

# North Stradbroke Island Aboriginal and Islanders Housing Co-operative Society Ltd

ABN: 35 521 456 625

Financial Statements

For the Year Ended 30 June 2023

North Stradbroke Island Aboriginal and Islanders Housing Co-operative Society Ltd

ABN: 35 521 456 625

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For the Year Ended 30 June 2023

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# North Stradbroke Island Aboriginal and Islanders Housing Cooperative Society Ltd

## DIRECTORS' REPORT

The Directors present their report on the operations of the Cooperative in conjunction with the Financial Statements of the Company for the financial period ended 30 June 2023.

### DIRECTORS

The Directors in office during and since the end of the financial year are:

Board Member	Position	
Darren Burns	Director	<ul style="list-style-type: none"> <li>Quandamooka traditional owner</li> <li>Currently Joint Management Coordinator</li> </ul>
Karen O'Brien	Chairperson	<ul style="list-style-type: none"> <li>Quandamooka traditional owner</li> <li>B. Business (HRM)</li> <li>Presently HR Manager with Yulu-Burri-Ba Aboriginal Corporation for Community Health.</li> </ul>
Narelle Hawtin	Secretary	<ul style="list-style-type: none"> <li>Quandamooka traditional owner</li> <li>Retired – previously worked in community roles</li> <li>Active community member</li> </ul>
Keiron Costelloe	Director	<ul style="list-style-type: none"> <li>Quandamooka traditional owner</li> <li>Currently Community Liaison Officer for Yulu-Burri-Ba Aboriginal Corporation for Community Health</li> </ul>
Ronald Close	Director	<ul style="list-style-type: none"> <li>Quandamooka traditional owner</li> <li>Retired – previously worked in Community Support and Community Development roles in the Woodenbong community</li> </ul>
April Benton	Independent Director	<ul style="list-style-type: none"> <li>Registered Nurse</li> <li>Significant experience in Aged care as Care Manager</li> <li>Chair, Clinical Governance Committee</li> </ul>
Suzanne Blivet	Treasurer	<ul style="list-style-type: none"> <li>Quandamooka traditional owner</li> <li>Business Admin &amp; Bookkeeping -QYAC</li> </ul>
Chris Day	Director	<ul style="list-style-type: none"> <li>Quandamooka Traditional owner</li> <li>Manager- Pathways First Nations' Strategy and Partnerships Department of Education</li> <li>Dual Bachelor Degree-Creative Industries (Drama)/Education (Secondary) 2008 at Queensland University of Technology (QUT)</li> </ul>
Sylvan Borey	Director	<ul style="list-style-type: none"> <li>Quandamooka traditional owner</li> <li>Associate Degree in Indigenous Community Health</li> <li>Cert 3 in Community Services</li> <li>Cert 3 in Indigenous Primary Healthcare</li> </ul>
Margot Wagner	Independent	<ul style="list-style-type: none"> <li>Chair, Finance and Risk Sub Committee</li> <li>Significant corporate experience working in accounting, financial management and financial services</li> </ul>



# North Stradbroke Island Aboriginal and Islanders Housing Cooperative Society Ltd

		<ul style="list-style-type: none"> <li>• Experience working with Aboriginal community organisations</li> <li>• Registered BAS Agent (2016 – Taxation Board Australia)</li> <li>• Chartered Management Accountant (CIMA - UK and Australia 1999)</li> </ul>
Di Sullivan	Independent	<ul style="list-style-type: none"> <li>• Chair, Clinical Governance Sub Committee</li> <li>• Currently Director and Owner of Oban Consulting</li> <li>• Significant senior executive experience in aged, palliative and acute care especially in health and ageing in Aboriginal communities across regional, rural and remote locations in Victoria and Queensland.</li> </ul>

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

## MEMBERS GUARANTEE (251 members, as at 30 June 2023)

North Stradbroke Island Aboriginal and Islanders Housing Cooperative Society Limited is a company limited by guarantee. In the event of, and for the purpose of winding up the company, the amount capable of being called up for each member or person of the association who ceased to be a member in the year prior to winding up, is limited to the membership fee for members that are corporations, subject to the provisions of the Company's rules.

