team.

**Highlights:** Returning to Durri after 5 years in public practice. Currently on my last subject for my Graduate Diploma to become a Certified Practising Accountant.

**Key Achievements:** Justice of the Peace, Member International Honours Society, Member National Institute of Accountants, and Bachelor of Financial Administration.

# *Kempsey Aboriginal Women's and Family Group*

Funding Body: Indigenous Coordinator Centre – Coffs Harbour

		
<b>Eileen Button</b> Aboriginal Elder & Co-ordinator	<b>Mavis Davis</b> Aboriginal Elder & Co-ordinator	<b>Pat Nolan</b> Counsellor

## **Aims:**

Our aim is to respond to Aboriginal women and families in a culturally appropriate way, when they have expressed a need for support. In doing so many areas of life were covered. These included:

- Grief after the loss of loved ones.
- Family break-ups – counselling and putting people in touch with available services.
- Domestic violence – advice, protection, mediation.
- Visiting and listening to the lonely.
- Giving support when requested during court appearances.
- Helping people to sort family/community relationships in times of disruptions so that relationships could be restored.
- Being advocates for children during custody cases and providing

- reports for lawyers when requested.
- Providing counselling for those who had been ordered by the court to seek counselling.
- Visiting those in hospitals who need assistance.
- Attending community meetings so that the team kept up with the full picture in the community.

Most of the work happened out in the community, in Mavis or Eileen's homes, Pat's car or when they visited people in their homes. This seemed to help people to talk and share more easily. It also happened in cafes or even the club.

Trust in the team's commitment to confidentiality grew over the time.

Three day retreats – time out from home stresses – were organised and then followed up with ongoing support.

# Dunghutti-Ngaku Aboriginal Art Gallery



**Team leader Jann Kesby**

**Staff** Janice Giffin  
Jamie Rylance

## **Aims**

- To provide a sustainable, culturally appropriate outlet for Indigenous artists residing in the Macleay Valley and along the mid north coast.
- Provide mentorship to emerging Indigenous artists residing in the region
- Provide opportunities for other cultural business development
- Provide traineeships to those persons interested in working in art business and administration

## **Highlights**

- The Gallery has been operational for two years showcasing a growing number of art works by local Dunghutti artists and artists of the mid north coast.
- Year 9 students visit from Kempsey High School as part of Goorie on the Job program.
- Students from Aldavilla, West Kempsey, East Kempsey and South Kempsey Primary Schools visit as part of their Aboriginal Education studies.

- Colin Wightman solo exhibition.
- Elwyn Toby solo Exhibition.
- Aboriginal students from Port Macquarie TAFE visit as part of Aboriginal studies.
- Volunteers Expo at Kempsey Showgrounds
- Workshops by Colin Wightman & Elwyn Toby
- Exhibit artworks Crescent Head Malibu Surf Classic Exhibition
- Exhibit artworks Wollotuka Aboriginal Art Prize, Newcastle
- Museums & Galleries of NSW visit Gallery
- Exhibit Crescent Head Art Exhibition
- Year 9 students visit from Hill Adventist College, Sydney.

## **Community Engagement Events**

- Aboriginal Art & Cultural Workshop was held in conjunction with National Parks & Wildlife for youth during School holidays with local artist Elwyn Toby & Colin Wightman

- Boolarong Nangamai Weavers from Gerringong conducted a workshop in the art of weaving. Each participant completed a woven basket using local fibres. These baskets will be exhibited at Saltwater Freshwater Festival to be held in Port Macquarie, January 2011.
- Artist display at Volunteer Expo held at Kempsey Showground

#### **Key Achievements**

- Networking with Schools in the Shire and further afield to assist with Aboriginal Education.
- Conducting workshops in collaboration with National Parks & Wildlife
- Establishing permanent collection of Dunghutti Artists work

#### **Program Compliance**

- Durri ACMS holds and account for the funds and employs the facilitator. Durri has set up independent bank accounts, and accounting systems to cater for the compliance and accounting needs of the Gallery.

#### **Quantity of Indigenous Lives Enhanced**

- Through exhibiting and selling of artworks
- indigenous lives have been enhanced by supplementing income
- Self esteem, confidence and sense of well being has increased for artists involved with and exhibiting in the gallery
- Motivation & passion has increased for artists to produce artworks to exhibit and to be involved with the gallery

#### **Presentations**

- Armidale Cultural Centre & Keeping Place opened 'Murrunghan Nambi' Exhibition of works by Thunghutti Artist, Esther Quinlin's

#### **Grants**

- Department Environment, Water Heritage & the Arts National Arts & Crafts Industry Support

**DURRI ABORIGINAL CORPORATION  
MEDICAL SERVICE**



**Financial Statements  
For the Year Ended 30 June 2010**



**Durri Aboriginal Corporation Medical Service**

A.B.N 52 730 046 875

**For the Year Ended 30 June 2010**

DIRECTORS' REPORT  
DIRECTORS' DECLARATION  
AUDITOR'S INDEPENDENCE DECLARATION  
INDEPENDENT AUDITOR'S REPORT  
STATEMENT OF COMPREHENSIVE INCOME  
STATEMENT OF FINANCIAL POSITION  
STATEMENT OF CHANGES IN EQUITY  
STATEMENT OF CASH FLOWS  
INCOME AND EXPENDITURE STATEMENT  
NOTES TO THE FINANCIAL STATEMENTS

# Durri Aboriginal Corporation Medical Service

A.B.N 52 730 046 875

## DIRECTORS' REPORT

30 June 2010

Your Directors present their report on Durri Aboriginal Corporation Medical Service (the Corporation) for the financial year ended 30 June 2010.

### Directors

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

Tony Gray	Chairperson
Ivy Brown	Deputy Chairperson
Colleen Campbell	Treasurer
Jo-Anne Kelly	Secretary (Leave from duty 03/03/2009 to 20/07/2009)
Shirley Kelly	Director
Mary Button	Director
Debra Morris	Director
Vincent Cook	Director (Appointed 16/11/2009)
Cecilia Flanders	Director (Appointed 16/11/2009)
Margaret (Ruth) Maruca	Director (Appointed 16/11/2009)
Garth Fatnowna	Director (Resigned 07/06/2010)
Gerald Hoskins	Director (Resigned 04/12/2009)
Mary-Lou Buck	Director (Resigned 16/11/2009)
Kim Donohue	Director (Resigned 16/11/2009)

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

### Principal Activities

The principal activity of the Corporation during the financial year was the delivery of primary and allied health care for Indigenous Australians on the Mid North Coast of New South Wales including three (3) medical centres.

No significant change in the nature of this principal activity occurred during the financial year.

### Corporation Secretary

Jo-Anne Kelly was appointed the Corporation's Secretary on 17 December 2007 and held that position as at the date of this report.

### Operating Results

The loss of the Corporation for the financial year ended 30 June 2010, after providing for income tax, amounted to \$931,395. The operating result represented an improvement in operating performance of \$2,591,843 when compared to the loss of \$3,523,238 for the previous financial year.

### Dividends

There has been no dividend paid or recommended to be paid during the financial year.

