



VICTORIAN ABORIGINAL HEALTH SERVICE

ANNUAL REPORT

2019/2020



ACKNOWLEDGEMENT

The Victorian Aboriginal Health Service (VAHS) acknowledges the Aboriginal lands on which we live and work, we pay our respect to the Traditional Custodians and their Elders, past and present.

VAHS also acknowledges its past and present Board Members, staff, clients and Community members who have contributed and supported VAHS from its early beginnings.

DISCLAIMER

While all care has been taken to ensure that information contained in the report is true and correct at the time of publication, changes in circumstances after the time of printing may impact on the accuracy of its information.

Aboriginal and Torres Strait Islander readers should be aware that this document may contain images and names of deceased persons.

The VAHS is a child safe organisation.

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ABORIGINAL COMMUNITY CONTROL

"Community control means that each independent and autonomous health service is controlled by the Community it serves, in order to provide that Community with health care delivery to meet its health needs, as defined by that Community. The solution to each Community's health needs is in the hands of that Community."

- BRUCE MCGUINNESS

OUR VISION, PURPOSE, PRINCIPLES & VAULES

OUR VISION

Creating and inspiring healthy Aboriginal people and families through quality, effective community health services, education and training.

OUR PURPOSE

To achieve the best possible health and social and emotional wellbeing outcomes for our people.

OUR PRINCIPLES

Our service, program design and delivery are guided by the principle of; Aboriginal Community Control, holistic health, wellbeing and healing, self-determination and cultural integrity.

OUR VALUES:

Respect + caring

Strength in diversity

COLLABORATION & INCLUSIVE

HONEST & TRUSTWORTHY

ACCOUNTABLE & RESPONSIBLE

Learning & sharing

OUR STRATEGIC GOALS

Caring for Community

From 2017-2022 we will:

Extend our reach & improve access

Build program & service excellence

Invest in our workforce - making sure our staff are skilled & supported

Ensure the future of VAHS is supported by first class systems

To do this we know we need to:

Shape VAHS as a professional, sustainable, well-led and governed organisation

Develop and foster partnerships that add value to our service capacity



MODEL OF CARE

Holistic primary health care for Aboriginal and Torres Strait Islander people

The Victorian Aboriginal Health Service (VAHS) is the largest provider of holistic primary health care for Aboriginal and Torres Strait Islander people residing in metropolitan Melbourne and across Victoria.

The VAHS service model of care provides for a comprehensive suite of programs and services including:



CHAIRPERSON REPORT

A year like no other



I wish to pay my respects to a number of Community Members and VAHS Members who have passed in recent times. I pay my respects to our current Elders and Community Members who have been doing it tough during the year and who continue to struggle through the COVID-19 pandemic. I hope you all stay safe with your families and friends until such time as the day we get to see the elimination of the virus.

I acknowledge the Traditional Custodians of the lands that the Victorian Aboriginal Health Service is situated on, the Wurundjeri people and I thank them for allowing us to continue to work on these lands and I pay my respects to the Elders past and present.

The VAHS Board decided that it had to suspend some programs and operations during the pandemic. Preston site closure and limitations across the service saw many of our staff move to a working from home setup, in particular our older and more vulnerable staff members. This virus did not stop VAHS from continuing to care for Community.

The year 2020 will always be remembered as a difficult year for many and during the first half of the reporting period, the VAHS focus centred on important activities occurring at the time. Treaty was an important matter where VAHS had put in a lot of work towards developing its position on the matter. After several meetings between of the Board, Community and VAHS Members, VAHS was able to develop a position on where we would support sovereignty, a justice inquiry and reparation. VAHS is committed strongly to supporting Treaties between First Nations and Aboriginal Community Controlled Organisations.

During the year there were changes to the membership of the Board of Directors and as we moved into the end of 2019, and with the upcoming Christmas/New Year break, VAHS was compelled to change its focus to centre more on its core programs and priorities. When the COVID-19 pandemic hit our priority focused on keeping our service, staff and Community safe from the virus.

A significant amount of planning and work was undertaken in relation to governance, compliance and pursuing funding that would provided a strong response to the COVID-19 pandemic.

In terms of expansion and growth, VAHS opened the Epping Clinic which was an important part of the VAHS Metropolitan Strategy. This is the first of a number of satellite clinics as part of the strategy. A main focus for VAHS is the development and resourcing for the Epping Clinic, strategies have been developed to see that the clinic will continue to operate successfully in the years to come.

VAHS will continue its push to develop sites in the north and north west regions of Melbourne and it will seek support and advocacy to establish and sustain VAHS satellite clinics which are an integral part of our strategic planning for the next five or more years.

VAHS has been speaking with stakeholders regarding its current sites, the Aboriginal Funeral Service and the premises at Smith Street, Fitzroy and Charcoal Lane. VAHS will hold further discussions in terms of exploring the possibility of securing those through a transfer of title.

To further support how VAHS wants to do business, VAHS will be reviewing whether it will change its Constitution and seek registration from an Aboriginal Co-operative to one that is regulated by the Aboriginal and Torres Strait Islander Corporation. It is understood that VAHS will be able to do more things under this Act than it could under the current Act and Constitution. We will continue discussions relating to that as we move forward.

VAHS is in its 48th year of operations a monumental feat. Leading into 50 years, our challenge and focus is to ensure the sustainability of VAHS and continue to care for the Community for at least the next 15 – 20 years.

On behalf of the Board of Directors I would like to take the opportunity to thank the Members of our Community for your patience and support. Your ability to adapt to changes during the uncertain nature of the COVID-19 pandemic, demonstrates the strength and resilience of our people in challenging times.

I am thankful for the great team that we have at VAHS. With a steady hand at the helm, and with the Executive Management, Senior Management and Clinicians supported well by a committed workforce, VAHS was able to continue to operate during an unprecedented period. On behalf of the Board, I thank you.

Ronald Briggs | Chairperson



CEO REPORT

Continuing to care for Community



Writing the report for the year was mixed with a year where we saw the VAHS work on varying interests during the last half of 2019 (July-December 2019) and the first half of 2020 (January to June 2020).

In the first half of the year VAHS focussed on planning for the development and resourcing for its Metropolitan Strategy. The strategy enables VAHS to create and develop community-led satellite models of services which would empower the local Community to have local access to health services and support based on where they live.

These ideas were based on the aspirations of the Community to support the establishment of satellite health clinics identified through a comprehensive needs assessment process. To further strengthen and support this, VAHS will continue to pursue this and will seek Ministerial support and advocacy for the implementation of the VAHS Metropolitan Strategy.

VAHS had also worked on a 'masterplan' which involved the VAHS owned sites being developed as multi-purpose facilities. VAHS was planning on seeking support to have the VAHS properties from Gertrude Street, Nicholson Street and Smith Street returned to the management and precincts transferred freehold to VAHS. However these are long term aims and will require considerable negotiation along with Ministerial support.

VAHS opened a satellite clinic in Epping in July 2019. This was done with an understanding that the Commonwealth would commit some funding for its establishment. However this did not eventuate, so VAHS has to operate the Clinic using its Medicare funding income and developing strategies to overcome the amount used to establish the Clinic.

2020 the year that will go down in history as one of the most challenging years the world has ever seen. The impact of the COVID-19 pandemic dominated much of the VAHS operations and planning for the rest of the year. VAHS was quick to develop an evolving COVID-19 response and the establishment of a small but proactive, well informed and experienced COVID-19 working group led by our Clinical Director.

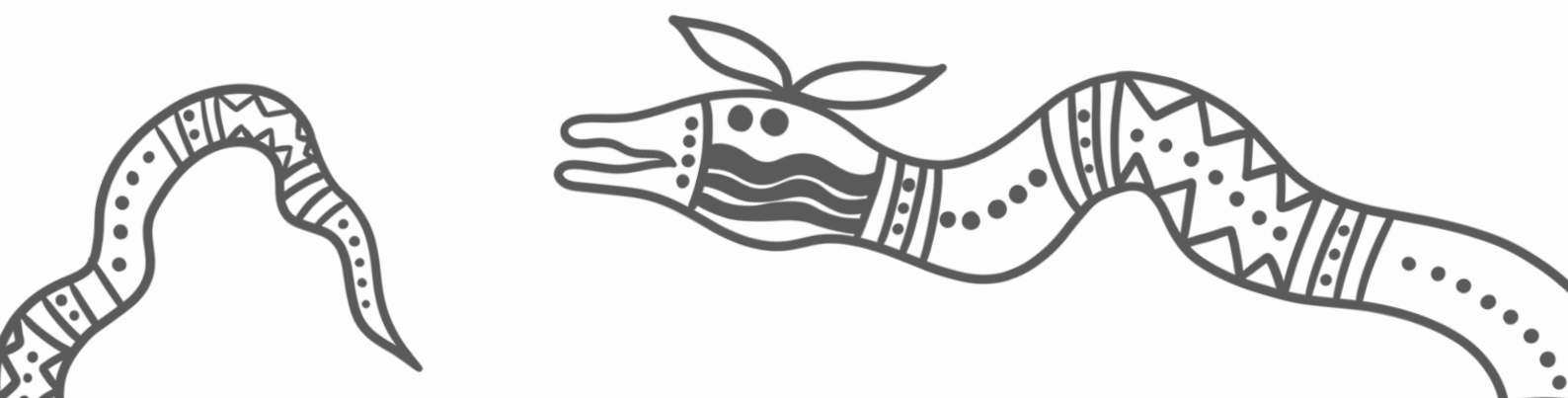
VAHS provided a rapid response to the continually changing environment COVID-19 presented us with. All of the VAHS clinical efforts were placed at the Fitzroy and Epping sites, we also saw a large number of our staff having to transition to a working from home setup, groups suspended and a change in the way we delivered our services. This proved to be challenging but VAHS staff showed great commitment and ability to adapt in such circumstances.