## BOARD MEETINGS AND MEMBERS

BOARD DIRECTORS MEETINGS	ROLE	NO# MEETINGS ELIGIBLE TO ATTEND	NO# ATTENDED
Darren Burns	Chairperson	11	9
Karen O'Brien	Vice Chairperson	11	11
Keiron Costelloe	Director	11	9
Narelle Hawtin	Secretary	11	9
Chris Day	Director	4	3
Sylvan Borey	Director	4	2
Suzanne Blivet	Treasurer	2	2
Margot Wagner	Resigned April 2023	9	7
Di Sullivan	Resigned April 2023	8	5



# North Stradbroke Island Aboriginal and Islanders Housing Cooperative Society Ltd

## CLINICAL GOVERNANCE SUB COMMITTEE

Di Sullivan	Chairperson, Sub Committee	1	1
Karen O'Brien	Member	1	1
Ben Thomson	Member	1	1
Cameron Andrews	Member	1	1
Julie Dymock	Independent Member – SVCS	0	0

## PRINCIPAL ACTIVITIES

During the financial year, the Company's principal activities were as follows:

- Supporting access to affordable, long-term quality housing for Quandamooka peoples.
- Operating the Myora Caravan Park, situated on the Myora Mission grounds.
- Providing in-home and community care services through the Minjerriba Respite Centre.
- Supporting residents at our residential aged care facility, Nareeba Moopi Moopi Pa.

## RESULTS

The financial year yielded a net loss of \$111,509, and it's important to note that none of this loss is subject to income tax under section 50-10 of the Income Tax Assessment Act 1997.

## INDEMNIFYING OF OFFICERS OR AUDITOR

The company has not, during or since the financial year, in respect of any person who is or has been an officer or auditor of the company, indemnified or made any relevant agreement for indemnifying against a liability, including costs and expenses in successfully defending legal proceedings.

## REVIEW OF OPERATIONS

Current activities in line with the Memorandum and Articles of Association and company policies have been maintained throughout the year and the operating results are set out in the accompanying Financial Statements.

## GOVERNMENT GRANTS

Government grants were the major source of income during the year for our Residential Aged Care and Home Support Programs.



# **North Stradbroke Island Aboriginal and Islanders Housing Cooperative Society Ltd**

## **SIGNIFICANT CHANGE IN STATE OF AFFAIRS**

The introduction of the new AN-ACC Aged Care funding model in October 2023 has a positive impact on the funding received by Nareeba Moopi Moopi Pa. The payment is based on our remoteness and on capacity (as opposed to occupancy) the funding model aims to support the fixed costs associated with service delivery in a remote location.

## **AFTER BALANCE DATE EVENTS**

The 15% wage increase for all aged care workers, effective from July 1, 2023, has significant impact on our wages. To accommodate this wage increase, the funding for the Aged Care Subsidy and Home Support Program has been increased to cover the additional labor costs.

Additionally, starting from October 1, 2023, Moopi will be providing 24/7 Registered Nurse (RN) coverage, as mandated by the Department of Health and Aged Care. This change in service provision will make us eligible for subsidies that will positively impact Moopi's financial viability. This step aligns with our commitment to providing high-quality care to our residents and clients while ensuring the sustainability of our operations.

## **FUTURE DEVELOPMENTS**

Continued Collaboration with SDAP Consultancy: to improve our financial stability and performance.

Development Proposal to the State Government: We are actively pursuing a development proposal with the State Government. This proposal aims to construct an additional 26 new dwellings for housing and a caravan park.

Capital Grant Funding for business services consolidation: Our goal is to secure capital grant funding to consolidate our Business Services Building and build a new 24-bed facility.

Property Improvement and Rental Pricing Strategy - We are dedicated to improving our properties by carrying out essential repairs and upgrades to ensure they meet high-quality standards. Additionally, we are actively working on a pricing strategy that aims to set our rental charges at approximately 70% of the current market value.

At present, our rental charges fall between 50-55% of the median market rent. This pricing strategy reflects the condition of our houses, which require extensive repairs and maintenance. As part of our ongoing efforts, we have recently completed significant projects, including the replacement of all asbestos roofing and interior and



# North Stradbroke Island Aboriginal and Islanders Housing Cooperative Society Ltd

exterior painting for select houses. These initiatives are crucial for preventative maintenance and ensuring the long-term sustainability and safety of our properties.

Looking ahead to the 2023-2024 financial year, the company remains steadfast in its commitment to operational sustainability and fulfilling its mission.

## AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's declaration in accordance with section 307c of the Corporations Act 2001, for the year ended 30 June 2023, has been received and is located in the financial report.