# Durri Aboriginal Corporation Medical Service

A.B.N 52 730 046 875

## DIRECTORS' REPORT

30 June 2010

### Significant Changes in State of Affairs

No significant changes in the Corporation's state of affairs occurred during the financial year.

### Review of Operations

Total revenue during the year decreased by \$360,083 including a decrease in grant income of \$158,988. Included in expenditure of the Corporation during the year ended 30 June 2009 was an amount of \$2,281,936 representing the transfer of net assets of Galambila Health Post in accordance with the Deed of Transfer.

### After Balance Date Events

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

### Future Developments

The Directors are not aware of any likely developments that will materially affect the results of the Corporation's operations in future financial years.

### Auditor's Independence Declaration

A copy of the auditor's independence declaration has been received and is included in this financial report.

### Indemnifying Officers or Auditors

During the financial year the Corporation held a Directors and Officers Insurance Policy. The policy has an exclusion clause which precludes any further disclosure.

No indemnities have been given or agreed to be given or insurance premiums paid or agreed to be paid, during or since the end of the financial year, to any person who is or has been an auditor of the Corporation.

### Proceedings on Behalf of Corporation

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

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

### Environmental Issues

The Corporation's operations are not subject to any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

The Directors believe the Corporation has adequate systems in place for the management of its environmental requirements and are not aware of any breach of those environmental requirements as they apply to the Corporation.

# Durri Aboriginal Corporation Medical Service

A.B.N 52 730 046 875

## DIRECTORS' REPORT

30 June 2010

### Director Information

#### Information on Current Directors

Tony Gray

Qualifications Aboriginal Community Elder, Certificate in Communication  
Certificate 3 Business Governance

Experience Director of Corporation for 8 years

Special Responsibility Chairperson

Ivy Brown

Qualifications Certificate 3 Business Governance

Experience Director of Corporation for 9 years

Special Responsibility Deputy Chairperson

Colleen Campbell

AEO South Kempsey Primary School, MYOB Training  
Certificate 3 Business Governance

Experience Director of Corporation for 4 years

Special Responsibility Treasurer

Jo-Anne Kelly

Qualifications CEO Kempsey Land Council, Certificate 3 Business Governance

Experience Director of Corporation for 3 years

Special Responsibility Secretary

Shirley Kelly

Qualifications Aboriginal Community Elder, Certificate 3 Business Governance

Experience Director of Corporation for 31 years

Mary Button

Qualifications Aboriginal Community Elder, Certificate 3 Business Governance

Experience Director of Corporation for 7 years

# Durri Aboriginal Corporation Medical Service

A.B.N 52 730 046 875

## DIRECTORS' REPORT

30 June 2010

### Director Information (continued)

#### Information on Current Directors (continued)

Debra Morris

Qualifications Coordinator of Kempsey Aboriginal Community Justice Group  
Certificate 3 Business Governance

Experience Director of Corporation for 2 years

Vincent Cook

Qualifications Public Servant

Experience Director of Corporation for 1 year

Cecilia Flanders

Qualifications Aboriginal Community Elder

Experience Director of Corporation for 1 year, Certificate 3 Business Governance

Margaret (Ruth)

Maruca

Qualifications Chairperson Dunghutti Elders Aboriginal Corporation  
Aboriginal Community Elder, Certificate 3 Business Governance

Experience Director of Corporation for 1 year (Previously a Director for 3 years)

# Durri Aboriginal Corporation Medical Service

A.B.N 52 730 046 875

## DIRECTORS' REPORT

30 June 2010


### Director Information (continued)


#### Meetings of Directors

During the financial year, 7 Directors' meetings and 21 special meeting were held. Attendances by each Director during the year were as follows:


	Directors' Meetings		Special Meetings	
	Eligible to attend	Number attended	Eligible to attend	Number attended
Tony Gray	7	6	21	21
Ivy Brown	7	4	21	18
Colleen Campbell	7	5	21	21
Jo-Anne Kelly	7	5	21	17
Shirley Kelly	7	6	21	17
Mary Button	7	7	21	21
Debra Morris	7	5	21	17
Vincent Cook	3	2	15	15
Cecilia Flanders	3	3	15	15
Margaret (Ruth) Maruca	3	2	15	15
Garth Fatnowna	5	1	21	16
Gerald Hoskins	4	3	7	5
Mary-Lou Buck	4	2	6	2
Kim Donohue	4	3	6	2

Signed in accordance with a resolution of the Members of the Board:

Chairperson: .....  
  
Tony Gray

Secretary: .....  
  
Jo-Anne Kelly

Treasurer: .....  
  
Colleen Campbell

Deputy Chairperson: .....  
  
Ivy Brown

Dated: 1 November 2010

# Durri Aboriginal Corporation Medical Service


A.B.N 52 730 046 875


## DIRECTORS' DECLARATION

The Directors of the Corporation declare that:


- (1) The financial statements, comprising the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cashflows and notes to and forming part of the financial statements, are in accordance with the Corporations (Aboriginal and Torres Strait Islander) Act 2006 and:
  - (a) have been made out in accordance with the Rules of the Corporation;
  - (b) comply with Australian Accounting Standards and the Corporations (Aboriginal and Torres Strait Islander) Regulations 2007;
  - (c) give a true and fair view of the financial position as at 30 June 2010 and of the performance for the year ended on that date of the Corporation; and
  - (d) comply with International Financial Reporting Standards as disclosed in Note 1.
- (2) In the Directors' opinion there are reasonable grounds to believe that the Corporation will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by:

Chairperson: .....  
  
Tony Gray

Secretary: .....  
  
Jo-Anne Kelly

Treasurer: .....  
  
Colleen Campbell

Deputy Chairperson: .....  
  
Ivy Brown

Dated: 1 November 2010



**NorthCorp**  
accountants

PARTNERS  
Mark Hatherly B.Com FCA  
Winifred Gibson FTA Affiliate CAA  
Robert Magnussen B.Bus CA  
Paul Fahey B.Bus CA  
Rodney Smith B.Bus Admin FCA  
Tony Faulder B.Com CPA Affiliate ICAA  
Bart Lawler B.Com CA

## **AUDITOR'S INDEPENDENCE DECLARATION**

**Under Section 339-50 of the *Corporations (Aboriginal and Torres Strait Islander) Act 2006***

**To the Directors of Durri Aboriginal Corporation Medical Service**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2010 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations (Aboriginal and Torres Strait Islander) Act 2006 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

### **NORTHCORP ACCOUNTANTS**

**Robert Magnussen**  
**Partner**  
**Registered Company Auditor**

**Dated: 1 November 2010**

**10-12 Short Street**  
**PORT MACQUARIE NSW 2444**



**Chartered  
Accountants**

Chartered Accountants  
Suites 1-3 Bourne House, 10-12 Short Street, PO Box 166, Port Macquarie NSW 2444  
T 02 6588 4444 F 02 6583 4527 E northcorp@northcorp.com.au www.northcorp.com.au  
Liability Limited by a scheme approved under Professional Standards Legislation



**NorthCorp**  
accountants

PARTNERS  
Mark Hatherly B.Com FCA  
Winifred Gibson FIA Affiliate CAA  
Robert Magnussen B.Bus CA  
Paul Fahey B.Bus CA  
Rodney Smith B.Fin Admin FCA  
Tony Faulder B.Com CPA Affiliate CAA  
Bart Lawler B.Com CA

## **INDEPENDENT AUDITOR'S REPORT**

### **To the Members of Durri Aboriginal Corporation Medical Service**

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of Durri Aboriginal Corporation Medical Service, which comprise the Statement of Financial Position as at 30 June 2010, and the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and Income and Expenditure Statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the Directors' Declaration.

