



 **Annual Report**
2017-18





OUR VISION

To help create sustainable communities for our families through health, housing, education and law & culture

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CHAIR AND EO REPORT



A handwritten signature in black ink that reads "Gloria".

Gloria Smith | **Chairperson**

Thanarru

In accordance with the Corporation's strategic vision, Gumala Aboriginal Corporation (GAC) has continued to build upon the reforms of recent years to deliver cost-effective programs and services to its membership with the goal of creating self-determined and sustainable communities amongst the Yinhawangka, Bunjima and Nyiyaparli peoples.

There has been significant structural changes to the General Gumala Foundation (GGF) in order to successfully deliver benefits this year. These changes included corporate functions such as Governance, Finance and Human Resources being transferred from the shared business model under Gumala Investment Pty Ltd's (GIPL) management back to GAC. Consequently, this transfer of staff has resulted in GAC's administration costs increasing by \$1.5M.

While this amount is significant, it is important to note that these structural changes have come at the membership's request for more flexible options in order to maximise benefits as well as the administrative need to build an operating model that represented the true costs of delivery. It also means GAC has the ability to directly control their own strategic and corporate vision, in a cost-effective and efficient manner. It should also be noted that for the second consecutive year, GAC delivered services and programs to the membership resulting in an operating surplus of \$54,751.

This surplus is representative of a number of financial management practices as well as GAC's commitment to diversifying income streams and maximising grant opportunities to lessen GAC's reliance on trust funds as a sole source of income. As a result, external funding increased by 19.7% through grants awarded to GAC this year. These grants contributed to 3a Early Learning Centres, NAIDOC celebrations, the Tom Price bus service, the Peedamulla Homestead Roofing Project, upgrades to amenities at Cane River and the Tom Price Alcohol and Drug Awareness Campaign.



A handwritten signature in black ink that reads "Jahna".

Jahna Cedar | **Executive Officer**

The management and strategy behind our success relates directly to the Corporation's continued commitment to actively consult with our Members. This allows GAC to provide Member Services programs and community-based projects that service and relate specifically to the needs of its Members. GAC's consultation approach was recognised in the 2018 WA Council of Social Services (WACOSS) Community Services Excellence Awards. GAC was the proud recipient of the 2018 'Outstanding Contribution to Improving Life in Communities by an Aboriginal Organisation' award, which recognised the implementation of the "Gumala Way" consultation strategy.

This consultation concept involves a flexible and culturally considerate approach, by seeking to improve what we do and how we do it. Specifically, the WACOSS award recognises the hard work and dedication of our staff, by striving to better serve our Members. In February 2018, GAC staff travelled throughout the homelands to visit Members in their communities and listen to their feedback and suggestions on how to better identify how we can

meet their needs. It has been invaluable in assisting GAC to plan for our future programs and projects, but more importantly, this process has empowered Members to take ownership of these services to secure better outcomes for all.

GAC is proud of the changes made to our business, to better serve the needs of our families, whilst building the capacity of our people. Our focus on empowering our Members is evident in an increase of 9 per cent in Indigenous employment within the business (since FY16-17). GAC is built by the people and is focused on working for and with our people. Our Elders fought hard for the original agreement, and it is now the role of all Members, and staff, to fulfil this vision and create a legacy.

On behalf of all of the GAC staff and the GAC Board of Directors, it remains a privilege to serve and to continue to pursue and achieve successful outcomes for our Traditional Owners.



YEAR IN REVIEW



GAC community work recognised by WACOSS award

GAC was the proud recipient of the 2018 ‘Outstanding Contribution to Improving Life in Communities by an Aboriginal Organisation’ award at this year’s WA Council of Social Services (WACOSS) Community Services Excellence Awards.

This award recognised “an Aboriginal community-controlled organisation that has successfully delivered holistic, culturally appropriate services” and that has “created positive change for Aboriginal people, their families, and communities, through innovation and effective partnerships.”

GAC was recognised for the implementation of the “Gumala Way” strategy – a strategy which involves a flexible and culturally considerate approach and always seeks to improve what we do and how we do it.