Whilst COVID-19 dictated VAHS activities, the work continued where we had to manage risk and compliance, particularly related to managing the risks associated with patient care, PPE, establishing a COVID-19 respiratory clinic at our Fitzroy site, transport, staff and client health and wellbeing and access to pharmacy services.

I want to thank staff who continued to travel to and from work on a daily basis, and to those who continued to work from home. I want to thank every staff member for their commitment and strength during what has been a deeply challenging time for all. VAHS staff should feel proud that they were able to provide services to our Community at times of uncertainty and where the services were most needed during the COVID-19 pandemic. I know the work and commitment demonstrated by staff was very much appreciated by the VAHS Board of Directors and I'm sure this is the same for many Community Members and VAHS clients.

Our Community is very fortunate to have an Aboriginal Health Service with committed and dedicated staff to look after their health and wellbeing needs. As a workforce nationally, we should all be proud of our collective efforts for keeping our Aboriginal communities almost free and safe from the COVID-19 virus. I know this is an achievement that has impressed many people, especially non-Aboriginal people and Governments all around the world.

Michael Graham | Chief Executive Officer



BOARD OF DIRECTORS

1 July 2019 - 30 June 2020



Ronald Briggs | Chairperson - Nov 19 to Jun 20

Gary Murray | Chairperson - Jul 19 to Nov 20

Karin Williams | Deputy Chairperson - Dec 19 to Jun 20

Stacey Brown | Treasurer - Dec 19 to Jun 20

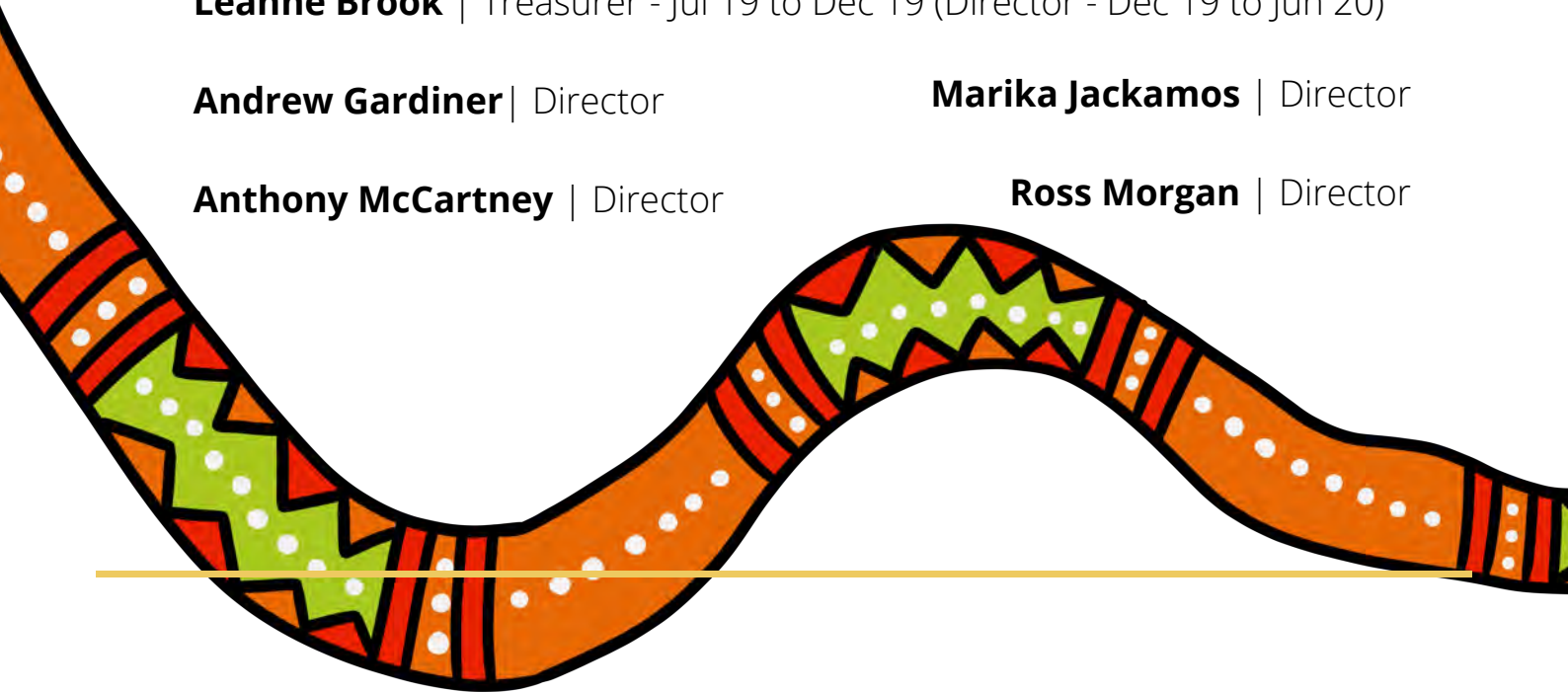
Leanne Brook | Treasurer - Jul 19 to Dec 19 (Director - Dec 19 to Jun 20)

Andrew Gardiner | Director

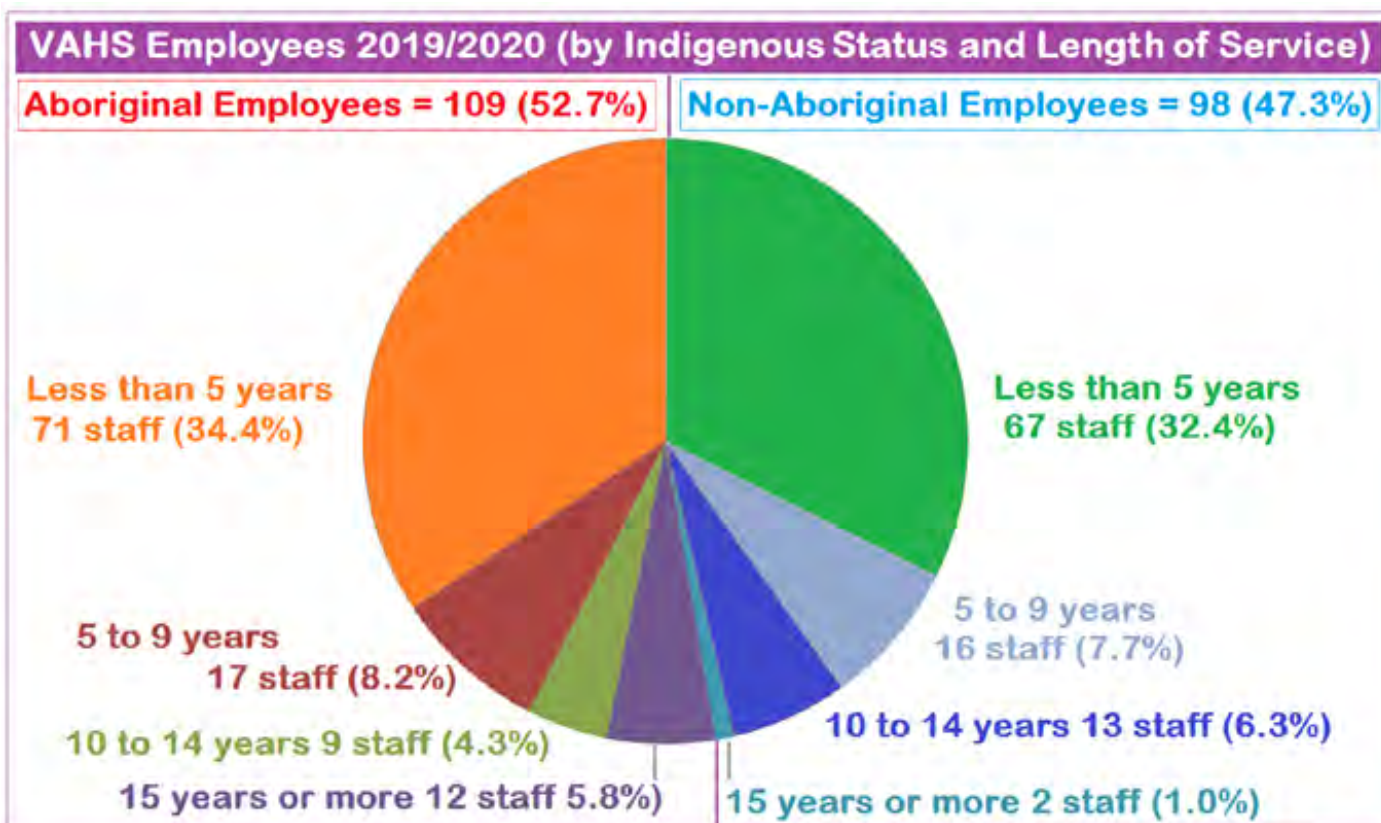
Marika Jackamos | Director

Anthony McCartney | Director

Ross Morgan | Director



SERVICE DATA



This includes:

Nine Aboriginal Manager and four non-Aboriginal Managers, plus two non-Aboriginal Clinical Director and Coordinator positions.

Eight Aboriginal Team Leaders and one non-Aboriginal Team Leader.