#### **Directors' Responsibility for the Financial Statements**

The Directors of the Corporation are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations (Aboriginal and Torres Strait Islander) Act 2006. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the Directors also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards (IFRS) ensures that the financial statements and notes comply with IFRS.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

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

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



**Chartered  
Accountants**

Chartered Accountants  
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Liability Limited by a scheme approved under Professional Standards Legislation



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accountants

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Rodney Smith B.Fin Admin.FCA  
Tony Faulder B.Com.CPA Affiliate ICAA  
Bart Lawler B.Com.CA

## **INDEPENDENT AUDITOR'S REPORT (continued)**

### **To the Members of Durri Aboriginal Corporation Medical Service**

#### **Independence**

In conducting our audit, we have complied with the independence requirements of the Corporations (Aboriginal and Torres Strait Islander) Act 2006.

#### **Auditor's Opinion**

In our opinion, the financial statements of Durri Aboriginal Corporation Medical Service are properly drawn up:

- (a) so as to give a true and fair view of the Corporation's financial position as at 30 June 2010 and of its performance for the year ended on that date;
- (b) in accordance with the Corporations (Aboriginal and Torres Strait Islander) Act 2006, and the Rules of the Corporation;
- (c) in compliance with Australian Accounting Standards (including the Australian Accounting Interpretations); and
- (d) in compliance with International Financial Reporting Standards as disclosed in Note 1.

#### **NORTHCORP ACCOUNTANTS**

**Robert Magnussen**  
Partner  
Registered Company Auditor

**10-12 Short Street**  
**PORT MACQUARIE NSW 2444**

**Dated: 1 November 2010**



**Chartered  
Accountants**

Chartered Accountants  
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Liability Limited by a scheme approved under Professional Standards Legislation

# Durri Aboriginal Corporation Medical Service

A.B.N 52 730 046 875

## STATEMENT OF COMPREHENSIVE INCOME

For the Year Ended 30 June 2010

	Note	2010 s	2009 s
Revenue	2	7,585,652	7,945,735
Bad and doubtful debts expense	3	(17,111)	(68,444)
Depreciation and amortisation expense	3	(375,594)	(384,656)
Employee benefits expense		(5,607,181)	(5,282,605)
Finance costs	3	(9,949)	(13,398)
Motor vehicle expenses		(157,336)	(124,489)
Office and administration expenses		(394,252)	(487,474)
Program and medical expenses		(1,271,635)	(1,246,292)
Repairs, maintenance and utility expenses		(433,056)	(346,621)
Transfer of assets on cessation of Partnership for Aboriginal Care		-	(80,415)
Transfer of net assets to Galambila AMS		-	(2,281,936)
Transfers to Australian Indigenous Business Service Trust		-	(812,000)
Transfer to Biripi AMS		-	(90,000)
Other expenses		(250,933)	(250,643)
		<u>(8,517,047)</u>	<u>(11,468,973)</u>
<b>Profit/(loss) before income tax</b>		<b>(931,395)</b>	<b>(3,523,238)</b>
Income tax expense		-	-
<b>Profit/(loss) for the year</b>		<b>(931,395)</b>	<b>(3,523,238)</b>
<b>Other comprehensive income</b>			
Net gain/(loss) on revaluation of financial assets		(39)	16
Net gain on revaluation of land and buildings		47,142	-
<b>Other comprehensive income for the period, net of tax</b>		<b>47,103</b>	<b>16</b>
<b>Total comprehensive income for the year</b>		<b>(884,292)</b>	<b>(3,523,222)</b>
Profit attributable to members of the Corporation		(931,395)	(3,523,238)
<b>Total comprehensive income attributable to members of the Corporation</b>		<b>(884,292)</b>	<b>(3,523,222)</b>

These financial statements should be read in conjunction with the attached Independent Audit Report  
The accompanying notes form part of the financial statements

# Durri Aboriginal Corporation Medical Service

A.B.N 52 730 046 875

## STATEMENT OF FINANCIAL POSITION

As At 30 June 2010

	Note	2010 \$	2009 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	2,119,101	2,966,772
Trade and other receivables	5	98,451	159,941
Other assets	6	25,057	26,863
<b>Total current assets</b>		<b>2,242,609</b>	<b>3,153,576</b>
<b>Non-current assets</b>			
Other financial assets	7	1,309	1,348
Property, plant and equipment	8	5,013,574	5,036,618
<b>Total non-current assets</b>		<b>5,014,883</b>	<b>5,037,966</b>
<b>TOTAL ASSETS</b>		<b>7,257,492</b>	<b>8,191,542</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	9	282,086	349,837
Borrowings	10	14,086	19,445
Short-term provisions	11	364,151	289,550
<b>Total current liabilities</b>		<b>660,323</b>	<b>658,832</b>
<b>Non-current liabilities</b>			
Borrowings	10	118,565	133,478
Long-term provisions	11	114,078	150,414
<b>Total non-current liabilities</b>		<b>232,643</b>	<b>283,892</b>
<b>TOTAL LIABILITIES</b>		<b>892,966</b>	<b>942,724</b>
<b>NET ASSETS</b>		<b>6,364,526</b>	<b>7,248,818</b>
<b>EQUITY</b>			
Reserves	12	1,438,817	1,391,714
Retained earnings		4,925,709	5,857,104
<b>TOTAL EQUITY</b>		<b>6,364,526</b>	<b>7,248,818</b>

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# Durri Aboriginal Corporation Medical Service

A.B.N 52 730 046 875

## STATEMENT OF CHANGES IN EQUITY

For the Year Ended 30 June 2010

2010

	Retained Earnings	Asset Revaluation Reserve	Financial Assets Reserve	Total
	\$	\$	\$	\$
Balance at 1 July 2009	5,857,104	1,390,366	1,348	7,248,818
Profit/(loss) attributable to members of the Corporation	(931,395)	-	-	(931,395)
Total other comprehensive income	-	47,142	(39)	47,103
<b>Total comprehensive income attributable to members of the Corporation</b>	<b>(931,395)</b>	<b>47,142</b>	<b>(39)</b>	<b>(884,292)</b>
<b>Balance at 30 June 2010</b>	<b>4,925,709</b>	<b>1,437,508</b>	<b>1,309</b>	<b>6,364,526</b>

2009

	Retained Earnings	Asset Revaluation Reserve	Financial Assets Reserve	Total
	\$	\$	\$	\$
Balance at 1 July 2008	8,057,354	2,713,354	1,332	10,772,040
Profit/(loss) attributable to members of the Corporation	(3,523,238)	-	-	(3,523,238)
Total other comprehensive income	-	-	16	16
<b>Total comprehensive income attributable to members of the Corporation</b>	<b>(3,523,238)</b>	<b>-</b>	<b>16</b>	<b>(3,523,222)</b>
Transfers to/(from) reserves	1,322,988	(1,322,988)	-	-
<b>Balance at 30 June 2009</b>	<b>5,857,104</b>	<b>1,390,366</b>	<b>1,348</b>	<b>7,248,818</b>