On behalf of the Board of Directors

Darren Burns  
Chairperson

Karen O'Brien  
Deputy Chairperson

Date: 30 October 2023

Date: 30 October 2023

# North Stradbroke Island Aboriginal and Islanders Housing Co-operative Society Ltd

ABN: 35 521 456 625

## Directors' Declaration

In accordance with a resolution of the directors of North Stradbroke Island Aboriginal and Islanders Housing Co-operative Society Ltd (the registered entity, or company), the directors of the registered entity declare that, in the directors' opinion:

1. The financial statements and accompanying notes, as set out on pages 7 - 29, are in accordance with the *Australia Charities and Not-for-Profits Commission Act 2021* and:

- comply with Australian Accounting Standards applicable to the registered entity; and
- give a true and fair view of the company's financial position as at 30 June 2022 and of its performance for the year ended on that date.

2. There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulations 2022*.

On behalf of the Board of Directors:

Director .....  
  
Karen O'Brien

Dated 30 October 2023

## Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2023

	<b>Note</b>	2023 \$	2022 \$
Revenue - trading	4	3,494,601	4,124,044
Other income	4	285,518	250,298
Finance income	5	16,826	4,051
Consumables		(86,348)	(101,952)
Employee benefits expense		(2,389,639)	(2,308,752)
Electricity and gas		(57,202)	(58,545)
Depreciation and amortisation expense		(398,979)	(359,592)
Finance expenses	5	(160)	-
Insurance		(91,717)	(81,868)
Other expenses		(495,270)	(440,984)
Rates		(170,855)	(143,968)
Renovations and repairs		(218,284)	(129,557)
<b>Net (deficit)/surplus before income tax</b>		<b>(111,509)</b>	753,175
Income tax expense		-	-
<b>Net (deficit)/surplus for the year after income tax</b>		<b>(111,509)</b>	753,175
Other comprehensive income, net of income tax		-	-
<b>Total comprehensive (deficit)/income for the year</b>		<b>(111,509)</b>	753,175

## Statement of Financial Position

As At 30 June 2023

	Note	2023 \$	2022 \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	7	3,617,263	3,361,412
Trade and other receivables	8	40,335	35,792
Inventories	9	5,966	5,966
Other assets	11	113,122	55,991
TOTAL CURRENT ASSETS		<u>3,776,686</u>	<u>3,459,161</u>
NON-CURRENT ASSETS			
Property, plant and equipment	10	6,873,380	7,119,830
TOTAL NON-CURRENT ASSETS		<u>6,873,380</u>	<u>7,119,830</u>
TOTAL ASSETS		<u>10,650,066</u>	<u>10,578,991</u>
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	12	1,044,672	898,626
Employee benefits	14	154,182	119,236
Other financial liabilities	13	228,477	204,742
TOTAL CURRENT LIABILITIES		<u>1,427,331</u>	<u>1,222,604</u>
NON-CURRENT LIABILITIES			
Employee benefits	14	53,207	53,207
Other financial liabilities	13	2,014	24,157
TOTAL NON-CURRENT LIABILITIES		<u>55,221</u>	<u>77,364</u>
TOTAL LIABILITIES		<u>1,482,552</u>	<u>1,299,968</u>
NET ASSETS		<u>9,167,514</u>	<u>9,279,023</u>
<b>EQUITY</b>			
Retained earnings		<u>9,167,514</u>	<u>9,279,023</u>
TOTAL EQUITY		<u>9,167,514</u>	<u>9,279,023</u>

The accompanying notes form part of these financial statements.

North Stradbroke Island Aboriginal and Islanders Housing Co-Operative Society Ltd

ABN: 35 521 456 625

Statement of Changes in Equity

For the Year Ended 30 June 2023

2023

	Retained Earnings	Total
	\$	\$
<b>Balance at 1 July 2022</b>	<b>9,279,023</b>	<b>9,279,023</b>
Deficit attributable to members	(111,509)	(111,509)
Total other comprehensive income for the year	-	-
<b>Balance at 30 June 2023</b>	<b>9,167,514</b>	<b>9,167,514</b>

2022

	Retained Earnings	Total
	\$	\$
<b>Balance at 1 July 2021</b>	<b>8,525,848</b>	<b>8,525,848</b>
Surplus attributable to members	753,175	753,175
Total other comprehensive income for the year	-	-
<b>Balance at 30 June 2022</b>	<b>9,279,023</b>	<b>9,279,023</b>

The accompanying notes form part of these financial statements.