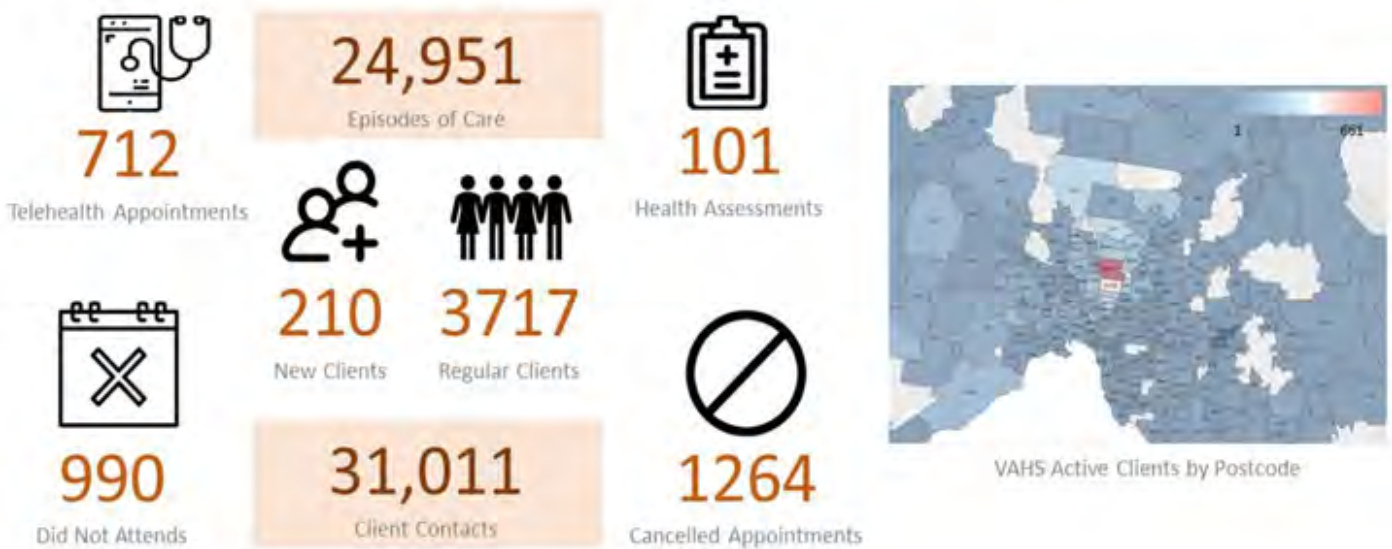
DATA DASHBOARD

DATA PERIOD SEPTEMBER 2019 - FEBRUARY 2020



DATA DASHBOARD

DATA PERIOD MARCH 2020 - AUGUST 2020





EXTEND OUR REACH & IMPROVE ACCESS

During the 2019/20 financial year much of the focus was put into opening the VAHS Epping Clinic to Community, this included an official opening in July 2019 which saw attendance from ministers and many stakeholders. Time was then put into expanding the clinic through staff employment as well as establishing services and increasing capacity. This included the recruitment GP's and other clinical staff as well implementing clinic processes and clinical systems. More recently, as the clinic has continued to grow throughout the financial year, both staff recruitment and accreditation have been a big part of extending reach and improving access for Community. Epping Clinic continues to expand through the development of enhanced capacity and a greater range of services delivered to community.

Our VAHS Fitzroy Medical team increased the number of Aboriginal Health Workers in an effort to support the number of patients being screened through the treatment room. This increase in AHWs also assisted with health check and providing support for female patients as an improvement made through feedback from the Community.

Before we were struck with the full force of the COVID-19 pandemic, VAHS held its 2nd Family Mixed Netball Carnival. To participate in this carnival all registered team players were required to complete a 715 health check, we saw 202 players participate in the carnival with up to 450 Community Members attending the event. Through the Preventative Health Unit we also saw promotion of the Boorai's and Smoke Don't Mix campaign, a Deadly Dan colour in book that promoted health messages in relation to tobacco and COVID-19 safe practices sent far and wide, the VAHS Youth Leadership Camp that encompassed health literacy and cultural components, the Senior Games that was all about improving social inclusion and connectedness and the Deadly Choices School Education Program to improve the health literacy of our youth.

The Oral Health Unit attended meetings regarding the Smile Squad Programme for primary and secondary schools in Victoria. Input into the design of the mobile vans, equipment, services required and mode of delivery was also provided by the team. Due to the COVID-19 pandemic and school closures, Smile Squad is still progressing with a focus on the backlog of core services and the most efficient way to service non-essential treatment that was unable to be delivered during COVID-19 restrictions.

Our Parenting Program delivered through the Family Counselling Services saw a great number of engagement by Community. Topics such as; Healthy Screen Time, Building Emotional Security and Building Resilience in our Kids were delivered in group sessions.

In response to COVID restrictions VAHS acted quickly to introduce a new and innovative ways of delivering services in a safe manner, to protect Community and staff. Staff were mobilised to work from home where possible. Some services remained unchanged as they needed to be delivered face to face, such as outreach community nursing and podiatry. Some services were delivered through a combination of online and face to face based on assessed needs. Other services were completely delivered on online, such as dietetics, exercise physiology and family counselling services.

VAHS delivered pop-up flu clinics for Community Members, our transport and pharmacy teams also worked on a medication system for patients. This systems ensure Community were receiving their webster packs as well as any medications recently prescribed via our Transport Team, each week a minimum of 60 Community Members had their medications delivered to their homes.

To support clients who were isolated due to COVID-19, we introduced a number of new activities and programs such as:

- Meals for Community
- Regular well-being checks
- Elders Connection Program
- Exercise programs for Bunjilwarra clients
- Deadly Elders Circus was delivered online
- Yarning SafeNStrong 24/7 helpline

VAHS was successful in our application to Commonwealth Government to deliver a GP led respiratory clinic during the COVID-19 pandemic. The importance of Community being offered a culturally safe place to be tested was paramount.

VAHS played a central coordination role in the Aboriginal Community Controlled Sectors response to the high rise lockdowns during the COVID-19 pandemic. The ACCO sector came together to ensure those affected stay informed, help stop the spread of the virus, manage outbreaks and provide on the ground legal, medical and community care supports for Aboriginal families and residents.

An opportunity was identified and planning commenced for launching, a first of its kind, Aboriginal Employee Assistance Program (EAP) for organisations to offer to their Aboriginal employees. This with the aim of launching in the second half of 2020.

Another exciting opportunity through our partnership with the Essendon Football Club and the Michael Long Foundation through Deadly Choices is being negotiated and will have a positive impact for our Community heading into 2021.

BUILD PROGRAM & SERVICE EXCELLENCE

Program development and service excellence has been major part of the work in the 2019/20 financial year at VAHS. Major pieces of work have involved submission to funding bodies to ensure planning and continuous development of programs within the overall VAHS strategic plan is possible.

More specifically and program focused, VAHS clinical staff continue to promote and undertake health checks, GP management and mental health plans through a holistic and team approach. Due to COVID-19, systems, clinical processes, and the delivery of health care services saw major changes through the transition to Telehealth. Despite these challenges, the delivery of health care was well organised, ensuring a well-coordinated approach to preventative health care and chronic disease management for VAHS clients.

Throughout the 2019/20 year the clinical teams worked on continuing to develop services that would support patient needs such as; a Respiratory, Sleep and Peri-operative Physician commenced, our optometry service with thanks to the Rural Workforce Agency Victoria increased to 3 days a week prior to the COVID-19 pandemic, unfortunately optometry was not available during the lock down periods in Melbourne.

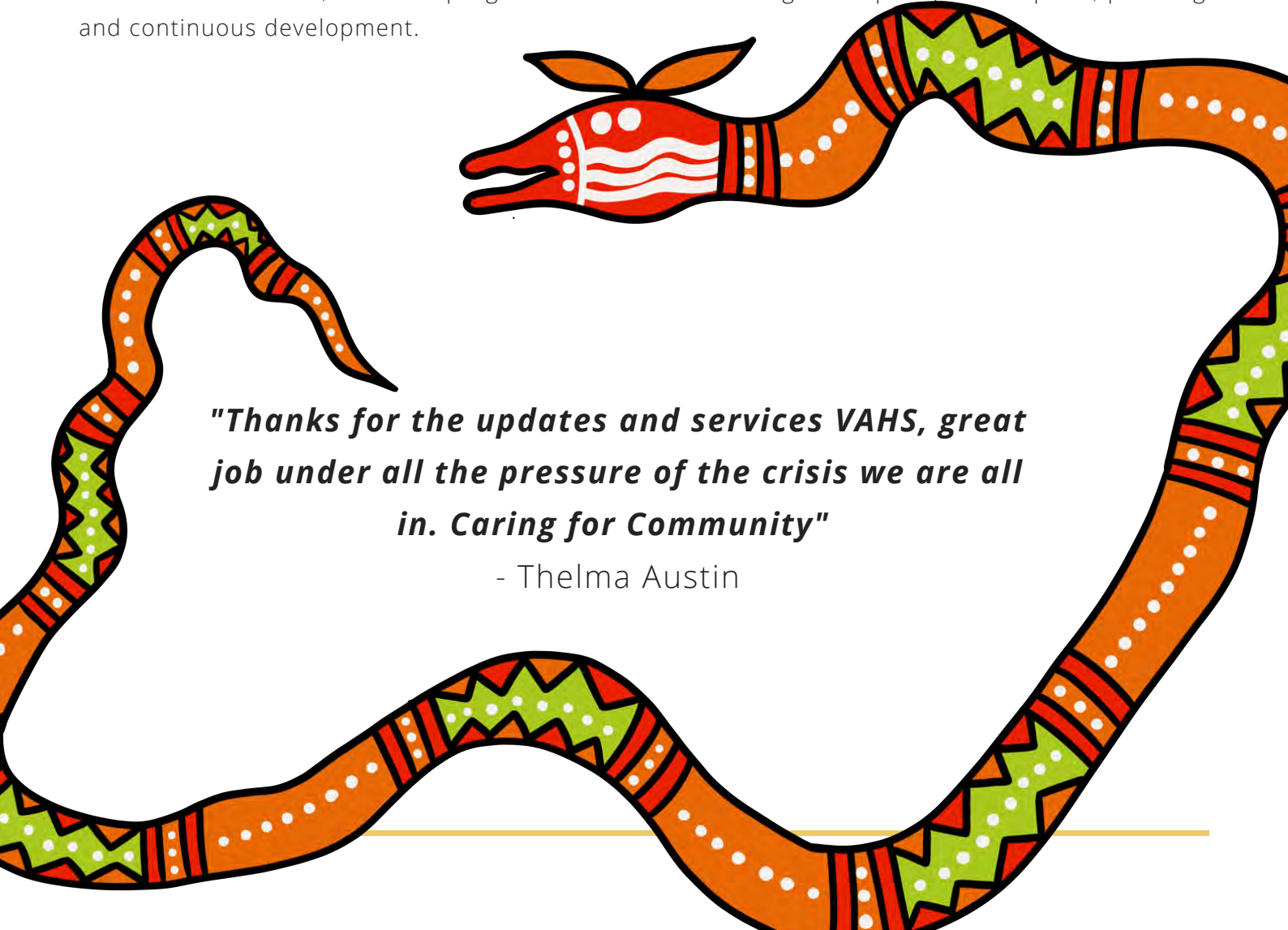
Our Oral Health Unit continued to provide and build on a culturally informed program of dental treatment markedly different from other community clinics, using a holistic, model of care, to assist our patients to achieve the outcomes needed. Assistance and knowledge of patients' specific requirements in relation to specialised transport requirements and bookings, mental health issues, past trauma, social and family constraints and substance addiction informs the units model of care.