These financial statements should be read in conjunction with the attached Independent Audit Report  
The accompanying notes form part of the financial statements

# Durri Aboriginal Corporation Medical Service

A.B.N 52 730 046 875

## STATEMENT OF CASH FLOWS

For the Year Ended 30 June 2010

	Note	2010 \$	2009 \$
<b>Cash flows from operating activities:</b>			
Receipts from customers		8,210,026	8,496,851
Payments to suppliers and employees		(8,759,262)	(9,792,344)
Dividends received		79	35
Interest received		105,778	103,304
Interest paid		(9,949)	(13,398)
<b>Net cash provided by (used in) operating activities</b>	16(a)	<u>(453,328)</u>	<u>(1,205,552)</u>
<b>Cash flows from investing activities:</b>			
Proceeds from sale of plant and equipment		138,236	-
Acquisition of property, plant and equipment		(512,307)	(98,921)
<b>Net cash provided by (used in) investing activities</b>		<u>(374,071)</u>	<u>(98,921)</u>
<b>Cash flows from financing activities:</b>			
Repayment of borrowings		(13,448)	(13,187)
<b>Net cash provided by (used in) financing activities</b>		<u>(13,448)</u>	<u>(13,187)</u>
<b>Net increase (decrease) in cash held</b>		<b>(840,847)</b>	<b>(1,317,660)</b>
Cash and cash equivalents at the beginning of financial year		<u>2,959,948</u>	<u>4,277,608</u>
<b>Cash and cash equivalents at the end of the financial year</b>	4	<u><b>2,119,101</b></u>	<u><b>2,959,948</b></u>

These financial statements should be read in conjunction with the attached Independent Audit Report  
The accompanying notes form part of the financial statements

# Durri Aboriginal Corporation Medical Service

A.B.N. 52 730 046 875

## INCOME AND EXPENDITURE STATEMENT

For the Year Ended 30 June 2010

		2010	2009
		\$	\$
<b>INCOME</b>	<b>Note</b>		
Capital funding – buildings and equipment		22,000	160,000
Commonwealth - Healthy for Life		1,175,356	522,235
Commonwealth Department of Health and Family Services		3,528,663	4,113,425
Department of Community Services		125,696	157,631
Emergency Relief		24,796	21,953
Environmental Trust Fund		-	28,018
General Practice Employment training funding		4,160	122,518
Immunisation		1,069	6,160
Indigenous Co-ordination Centres (ICC)		139,660	3,000
Interest received		105,778	103,304
Medicare receipts		986,934	924,948
Medical Specialist Outreach Assistance Program (MSOAP)		39,918	63,850
Newcastle University		202	35,250
North Coast Area Health Service		192,418	329,000
North Coast Division of General Practitioners		13,124	157,978
NSW Health Department		930,565	797,200
Practice Incentive Payments		-	65,246
Sundry income		95,599	108,968
Wage contributions - external		101,086	2,500
Wutuma Keeping Place funding		85,653	117,400
Workers compensation claims		12,975	105,151
		<u>7,585,652</u>	<u>7,945,735</u>
<b>EXPENDITURE</b>			
Administrative costs		34,553	60,087
Advertising and promotion		5,623	67,845
Annual leave		(19,916)	638
Auditor's remuneration	13	57,250	43,867
Bad and doubtful debts expense	3	17,111	68,444
Bank charges		21,006	21,600
Directors' meetings		26,646	31,527
Cleaning		87,228	62,718
Contractors		442,106	680,994
Dental referrals		32,933	26,643
Depreciation	3	375,594	384,656
Donations		3,650	5,464
Electricity and gas		76,799	58,235
Emergency relief expenses		36,080	18,195
Expendable equipment		13,457	28,299
FBT expense		76,186	32,201
Funeral expenses		-	440
Insurance		74,938	72,001
Interest on loan	3	9,949	13,398
Laundry		4,383	3,411

These Financial Statements should be read in conjunction with the attached Independent Audit Report  
The accompanying notes form part of these financial statements

# Durri Aboriginal Corporation Medical Service

A.B.N. 52 730 046 875

## INCOME AND EXPENDITURE STATEMENT

For the Year Ended 30 June 2010

		2010	2009
		\$	\$
<b>EXPENDITURE (continued)</b>	<b>Note</b>		
Legal costs		39,351	1,062
Licenses		-	176
Long service leave		63,948	11,179
Loss on disposal of property plant and equipment	3	68,663	-
Medical supplies		125,677	137,718
Medical waste		7,808	6,902
Motor vehicle expenses		157,336	124,489
National Aboriginal and Islander Day of Celebrations (NAIDOC)		-	9,348
PAC client expenses		-	29,818
Patient transport		7,328	442
Postage and freight		3,317	4,459
Printing and stationery		82,268	48,460
Program expenses		567,163	241,775
Project management - building feasibility		90,725	4,358
Publications		-	14,490
Rates		17,923	11,451
Recruitment expenses		26,198	792
Rent		345	3,532
Repairs and maintenance		60,682	56,403
Security costs		7,858	20,894
Seminars and meetings		5,895	25,797
Superannuation contributions		440,762	404,133
Telephone		74,001	100,852
Transfer funding to other AMS		-	4,920
Transfer of assets on cessation of Partnership for Aboriginal Care		-	80,415
Transfer of net assets to Galambila AMS		-	2,281,936
Transfer to Biripi AMS		-	90,000
Transfers to Australian Indigenous Business Service Trust		-	812,000
Travel expenses		52,213	72,407
Tuition		58,829	63,695
Uniforms		8,976	19,597
Unspent funding repaid		-	47,729
Wages		5,046,201	4,834,454
Workers compensation		128,004	218,102
Youth program		-	4,525
		<u>8,517,047</u>	<u>11,468,973</u>
<b>Net Profit/(Loss) for the Year</b>		<u>(931,395)</u>	<u>(3,523,238)</u>

These Financial Statements should be read in conjunction with the attached Independent Audit Report  
The accompanying notes form part of these financial statements

# Durri Aboriginal Corporation Medical Service

A.B.N 52 730 046 875

## NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2010

The financial statements are for Durri Aboriginal Corporation Medical Service as an individual entity.

### Note 1 Summary of Significant Accounting Policies

#### Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Corporations (Aboriginal and Torres Strait Islander) Act 2006, and the Corporation's Rules.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied, unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

#### Accounting Policies

##### (a) Revenue

Revenue is measured at the fair value of the consideration received or receivable.

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Dividend revenue is recognised when the right to receive a dividend has been established.

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

Grants from State and Commonwealth Governments and other funding bodies are recognised in the statement of comprehensive income when the Corporation obtains control over the grant and it is probable that the economic benefits gained from the grant will flow to the Corporation and the amount of the grant can be measured reliably. Control over contributions is normally obtained upon the receipt of cash.