## Statement of Cash Flows

For the Year Ended 30 June 2023

	2023	2022
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from government grants and subsidies	2,309,123	2,761,221
Receipts from clients and residents	1,537,423	1,352,248
Payments to suppliers and employees	(3,579,354)	(3,327,163)
Interest received	16,826	4,051
Donations received	24,522	71,175
Interest paid	(160)	-
Net cash provided by/(used in) operating activities	<u>308,380</u>	<u>861,532</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Proceeds from sale of property, plant and equipment	-	4,320
Purchase of property, plant and equipment	(152,529)	(1,066,616)
Net cash provided by/(used in) investing activities	<u>(152,529)</u>	<u>(1,062,296)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Refundable aged care bonds received	100,000	-
Net cash provided by/(used in) financing activities	<u>100,000</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents held	255,851	(200,764)
Cash and cash equivalents at beginning of year	3,361,412	3,562,176
Cash and cash equivalents at end of financial year	7 <u>3,617,263</u>	<u>3,361,412</u>

## Notes to the Financial Statements

### For the Year Ended 30 June 2023

The financial report covers North Stradbroke Island Aboriginal and Islanders Housing Co-operative Society Ltd ('the Company'). North Stradbroke Island Aboriginal and Islanders Housing Co-operative Society Ltd is a not-for-profit Company limited by shares, registered and domiciled in Australia.

The financial statements were authorised for issue by the Directors as of the date of signing the Directors' Declaration.

#### 1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Act 2012*. The entity is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

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. 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, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

#### 2 Summary of Significant Accounting Policies

##### (a) Revenue and other income

###### Revenue Recognition

The company earns revenue from a range of sources, primarily nursing/respice and aged care services and the related government subsidies, and housing rentals and caravan park fees.

The company applies AASB 15: *Revenue from Contract with Customers* (AASB 15) and AASB 1058: *Income of Not-for-Profit Entities* (AASB 1058).

When the company receives revenue for services and subsidies, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance to AASB 15.

When both these conditions are satisfied, the company:

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

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

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards;

## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 2 Summary of Significant Accounting Policies (continued)

#### (a) Revenue and other income (continued)

##### Revenue Recognition (continued)

- recognises related amounts of revenue or contract liability arising from a contract with a customer; and

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

If a contract liability is recognised as a related amount above, the company recognises income in profit or loss when or as it satisfies its obligations under the contract.

The Federal Government assesses the company's entitlement to revenue in accordance with the provisions of the Aged Care Act 1997. The subsidy received is based on the Aged Care Funding Instrument (ACF) assessment and recognised on an ongoing daily basis. The Federal Government also calculates certain accommodation supplements on a per resident per day basis. The amount of Government revenue received is determined by Federal Government regulation rather than a contract with a customer. The funding is determined by a range of factors, including the residents care needs; whether the home has been significantly refurbished; levels of supported resident ratios at the home; and the financial means of the resident.

Resident respite fees and basic daily fees are a daily living expense paid as a contribution towards the provision of care and accommodation in accordance with the Aged Care Act 1997. These fees are calculated daily in accordance with the rates set by Federal Government, and invoiced on a monthly basis. In addition to the basic daily fee, if the resident has been assessed by the Federal Government as having the financial means, an additional means tested care fee is payable by the resident as a contribution to their care fees. This is also calculated on a daily basis and invoiced monthly.

##### Imputed Revenue on RAD and Bond Balances under AASB 16

For residents who have chosen a RAD or Bond arrangement to receive residential aged care services, the company has determined that following the adoption of AASB 16, these are lease arrangements for accounting purposes with the company acting as the lessor. The company has recognised revenue an imputed non-cash interest charge for accommodation revenue representing the resident's right to occupy a room under the arrangement. The accounting treatment required a non-cash increase in revenue for accommodation and non-cash increase in finance cost on the outstanding RAD and Bond balances, with no net impact on the result for the period (refer Note 1).

##### Rental income

Investment property revenue is recognised on a straight-line basis over a period of the lease term so as to reflect a constant periodic rate of return on the net investment.

##### Interest income

Interest income is recognised using the effective interest method.

##### Other income

Other income is recognised on an accruals basis when the Company is entitled to it. All revenue is stated net of the amount of goods and services tax.

## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 2 Summary of Significant Accounting Policies (continued)

#### (b) Income Tax

The Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

#### (c) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from financing and investing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

#### (d) Inventories

Inventories are measured at the lower of cost and net realisable value.

#### (e) Property, plant and equipment

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

Items of property, plant and equipment acquired for significantly less than fair value have been recorded at the acquisition date fair value.