In February 2018, staff Members travelled around the state to engage with our Members one-on-one in the homeland communities to hear their voices and understand what projects and support they wanted from GAC.

“For our people, it’s a step towards self-determination,” said GAC Executive Officer Jahna Cedar.

“By going to them and tailoring solutions that best suit the individual needs of those communities, it’s acknowledging that there’s not a one-size-fits-all approach as in the past. Each community is different and their aspirations are different.”

Minister of Community Services Simone McGurk praised GAC and the other award winners for their achievements.

“These awards recognise the vital role that individuals and organisations in the community services sector play in making a positive difference to Western Australian communities,” said Ms McGurk.

“They also highlight the innovation and energy of a sector that continues to find meaningful solutions to some of life’s most challenging issues.”



GAC Members build their careers through traineeship program

GAC has been working in collaboration with group training organisation MEGT (Australia) Ltd over the past two years to provide an opportunity for Members to obtain a nationally recognised Certificate III in Business Administration.

This qualification teaches business and office skills, such as keyboard and computer functions, organising schedules, and creating presentations and spreadsheets.

When GAC looks to recruit a trainee, attitude and personality are key. Because a traineeship is an entry-level position, passion is valued more than experience. We also look for an attitude that fits well with the team at GAC and someone who has the desire to seize an opportunity.

These characteristics are what helped Bunjima Member Amber Phillips secure her traineeship at GAC. After completing high school in 2014, Amber wanted to study teaching but after a year at university in Perth she decided to take a gap year and moved home to South Hedland. Amber worked for a few months at a fast-food outlet before returning to Perth in early 2017.

Amber said she has not looked back since beginning her traineeship at GAC in August 2017, and has gained invaluable experience over many areas of the business including working with the finance team on accounts. The traineeship, she said, has exceeded her expectations. "I honestly had no idea what to expect. I had never worked in an office environment before."

Amber is now working on a range of projects while connecting more with her culture and heritage. "I love being able to provide help and support to our Members, and knowing that we are making a difference in peoples' lives. Making this kind of difference while also being able to learn and grow not only personally, but also professionally, is probably my favourite part of the job."

There are times when it's been challenging for Amber to stay on top of her studies while working but she believes the support she receives from all of her colleagues at GAC makes it a lot easier. "It's comforting to know that if I do run into any issues or challenges that I've always got help here at work."

Amber is hoping to complete her traineeship before the end of 2018. She then plans to consider her next steps to

achieve her career goal of becoming a CEO or perhaps a business owner.

"I have no doubt that Amber will achieve her goals. Over the past year, her confidence and ability have grown. She has exceptional customer service skills and has proven to be a reliable and extremely professional Member of the team," said Corporate Services Manager Leah Kenna.

GAC Members who are looking to enter an industry or improve their skills within a certain field are encouraged to consider applying for a traineeship as a way to develop their skills within a supportive environment.

Traineeships can include flexible approaches to learning like adapting the units in the certificate as well as adapting the teaching methods such as online, face-to-face or via telephone.



AMBER PHILLIPS

"The past eleven months have been some of the best of my life."

"I feel I've grown and matured as a person and gained skills that I will use for life, and I can't thank GAC enough for giving me the opportunity to work and learn in such a rich and diverse role. Any expectations I might have had have been exceeded and I feel so supported and encouraged to grow and learn," said Amber.

YEAR IN REVIEW

Homework Club helps Karratha kids get ahead

Early this year, Members of the Aboriginal Parent Action Group worked with teachers at Karratha Primary School to trial a Homework Club where children could get extra support after school to improve their learning.

The program kicked off in May 2018 and is run by the Deputy Principal each Monday afternoon for twenty Year 3-6 students from 2:30pm to 4pm. Early feedback on the Club has been positive. An average of nine students have attended each session and relationships between students and teachers have improved across the school.



Members get ready to hit the road with Keys 4 Life program

Earlier this year, GAC staff in Tom Price received training from School Drug Education and Road Safety staff to deliver the Keys 4 Life program to Members.