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

##### (b) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in income in the period in which they are incurred.

These financial statements should be read in conjunction with the attached Independent Audit Report

# Durri Aboriginal Corporation Medical Service

A.B.N 52 730 046 875

## NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2010

### Note 1 Summary of Significant Accounting Policies (continued)

#### (c) Income Tax

The Corporation has been granted an exemption from income tax under Section 50-20 of the *Income Tax Assessment Act 1997*. The exempt status of the Corporation applies indefinitely or until such time as a change in circumstances warrants a review of the exempt status.

#### (d) Financial Instruments

##### Initial Recognition and Measurement

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

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

##### Classification and Subsequent Measurement

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

*Amortised cost* is calculated as:

- the amount at which the financial asset or financial liability is measured at initial recognition;
- less principal repayments;
- plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*; and
- less any reduction for impairment.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected net future cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

##### (i) Financial assets at fair value through profit and loss

Financial assets are classified at fair value through profit or loss when they are held for trading for the purpose of short-term profit taking. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

These financial statements should be read in conjunction with the attached Independent Audit Report

# Durri Aboriginal Corporation Medical Service

A.B.N 52 730 046 875

## NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2010

### Note 1 Summary of Significant Accounting Policies (continued)

#### (d) Financial Instruments (continued)

##### (ii) *Loans and receivables*

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

Medicare debtors and other receivables are recognised as amounts receivable at reporting date.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period, which will be classified as non-current assets.

An allowance for impairment of receivables is established when there is objective evidence that the Corporation will not be able to collect all amounts due. Collectibility of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful receivables is established when there is objective evidence that the Corporation will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the statement of comprehensive income.

##### (iii) *Held-to-maturity investments*

Held-to-maturity financial assets are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Corporation's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period.

##### (iv) *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in equity of other entities where there is neither a fixed maturity nor fixed or determinable payments. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to be disposed of within 12 months after the end of the reporting period.

##### (v) *Financial liabilities*

Non-derivative financial liabilities are subsequently measured at amortised cost.

#### **Fair value**

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions and reference to similar instruments.

These financial statements should be read in conjunction with the attached Independent Audit Report

# Durri Aboriginal Corporation Medical Service

A.B.N 52 730 046 875

## NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2010

### Note 1 Summary of Significant Accounting Policies (continued)

#### (d) Financial Instruments (continued)

##### Impairment

At the end of each reporting period, the Corporation assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

#### (e) Impairment of Assets

At the end of each reporting period, the Corporation reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

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

#### (f) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

#### (g) Property, Plant and Equipment

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

##### *Property*

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the Statement of Comprehensive Income.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

These financial statements should be read in conjunction with the attached Independent Audit Report

# Durri Aboriginal Corporation Medical Service

A.B.N 52 730 046 875

## NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2010

### Note 1 Summary of Significant Accounting Policies (continued)

#### (g) Property, Plant and Equipment (continued)

##### *Plant and equipment*

Plant and equipment are measured on the cost basis less accumulated depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by the Corporation to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

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 Corporation and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

##### *Depreciation*

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight-line basis or diminishing value basis over their useful lives to the Corporation commencing from the time the asset is held ready for use.

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

<i>Class of Fixed Asset</i>	<i>Depreciation Rate</i>
Buildings	4.0%
Plant and Equipment	10-40%
Motor Vehicles	22.50%
Office Equipment	10-40%
Medical Equipment	20-40%

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income .

These financial statements should be read in conjunction with the attached Independent Audit Report

# Durri Aboriginal Corporation Medical Service

A.B.N 52 730 046 875

## NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2010

### Note 1 Summary of Significant Accounting Policies (continued)

#### (h) Trade and Other Payables

Trade and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Corporation prior to the end of the reporting period that are unpaid and arise when the Corporation becomes obliged to make future payments in respect of the purchase of these goods and services.

#### (i) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest rate method.

Borrowings are classified as current liabilities unless the Corporation has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

#### (j) Employee Benefits

Provision is made for the Corporation's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements.

Contributions are made by the Corporation to employee superannuation funds and are charged as expenses when incurred.

#### (k) Provisions

Provisions are recognised when the Corporation 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.

#### (l) 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. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

These financial statements should be read in conjunction with the attached Independent Audit Report

# Durri Aboriginal Corporation Medical Service

A.B.N 52 730 046 875

## NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2010

### Note 1 Summary of Significant Accounting Policies (continued)

#### (m) Comparative Figures

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

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

#### (n) Adoption of New and Revised Accounting Standards

During the current year the Corporation adopted all new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory. The following is an explanation of the impact of the adoption of new standards on the financial statements of Durri Aboriginal Corporation Medical Service.

##### *AASB 101: Presentation of Financial Statements*

In September 2007 the Australian Accounting Standards Board revised AASB 101 and as a result, there have been changes to the presentation and disclosure of certain information within the financial statements. An overview of the key changes is contained below.

##### *Disclosure Impact*

**Terminology changes** - The revised version of AASB 101 contains a number of terminology changes, including the amendment of the names of the primary financial statements.

**Reporting changes in equity** - The revised AASB 101 requires all changes in equity arising from transactions with owners, in their capacity as owners, to be presented separately from non-owner changes in equity. Owner changes in equity are to be presented in the statement of changes in equity, with non-owner changes in equity presented in the statement of comprehensive income. The previous version of AASB 101 required owner changes in equity and other comprehensive income be presented in the statement of changes in equity.

The Corporation's financial statements now contain a statement of comprehensive income which replaces the previous income statement.

**Other comprehensive income** - The revised version of AASB 101 introduces the concept of 'other comprehensive income' which comprises of income and expenses that are not recognised in profit or loss as required by other Australian Accounting Standards. Items of other comprehensive income are to be disclosed in the statement of comprehensive income. The previous version of AASB 101 did not contain an equivalent concept.

These financial statements should be read in conjunction with the attached Independent Audit Report

# Durri Aboriginal Corporation Medical Service

A.B.N 52 730 046 875

## NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2010

### Note 1 Summary of Significant Accounting Policies (continued)

#### (o) New Accounting Standards for Application in Future Periods

The AASB has issued new, revised and amended standards and interpretations that have mandatory application for future reporting periods. The Corporation has decided against early adoption of the following standards which are applicable to the Corporation but are not yet effective:

Title of Standard	Future Reporting Requirements	Operative Date
AASB 9 : Financial Instruments and AASB 2009-11: Amendments to Australian Accounting Standards arising from AASB 9.	These standards are applicable retrospectively and amend the classification and measurement of financial assets.	1st January 2013
AASB 2009-5: Further amendments to Australian Accounting Standards arising from the Annual Improvements Project.	These standards detail numerous non-urgent but necessary changes arising from the IASB's Annual Improvements Project.	1st January 2010
AASB 2010-2: Amendments to Australian Accounting Standards arising from the Reduced Disclosure Requirements.	This standard substantially reduces the disclosure requirements contained in existing Australian Accounting Standards.	1 July 2013

The abovementioned standards are applicable for annual reporting periods commencing on the operative date. Application of these standards is not expected to materially affect any of the amounts recognised in the financial statements, but will result in changes to additional information disclosed in the financial statements.

#### (p) Critical Accounting Estimates and Judgments

The Corporation evaluates estimates and judgments 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 Corporation.

