

Indigenous Remote Communications Association Aboriginal and Torres Strait Islander Corporation

ABN 73 413 550 324

Annual Financial Report

For the financial year ended 30 June 2023

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Directors' Report

The directors present their report on Indigenous Remote Communications Association Aboriginal and Torres Strait Islander Corporation for the financial year ended 30 June 2023.

1. Information on Directors

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

NAME	DATE APPOINTED/ RESIGNED
Nelson Conboy	
Jennifer Enosa	
Rohanna Angus	Appointed [June 2022]
Karen Paterson	
Noami Moran	
Adam Manovic	Appointed [August 2022]
Dre Ngatokorua	

2. Principal activities

The principal activity of Indigenous Remote Communications Association Aboriginal and Torres Strait Islander Corporation during the financial year was representing Indigenous broadcasting and media.

No significant changes in the nature of the Corporation's activity occurred during the financial year.

3. Environmental regulation

The Corporation's operations are not subject to any significant environmental regulations under either Commonwealth or State legislation.

The Corporation monitors compliance with environmental regulations. The directors are not aware of any significant breaches during the period covered by their report.

4. Review of operations and results of those operations

Overview of the Corporation

These financial statements are general purpose financial statements prepared in accordance with Australian Accounting Standards - Simplified Disclosures.

There was no impact on the amounts recognised, measured and classified in the statements of financial position, financial performance and cash flows of the Corporation as a result of the change in basis of preparation.

OPERATING RESULTS

The deficit from ordinary activities for the financial year attributed to the Corporation amounted to \$259,871 (surplus for the financial year 2021/2022 was \$119,416).

5. Significant changes in the state of affairs

There have been no significant changes in the state of affairs of the Corporation during the year.

6. Events subsequent to reporting date

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

Directors' Report

7. Future developments and results

Likely developments in the operations of the Corporation and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Corporation.

8. Indemnification and insurance of officers and auditors

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 Indigenous Remote Communications Association Aboriginal and Torres Strait Islander Corporation.

9. Auditor's independence declaration

The lead auditor's independence declaration in accordance with the *Corporations (Aboriginal and Torres Strait Islander) Act 2006*, for the year ended 30 June 2023 has been received and can be found on page 3 of the financial report.

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

Director

Date:

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 339-50(4) THE CORPORATIONS
(ABORIGINAL AND TORRES STRAIGHT ISLANDER) ACT 2006
TO THE DIRECTORS OF INDIGENOUS REMOTE COMMUNICATIONS
ASSOCIATION ABORIGINAL AND TORRES STRAIT ISLANDER
CORPORATION

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2023, there have been no contraventions of:

- (a) the auditor independence requirements as set out in the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* in relation to the audit; and
- (b) any applicable code of professional conduct in relation to the audit.

PKF NORTH QUEENSLAND AUDIT

TIM FOLLETT
PARTNER

TOWNSVILLE
17 NOVEMBER 2023

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2023

	Note	2023 \$	2022 \$
Revenue	2	2,530,895	4,743,177
Employee Benefits Expense		(1,405,204)	(1,562,754)
Other Expenses		(1,532,873)	(3,237,714)
Other Income		165,117	178,154
Profit before depreciation and amortisation		(242,065)	120,863
Depreciation and Amortisation		(17,806)	(1,447)
Profit/(Loss) for the year		(259,871)	119,416
Other Comprehensive Income		-	-
Total Comprehensive Income/(Loss)		(259,871)	119,416

Statement of Financial Position

As at 30 June 2023

	Note	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	3	3,064,731	3,412,602
Trade and Other Receivables	4	879,570	2,860
Total Current Assets		3,944,301	3,415,462
NON CURRENT ASSETS			
Property, Plant and Equipment	5	52,444	58,690
Total Non Current Assets		52,444	58,690
Total Assets		3,996,745	3,474,152
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	6	455,599	212,058
Accrued and Deferred Items	7	2,921,449	2,327,319
Provisions	8	142,475	197,679
Total Current Liabilities		3,519,521	2,737,057
Total Liabilities		3,519,521	2,737,057
Net Assets		477,224	737,095
EQUITY			
Retained Earnings	9	477,224	737,095
Total Equity		477,224	737,095