The Keys for Life program aims to make young people and adults better equipped and prepared to obtain their learner's permit. The course gives participants a greater understanding of safe driving practices and an increased awareness of the road rules.

Members who complete the course and pass the learner's permit test receive a certificate they can take to the Department of Transport to receive their permit, saving \$19.





Bradley Hall Band plays concert at Wakuthuni

The Wakuthuni community had a real treat in April with the Bradley Hall Band visiting and playing a sundowner concert.

The band, who also featured at this year's Karijini Experience, proved a huge hit with the community, with residents from Bellary Springs coming to see the show as well.

GAC held a sundowner BBQ at the concert with Members and GAC staff, including Executive Officer Jahna Cedar.

A huge thanks to the Bradley Hall Band for putting on a truly enjoyable evening for all involved.

YEAR IN REVIEW



Photo by Eleanor Lukale

GAC supports 2018 Karijini Experience

GAC was proud to be a platinum sponsor of the 2018 Karijini Experience – now in its sixth year – which was held on 17-22 April 2018.

The Karijini Experience is about “experiencing” Karijini National Park and the inland Pilbara in ways that promote connection, culture and country. GAC is committed to showcasing Bunjima Country and Karijini National Park.

The event included a number of free, family-friendly activities and workshops focused on music, art, culture and enrichment. This year’s program also saw many performances including the WA Symphony Orchestra String Quartet, the popular Archie Roach, and dances by the Bunjima Traditional Owners.

NAIDOC celebrations in Tom Price

GAC had the privilege of hosting this year's NAIDOC celebrations at the Cultural Centre in Tom Price on 24 June.

The event included a Flag Raising Ceremony and a Welcome to Country by Wayne Stevens, a local Eastern Guruma Traditional Owner, as well as performances by Yinhawangka Member Marlon Cooke and dancers, and Phil Walleystack.

There were also adult and children's art activities, storytelling sessions, a free sausage sizzle and giveaways on offer. A traditional food showcase of kangaroo tail stew and damper was enjoyed by all.



Employment assistance initiative connects Members with new opportunities

During consultations with Members last year, there was a strong interest in GAC providing more support to help Members find employment.

GAC established internal support services for Members which provided assistance with cover letters, resumes and linking Members with job opportunities.

Since commencing the support initiative, dozens of Members have received assistance with their applications and been referred on to employers seeking workers. We've seen a number of Members successfully achieve their goals and gain work. A database of Members seeking work has also been established, so that new opportunities can be matched immediately to suitable job seekers.

The process has been beneficial for employers too who have been reaching out to GAC during their recruitment processes. As an example of the success of this support, Rio Tinto's Indigenous Employment team advised GAC that it has never before had so many Traditional Owners to consider for roles, with as many as 40 positions identified for TOs at Yandi.

If you are a Member who would like to get in touch about receiving employment support from GAC, please email jobs@gumala.com.au

YEAR IN REVIEW

20th anniversary celebrated with commemorative shirt

As part of GAC's 20th anniversary celebrations, a competition was held to design a commemorative shirt.

The winning design was created by a young Bunjima Beneficiary, Layne Dhu-Dickie, whose great-grandfather worked out on the windmills at Mulga Downs Station.

The design represents station and family life in the years past, and honours elders who worked and lived out on country in extreme conditions. The colours of the shirt represent the sun, the people, and the land, much like the Aboriginal flag.

The shirts proved a hit and it's been great to see so many Members wearing them with pride.



AGM sees election of new Board

This year's GAC Annual General Meeting was held on 21 October 2017 at the Wanangkurra Stadium in South Hedland.

The meeting gave the Chair and Executive Officer an opportunity to update the membership on the key activities of the Corporation since the last meeting.

Representatives from Rio Tinto held a consultation with GAC about the Yandi (YLUA) land disturbance formula under the land use agreement, providing an update on the decline in land disturbance which has had a direct impact on income from YLUA.

All 12 seats on the GAC Board were up for election at the meeting, with the new Board announced after a secret ballot on the day.