##### *Key estimates - Impairment*

The Corporation assesses impairment at the end of each reporting period by evaluating conditions specific to the Corporation that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

No impairment has been recognised in respect of assets at reporting date.

The financial report was authorised for issue on 1 November 2010 by the Board.

These financial statements should be read in conjunction with the attached Independent Audit Report

# Durri Aboriginal Corporation Medical Service

A.B.N 52 730 046 875

## NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2010

### Note 2 Revenue and Other Income

(a) Revenue

	2010	2009
	\$	\$
Grant income	6,384,366	6,703,364
Medicare income	986,934	924,948
Interest received	105,778	103,304
Worker compensation claims	12,975	105,151
Other revenue	95,599	108,968
<b>Total Revenue</b>	<b>7,585,652</b>	<b>7,945,735</b>

### Note 3 Profit / (Loss) for the Year

(a) Expenses

**Depreciation**

Buildings	143,001	141,932
Plant and equipment	232,593	242,724
<b>Total depreciation</b>	<b>375,594</b>	<b>384,656</b>

**Finance costs**

Interest paid - other persons	9,949	13,398
<b>Total finance costs</b>	<b>9,949</b>	<b>13,398</b>

**Bad and doubtful debts**

Medicare debtors	17,111	68,444
<b>Total bad and doubtful debts</b>	<b>17,111</b>	<b>68,444</b>

**Loss on disposal of property, plant and equipment**

68,663 -

(b) Significant Expenses

The following significant expense items are relevant in explaining the financial performance:

Transfers to Australian Indigenous Business Service Trust	-	812,000
Transfer to Biripi AMS	-	90,000
Transfer of assets on cessation of Partnership for Aboriginal Care	-	80,415
Transfer of net assets to Galambila AMS	-	2,281,936
	-	<b>3,264,351</b>

These financial statements should be read in conjunction with the attached Independent Audit Report

# Durri Aboriginal Corporation Medical Service

A.B.N 52 730 046 875

## NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2010

### Note 4 Cash and Cash Equivalents

	2010	2009
	\$	\$
Cash on hand	550	1,440
Cash at bank		
Tax account	50,755	4,106
Capital Account	80,589	10,230
Long service leave No. 28 account	-	5
Cash Management Account	1,419,940	2,412,083
No. 1 Bank accounts	(19,427)	274
No. 2 Bank accounts	144,597	10,013
No. 3 Bank accounts	19,038	7,267
No. 4 Bank accounts	12,371	29,896
No. 5 Bank accounts	8,471	3,475
No. 7 Bank accounts	18,932	24,051
No. 8 Bank accounts	26,873	10,065
No. 9 Bank accounts	36,390	4,404
No. 10 Bank accounts	1,173	8,336
No. 11 Bank accounts	213	32,065
No. 12 Bank accounts	2,658	2,604
No. 15 Bank accounts	42,977	45,460
No. 16 Bank accounts	962	3,388
No. 17 Bank accounts	9,374	14,447
No. 18 Bank accounts	-	122
No. 19 Bank accounts	21,637	4,843
No. 20 Bank accounts	267	8,210
No. 22 Bank accounts	79,181	86,509
No. 23 Bank accounts	53,161	28,940
No. 23 Bank accounts - Female Youth	24,607	23,852
No. 23 Bank accounts - Dunghutti Youth	58	2,119
No. 24 Bank accounts	8,238	10,175
No. 25 Bank accounts	285	322
No. 27 Bank accounts	30,204	16,880
No. 28 Bank accounts	-	8,503
No. 28 Bank accounts - Medicare	-	2,666
No. 29 Bank accounts	-	32,056
No. 30 Bank accounts	774	39,889
No. 34 Bank accounts	44,252	77,084
No. 35 Bank accounts	1	993
	<b>2,119,101</b>	<b>2,966,772</b>

These financial statements should be read in conjunction with the attached Independent Audit Report

# Durri Aboriginal Corporation Medical Service

A.B.N 52 730 046 875

## NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2010

### Note 4 Cash and Cash Equivalents (continued)

#### Reconciliation of Cash

	2010	2009
Note	\$	\$
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:		
Cash and cash equivalents	2,119,101	2,966,772
Bank overdrafts	10 -	(6,824)
	<u>2,119,101</u>	<u>2,959,948</u>

### Note 5 Trade and Other Receivables

Current		
Medicare receivables	46,742	28,562
Provision for doubtful debts	(3,556)	(2,115)
	<u>43,186</u>	<u>26,447</u>
Other receivables	<u>55,265</u>	<u>133,494</u>
	<u>98,451</u>	<u>159,941</u>

The Corporation does not have a material credit risk exposure to any single receivable or group of receivables.

### Note 6 Other Assets

Current		
Prepayments	6,082	-
Deposits paid	1,500	1,500
Input tax credits	17,475	25,363
	<u>25,057</u>	<u>26,863</u>

These financial statements should be read in conjunction with the attached Independent Audit Report

# Durri Aboriginal Corporation Medical Service

A.B.N 52 730 046 875

## NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2010

### Note 7 Other Financial Assets

	2010	2009
	\$	\$
Non-current		
Available-for-sale financial assets	<u>1,309</u>	<u>1,348</u>

#### (a) Available-for-sale Financial Assets Comprise:

Listed investments, at fair value		
- shares in listed corporations	<u>1,309</u>	<u>1,348</u>

Available-for-sale financial assets comprise of investments in the ordinary issued capital of Insurance Australia Group Limited. There are no fixed returns or fixed maturity dates attached to these investments.

These financial statements should be read in conjunction with the attached Independent Audit Report

# Durri Aboriginal Corporation Medical Service

A.B.N 52 730 046 875

## NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2010

### Note 8 Property Plant and Equipment

	2010	2009
	\$	\$
<b>Land and buildings</b>		
<b>Freehold land</b>		
Land at independent valuation - 2008	645,000	645,000
<b>Total freehold land at valuation</b>	<u>645,000</u>	<u>645,000</u>
<b>Buildings and freehold improvements</b>		
Buildings at independent valuation - 2010	830,000	-
Buildings at independent valuation - 2008	3,080,000	3,080,000
Buildings at cost	-	521,278
Less accumulated depreciation	(246,736)	(144,431)
<b>Total buildings</b>	<u>3,663,264</u>	<u>3,456,847</u>
<b>Total land and buildings</b>	<u>4,308,264</u>	<u>4,101,847</u>
<b>Plant and equipment</b>		
Plant and equipment at cost	1,448,198	1,986,076
Less accumulated depreciation	(742,888)	(1,051,305)
<b>Total plant and equipment</b>	<u>705,310</u>	<u>934,771</u>
<b>Total property, plant and equipment</b>	<u>5,013,574</u>	<u>5,036,618</u>

#### (a) Valuation of Land and Buildings

The Corporation's land and building located at York Lane, Kempsey were revalued at 30 June 2008 by independent valuers. The Corporation's building located at Bowra Street, Nambucca Heads was revalued at 30 June 2010 by independent valuers. Valuations were made on the basis of current market value. The revaluation increment net of applicable deferred income taxes was credited to an asset revaluation reserve.