VAHS has been working with the Australian College of Optometry for 20 years to deliver optometry services at VAHS. Over the 12 months or so, we have been able to work closely with the Eye and Ear Hospital and the College of Optometry to establish a new ophthalmology clinic fitted with state of the art equipment at VAHS. This means VAHS can provide a broader range of eye health services to our community, as well as facilitate a faster and smoother track into hospital for our clients that need eye surgery. Providing ophthalmology services at VAHS means that community members feel comfortable and safe, and can better access the eye care they need.

VAHS recognises the impacts of the COVID-19 pandemic on mental health and wellbeing, and this meant the potential for an escalation in substance use due to boredom or the effects of isolation. Through the Family Counselling Services, VAHS launched a 24/7 crisis support helpline in June 2020, Yarning SafeNStrong. Having this as an extra resource meant that clients always had support on offer if required outside of business hours. VAHS is confident the service delivery was affected minimally during lockdown and actioned resources in a prompt manner to ensure support to clients was not affected.

Whilst COVID-19 pandemic placed unprecedented challenges on the delivery of health care and services across VAHS, staff and programs alike have showed great capacity for adaption, planning and continuous development.



"Thanks for the updates and services VAHS, great job under all the pressure of the crisis we are all in. Caring for Community"

- Thelma Austin

INVEST IN OUR WORKFORCE

Making sure our staff are skilled & supported

A range of measures were introduced to protect and assist our staff as a result of the risk associated with the COVID-19 pandemic and the associated Government restrictions.

With closure of the VAHS Preston site in March and reduced staff at the clinics due to the COVID-19 pandemic, measures were established to enable staff to perform their roles from home. For those working from home, working from home work plans were established to enable flexibility in relation to the challenges of home schooling and childcare constraints, the use of tele-health and where possible conducting regular well-being checks.

For essential staff working onsite, strict measures were introduced to protect their health and wellbeing, including increased levels of site cleaning, use of personal protective equipment (PPE) and social distancing.

A range of training and professional development activities were conducted throughout the year to build staff skills and knowledge. Although impacted by the COVID-19 restrictions the VAHS was able to continue with many programs via the use of on-line programs and alternative arrangements.

The priorities for training and professional development included supporting the Certificate IV in Aboriginal and/or Torres Strait Islander Primary Health Care and Dental Assistant trainees. There were also a range of short courses provided. These included training in CPR and First Aid; Fire Wardens and Chief Fire Wardens; Grief and Loss; Mental Health First Aid; Cultural Safety; Person Centred Care; Protecting Vulnerable Children; Child Safety; Family Violence Multi-Agency Risk Assessment and Management Framework (MARAM); Family Therapy; Stress Management; Child Car Restraint Safety; Duress and Emergency Codes; Manual Handling; Health Records; Ear and Health; and Grant Writing.

We have seen two staff members in the Preventative Health Unit commence certificates III & IV in Personal Fitness, this will help build capacity to enable VAHS to reopen its gym at Preston and conduct fitness programs for our Community.

Efforts are continually made to support staff to engage in training including opportunities for professional development.

Through our Family Counselling Services, VAHS seeks to provide support for Aboriginal staff through a 'heal the healer' program. This is inclusive of skills development and with the recognition of the term 'vicarious trauma' in mainstream, this is experienced more in Aboriginal communities and is considered far more complex and complicated for Aboriginal workers working in the Community. In our communities, the work does not reflect the unrealistic expectations placed on workers by their families and communities or when hearing client stories, how this impacts in a very personal way, when workers are connected to the person through Community. The uniqueness of the services provided by VAHS encompasses the cultural loads on our workers especially during times of when they are themselves experiencing the same traumas, as the clients.

Through Clinical Governance Framework implementation process, a working group will be established to ensure that VAHS continuously improves and supports the workforce in all areas such as; inductions, cultural training, mentoring & support and professional development.

***"I attend VAHS in Epping deadly job you workers
and the same to all workers at Fitzroy"***

- Alan Harrison





SUPPORTED BY FIRST CLASS SYSTEMS

With the increase use and understanding of the client information system MMEx capabilities, and ongoing support from the Health Informatics Team, Clinical Director and other staff, VAHS clinical teams and individuals are now adjusting well into the use of this important system. The MMEx system supports clinical and preventative health care, recalls and many other functions of service delivery.

Our Family Counselling Services are focussing more on improving communication streams for our clients with chronic disease and emotional health issues. This is important in our community and for the teams that are working together for the purposes of referral pathways, patient information entry and access and Aboriginal Health Worker support.

The VAHS MMEx system is maintain and monitored on a regular basis and updating and enhancing our IT services continue through training and internal communications.

The VAHS Oral Health Unit received a grant to upgrade and replace two back of house systems and is utilising an excellent specialised dental software database called EXACT. This program provides a complex and full record for our dental patients, along with digital imaging software, called Dental Eye.

To improve data collection in our Preventative Health Unit now utilise a recognised leading research tool for online surveys, Qualitics. The system can be used for; online registrations, survey data collection, event registrations, feedback and data analysis.

VAHS continues the work on populating and improving utilisation of LOGICQC which is a fully integrated quality management system that works alongside existing systems and processes. LOGICQC is Australia's leading quality, accreditation, feedback and risk management system in the healthcare and community services sector.

Throughout late 2019 and much of 2020 VAHS Fitzroy and Epping has commenced planning and work for Fitzroy to be reaccredited and Epping into becoming an accredited General Practice site through the Australian General Practice Accreditation Limited (AGPAL). Due to the unprecedented disruptions throughout 2020 due to the COVID-19 pandemic, accreditation will take place in the first six months of 2021.

"You are all doing an amazing job! My daughter and i had our flu injections today where we received first class treatment and care! Thank you"

- Alison McColl



SHAPE A PROFESSIONAL, SUSTAINABLE, WELL-LED & GOVERNED ORGANISATION

Through the process of achieving accreditations across VAHS, as well as VAHS internal committees and frameworks that help develop, implement, monitor and review systems and processes VAHS is continually working towards developing a high level and thorough culture of governance, quality and compliance.

The VAHS Board Charter of Corporate Governance informs the Board about its governance responsibilities as a Board of Director. The Charter outline the roles and expectations of the Board in relation to strategy formulation, organisational performance, risk management, protocols related to service networking and communication with key stakeholder groups. The Charter also assists the Board in respect of the Board structure, Director requirements, expectations and duties, code of conduct and the leadership responsibility of Board Executive positions.

VAHS currently have three Board Sub-Committees established. Board Sub-Committees are the Financial, Risk and Audit Committee (FRAC), Quality and Clinical Governance Committee (QACG) and Research Committee. Due to the COVID-19 pandemic the Research Committee has been put on hold while VAHS focuses on its response to the evolving nature of the pandemic.

The VAHS Clinical Governance Framework is planned to be endorsed by the Board in later half of 2020, part of the implementation of the framework will see working groups established to address the five domains:

1. Governance, Leadership and Management
2. Clinical Monitoring, Evaluation and Feedback
3. Clinical Systems and Integration
4. Workforce
5. Consumer and Community Engagement

The framework is drive by the VAHS vision to create and inspire healthy Aboriginal people and families through culturally safe quality and effective community health services, education and training.

To enhance the development of the VAHS leadership model, a new role of Executive Manager, People and Culture was established, the role is to increase the cultural and community awareness capability of the human resource function to drive a workplace culture to be proud of with understanding of and meeting the needs of our Community. The the leadership model was further enhance by the engagement of specialist staff to add value to and support the VAHS human resources capabilities.

A whole of organisation review of policies and procedures was conducted. As part of this process, it was recognised there was a need to establish an organisation-wide Policy Working Group, which is now operational. This working group is a key advisory body to Senior Management and the Board on policy matters. A report from the review was tabled in June 2020. The recommendations establish a policy framework and road map for work being undertaken on whole of organisation, human resources, workplace health and safety and other policy areas specific to service delivery. For example: Medical, Dental. All of these policies are being reviewed to align with best practice and relevant accreditation standards.

VAHS is committed to the ongoing focus and improvements of the Medicare Benefits Schedule. More recently a working group has been established to focus on improving Medicare claiming among clinicians, and collaboration between staff to achieve the best results. We continue to invoice for allied health service and NDIS service and have agreements for a number of new service providers.

"Thank you VAHS. Still Caring for the Community"

- Lidia Thorpe



DEVELOP & FOSTER PARTNERSHIPS

Strengthening our approach

At VAHS we work in a coordinated approach to ensure service and program delivery follows a holistic and wrap around approach to health care.

VAHS has developed and fostered partnerships to strengthen an integrated approach to health care and services provided to our Community.

VAHS is involved in broader discussions with stakeholders and external services, including Aboriginal Community Controlled Organisations, Government departments, local council groups, schools, universities, social enterprises, hospitals and other health care services.



VICTORIAN ABORIGINAL HEALTH SERVICE CO-OPERATIVE LIMITED
ABN: 51 825 578 859

FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

DIRECTORS' REPORT

Your directors present their report on the Victorian Aboriginal Health Service Co-operative Limited (VAHS) for the financial year ended 30 June 2020.