Board Members



May Byrne
Secretary



Andrew Dhu



Steven Dhu



Karen Tommy

BUNJIMA



Gloria Smith
Chairperson



Mary Mills



Stuart Ingie Jnr



Tyson Weedon

YINHAWANGKA



Natalie Parker
Deputy Chairperson



Lisa Coffin



Christina Stone



Brian Tucker

NYIYAPARLI

YEAR IN REVIEW



GAC Members consulted in communities on future of program and projects

In February, GAC staff travelled throughout the homelands to visit communities and towns in order to collect feedback and consult with Members one-on-one about community-based projects and Member services programs.

GAC staff were unanimous in their agreement that the consultation process was a valuable and insightful opportunity for the organisation.

“The consultations allowed for a wider range of Members to offer their perspectives, as well as ask questions to GAC staff,” said Corporate Services Manager Leah Kenna.

“Many of these conversations yielded valuable feedback for the future, including ideas from Members who previously felt they didn’t have an opportunity to suggest to GAC at meetings held throughout the year. In particular, the chance to talk to staff on a one-to-one level provided an opportunity for Members to have their say, compared to more conventional group forum sessions.”

By actively involving Members in face-to-face conversations in their communities, GAC is able to make sure Members are able to participate every step of the way in the decision-making process.

Helping with Telstra bills

GAC and Telstra partnered up this year to assist Members through Telstra’s Bill Assistance Program.

Under the program, GAC can issue a \$50 certificate to Members requiring assistance to help Telstra customers pay their bills. This can be used to contribute towards the payment of all Telstra bills including Wi-Fi, home phone and/or mobile.

The program has been helpful to Members and GAC will be continuing the program next financial year.



3a program helps children and parents in their communities

This year is the seventh year that the Abecedarian Approach Australia (3a Program) has been run by GAC. It provides a high level of early childhood education and support for parents and their children aged 0-4 years.

GAC pioneered the implementation of the 3a Program in WA with the establishment of a purpose-built Early Childhood Learning Centre at Wakuthuni in January 2012. There are now six learning centres operating across the Pilbara region: Wakuthuni, Karratha, South Hedland, Marble Bar, Roebourne, and Warralong Community.

The program recognises the importance of parents as the child's first teacher and empowers them to support their children's learning by carrying out the activities at home

that have been taught at the centre. Children benefit from participation in educational games, conversational reading and enriched care giving. The strategies modelled and taught in the centres promote quality interactions between adult and child and increase back and forth exchange.

3a playgroups benefited from a range of educational events and activities throughout the year, including a Teddy Bears Picnic at Wakuthuni and a healthy food and exercise classes for Heart Week in Karratha.

GAC looks forward to the 3a program continuing to make a difference in the lives of Members for many years to come.





MEMBER PROGRAMS AND SERVICES

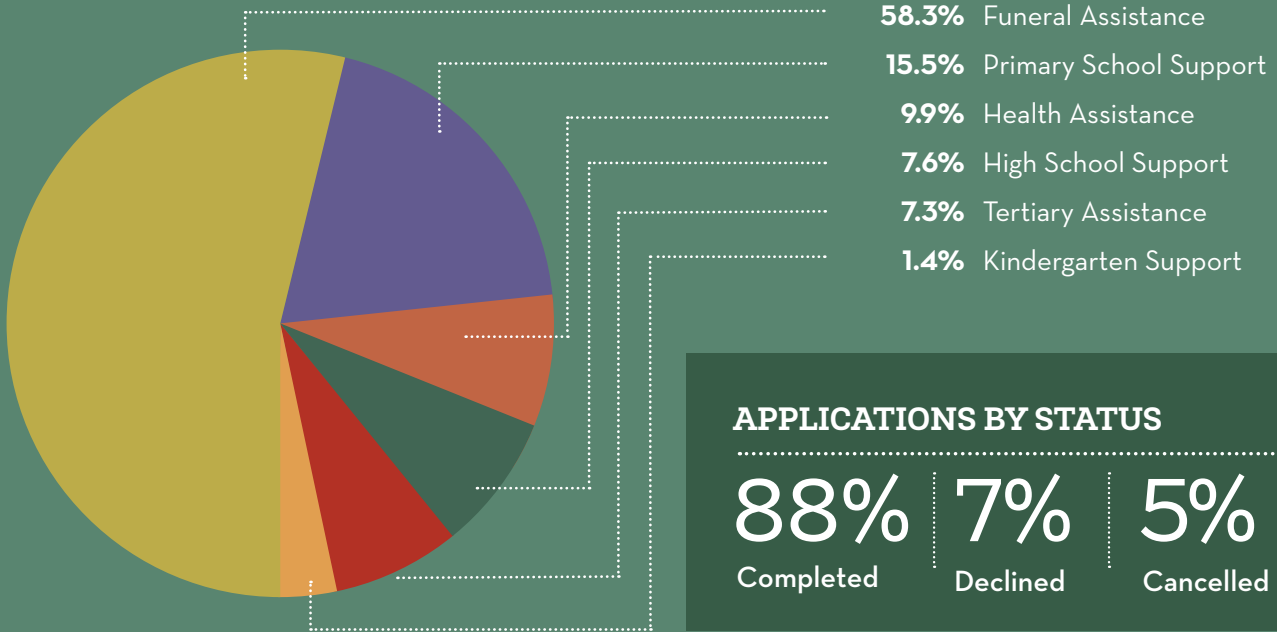
In the 2017-18 financial year we saw the reinstatement of member programs.