##### Land and buildings

Freehold land and buildings includes the Company's aged care and community properties, caravan park, office premises and investment properties which are residential premises held to generate long-term rentals. All tenancies are on an arms-length basis in accordance with the Society's not-for-profit objectives.

##### Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(g) for details of impairment).

##### Depreciation

The depreciable amount of all fixed assets, including buildings, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the company commencing from the time the asset is held ready for use.

## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 2 Summary of Significant Accounting Policies (continued)

#### (e) Property, plant and equipment (continued)

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

Fixed asset class	Depreciation rate
Buildings	2.5%
Plant and Equipment	6 - 14%
Motor Vehicles	15 - 20%

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise.

#### (f) Financial instruments

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

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

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

#### Classification and subsequent measurement

##### *Financial liabilities*

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

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

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

A financial liability cannot be reclassified.

##### *Financial assets*

All financial assets are subsequently measured at amortised cost.

## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 2 Summary of Significant Accounting Policies (continued)

#### (f) Financial instruments (continued)

##### Classification and subsequent measurement (continued)

Measurement is on the basis of two primary criteria:

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

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

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

##### Derecognition

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

##### *Derecognition of financial liabilities*

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

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

##### *Derecognition of financial assets*

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

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

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

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

## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 2 Summary of Significant Accounting Policies (continued)

#### (f) Financial instruments (continued)

##### Classification and subsequent measurement (continued)

##### Impairment

The Company recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost.

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

The Company uses the simplified approach to impairment, as applicable under AASB 9: Financial Instruments.

##### *Simplified approach*

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

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

##### *Recognition of expected credit losses in financial statements*

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

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

#### (g) Impairment of assets

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

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

#### (h) 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.

## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 2 Summary of Significant Accounting Policies (continued)

#### (i) Leases

##### **The Company as lessee**

At inception of a contract, the Company assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Company where the Company is a lessee. However, all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

##### **The Company as lessor**

The Company leases housing by way operating lease.

Rental income received from operating leases is recognised on a straight-line basis over the term of the specific leases.

Contracts with aged care residents contract provisions for accommodation, use of common areas/facilities for provision of care and other services. The Company has concluded that its contractual arrangements relating to the provision of the residential aged care accommodation are an operating lease, pursuant to AASB 16, being the exclusive right to the use of a room by a resident.

The Company recognises imputed non-cash interest income and a corresponding finance charge to represent the residents right to occupy a room, with no impact to profit or loss

#### (j) Employee benefits

##### **Short-term employee provisions**

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

The company's obligations for short-term employee benefits such as wages and salaries are recognised as part of current trade and other payables in the statement of financial position. The Group's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

##### **Other long-term employee provisions**

The Company classifies employees' long service leave and annual leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the Company's obligations for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which they occur.

The company's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Company does not have an unconditional right to defer settlement for at least 12

## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 2 Summary of Significant Accounting Policies (continued)

**(j) Employee benefits (continued)**

months after the end of the reporting period, in which case the obligations are presented as current provisions.

**(k) Trade and Other Receivables**

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to for further discussion on the determination of impairment losses.

**(l) Comparative figures**

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

**(m) Economic dependence**

North Stradbroke Island Aboriginal and Islanders Housing Co-operative Society Ltd is dependent on the Department of Health and Ageing 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 Department of Health and Ageing will not continue to support North Stradbroke Island Aboriginal and Islanders Housing Co-operative Society Ltd.

**(n) New accounting standards for application in future periods**

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Company. The Company has decided not to early adopt any of the new and amended pronouncements. The Company's assessment of the new and amended pronouncements that are relevant to the company but applicable in future reporting periods is that there will not be any material change to the company's financial statements.

## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 3 Critical Accounting Estimates and Judgements

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

The key estimates/judgements made in the preparation of the financial statements relate to revenue recognition and carrying value of assets. In addition, the Company has determined the use of the Maximum Permissible Interest Rate ("MPIR") as the interest rate to be used in the calculation of the imputed revenue on RAD and bond balances. The MPIR is a rate set by the Government and is used to calculate the Daily Accommodation Payment to applicable residents.