The names of the directors in office during or since the end of the year are Ronald Briggs, Gary Murray, Leanne Brooke, Tony McCartney, Ross Morgan, Andrew Gardiner, Marika Jackomos, Stacey Brown and Karen Williams.

For this year, VAHS incurred Operating loss of \$1,019,716 compared to (2019 deficit - \$350,299)
Revenue decreased by \$601,389 (3.21%) due to cessation one off funding's
Expenditure increased by \$68,000. (0.34%) for the same period

During this period, VAHS's first satellite clinic – Epping was running at full capacity, Current deficit greatly reflects its establishment and maintenance as its not supported by any government funding.

VAHS has been continually challenged by the highly complex environment in which it works, to maintain the level of change required to meet the community expectations. In addition, COVID-19 pandemic created unique challenges in the operations and great uncertainty around range of assumptions, management strategies and other prospects for VAHS.

VAHS completed its feasibility study during the year into the establishment of a second satellite clinic in the Melton/Western suburbs and has now been lodged with funding body.

No dividends have been paid or recommended during the year. During the year no shares were issued.

No person has applied for leave of Court to bring proceedings on behalf of the Co-operative or intervene in any proceedings to which the Co-operative is a party for the purpose of taking responsibility on behalf of the Co-operative for all or any part of those proceedings. The Co-operative was not party to any such proceedings during the year.

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

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

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the Co-operative.

The principal activity during the financial year was the provision of health services to Koori communities within the State of Victoria. Funding to conduct these services was provided by grants received from government agencies. The information contained herein is presented on a consolidated basis covering all services provided under the programs. There was no significant change in the nature of the activity during the year.

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

DIRECTORS' REPORT (continued)

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

Qualifications, experience and special responsibilities of Directors are as follows:

**Ronald Briggs
Chairperson**

Ronald is passionate about Community and Aboriginal Health. He is actively involved in the Community through health promotion for men, with a keen interest to help Community members become involved in sport, encourage men to become healthy role models for their families and Communities and to see Community healthy and grow old.

Over many years Ronald has been involved in various committees in the Health Sector particularly around men's health and is aware of the health needs of the Community, currently employed as a Practitioner at the Magistrates Court.

Ronald's passion is promoting the goodness of fathers in Community and the importance of their relationship with children and family.

**Karin Williams
Deputy Chairperson**

Karin was with Korri Koollij in 1985 before joining VAHS where she was an Aboriginal Health Worker for 18 years.

Appointed
29 November 2019

Currently managing the Bert Williams Aboriginal Youth Hostel, Karin has served on many Boards over the years such as; Yappera Children's Service, Koorie Diabetes Service, Fitzroy Stars Gym, MAYSAR, Melbourne Stars Basketball Club and Local Aboriginal Education Consultative Group.

**Stacey Brown
Treasurer**

A proud Yorta Yorta and Dja Dja Wurrung woman, Stacey has been working within the Early Childhood Education sector for over 25 years and had been the CEO of Yappera Children's Service since January 2004.

Appointed
29 November 2019

Stacey's formal qualifications include a Bachelor of Education, a Diploma of Children's Services, a Certificate IV in Business (Governance), a Certificate in Business and a Diploma in Business (Frontline Management).

Stacey firmly believes that the Early Years are fundamentally important as they lay the foundations for future health, growth and development.

**Leanne Brooke
Director**

A proud Gunditjmara woman, Leanne has worked in the Melbourne Aboriginal Community for over twenty-five (25) years. Leanne is currently the General Manager of The Long Walk, Chair of Wandarra Aboriginal Corporation and volunteers with the Hume Aboriginal My Time Group, a support group for community members who care for a child or young person with a disability.

Leanne is passionate about fighting racism and inequality, empowering our young people and ensuring our Community Members with a disability have a voice.

A strong advocate for Community control and self-determination, Leanne believes in order for us to be a strong, health community we need to have control of our own health needs at a local level.

DIRECTORS' REPORT (continued)

Tony McCartney
Director

Tony was born in Balranald and his first home was a tent on the banks of the Murrumbidgee River. Tony's heritage originates from the Wotjobaluk tribe in the western part of Victoria on his great Grandfathers side and from his great Grandmothers side which is the Nari Nari tribe that comes from Lake Mungo in New South Wales.

A father to five sons and four daughters and has ten grandchildren, Tony had left high school at a young age to come to Melbourne to pursue an automotive career.

Tony has worked in a number of industries such as; transportation, automotive manufacturing servicing and repair, youth services, institutional and community settings, drug and alcohol, employment recruitment, advocacy, housing, health, higher education and currently working in the VET sector in Melbourne.

Tony has held three senior management roles in Aboriginal organisations in Victoria and has previously been the Chairperson of VACCHO and the national Chairperson of NACCHO.

Tony has advocated for his people at local, state, national and international forums and is committed to working to support the Community for better outcomes. He holds a number of governance roles in Aboriginal Health, junior football, Aboriginal Theatre Company and early learning. Tony is the currently President of Bubup Wilam Early Learning Aboriginal Family and Children Services.

Andrew Gardiner
Director

Andrew has more than 30 years' experience working in the Indigenous sector in Victoria and Far North Queensland, including seven years with the Office of Aboriginal Affairs Victoria and the past eight years with Dandenong and District Aborigines Co-operative Limited.

As an Aboriginal man, Andrew has a strong understanding of Aboriginal culture and a great belief in the principle of the Aboriginal Community Controlled Health sector, its workforce and its outcomes for the community.

Ross Morgan
Director

Ross a proud Yorta Yorta man who has lived and worked in Melbourne for the last 20 years. Originally from Shepparton Ross is currently employed as a Case Manager for Ngarra Jarranounith Place with Dardi Munwurro. A current Board Member of VAHS and is a members of the Yorta Yorta Nations Elders Committee. Ross is a tireless worker for Aboriginal peoples.

VICTORIAN ABORIGINAL HEALTH SERVICE CO-OPERATIVE LIMITED
ABN 51 825 578 859

DIRECTORS' REPORT (continued)

Gary Murray
Director

Resigned
 29 November 2019

Gary who was born in Balranald, NSW in 1951 is a Multi-Clan descendant of the Wamba Wamba (Vic/NSW Murray River), Dhudhuroa (Vic/NSW Murray River), Wiradjuri (NSW Bogan River), Yorta Yorta (Vic/NSW Murray River), Baraparap (Vic/NSW Murray River), Dja Dja Wurrung (Loddon/Avoca Rivers), Djupagalk (Richardson River) and Wergaia Nations (Wimmera River). He is a father to twelve (12) children and grandfather to twenty-four (24) grandchildren.

He believes that activism, land, sport and education is intrinsic to good health and mind along with proper connection to Country and culture.

He has successfully passed Law subjects from The University of Melbourne in Torts and the Process of Law, History and the Philosophy of Law, Criminal Law, Property Law, International Law, Equity Law, Introduction to Archaeology, Koori and Non-Koori History-Colonial and Postcolonial Interchange, Introduction to Aboriginal and Torres Strait Islander Cultures, Human Rights Law, Environmental and Planning Law 1, Evidence, Environmental and Planning Law 2, Constitutional and Administrative Law, Health and Medical Law, Law and Indigenous Societies.

Garry has over fifty-two (52) year's activism and experience in many aspects of the First Nations particularly in community development, native title, cultural heritage, economic development and human rights.

Marika Jackomos
Director

Resigned
 18 November 2019

Marika is a proud Yorta Yorta woman born and raised in Victoria, who comes from a family that is very active in the local Aboriginal Community.

Marika is a confident leader and has worked in the health and welfare sector for almost 20 years. Marika loves her Community and is a strong advocate for culture being an integral way to healing and good health.

Currently employed as the Manager of Aboriginal Programs at Mercy Hospital for Women where she leads a team that provides cultural support and advocacy to Aboriginal women and families.

During the financial year, 6 meetings of directors were held.

Attendances were:

Director

Gary Murray
 Ronald Briggs
 Leanne Brooke
 Tony McCartney
 Ross Morgan
 Andrew Gardiner
 Karin Williams
 Stacey Brown
 Marika Jackamos

Directors' meetings	
Number eligible to attend	Number of meetings attended
2	2
6	5
6	3
6	5
6	4
6	5
4	3
4	3
2	1

DIRECTORS' REPORT (continued)

COVID-19

The impact of COVID-19 on the Co-operative's staff, operations, revenue and costs, are being monitored by the Board. The management team continues to provide the Board with regular reporting and where necessary, mitigation plans, to ensure the safety and well-being of all residents, staff, and contractors as well as the ongoing ability of the Co-operative to provide continuity of service for all contracts and stakeholders

Auditor's Independence Declaration

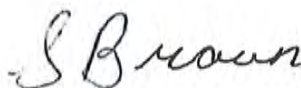
A copy of the auditor's independence declaration as required under section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012 is set out on page 6.

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

Chairperson



Treasurer



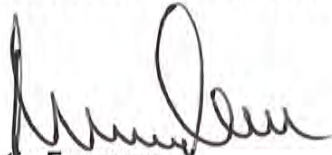
Dated this 21 st day of January , 2021

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF VICTORIAN ABORIGINAL HEALTH SERVICE CO-OPERATIVE LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2020 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.