This was the first year since program suspensions were put in place in 2014 that GAC has been able to offer any support for members outside of education for children.

The GAC Board is dedicated to delivering benefits and services that are relevant for Members now and into the future, and to ensure that assistance is of maximum impact for every dollar spent.

PROGRAM SNAPSHOT

SUMMARY OF APPLICATIONS



FUNERAL ASSISTANCE



APPLICATIONS BY LANGUAGE GROUP



PRIMARY SCHOOL SUPPORT



APPLICATIONS BY LANGUAGE GROUP



HEALTH ASSISTANCE



189

APPLICATIONS BY PROGRAM

APPLICATIONS BY LANGUAGE GROUP

139

Bunjima

21

Yinhawangka

29

Niyaparli

HIGH SCHOOL SUPPORT



146

APPLICATIONS BY PROGRAM

APPLICATIONS BY LANGUAGE GROUP

95

Bunjima

4

Yinhawangka

47

Niyaparli

TERTIARY ASSISTANCE



140

APPLICATIONS BY PROGRAM

APPLICATIONS BY LANGUAGE GROUP

111

Bunjima

2

Yinhawangka

27

Niyaparli

KINDERGARTEN SUPPORT



27

APPLICATIONS BY PROGRAM

APPLICATIONS BY LANGUAGE GROUP

22

Bunjima

1

Yinhawangka

4

Niyaparli

MEMBER PROGRAMS



Funeral Assistance Program

Program Overview

The aim of the GAC Funeral Assistance Program was to provide assistance to GAC Members and their families attending funerals and / or covering the reasonable costs associated with a funeral. The program limit was \$2,000 for eligible Members, and ran from 31 July 2017 to 30 June 2018.

After the Chrisco Hamper program, the Funeral Program was the next most popular program of 2017-18.



Summary

The program enabled 509 GAC Members to practice their customs and cultural obligations around funeral time with reduced stress levels and financial burdens. By assisting with payments for funeral arrangements, travel, accommodation and other such expenses, GAC was able to ensure the cultural significance of attendance at funerals was addressed, and provide relief and comfort to many grieving Members.

The main requests for assistance under the funeral program were for travel and accommodation and for funeral Directors' fees. Throughout the program period, Members consistently requested food with their travel, which GAC's funeral assistance program did not provide for. GAC has revised this guideline for the 2018-19 program financial year.



Photo by Eleanor Lukale

Health Assistance Program

Program Overview

The aim of the Health Assistance Program was to provide assistance with medical expenses to GAC Members and their immediate family, contributing to the improvement of their health and over all wellbeing. 141 Members had accessed the Health Assistance Program by 29 June 2018. The program limit was \$400 per eligible Member and was used towards health -related treatments or healthy lifestyle incentives.