Statement of Changes in Equity

For the year ended 30 June 2023

	Retained Earnings	Total Equity
	\$	\$
Balance at 1 July 2021	617,679	617,679
Profit for the Year	119,416	119,416
Balance at 30 June 2022	737,095	737,095
Loss for the Year	(259,871)	(259,871)
Balance at 30 June 2023	477,224	477,224

Cash Flow Statement

For the year ended 30 June 2023

		2023	2022
	Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from grants		3,181,708	3,561,655
Payments to suppliers and employees		(2,749,737)	(4,724,630)
Interest Received		1,309	1,716
Other receipts		(769,588)	102,045
Net cash provided by/(used in) operating activities	10	(336,308)	(1,059,214)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Acquisition of property, plant and equipment		(11,560)	(60,137)
Net cash provided by/(used in) investing activities	10	(11,560)	(60,137)
Net increase/(decrease) in cash and cash equivalents held		(347,868)	(1,119,350)
Cash and cash equivalents at beginning of year		3,412,602	4,531,952
Cash and cash equivalents at end of financial year	3	3,064,731	3,412,602

Notes to the Financial Statements

For the year ended 30 June 2023

Note 1 Accounting Policies

GENERAL

The financial report covers Indigenous Remote Communications Association Aboriginal and Torres Strait Islander Corporation as an individual entity. Indigenous Remote Communications Association Aboriginal and Torres Strait Islander Corporation is a not-for-profit Aboriginal Corporation, incorporated and domiciled in Australia.

The functional and presentation currency of Indigenous Remote Communications Association Aboriginal and Torres Strait Islander Corporation is Australian dollars.

Comparatives are consistent with prior years.

BASIS OF PREPARATION

In the opinion of the directors/board members that Corporation is not publicly accountable. These financial statements are Tier 2 general purpose financial statements that have been prepared and comply with Australian Accounting standards – Simplified Disclosure requirement adopted the Australian Accounting Standards board.

STATEMENT OF COMPLIANCE

The financial statements comply with the recognition and measurement requirements of Australian Accounting Standards, the presentation requirements in those Standards as modified by AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities (AASB 1060) and the disclosure requirements in AASB 1060. Accordingly, the financial statements comply with Australian Accounting Standards – Simplified Disclosures.

CRITICAL ACCOUNTING ESTIMATES & JUDGEMENTS

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

CHANGES IN SIGNIFICANT ACCOUNTING POLICIES

There have been no changes in significant accounting policies during the year.

A number of other new standards are effective from 1 July 2022, but they do not have a material effect on the Corporation's financial statements.

INCOME TAX

The corporation is not subject to income tax.

Notes to the Financial Statements

For the year ended 30 June 2023

PROPERTY PLANT & EQUIPMENT

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

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

i. Plant and equipment

Plant and equipment are measured using the cost model.

ii. Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Corporation, commencing when the asset is ready for use.

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

Fixed Asset Class	Depreciation Rate
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Plant and Equipment	20% - 33%
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Motor Vehicles	20% - 25%
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At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

FINANCIAL INSTRUMENTS

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the corporation becomes party to the contractual provisions of the instrument.

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

• Financial Liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities depending on the purpose for which the liability was acquired.

The corporation's financial liabilities include trade and other payables, which are measured at amortised cost using the effective interest rate method.

EMPLOYEE BENEFITS

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

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Notes to the Financial Statements

For the year ended 30 June 2023

REVENUE & OTHER INCOME

Revenue is recognised when the associated performance obligations attached to revenue source have been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

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

GOODS AND SERVICES TAX (GST)

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

Receivables and payable are stated inclusive of GST.

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

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

COMPARATIVE AMOUNTS

Comparatives are consistent with prior years, unless otherwise stated.