McLean Delmo Bentleys Audit Pty Ltd


Martin Fensome
Partner

Hawthorn
21 January 2021

VICTORIAN ABORIGINAL HEALTH SERVICE CO-OPERATIVE LIMITED
ABN 51 825 578 859

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 \$	2019 \$
Revenue from operating activities	2	18,402,220	18,971,437
Revenue from non-operating activities	2	344,984	377,156
Employee benefits expense		(15,857,086)	(15,209,093)
Depreciation expense	4	(730,112)	(482,742)
Communications expense		(207,391)	(256,225)
Travel and accommodation expense		(87,170)	(152,517)
Medical and dental supplies		(476,711)	(480,296)
Repairs and maintenance		(113,755)	(143,881)
Cleaning expense		(77,295)	(167,105)
Professional and consulting fees		(553,714)	(851,753)
Computer software		(255,469)	(264,950)
Rent & Rates		(34,267)	(135,055)
Computer Services		(250,552)	(401,628)
Electricity usage		(129,805)	(130,634)
Program specific expenses		(275,096)	(221,515)
Motor Vehicle Expenses		(170,880)	(180,624)
Photocopy and stationery expenses		(65,514)	(101,540)
Food Supplies		(76,692)	(89,273)
Materials and Stores		(28,014)	(33,781)
Interest on lease liabilities		(27,141)	-
Other expenses		(350,256)	(409,141)
Profit/(Loss) on sale of assets		-	12,861
Surplus/(Deficit) for the year		<u>(1,019,716)</u>	<u>(350,299)</u>

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 \$	2019 \$
Surplus/(deficit)		(1,019,716)	(350,299)
Other comprehensive income – changes in asset revaluation reserves		-	1,911,900
Total comprehensive income		<u>(1,019,716)</u>	<u>1,561,601</u>

The accompanying notes form part of these financial statements.

VICTORIAN ABORIGINAL HEALTH SERVICE CO-OPERATIVE LIMITED
ABN 51 825 578 859

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

	Note	2020 \$	2019 \$
CURRENT ASSETS			
Cash and cash equivalents – specific purposes	5	3,868,518	2,900,504
Cash and cash equivalents – others	5	4,053,184	4,076,753
Trade and other receivables	6	695,805	942,879
TOTAL CURRENT ASSETS		<u>8,617,507</u>	<u>7,920,136</u>
NON CURRENT ASSETS			
Property, plant and equipment	7	10,454,526	10,402,331
TOTAL NON CURRENT ASSETS		<u>10,454,526</u>	<u>10,402,331</u>
TOTAL ASSETS		<u>19,072,033</u>	<u>18,322,467</u>
CURRENT LIABILITIES			
Trade and other payables	8	4,854,089	4,098,649
Lease liabilities	9	164,935	-
Provisions	10	1,716,683	1,344,536
TOTAL CURRENT LIABILITIES		<u>6,735,707</u>	<u>5,443,185</u>
NON-CURRENT LIABILITIES			
Lease liabilities	9	448,106	-
Provisions	10	193,630	147,719
TOTAL NON-CURRENT LIABILITIES		<u>641,736</u>	<u>147,719</u>
TOTAL LIABILITIES		<u>7,377,443</u>	<u>5,590,904</u>
NET ASSETS		<u>11,694,590</u>	<u>12,731,563</u>
EQUITY			
Contributed equity		531	531
Reserves		5,544,343	5,544,343
Retained surplus		6,149,716	7,186,689
TOTAL EQUITY		<u>11,694,590</u>	<u>12,731,563</u>

The accompanying notes form part of these financial statements.

VICTORIAN ABORIGINAL HEALTH SERVICE CO-OPERATIVE LIMITED
ABN 51 825 578 859

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2020

	Contributed Equity \$	Building Project Reserves \$	Capital Reserves \$	Retained Surplus \$	Total \$
Balance as at 30 June 2018	531	2,157,443	1,475,000	7,536,988	11,169,962
Revaluation of freehold land and buildings	-	1,911,900	-	-	1,911,900
Surplus/(deficit) for the year	-	-	-	(350,299)	(350,299)
Balance as at 30 June 2019	531	4,069,343	1,475,000	7,186,689	12,731,563
Cumulative adjustment upon adoption of new accounting standard – AASB 16	-	-	-	(17,257)	(17,257)
Balance as at 1 July 2019	531	4,069,343	1,475,000	7,169,432	12,714,306
Surplus/(deficit) for the year	-	-	-	(1,019,716)	(1,019,716)
Balance as at 30 June 2020	531	4,069,343	1,475,000	6,149,716	11,694,590

The accompanying notes form part of these financial statements.

VICTORIAN ABORIGINAL HEALTH SERVICE CO-OPERATIVE LIMITED
ABN 51 825 578 859

STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 \$	2019 \$
Cash Flows from Operating Activities			
Grants received and operating activities	3	19,885,995	18,473,166
Interest received		108,414	169,277
Interest paid on lease liabilities		(27,141)	-
Other receipts		1,808,105	2,307,164
Payments to suppliers and employees		(20,644,405)	(20,909,176)
Net cash provided by/(used in) Operating Activities	15	<u>1,130,968</u>	<u>40,431</u>
Cash Flows from Investing Activities			
Payments for property, plant and equipment		(29,974)	(1,398,185)
Proceeds from disposal of plant and equipment		-	53,906
Net cash provided by/(used in) Investing Activities		<u>(29,974)</u>	<u>(1,344,279)</u>
Cash Flows from Financing Activities			
Payments for lease liabilities		(156,549)	-
Net cash provided by/(used in) Investing Activities		<u>(156,549)</u>	<u>-</u>
Net increase/(decrease) in cash held		944,445	(1,303,848)
Cash and cash equivalents at the beginning of the year		6,977,257	8,281,105
Cash and cash equivalents at the end of the year	15	<u>7,921,702</u>	<u>6,977,257</u>

The accompanying notes form part of these financial statements.

VICTORIAN ABORIGINAL HEALTH SERVICE CO-OPERATIVE LIMITED
ABN 51 825 578 859

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The financial report covers Victorian Aboriginal Health Services Co-operative Limited as an individual entity, Victorian Aboriginal Health Services Co-operative Limited is incorporated and domiciled in Australia. Its registered office and principal place of business being 186 Nicholson Street Fitzroy Vic 3065.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements of Australian Accounting Standards Board (AASB), the Australian Charities and Not-for-profits Commission Act 2012 and the Co-operatives National Law Application Act 2013. The Co-operative 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 stated otherwise.

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.

The financial report was authorised for issue on 21 January 2021 by the board of directors.

(a) Income Tax

The Co-operative, being established for community services purposes, is exempt from income tax. The Co-operative is a charity registered with the Australian Charities and Not-for-profits Commission.

(b) 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.

The depreciable amount of all fixed assets, excluding land, are depreciated either on the straight line basis or the reducing balance method over the useful lives of the assets to the Co-operative commencing from the time the asset is available for use.

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

<i>Class of Fixed Asset</i>	<i>Depreciation Rate</i>
Freehold buildings	2.5% to 15%
Leasehold buildings	10% to 20%
Furniture and equipment	0% to 40%
Motor vehicles	18.75% to 33 %
Copyright of floor design	5%

The carrying amount of fixed assets is reviewed annually by directors to ensure it is not in excess of the recoverable amount of those assets. The recoverable amount is assessed on the basis of expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to their present value in determining the recoverable amounts.

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. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

(c) Impairment of Assets

At the end of each reporting period, the Co-operative 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 to sell and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the Co-operative would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Leases

At inception of a contract, the Co-operative 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 Co-operative where the Co-operative is a lessee. However, all contracts that are classified as short-term leases (ie a lease with a 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.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Co-operative uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date, as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Co-operative anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

Concessionary leases

For leases that have significantly below-market terms and conditions principally to enable the Co-operative to further its objective (commonly known as peppercorn/concessionary leases), the Co-operative has adopted the temporary relief under AASB 2018-8 and measures the right-of-use assets at cost on initial recognition.

(e) Employee Benefits

Provision is made for the Co-operative'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 together with benefits arising from wages and salaries and annual leave which will be settled after one year, have been measured at the amounts expected to be paid when the liability is settled plus related on-costs. Other 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. Those cash outflows are discounted using market yields on corporate bonds with terms to maturity that match the expected timing of cash flows attributable to employee benefits.

Contributions are made by the Co-operative to a number of superannuation funds chosen by employees and are charged as an expense when incurred.

(f) Cash

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

(g) Revenue

The Co-operative has applied AASB 15: Revenue from Contracts with Customers (AASB 15) and AASB 1058: Income of Not-for-Profit Entities (AASB 1058) using the cumulative effective method of initially applying AASB 15 and AASB 1058 as an adjustment to the opening balance of equity at 1 July 2019. Therefore, the comparative information has not been restated and continues to be presented under AASB 118: Revenue and AASB 1004: Contributions. The details of accounting policies under AASB 118 and AASB 1004 are disclosed separately since they are different from those under AASB 15 and AASB 1058, and the impact of those changes is disclosed in Note 1(k).

VICTORIAN ABORIGINAL HEALTH SERVICE CO-OPERATIVE LIMITED
ABN 51 825 578 859

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Revenue (continued)

In the current year

Grants and Donations

When the Co-operative receives operating grant revenue or donations, 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 Co-operative:

- 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 Co-operative:

- recognises the asset received in accordance with the recognition requirements of other applicable Accounting Standards (for example AASB 9, AASB 16, AASB 116 and AASB 138);
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, 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 Co-operative recognises income in profit or loss when or as it satisfies its obligations under the contract.

Capital grant

When the Co-operative receives a capital grant, it recognises a liability for the excess of the initial carrying amount of the financial asset received over any related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer) recognised under other Australian Accounting Standards.

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

Interest income

Interest income is recognised using the effective interest method.

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

In the comparative period

Government Grants

Government grants for the current year are brought to account as revenue upon receipt. Any grants which are reciprocal where a present obligation exists to repay the grant, are treated as a liability in accordance with AASB 1004 Contributions. Grants received in relation to future periods' funding are treated as grants received in advance in the financial statements.

Donation and Other Revenue

Revenue from donations is accounted for on a cash receipts basis. Interest revenue is recognised on a proportional basis taking into account the applicable interest rates. Revenue from the disposal of assets is recognised at the time of sale of the asset. Medicare revenue is accounted for on a cash receipts basis. Sundry income is recognised at the time it becomes due and receivable.

(h) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except where the amount of GST incurred is not recoverable from the Australian Taxation Office.