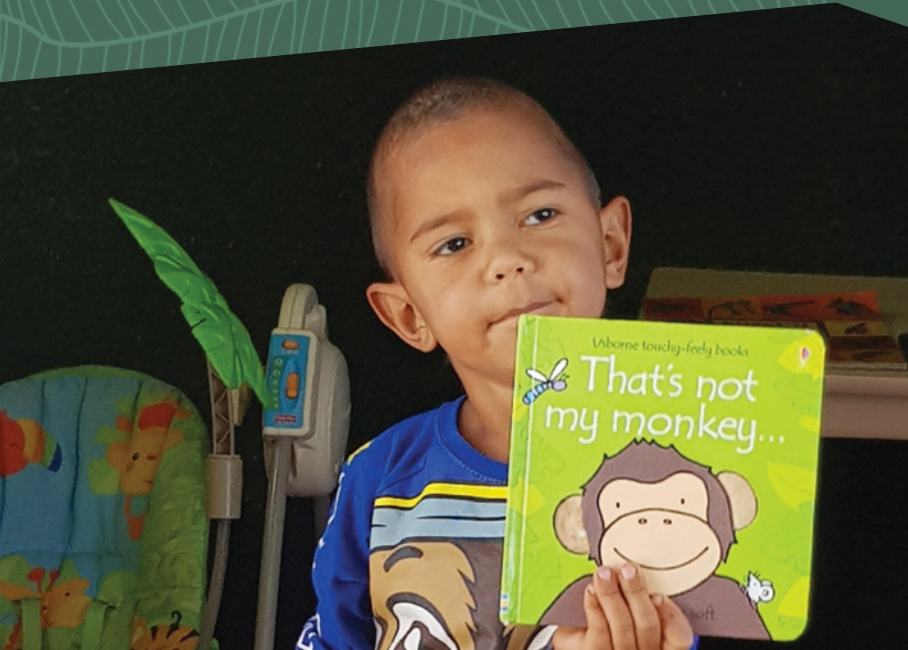


Summary

For the most part, the Health Assistance Program supplemented the out -of -pocket expenses paid by Members for doctors, dentists and specialist appointments after Medicare. Others also found it useful to contribute towards the cost of their family's private health insurance, and to facilitate healthy lifestyles such as diet plans, for example Lite n' Easy, or gym membership.

The main feedback about this program was that the fund limit was too low, and so for many people was not useful, particularly for older Members. Travel and accommodation for medical appointments / procedures were also desired under this program.

The Health Assistance Program has now been moved to the flexible model for 2018-19 to allow those who need to maximise their benefits in health.



Summary

The Kindergarten Assistance Program program was accessed by 20 children during the year. The program was mainly accessed to pay for clothing, uniforms and school supplies; however, some parents also accessed the program to supplement the cost of private early learning, if there child was not yet of kindy age. This does not include the children who would have accessed our 3a early learning centres around the Pilbara; however, even considering these numbers it seems that parents are not accessing this program. Some awareness and promotion of the education programs is being discussed with the Education Coordinator presently.

Kindergarten Assistance Program

Program Overview

The aim of the Kindergarten Assistance Program was to provide support and assistance to GAC families for the costs associated with schooling their young children. The program provided \$250 per child for Kindergarten and ran from 31 July 2017 to 30 June 2018.



Summary

The Primary School Assistance Program was accessed by 184 children and mainly used by parents to assist with the cost of school fees, uniforms and booklists. IT equipment and iPads were also popular under this program with some families even pooling the children's money to buy a home computer for all the family for homework assignments and projects. The GAC and Apple partnership has proven very useful for Members with a quicker service, discounts up to 20 per cent on some products and free delivery and engraving services.

Schools and liaison officers have also expressed their gratitude for this program as they often have students that they have to organise themselves, and GAC's assistance has been very helpful to provide for uniforms and books. The school has said that lunches for these children is still an issue, in that they need to be fed at school; however, they are not going without lunches due to services and programs available through the school.

Average attendance for primary school students was 85 per cent.