# Durri Aboriginal Corporation Medical Service

A.B.N 52 730 046 875

## NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2010

### Note 8 Property Plant and Equipment (continued)

#### (b) Movements in Carrying Amounts

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

	Freehold Land \$	Buildings and Improvements \$	Plant and Equipment \$	Total \$
<b>2010</b>				
Balance at the beginning of year	645,000	3,456,847	934,771	5,036,618
Additions	-	302,276	210,031	512,307
Disposals	-	-	(206,899)	(206,899)
Depreciation expense	-	(143,001)	(232,593)	(375,594)
Revaluation increments / (decrements)	-	47,142	-	47,142
Balance at 30 June 2010	<u>645,000</u>	<u>3,663,264</u>	<u>705,310</u>	<u>5,013,574</u>
<b>2009</b>				
Balance at the beginning of year	1,822,700	4,168,038	1,425,813	7,416,551
Additions	-	58,341	40,580	98,921
Disposals	(1,177,700)	(627,600)	(288,898)	(2,094,198)
Depreciation expense	-	(141,932)	(242,724)	(384,656)
Balance at 30 June 2009	<u>645,000</u>	<u>3,456,847</u>	<u>934,771</u>	<u>5,036,618</u>

#### (c) Had land and buildings been stated at historical cost amounts they would be as follows:

	2010 \$	2009 \$
Cost	3,786,473	3,484,200
Accumulated depreciation	(680,964)	(586,303)
Net book value	<u>3,105,509</u>	<u>2,897,897</u>

These financial statements should be read in conjunction with the attached Independent Audit Report

# Durri Aboriginal Corporation Medical Service

A.B.N 52 730 046 875

## NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2010

### Note 9 Trade and Other Payables

	Note	2010 \$	2009 \$
<b>Current</b>			
Unsecured liabilities			
Trade and other payables		282,086	349,837
		<u>282,086</u>	<u>349,837</u>

Trade and other payables are expected to be paid in less than 6 months from the end of the financial year.

### Note 10 Borrowings

#### Current

#### Secured liabilities

Bank overdraft	10(a)(c)	-	6,824
Bank loan	10(a)(c)	14,086	12,621
		<u>14,086</u>	<u>19,445</u>

#### Non-Current

#### Secured liabilities

Bank loan	10(a)(c)	118,565	133,478
		<u>118,565</u>	<u>133,478</u>

#### (a) Total current and non-current secured liabilities

Bank overdraft		-	6,824
Bank loan		132,651	146,099
		<u>132,651</u>	<u>152,923</u>

#### (b) The carrying amounts of non-current assets pledged as security are:

Property, plant and equipment		<u>5,013,574</u>	<u>5,036,618</u>
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#### (c) Bank and Mortgage Loans

The bank overdrafts and mortgage loans are secured by registered first mortgages over certain freehold property of the Corporation.

These financial statements should be read in conjunction with the attached Independent Audit Report

# Durri Aboriginal Corporation Medical Service

A.B.N 52 730 046 875

## NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2010

### Note 11 Provisions

	Annual Leave	Long Service Leave	Total
	\$	\$	\$
Opening balance at 1 July 2009	259,735	180,229	439,964
Additional provisions	-	63,948	63,948
Amounts used	(25,683)	-	(25,683)
Balance at 30 June 2010	<u>234,052</u>	<u>244,177</u>	<u>478,229</u>

### Employee benefits

	2010	2009
	\$	\$
Current	364,151	289,550
Non-current	114,078	150,414
	<u>478,229</u>	<u>439,964</u>

### Note 12 Reserves

#### (a) Asset Revaluation Reserve

The asset revaluation reserve records revaluations of land and buildings.

#### (b) Financial Assets Reserve

The financial assets reserve records revaluations of financial assets.

### Note 13 Auditor's Remuneration

Remuneration of the auditor of the Corporation for:

- Auditing or reviewing the financial report	43,500	39,600
- Under accrual in 2009 year	5,550	-
- Under accrual in 2008 year	-	4,267
- Other services	8,200	-
	<u>57,250</u>	<u>43,867</u>

These financial statements should be read in conjunction with the attached Independent Audit Report

# Durri Aboriginal Corporation Medical Service

A.B.N 52 730 046 875

## NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2010

### Note 14 Disclosures on Key Management Personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Corporation, directly or indirectly, including any Director (whether executive or otherwise) of the Corporation. Control is the power to govern the financial and operating policies of the Corporation so as to obtain benefits from its activities.

#### (a) Directors

During the financial year the following Directors held office:

Tony Gray	Chairperson
Ivy Brown	Deputy Chairperson
Colleen Campbell	Treasurer
Jo-Anne Kelly	Secretary (Leave from duty 03/03/2009 to 20/07/2009)
Shirley Kelly	Director
Mary Button	Director
Debra Morris	Director
Vincent Cook	Director (Appointed 16/11/2009)
Cecilia Flanders	Director (Appointed 16/11/2009)
Margaret (Ruth) Maruca	Director (Appointed 16/11/2009)
Garth Fatnowna	Director (Resigned 07/06/2010)
Gerald Hoskins	Director (Resigned 04/12/2009)
Mary-Lou Buck	Director (Resigned 16/11/2009)
Kim Donohue	Director (Resigned 16/11/2009)

#### (b) Other Key Management Personnel

The following persons also had responsibility for planning, directing and controlling the activities of the Corporation, directly or indirectly during the financial year:

Name	Position
Gerald Hoskins	Chief Executive Officer (Appointed 07/12/2009).
Darren Kershaw	Acting Chief Executive Officer (Appointed 05/01/2009, Resigned 07/12/2009).
Isobel Bradshaw	Acting Business Services Manager (Appointed 22/03/2010). Acting Executive Officer (Appointed 08/08/2008, Resigned 20/07/2009).
Adam Lysle	Business Services Manager (Appointed 20/07/2009, Resigned 22/03/2010).

These financial statements should be read in conjunction with the attached Independent Audit Report

# Durri Aboriginal Corporation Medical Service

A.B.N 52 730 046 875

## NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2010

### Note 14 Disclosures on Key Management Personnel (continued)

#### (c) Key Management Personnel Compensation

The aggregate compensation of key management personnel during the year comprising amounts paid or payable or provided for was as follows:

	2010	2009
	\$	\$
Short-term employee benefits	389,646	251,883
Post-employment benefits	36,418	24,169
Other long-term benefits	16,806	14,448
Termination benefits	27,220	146,391
	<u>470,090</u>	<u>436,891</u>

#### (d) Related Party Transactions

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

There were no transactions with related parties during the current financial year.