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

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

VICTORIAN ABORIGINAL HEALTH SERVICE CO-OPERATIVE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Financial Instruments

Initial recognition and measurement

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

Trade receivables are initially measured at the transaction price if the trade receivables do not contain significant financing component or if the practical expedient was applied as specified in AASB 15.63.

Classification and Subsequent Measurement

Financial liabilities

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 asset is subsequently measured at amortised cost when it meets the following conditions:

- 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.

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 a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the entity no longer controls the asset (ie it has no practical ability to make unilateral decisions 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.

Impairment

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

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

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 entity used simplified approach to impairment, as applicable under AASB 9:

VICTORIAN ABORIGINAL HEALTH SERVICE CO-OPERATIVE LIMITED
ABN 51 825 578 859

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Financial Instruments (continued)

Simplified approach

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

This approach is applicable to:

- trade receivables or contract assets that result from transactions that are within the scope of AASB 15, that contain a significant financing component; and
- lease receivables.

Recognition of unexpected credit losses in financial statements

At each reporting date, the entity recognised 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.

(j) Critical Accounting Estimates and Judgments

The Board evaluates the 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 Co-operative.

(k) New and Amended Accounting Policies Adopted by the Co-operative

Initial application of AASB 16

The Co-operative has adopted AASB 16: Leases retrospectively with the cumulative effect of initially applying AASB 16 recognised at 1 July 2019. In accordance with AASB 16, the comparatives for the 2019 reporting period have not been restated.

The Co-operative has recognised a lease liability and right-of-use asset for all leases (with the exception of short-term and low-value leases) recognised as operating leases under AASB 117: Leases where the Co-operative is the lessee.

The lease liabilities are measured at the present value of the remaining lease payments. The Co-operative's incremental borrowing rate as at 1 July 2019 was used to discount the lease payments.

The right-of-use assets for equipment was measured at its carrying amount as if AASB 16 had been applied since the commencement date, but discounted using the Co-operative's weighted average incremental borrowing rate on 1 July 2019.

The right-of-use assets for the remaining leases were measured and recognised in the statement of financial position as at 1 July 2019 by taking into consideration the lease liability and prepaid and accrued lease payments previously recognised at 1 July 2019 (that are related to the lease).

The following practical expedients have been used by the Co-operative in applying AASB 16 for the first time:

- for a portfolio of leases that have reasonably similar characteristics, a single discount rate has been applied.
- the use of hindsight to determine lease terms on contracts that have options to extend or terminate
- applying AASB 16 to leases previously identified as leases under AASB 117 and Interpretation 4: Determining whether an arrangement contains a lease without reassessing whether they are, or contain, a lease at the date of initial application.
- not applying AASB 16 to leases previously not identified as containing a lease under AASB 117 and Interpretation 4.

The following indicate the effects of initial application of AASB 16:

	\$
Operating lease commitments at 30 June 2019	771,573
Discounted using the incremental borrowing rate at 1 July 2019	(63,916)
Other	61,933
Lease liabilities recognised at 1 July 2019	769,590

The Co-operative's weighted average incremental borrowing rate on 1 July 2019 applied to the lease liabilities was 4.00%

VICTORIAN ABORIGINAL HEALTH SERVICE CO-OPERATIVE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) New and Amended Accounting Policies Adopted by the Co-operative (continued)

Initial application of AASB 15 and AASB 1058

The Co-operative has applied AASB 15: Revenue from Contracts with Customers and AASB 1058: Income of Not-for-Profit Entities using the cumulative effective method of initially applying AASB 15 and AASB 1058 as an adjustment to the opening balance of equity at 1 July 2019. Therefore, the comparative information has not been restated and continues to be presented under AASB 118: Revenue and AASB 1004: Contributions.

The core principle under AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Co-operative expects to receive in exchange for those goods or services.

The first time adoption of AASB 15 has not had a material impact on the financial statements for the year ended 30 June 2020.

VICTORIAN ABORIGINAL HEALTH SERVICE CO-OPERATIVE LIMITED
ABN 51 825 578 859

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$	\$
NOTE 2 REVENUE		
Revenue from operating activities - Grants and program revenue		
Commonwealth Government departments, funded agencies and authorities		
Department of Health		
Indigenous Primary Health Care Services	5,141,913	4,895,199
Tackling Indigenous Smoking	961,801	1,010,043
Commonwealth Home Support Programme	1,019,011	956,877
Department of Human Services		
Medicare	1,366,235	1,282,935
Practice Incentive Programs	225,311	245,859
Department of Social Services	128,605	131,387
Department of Prime Minister and Cabinet	125,860	237,203
Grants and program revenue from other Commonwealth funded agencies and authorities		
Eastern Melbourne Primary Healthcare Network	151,506	340,123
North Western Melbourne Primary Healthcare Network	1,003,957	1,134,801
	10,124,199	10,234,427
Victorian Government departments, funded agencies and authorities		
Department of Health and Human Services	5,718,948	5,656,930
Department of Education and Training	327,366	610,944
Victorian Responsible Gambling Foundation	328,839	512,607
Dental Health Services Victoria	118,260	122,004
	6,493,413	6,902,485
Non-Government program revenue		
Youth Support and Advocacy Service – Bunjilwarra	1,049,016	1,177,842
Royal Australian Colleges of Physicians	105,000	102,500
Other Non-Government program revenue	630,592	554,183
	1,784,608	1,834,525
Total Revenue from operating activities	18,402,220	18,971,437
Revenue from non-operating activities		
Expense recoveries	-	12,861
Interest received	92,341	173,278
Rent	58,493	19,498
Sundry sales and income	194,150	171,519
Total Revenue from non-operating activities	344,984	377,156

The analysis of revenue above, including comparatives, reflects changes in the names of government departments and other funding bodies, changes in programs funded and the sources of funding.

VICTORIAN ABORIGINAL HEALTH SERVICE CO-OPERATIVE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$	\$
NOTE 3 GRANTS		
Grants and program revenue received during the financial year comprise		
Commonwealth Government departments, funded agencies and authorities		
Department of Health		
Indigenous Primary Health Care Services	5,281,913	4,895,199
Tackling Indigenous Smoking	1,011,733	1,010,043
Commonwealth Home Support Programme	1,019,011	956,877
Department of Human Services		
Medicare	1,366,235	1,282,935
Practice Incentive Programs	225,311	245,859
Department of Social Services	128,605	131,387
Department of Prime Minister and Cabinet	137,203	237,203
Grants and program revenue from other Commonwealth funded agencies and authorities		
Eastern Melbourne Primary Healthcare Network	327,310	264,446
North Western Melbourne Primary Healthcare Network	1,240,940	1,007,981
Other	-	-
	10,738,261	10,031,930
Victorian Government departments, funded agencies and authorities		
Department of Health and Human Services	6,462,514	5,352,664
Department of Education and Training	384,668	610,944
Victorian Responsible Gambling Foundation	369,813	467,607
Dental Health Services Victoria	118,260	122,004
	7,335,255	6,553,219
Non-Government program revenue		
Youth Support and Advocacy Service – Bunjilwarra	1,049,016	1,177,842
Royal Australian Colleges of Physicians and Medical Administrators	105,000	102,500
Other Non-Government program revenue	658,463	607,675
	1,812,479	1,888,017
Total Grants and program revenue received	19,885,995	18,473,166

The analysis of grants and program revenue received above, including comparatives, reflects changes in the names of government departments and other funding bodies, changes in programs funded and the sources of funding.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$	\$
NOTE 4 SURPLUS(DEFICIT)		
Surplus/(deficit) has been determined after:		
Charging as expenses / crediting as revenue:		
Depreciation of property, plant and equipment	558,205	482,742
Amortisation of right of use assets	171,907	-
Total depreciation and amortisation	730,112	482,742
Interest on lease liabilities	27,141	-
Loss/(profit) on disposal of plant and equipment	-	(12,861)
 NOTE 5 CASH AND CASH EQUIVALENTS		
Cash on hand	800	800
Cash at bank	7,920,902	6,976,457
	7,921,702	6,977,257
 Cash is on hand or available on demand		
Non-interest bearing	800	800
Interest bearing	7,920,902	6,976,457
	7,921,702	6,977,257
 Specific purpose cash assets		
Cash and cash equivalents are held for the following specific purposes:		
Unexpended grants and grants received in advance (Note 8(a))	3,868,518	2,900,504
Cash and cash equivalents – Specific purposes	3,868,518	2,900,504
 Other cash assets		
Cash and cash equivalents – Other purposes	4,053,184	4,076,753
 NOTE 6 TRADE AND OTHER RECEIVABLES		
Sundry debtors	695,805	942,879
No interest is payable on overdue debtors.		

VICTORIAN ABORIGINAL HEALTH SERVICE CO-OPERATIVE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

		2020 \$	2019 \$
NOTE 7 PROPERTY, PLANT AND EQUIPMENT			
Land at independent valuation	(b)	5,000,000	5,000,000
Freehold building at independent valuation	(b)	2,150,000	2,150,000
Less: accumulated depreciation		(86,000)	-
		2,064,000	2,150,000
Leasehold buildings at independent valuation	(b)	1,500,000	1,500,000
Leasehold buildings at cost		1,044,520	1,044,520
Less: accumulated depreciation		(223,459)	(11,864)
		2,321,061	2,532,656
Furniture and equipment at cost		879,087	879,087
Less: accumulated depreciation		(607,276)	(476,096)
		271,811	402,991
Copyright of floor design at cost		20,000	20,000
Less: accumulated amortisation		(20,000)	(20,000)
		-	-
Motor vehicles at cost		1,101,095	1,071,121
Less: accumulated depreciation		(883,867)	(754,437)
		217,228	316,684
Right-of-Use Assets (ROU)		752,333	-
Less: accumulated depreciation		(171,907)	-
		580,426	-
Total property, plant and equipment		10,454,526	10,402,331

(a) Movement in carrying amounts

2020	Land	Freehold buildings	Leasehold buildings	Furniture & equipment	Right-of-Use Assets	Motor Vehicles	Total
	\$	\$	\$	\$	\$	\$	\$
Opening Balance	5,000,000	2,150,000	2,532,656	402,991	-	316,684	10,402,331
Adoption of AASB 16	-	-	-	-	752,333	-	752,333
Additions	-	-	-	-	-	29,974	29,974
Depreciation	-	(86,000)	(211,595)	(131,180)	(171,907)	(129,430)	(730,112)
Closing balance	5,000,000	2,064,000	2,321,061	271,811	580,426	217,228	10,454,526

(b) Asset revaluation

The Board valuations of freehold land and building were based on independent valuations conducted by Julian Valmorbidia Certified Practising Valuer of Wallace Commercial (Vic) Pty Ltd. The property situated at 186 Nicholson Street, Fitzroy, Victoria was revalued on 6 September 2019. The properties situated at 664-666 Smith Street, Clifton Hill, Victoria and 238-250 Plenty Road, Preston, Victoria were revalued on 29 August 2019.