Primary School Assistance Program

Program Overview

The aim of the Primary School Assistance Program was to provide support and assistance to GAC families for the costs associated with schooling their young children. The program provided \$500 per child for primary school education and ran from 31 July 2017 to 30 June 2018.

MEMBER PROGRAMS



Summary

The program assisted 105 students in total, mostly for school fees, uniforms, books and IT equipment. Tutoring was accessed by more by high school students than primary school students. We also found that students who did not complete Years 11 or 12 were contacting GAC for assistance under this program for their courses such as beauty therapy. Our High School Assistance Program could not assist these cases as they had left school, however, GAC's tertiary assistance program for 2018-19 has opened up to assist with courses from Cert 1 though to university level qualifications. This should fill the gap between Year 10 leavers and higher education needs.

Average attendance for secondary school students was 81 per cent.

High School Assistance Program

Program Overview

The aim of the High School Assistance Program was to provide support and assistance to GAC families for the costs associated with schooling their teens. The program provided \$500 per student for secondary school education and ran from 31 July 2017 to 30 June 2018.

Tertiary Assistance Program

Program Overview

The aim of the Tertiary Education Assistance program was to increase the capacity, knowledge, skills and the overall education of our Members. The program assisted students enrolled in diploma level or above courses by alleviating some of the burdens associated with the costs of higher education. Up to \$5,000 was accessible for students enrolled in diploma level or above educational courses. The program ran from 31 July 2017 to 30 June 2018.

Summary

50 students in total accessed the Tertiary Assistance Program for the year. Applications for assistance were diverse in their nature with some students using it for enrollment fees and books or IT equipment, and others using it for rent, car repairs, fuel and food.



Some of the courses supported include:

- › Bachelor of Arts
- › Bachelor of Commerce
- › Nursing
- › Diploma of Counselling
- › Diploma of Acting
- › Diploma of Marine Studies
- › Bachelor of Psychology
- › Diploma of IT
- › Business Administration
- › Bachelor of Technology
- › Diploma of Screen & Media
- › Masters of Business Administration
- › Bachelor of Law
- › Bachelor of Applied Science

Chrisco Hampers 2017

Program Overview

For Christmas 2017, all GAC Members and adult Beneficiaries were eligible to receive a Chrisco food hamper. The hampers retailed at \$707.20 each; however, GAC was able to secure them for \$652.60 each, saving over \$50,000 with this program from the original proposal.

What our Members had to say about the hampers

“Thank you so very much to the Executive Committee for the Christmas Hampers our family received yesterday. A truly welcome and grateful family. Kind Regards to all.”

William, Dallas, Phillip and Rona Bell

“On behalf of myself and my family, we would like to say a big thank you for the Chrisco hamper. This is a big help and will relieve some stress of Christmas. Thank you for organising, this is very very much appreciated.”

Brian Lockyer and children

“Wow! What a wonderful gift. My wife and I would like to say thank you to all GAC staff for getting the most perfect Christmas gift delivered to our pick point up in Darwin. The assortment of goods is mind boggling now to find it a home in the cupboards and refrigerator. Once again thank to all who made this possible.”

Kenneth Goldie

“Thank you so much we got our hamper Saturday, it was like... of Christmas, OMG what we got was unreal. Thanks again, big help! Hope we get this again so worth it.”

Rebecca Hicks



Summary

The total number of hampers ordered with Chrisco was 948. Some forms and orders were not received by GAC for various reasons, eg. spam filters on email accounts etc., and therefore an additional 20 orders were placed with Coles and Woolworths as a result. A further four hampers were arranged for people with special dietary requirements.