### 4 Revenue and Other Income

	2023	2022
	\$	\$
<b>Revenue from continuing operations</b>		
- Subsidies from government - nursing home and respite operations	2,312,959	2,958,758
- Tariffs from nursing home residents	275,206	205,255
- Donations	24,522	71,175
- Rents received - housing	627,747	611,502
- Caravan park income	254,167	277,354
	<b>3,494,601</b>	<b>4,124,044</b>
<b>Other Income</b>		
- Surplus on disposal of housing property	-	2,522
- Home care and respite services	29,709	24,620
- Home maintenance	11,215	11,163
- Meals and personal care	30,580	27,491
- Other rent / leases	46,791	44,637
- Other support service	159,115	129,188
- Other income	8,108	10,677
- Imputed revenue on aged care bond balances	60,109	32,280
- Less: imputed interest expense	(60,109)	(32,280)
	<b>285,518</b>	<b>250,298</b>
<b>Total Revenue and Other Income</b>	<b>3,780,119</b>	<b>4,374,342</b>

### 5 Finance Income and Expenses

#### Finance income

Interest received	16,826	4,051
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#### Finance expenses

Interest expense	160	-
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North Stradbroke Island Aboriginal and Islanders Housing Co-Operative Society Ltd

ABN: 35 521 456 625

Notes to the Financial Statements

For the Year Ended 30 June 2023

6 Operating Segments

(a) Segment performance

	Housing		Caravan Park		Residential Aged Care		State HACC	
	2023	2022	2023	2022	2023	2022	2023	2022
	\$	\$	\$	\$	\$	\$	\$	\$
<b>REVENUE</b>								
Grants and subsidies	-	-	-	-	1,743,764	1,439,995	152,460	-
Rent	627,747	611,502	-	-	-	-	-	-
Caravan income	-	-	254,167	277,354	-	-	-	-
Other revenue	63,637	51,350	-	-	362	1,000	130	945
<b>Total segment revenue</b>	<b>691,384</b>	<b>662,852</b>	<b>254,167</b>	<b>277,354</b>	<b>1,744,126</b>	<b>1,440,995</b>	<b>152,590</b>	<b>945</b>
Segment surplus/(deficit)	(125,379)	(61,132)	(5,553)	13,739	(142,192)	(302,230)	(160,566)	(7,572)
Segment assets	6,639,602	7,152,096	1,440,296	1,411,219	3,832,842	3,637,419	885,884	995,580
Segment liabilities	(2,231,273)	(2,628,727)	(94,487)	(59,857)	(3,635,436)	(3,297,821)	(178,493)	(119,171)
Acquisitions of non-current segment assets	16,364	-	25,142	-	88,023	1,002,335	23,000	64,281
Depreciation and amortisation	133,159	136,337	36,364	38,079	218,843	175,676	1,117	-

North Stradbroke Island Aboriginal and Islanders Housing Co-Operative Society Ltd

ABN: 35 521 456 625

Notes to the Financial Statements

For the Year Ended 30 June 2023

6 Operating Segments (continued)

(a) Segment performance (continued)

	Cwealth HACC		Other Programmes		Eliminations		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
	\$	\$	\$	\$	\$	\$	\$	\$
<b>REVENUE</b>								
Grants and subsidies	817,559	823,115	179,302	900,903	-	-	2,893,085	3,164,013
Rent	-	-	-	-	-	-	627,747	611,502
Caravan income	-	-	-	-	-	-	254,167	277,354
Other revenue	237,140	200,975	25,597	71,254	-	-	326,866	325,524
<b>Total segment revenue</b>	<b>1,054,699</b>	<b>1,024,090</b>	<b>204,899</b>	<b>972,157</b>	<b>-</b>	<b>-</b>	<b>4,101,865</b>	<b>4,378,393</b>
Segment surplus/(deficit)	108,400	152,107	213,782	958,263	-	-	(111,508)	753,175
Segment assets	1,864,173	1,035,509	2,851,746	2,506,600	(6,864,477)	(6,159,432)	10,650,066	10,578,991
Segment liabilities	(1,379,193)	(657,041)	(828,147)	(696,783)	6,864,477	6,159,432	(1,482,552)	(1,299,968)
Acquisitions of non-current segment assets	-	-	-	-	-	-	152,529	1,066,616
Depreciation and amortisation	9,496	9,500	-	-	-	-	398,979	359,592

## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 7 Cash and Cash Equivalents

	2023	2022
	\$	\$
Commonwealth - General account	315,062	205,860
Commonwealth - Nareeba Moopi Moopi Pa	232,745	23,165
Commonwealth - Respite Care	489,905	401,048
Commonwealth - Myora Caravan Park	185,391	176,985
Commonwealth - HACC	100,640	100,194
Commonwealth - Programmes	147,865	224,973
Commonwealth Bank - Term Deposit	2,145,655	2,229,187
	<u>3,617,263</u>	<u>3,361,412</u>