TRADE AND OTHER PAYABLES

Trade and other payables represent the liabilities for goods and services received by the Corporation that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

Notes to the Financial Statements

For the year ended 30 June 2023

GOVERNMENT GRANTS

The Association initially recognises government grants related to assets as deferred income at fair value if there is reasonable assurance that they will be received and the Association will comply with the conditions associated with the grant; they are then recognised in profit or loss as other income on a systematic basis over the useful life of the asset.

Grants that compensate the Association for expenses incurred are recognised in profit or loss as other income on a systematic basis in the periods in which the expenses are recognised, unless the conditions for receiving the grant are met after the related expenses have been recognised. In this case, the grant is recognised when it becomes receivable.

ROUNDING

Rounding is performed on all display values to the nearest dollar. Note totals may differ to the items above as totals are rounded independently.

FINANCE INCOME AND FINANCE COSTS

The Company's finance income and finance costs include:

- interest income;

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

STATUTORY INFORMATION

Indigenous Remote Communications Association Aboriginal and Torres Strait Islander Corporation (the Corporation) is a not-for-profit Aboriginal Corporation, incorporated and domiciled in Australia. The address of its registered office and principal place of business are as follows:

Unit 2
70 Elder Street
CICCONE NT 0870

Notes to the Financial Statements

For the year ended 30 June 2023

	2023	2022
	\$	\$
Note 2 Revenue		
REVENUE FROM CONTRACTS WITH CUSTOMERS		
Grant Revenue	2,530,895	4,743,177
	2,530,895	4,917,831
OTHER REVENUE		
Management & Admin Fees	20,025	155,825
Sponsorship Income	36,500	10,000
Membership Income	8,616	8,829
Finance Income	1,309	1,716
Other Income	98,667	59,147
	165,117	60,863
Disaggregation of revenue from contracts with customers		
Revenue from contracts with customers has been disaggregated according to the timing of revenue recognition as showed in the following table:		
	2023	2022
	\$	\$
CATEGORIES OF DISAGGREGATION		
State/Commonwealth government funding	2,530,895	4,743,177
	2,530,895	4,743,177
TIMING OF REVENUE RECOGNITION		
Services transferred at a point in time	-	-
Services transferred over time	2,530,895	4,743,177
	2,530,895	4,743,177

Notes to the Financial Statements

For the year ended 30 June 2023

Note 3 Cash and cash equivalents

RECONCILIATION OF CASH

Cash and Cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:

	2023	2022
	\$	\$
Cash and cash equivalents	3,064,731	3,412,602
Balance as per statement of cash flows	3,064,731	3,412,602

	2023	2022
	\$	\$
Note 4 Trade and Other Receivables		
CURRENT		
Trade Debtors	1,016,639	1,092
Provision for doubtful debts	(139,304)	(466)
Security Deposit	2,235	2,235
Total Current Trade and Other Receivables	879,570	2,860

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

Notes to the Financial Statements

For the year ended 30 June 2023

	2023	2022
	\$	\$
Note 5 Property, plant and equipment		
PLANT & EQUIPMENT		
At Cost	43,433	43,433
Accumulated Depreciation	(43,433)	(43,433)
Total Plant & Equipment	-	-
MOTOR VEHICLES		
At Cost	179,795	179,795
Accumulated Depreciation	(137,217)	(123,024)
Total Motor Vehicles	42,578	56,771
COMPUTER EQUIPMENT		
At Cost	18,241	6,681
Accumulated Depreciation	(8,375)	(4,762)
Total Computer Equipment	9,866	1,919
Total Property, Plant & Equipment	52,444	58,690

a) Movements in carrying amounts of property, plant and equipment

	Plant and Equipment	Motor Vehicles	Computer Equipment	Total
	\$	\$	\$	\$
Year Ended 30 June 2023				
Balance at the beginning of year	-	56,771	1,919	58,690
Additions	-	-	11,560	11,560
Depreciation expense	-	(14,193)	(3,613)	(17,806)
Balance at end of the year	-	42,578	9,866	52,444

Notes to the Financial Statements

For the year ended 30 June 2023

	2023	2022
	\$	\$
Note 6 Trade and Other Payables		
CURRENT		
GST PAYABLE		
GST	207,059	102,812
Total GST Payable	207,059	102,812
PAYROLL LIABILITIES		
Other Payroll Liabilities	13,772	11,347
Superannuation Payable	22,200	19,109
PAYG Withholdings Payable	19,808	39,025
Total Payroll Liabilities	55,780	69,480
Accounts Payable	184,760	39,766
Other Liabilities	8,000	-
Total Current	455,599	212,058

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying amounts are considered to be a reasonable approximation of fair value.