### Note 15 Capital and Leasing Commitments

#### (a) Capital Expenditure Commitments

Capital expenditure commitments contracted for:

Renovations to Nambucca Health Post building	-	1,102,488
Motor vehicle purchases	<u>201,082</u>	<u>-</u>
	<u>201,082</u>	<u>1,102,488</u>
Payable:		
- not later than 12 months	<u>201,082</u>	<u>1,102,488</u>
	<u>201,082</u>	<u>1,102,488</u>

These financial statements should be read in conjunction with the attached Independent Audit Report

# Durri Aboriginal Corporation Medical Service

A.B.N 52 730 046 875

## NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2010

### Note 16 Cash Flow Information

(a) Reconciliation of Cash Flow from Operations with Profit / (Loss) after Income Tax	2010	2009
	\$	\$
Profit /(loss) after income tax	(931,395)	(3,523,238)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit		
Depreciation and amortisation expense	375,594	384,656
Net (gain)/loss on transfers of assets	68,663	2,094,198
Changes in assets and liabilities		
(Increase)/decrease in trade receivables	61,490	31,996
(Increase)/decrease in other assets	1,806	30,455
Increase/(decrease) in trade payables and accruals	(67,751)	(90,671)
Increase/(decrease) in provisions	38,265	(132,948)
Cash flow from / (used in) operations	<u>(453,328)</u>	<u>(1,205,552)</u>
(b) Credit Standby Arrangements with Banks		
Bank overdraft	-	50,000
Westpac Corporate Credit Cards	30,000	10,000
	<u>30,000</u>	<u>60,000</u>
Facilities utilised at reporting date		
Bank overdraft	-	6,824
	<u>-</u>	<u>6,824</u>
Facilities not utilised at reporting date		
Bank overdraft	-	43,176
Westpac Corporate Credit Cards	30,000	10,000
	<u>30,000</u>	<u>53,176</u>

The major facilities are summarised as follows:

Bank overdraft and Westpac Corporate Credit Cards:

Bank overdraft and Westpac Corporate Credit Cards facilities are arranged with an Australian bank with the general terms and conditions being set and agreed to annually. Interest rates are variable and subject to adjustment.

These financial statements should be read in conjunction with the attached Independent Audit Report

# Durri Aboriginal Corporation Medical Service

A.B.N 52 730 046 875

## NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2010

### Note 17 Financial Risk Management

#### **Financial Risk Management Policies**

The Corporation's financial instruments consist mainly of cash and cash equivalents, term deposits, accounts receivable, trade payables, bank overdraft and bank loan.

The Corporation does not have any derivative Financial instruments.

The Directors of the Corporation meet on a regular basis to analyse financial performance and to evaluate management strategies in the context of the most recent economic conditions and forecasts.

#### ***Specific Financial Risk Exposures and Management***

The main risks the Corporation is exposed to through its financial instruments are credit risk, liquidity risk and market risk (consisting of interest rate risk). The Corporation is not exposed to fluctuations in foreign currencies or to any material commodity price risk. The Corporation does not enter into, or trade, financial instruments for speculative purposes.

#### **(a) Credit Risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Corporation. Credit risk may arise from exposure to customers and deposits with financial institutions.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes to and forming part of the financial statements.

The Corporation does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Corporation.

As at 30 June 2010 the Corporation had funds of \$2,118,551 (2009: \$2,965,332) deposited with Australian financial institutions.

These financial statements should be read in conjunction with the attached Independent Audit Report

# Durri Aboriginal Corporation Medical Service

A.B.N 52 730 046 875

## NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2010

### Note 17 Financial Risk Management (continued)

#### (a) Credit Risk (continued)

##### (i) *Analysis of Medicare Debtors and Other Receivables Past Due and Analysis of Impaired Medicare Debtors and Other Receivables*

Medicare debtors and other receivables that are considered impaired amount to \$3,556 (2009: \$2,115) and represent 3.5% (2009: 1.3%) of total Medicare debtors and other receivables.

There has been no renegotiation of the terms of any Medicare debtors or other receivables. There is no collateral held as security by the Corporation in relation to Medicare debtors and other receivables.

The amount of Medicare debtors and other receivables that are past due or impaired are included in the "trade and other receivables" category of the statement of financial position.

Medicare debtors and other receivables that are neither past due or impaired are considered by the Directors to be collectible and there is no provision for impairment in relation to the balance of such receivables at reporting date.

An analysis of past due and impaired Medicare debtors and other receivables is as follows:

Expected timing of recognition	Gross Medicare debtors and other receivables past due			
	Past due but not impaired		Impaired	
	2010	2009	2010	2009
	\$	\$	\$	\$
Less than 1 months overdue	10,009	19,888	695	313
1 months – 3 months overdue	51,586	5,121	1,715	752
More than 3 months overdue	15,710	33,088	1,146	1,050
<b>Total</b>	<b>77,305</b>	<b>58,097</b>	<b>3,556</b>	<b>2,115</b>

#### (b) Liquidity Risk

Liquidity risk arises from the possibility that the Corporation might encounter difficulty in settling its debts or otherwise meeting its obligations in relation to its financial liabilities.

The Corporation manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

The following table reflects an undiscounted contractual maturity analysis for financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed.

The timing of cash flows to settle financial liabilities, presented in the following table, reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward.

These financial statements should be read in conjunction with the attached Independent Audit Report

# Durri Aboriginal Corporation Medical Service

A.B.N 52 730 046 875

## NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2010

### Note 17 Financial Risk Management (continued)

#### (a) Credit Risk (continued)

##### (i) *Analysis of Medicare Debtors and Other Receivables Past Due and Analysis of Impaired Medicare Debtors and Other Receivables*

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	Past due but not impaired		Impaired	
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More than 3 months overdue	15,710	33,088	1,146	1,050
<b>Total</b>	<b>77,305</b>	<b>58,097</b>	<b>3,556</b>	<b>2,115</b>

#### (b) Liquidity Risk

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The following table reflects an undiscounted contractual maturity analysis for financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed.

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These financial statements should be read in conjunction with the attached Independent Audit Report

# Durri Aboriginal Corporation Medical Service

A.B.N 52 730 046 875

## NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2010

### Note 17 Financial Risk Management (continued)

#### (c) Market Risk (continued)

##### (i) Sensitivity Analysis

The following sensitivity analysis is based on the interest rate risk exposures in existence at the end of the reporting period for interest bearing financial assets and financial liabilities.

	Carrying Amount \$	-1% Profit \$	-1% Equity \$	+1% Profit \$	+1% Equity \$
<b>Financial Assets</b>					
Cash at bank	2,118,551	(21,186)	(21,186)	21,186	21,186
<b>Financial Liabilities</b>					
Borrowings	132,651	1,327	1,327	(1,327)	(1,327)
<b>Increase/(decrease)</b>		<b>(19,859)</b>	<b>(19,859)</b>	<b>19,859</b>	<b>19,859</b>

#### Net Fair Values

The net fair values of financial assets and financial liabilities approximates their carrying values.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.

### Note 18 Economic Dependency

Durri Aboriginal Corporation Medical Service's continued operation is financially dependent on the continued support of the funding bodies for recurrent grant income. Without the continued support of the funding bodies, the Durri Aboriginal Corporation Medical Service may not be able to continue as a going concern, and assets and liabilities recorded in the financial statements may be required to be recognised at amounts other than stated.

### Note 19 Corporation Details

#### Registered office

The registered office of the Corporation is:  
Durri Aboriginal Corporation Medical Service  
15-19 York Lane  
Kempsey NSW 2440

These financial statements should be read in conjunction with the attached Independent Audit Report



**Durri**  
**Aboriginal Corporation Medical**  
**Service**

PO Box 136  
15-19 York Lane  
KEMPSEY NSW 2440  
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