### 8 Trade and Other Receivables

CURRENT		
GST receivable	2,829	27,175
Income receivable - Programmes	37,506	8,617
	<u>40,335</u>	<u>35,792</u>

### 9 Inventories

CURRENT		
At cost:		
Housing	1,866	1,866
Program Quandamooka DVD	3,300	3,300
Nareeba Moopi Moopi Pa	400	400
C'wealth HACC	400	400
	<u>5,966</u>	<u>5,966</u>

### 10 Property, plant and equipment

LAND AND BUILDINGS		
Land	1,822,440	1,822,440
Total Land	<u>1,822,440</u>	<u>1,822,440</u>
Buildings		
At cost	3,974,344	3,974,344
Accumulated depreciation - buildings	(2,863,256)	(2,761,720)
Total buildings	<u>1,111,088</u>	<u>1,212,624</u>
Total land and buildings	<u>2,933,528</u>	<u>3,035,064</u>

## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 10 Property, plant and equipment (continued)

	2023	2022
	\$	\$
PLANT AND EQUIPMENT		
Office furniture and equipment	2,364,442	2,290,965
Accumulated depreciation	(1,013,037)	(836,269)
Total plant and equipment	<u>1,351,405</u>	<u>1,454,696</u>
Motor vehicles		
At cost	412,525	390,896
Accumulated depreciation	(274,403)	(270,092)
Total motor vehicles	<u>138,122</u>	<u>120,804</u>
Property other areas		
At fair value	1,625,843	1,625,843
At cost	2,523,603	2,483,915
Accumulated depreciation	(1,699,121)	(1,600,492)
Total property other areas	<u>2,450,325</u>	<u>2,509,266</u>
Total plant and equipment	<u>3,939,852</u>	<u>4,084,766</u>
<b>Total property, plant and equipment</b>	<u><u>6,873,380</u></u>	<u><u>7,119,830</u></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	Buildings	Plant and Equipment	Motor Vehicles
	\$	\$	\$	\$
<b>Year ended 30 June 2023</b>				
Balance at the beginning of year	1,822,440	1,212,624	1,454,696	120,804
Additions	-	-	73,477	39,364
Depreciation expense	-	(101,535)	(176,767)	(22,048)
<b>Balance at the end of the year</b>	<u>1,822,440</u>	<u>1,111,089</u>	<u>1,351,406</u>	<u>138,120</u>
			Property other areas	Total
			\$	\$
<b>Year ended 30 June 2023</b>				
Balance at the beginning of year			2,509,266	7,119,830
Additions			39,688	152,529
Depreciation expense			(98,629)	(398,979)
<b>Balance at the end of the year</b>			<u>2,450,325</u>	<u>6,873,380</u>

## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 11 Other Assets

	2023	2022
	\$	\$
CURRENT		
Prepayments	113,122	55,991

### 12 Trade and Other Payables

	2023	2022
CURRENT		
Trade creditors and accruals	87,378	52,500
Employee benefit accruals	30,149	27,863
Sundry creditors and accruals	27,145	18,263
Entry fee - Aged Care Bonds	900,000	800,000
	<u>1,044,672</u>	<u>898,626</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 60 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 13 Other Financial Liabilities

CURRENT

Contract liabilities	204,355	179,302
Other loans	24,122	25,440
	<u>228,477</u>	<u>204,742</u>

NON-CURRENT

Other loans	2,014	24,157
	<u>2,014</u>	<u>24,157</u>

Contract liabilities represents funding received under the Moopi Fireproofing and Refurbishment Project (including Business Improvement Funding) program, but not yet expended.

Contract liabilities is revenue received in advance of services to be rendered (generally, these services will be performed in the subsequent financial year), in accordance with AASB 15 the amount received, is recognised as a contract liability until the performance obligations have been satisfied.