	2023	2022
	\$	\$
Note 7 Accrued and Deferred Items		
Unexpended Grants	2,921,449	2,327,319
Total Accrued and Deferred Items	2,921,449	2,327,319

	2023	2022
	\$	\$
Note 8 Provisions		
CURRENT		
Provision for A/L and TIL	99,902	143,835
Provision for LSL	42,573	53,844
Total Current	142,475	197,679

	2023	2022
	\$	\$
Note 9 Retained Earnings		
Opening Balance	737,095	617,679
Current Year Earnings	(259,871)	119,416
Total Retained Earnings	477,224	737,095

Notes to the Financial Statements

For the year ended 30 June 2023

Note 10 Cash Flow Information

Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating and investing activities:

	2023	2022
	\$	\$
Profit/(Loss) for the year	(259,871)	119,416
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
Depreciation	17,806	1,447
Changes in assets and liabilities:	-	-
(Increase)/decrease in trade and other receivables	(876,710)	81,433
(Increase)/decrease in trade and other assets	-	-
Increase/(decrease) in trade and other payables	189,698	(40,960)
Increase/(decrease) in unexpended grants	594,129	(1,181,521)
Increase/(decrease) in employee benefits	(1,361)	(39,029)
Cash flows from operations	(336,308)	(1,059,214)
Cash flows excluded from profit attributable to investing activities		
Changes in assets and liabilities:		
(Increase)/decrease in property, plant and equipment	(11,560)	(60,137)
Cash flows from investing	(11,560)	(60,137)
Total cash flows from operating and investing activities	(347,868)	(1,119,351)

Notes to the Financial Statements

For the year ended 30 June 2023

Note 11 Key Management Personnel Compensation

Any person having the authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including committee members, is considered key management. The total remuneration paid to the key management personnel of the entity during the year are as follows:

	2023	2022
	\$	\$
Key Management Personnel	113,519	128,569

	2023	2022
	\$	\$
Note 12 Auditors' Remuneration		
AUDIT AND REVIEW SERVICES		
Audit and Review of Financial Statements	10,000	9,450
	10,000	9,450

Note 13 Subsequent Events

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

Directors' Declaration

The directors of the Corporation declare that:

- 1) the financial statements and notes for the year ended 30 June 2023 are in accordance with the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* and:
 - a) comply with Accounting Standards, which, as stated in basis of preparation Note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
 - b) give a true and fair view of the financial position and performance of the Corporation;

This declaration is made in accordance with a resolution of the Board of Directors.

Director
Date:

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INDIGENOUS REMOTE COMMUNICATIONS ASSOCIATION ABORIGINAL AND TORRES STRAIT ISLANDER CORPORATION

Report on the Financial Report

Opinion

We have audited the accompanying financial report of Indigenous Remote Communications Association Aboriginal and Torres Strait Islander Corporation ("the Corporation"), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion the financial report of the Corporation is in accordance with the *Corporations (Aboriginal and Torres Strait Islander) Act 2006*, including:

- a) Giving a true and fair view of the Corporation's financial position as at 30 June 2023 and of its performance for the year ended on that date; and
- b) Complying with Australian Accounting Standards – Simplified Disclosures and the *Corporations (Aboriginal and Torres Strait Islander) Act 2006*.

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

Independence

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

Directors' Responsibilities for the Financial Report

The directors of the Corporation are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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



Auditor's Responsibilities for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

PKF NORTH QUEENSLAND AUDIT

TIM FOLLETT
PARTNER

17 NOVEMBER 2023
TOWNSVILLE