Refer to Note 19 for detailed disclosures regarding the fair value measurement of the VAHS land and buildings.

VICTORIAN ABORIGINAL HEALTH SERVICE CO-OPERATIVE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$	\$
NOTE 8		
TRADE AND OTHER PAYABLES		
Trade creditors	75,973	275,212
Accruals	682,402	713,514
GST Payable	227,196	209,419
Unexpended grants and grants received in advance (a)	3,868,518	2,900,504
	<u>4,854,089</u>	<u>4,098,649</u>
 (a) Unexpended grants and grants received in advance: Unexpended grants are grants received on or before 30 June 2020 for which plans have been established for utilisation on or before 30 June 2020. Grants received in advance are grants received in the year to 30 June 2020 to be used in the year to 30 June 2021.		
 Commonwealth Government		
Department of Health	140,000	-
Tackling Indigenous Smoking	49,932	-
Department of Prime Minister and Cabinet	71,343	60,000
Other Commonwealth grants		
Victorian Government		
Department of Health and Human Services	3,127,428	2,656,734
North West Metropolitan Primary Health Network	260,170	77,682
Eastern Melbourne Primary Health Network	111,590	79,588
Victorian Responsible Gambling Foundation	40,975	-
Other non-governance program revenue	67,080	26,500
Total unexpended grants and grants received in advance	<u>3,868,518</u>	<u>2,900,504</u>
 NOTE 9		
LEASE LIABILITIES		
CURRENT		
Lease Liabilities	<u>164,935</u>	-
NON-CURRENT		
Lease Liabilities	<u>448,106</u>	-
 NOTE 10		
PROVISIONS		
CURRENT		
Provision for annual leave	1,081,352	788,237
Provision for long service leave	635,331	556,299
	<u>1,716,683</u>	<u>1,344,536</u>

Based on past experience, the association expects the full amount of the annual leave balance to be settled within the next 12 months. Further, these amounts must be classified as current liabilities since the Co-Operative does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlements

NON-CURRENT		
Provision for long service leave	<u>193,630</u>	<u>147,719</u>

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been included in Note 1.

VICTORIAN ABORIGINAL HEALTH SERVICE CO-OPERATIVE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$	\$
NOTE 11 RESERVES		
Building project		
The building project reserve of \$4,069,343 represents funds for the replacement of buildings and revaluations of land and buildings.		
Capital Reserve		
The capital reserve of \$1,475,000 represents the fair value of the Smith Street property acquired at no cost.		
NOTE 12 AUDITORS' REMUNERATION		
Audit fees for auditing the financial statements	30,299	37,201
Fees for other consulting services	-	-
	30,299	37,201
NOTE 13 KEY MANAGEMENT PERSONNEL COMPENSATION		
Salary	773,430	713,237
Superannuation	74,067	60,453
	847,497	773,690
NOTE 14 RELATED PARTIES		
Directors and key management personnel are involved in other Aboriginal organisations and transactions occur in the normal course of business on an arm's length basis.		
In addition Board directors are offered normal tools of trade such as mobile devices to support them in delivery of Board services and these tools of trade are provided in accordance with normal policies and procedures.		
NOTE 15 CASH FLOW INFORMATION		
(a) <i>Reconciliation of Cash</i>		
Cash as at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the relevant items in the Statement of Financial Position as follows		
Cash on hand and at bank	7,921,702	6,977,257
(b) <i>Reconciliation of Cash Flow from Operations with surplus/(deficit) for the year</i>		
Surplus/(deficit) for the year	(1,019,716)	(350,299)
Non-cash flows in surplus/(deficit):		
Depreciation and amortisation	730,112	482,742
(Profit)/loss on sale of asset	-	(12,861)
Changes in assets and liabilities:		
Increase in trade and other receivables	34,500	229,133
Increase in trade and other payables	968,014	(286,651)
Increase in provisions	418,058	(21,833)
Net cash provided from operating activities	1,130,968	40,431
NOTE 16 LEASE COMMITMENTS		
The Co-operative has lease commitments in relation to office equipment and the clinic at Epping which are recognised as right-of-use assets and lease liabilities on the Co-operative's balance sheet as at 30 June 2020.		
The Co-operative has two lease arrangements with the State of Victoria for the exclusive use of Crown Land in Fitzroy for specific activities including Aboriginal health and medical services. The lease payments for the two leases are \$1 per annum each, payable yearly in advance, for a 99 year term commencing 1 May 1988 and 1 January 1992 respectively.		
The Co-operative is dependent on this lease to further its objectives in this area. Without this concessionary lease, it would be unlikely for the Co-operative to service this area due to high market rates in this area. More information on the concessionary leases is available as described in Note 1(d).		

VICTORIAN ABORIGINAL HEALTH SERVICE CO-OPERATIVE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$	\$
NOTE 17 EVENTS AFTER THE REPORTING PERIOD		
No matters or circumstances have arisen since the end of the reporting period which significantly affected or may significantly affect the operations of the Co-operative, the results of those operations, or the state of affairs of the Co-operative in future financial years.		
NOTE 18 CONTINGENT LIABILITIES		
In respect to the Smith St. Property, the Minister for Aboriginal Affairs has a mortgage of \$400,000 over the property.		
NOTE 19 FAIR VALUE MOVEMENTS		
VAHS has the following assets, as set out in the table below, that are measured at fair value on a recurring basis after initial recognition. VAHS does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non-recurring basis.		
Non-Financial Assets		
Freehold land	5,000,000	5,000,000
Freehold buildings	3,650,000	3,650,000
Total non-financial assets recognised at fair value	8,650,000	8,650,000
For freehold land, the fair value has been determined using a market approach using recent observable market data for similar properties. Significant inputs are price per square metre.		
For freehold building, the fair value has been determined using a market approach using recent observable market data for similar properties. Significant inputs are price per square metre.		
NOTE 20 FINANCIAL RISK MANAGEMENT		
The company's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and accounts payable. The carrying amounts for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:		
Financial Assets		
Cash and cash equivalents	5 7,921,702	6,977,257
Trade and other receivables	6 695,805	942,879
Total financial assets	8,617,507	7,920,136
Financial Liabilities		
Financial liabilities at amortised cost:		
- Trade and other payables	8 985,571	1,198,145
Total financial liabilities	985,571	1,198,145
NOTE 21 COVID-19		
The impact of COVID-19 on the Co-operative's staff, operations, revenue and costs, are being monitored by the Board. The management team continues to provide the Board with regular reporting and where necessary, mitigation plans, to ensure the safety and well-being of all residents, staff, and contractors as well as the ongoing ability of the Co-operative to provide continuity of service for all contracts and stakeholders.		

DIRECTORS' DECLARATION

The directors of the Victorian Aboriginal Health Service Co-operative Limited declare that:

1. The financial statements and notes, as set out on pages 7 to 23:
 - (a) comply with Australian Accounting Standards - Reduced Disclosure Requirements, the Co-Operatives National Law Application Act 2013 and the Australian Charities and Not-for profits Commission Act 2012; and
 - (b) give a true and fair view of the financial position as at 30 June 2020 and performance for the year ended on that date;
2. In the directors' opinion there are reasonable grounds to believe that the Co-operative 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.

Chairperson



Treasurer



Dated this 21 st day of January , 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VICTORIAN ABORIGINAL HEALTH SERVICE CO-OPERATIVE LIMITED

Opinion

We have audited the financial report of Victorian Aboriginal Health Service Co-operative Limited, which comprises the statement of financial position as at 30 June 2020, 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 other explanatory information, and the directors' declaration.

In our opinion the financial report of Victorian Aboriginal Health Service Co-operative Limited is in accordance with the *Co-operatives National Law Application Act 2013* and Division 60 of the *Australian Charities and Not-for-profit Commission Act 2012*, including:

- (a) giving a true and fair view of the Co-operative's financial position as at 30 June 2020 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements, the *Co-operatives National Law Application Act 2013* and Division 60 of the *Australian Charities and Not-for-profit 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 Entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

In conducting our audit, we have complied with the independence requirements of the Australian Charities and Not-for-profits Commission Act 2012.

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

Responsibilities of the Directors for the Financial Report

The Directors of the Entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, the Australian Charities and Not-for-profits Commission Act 2012 and the *Co-operatives National Law Application Act 2013* and for such internal control as the directors determine is necessary to enable the preparation of a 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 has no realistic alternative but to do so.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF VICTORIAN ABORIGINAL HEALTH SERVICE CO-OPERATIVE LIMITED
(CONTINUED)**

Auditor's Responsibilities for the Audit of the Financial Report

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

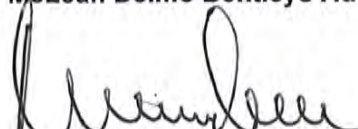
As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and 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 Directors.
- Conclude on the appropriateness of 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 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 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 those charged with governance 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.



McLean Delmo Bentleys Audit Pty Ltd



Martin Fensome
Partner

Hawthorn
21 January 2021