### 14 Provision for Employee Benefits

	2023	2022
	\$	\$
CURRENT		
Annual leave	102,084	99,087
Long service leave	52,098	20,149
	<u>154,182</u>	<u>119,236</u>
NON-CURRENT		
Long service leave	<u>53,207</u>	53,207

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

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

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

## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 14 Provision for Employee Benefits (continued)

#### (a) Analysis of Employee Benefits

	2023	2022
	\$	\$
Opening balance	172,443	183,440
Additional provisions raised during the year	146,577	155,924
Amounts used	(111,631)	(166,921)
	<u>207,389</u>	<u>172,443</u>

### 15 Financial Risk Management

		2023	2022
		\$	\$
<b>Financial assets</b>			
Held at amortised cost			
Cash and cash equivalents	7	3,618,696	3,362,845
Trade and other receivables	8	37,506	8,617
<b>Total financial assets</b>		<u>3,656,202</u>	<u>3,371,462</u>
<b>Financial liabilities</b>			
At amortised cost			
Trade payables	12	144,672	98,626
Entry fee - Aged Care Bonds	12	900,000	800,000
Other financial liabilities	13	230,491	228,899
<b>Total financial liabilities</b>		<u>1,275,163</u>	<u>1,127,525</u>

### 16 Members' Guarantee

The Company is registered with the *Australian Charities and Not-for-profits Commission Act 2012* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$ 2 each towards meeting any outstanding obligations of the Company. At 30 June 2023 the number of members was 251 (2022: 229).

### 17 Related Parties and Key Management Personnel Disclosures

Key management personnel remuneration included within employee expenses for the year is shown below:

	2023	2022
	\$	\$
Short-term employee benefits	113,887	96,891
Long-term benefits	11,077	9,026
Post-employment benefits	10,205	9,683
	<u>135,169</u>	<u>115,600</u>

There is no remuneration paid to directors, the above amounts represent remuneration paid to management staff who are part of the key management personnel of the company.

## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 17 Related Parties and Key Management Personnel Disclosures (continued)

Other transactions with related parties are set out below:

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

Related party transactions in the year comprise:

- Rentals paid for housing and caravan park sites, under normal commercial tenancy arrangements, by close family members of directors was \$44,320 (2022: \$24,500).

### 18 Auditors' Remuneration

	2023	2022
	\$	\$
Remuneration of the auditor:		
- auditing the financial statements	35,000	27,000
	<u>35,000</u>	<u>27,000</u>

### 19 Events after 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.

### 20 Statutory Information

The registered office and principal place of business of the company is:  
North Stradbroke Island Aboriginal and Islanders Housing Co-Operative  
Society Ltd  
18 Welsby Road  
DUNWICH, QLD, 4183

#### (a) Principal places of business

The principal places of business are:

18 Welsby Road,  
DUNWICH, QLD, 4183

25 Bingle Road,  
DUNWICH, QLD, 4183

28 Dickson Way,  
DUNWICH, QLD, 4183

143-145 Dickson Way,  
DUNWICH, QLD, 4183

## **Auditor's Independence Declaration Under Subdivision 60-40 of the Australian Charities and Not-for-profits Commission Act 2012**

### **To the Directors of North Stradbroke Island Aboriginal and Islanders Housing Co-Operative Society Limited**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2023 there have been no contraventions of the auditor independence requirements as set out in any applicable code of professional conduct in relation to the audit.

*Nexia Brisbane Audit Pty Ltd*

#### **Nexia Brisbane Audit Pty Ltd**

*AM Robertson*

**AM Robertson**  
Director

Date: 30 October 2023

**Independent Auditor's Report to the Members of North Stradbroke  
Island Aboriginal and Islander Housing Co-Operative Society Limited**

nexia.com.au

**Report on the Audit of the Financial Report****Opinion**

We have audited the financial report of North Stradbroke Island Aboriginal and Islanders Housing Co-operative Society Limited (the Company), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of North Stradbroke Island Aboriginal and Islanders Housing Co-operative Society Limited, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

**Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional & 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. The other information comprises the information in the Company's annual report for the year ended 30 June 2023, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information we are required to report that fact. We have nothing to report in this regard.

**Advisory. Tax. Audit.**

## **Independent Auditor's Report to the Members of North Stradbroke Island Aboriginal and Islander Housing Co-Operative Society Limited (continued)**

### ***Responsibilities of the Directors for the Financial Report***

The directors of the North Stradbroke Island Aboriginal and Islanders Housing Co-operative Society Limited are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

The directors are responsible for overseeing the Company's financial reporting process.

### ***Auditor's Responsibilities for the Audit of the Financial Report***

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

## Independent Auditor's Report to the Members of North Stradbroke Island Aboriginal and Islander Housing Co-Operative Society Limited (continued)

- Conclude on the appropriateness of the directors' 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 that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

*Nexia Brisbane Audit Pty Ltd*

**Nexia Brisbane Audit Pty Ltd**

*Robertson.*

**AM Robertson  
Director**

Level 28, 10 Eagle Street  
Brisbane, QLD 4000

Date: 30 October 2023