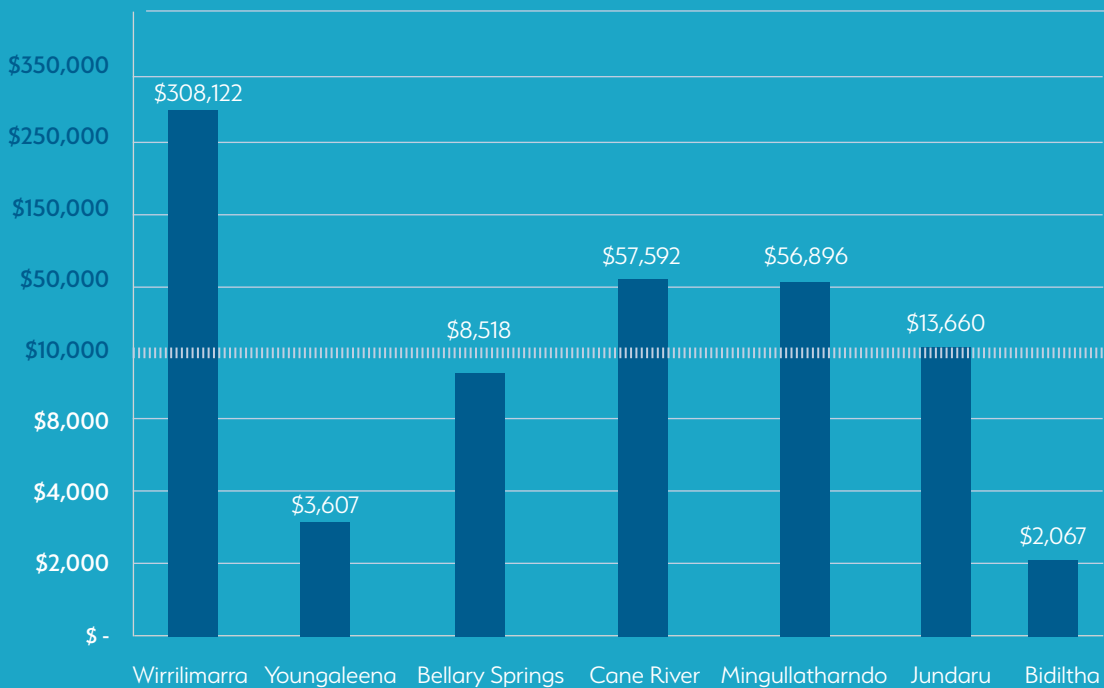
The feedback around the hampers was mostly positive, with the only negative feedback from Members being around the “value for money” aspect. A Facebook survey held in May 2018 confirmed that Members would prefer to shop for their own food at Christmas at their local supermarket due to the value for money argument. As a result, GAC is providing grocery only gift cards to Members for Christmas 2018.

COMMUNITY DEVELOPMENT



COMMUNITY EXPENDITURES

From July 2017 to June 2018



COMMUNITY DEVELOPMENT

This financial year saw a surge in activity and investment into community development projects across the homelands, building on the works performed last year.

Expenditure on community development in the 2017-18 financial year totalled \$450,567, an increase of more than 250 per cent on the previous financial year, with \$167,783 spent in 2016-17.

There are several highlights from this year's projects, including the extensive repairs and improvements at Wirrilmarra, which saw works performed to repair the lore ground water tanks and the construction of a verandah,

carports, and bough sheds. The Cane River Lore Ground benefited from upgrades to the water treatment system projects and the restoration of the two ablution blocks. Asbestos was finally removed from Peedamulla Station Homestead, which made the building safe to put a roof over the building again in order to preserve the site.

While investment into projects is still significantly lower than at the start of the decade, it's extremely encouraging to see expenditure rebound strongly over the last two years. A full breakdown on the works completed and the expenditure on projects for this financial year follows.

COMMUNITY DEVELOPMENT



Bidiltha

Works consists of raising the water tank, concreting the living and surrounding area of the house, and upgrading the current solar power system.

.....
Expenditure this financial year
\$2,067

Bellary Springs

Lore ground maintenance was carried out at the site.

.....
Expenditure this financial year
\$8,518



Cane River

Upgrades to the Cane River Lore Ground included the restoration of two ablution blocks, as well as the completion of a water treatment system project.

.....
Expenditure this financial year
\$57,592



Jundaru

Asbestos was removed from the Peedamulla Station Homestead, which allowed for the building to become safe to restore and place a roof over the building.

.....

Expenditure this financial year
\$13,660



Mingullatharndo

The installation of two transportable units for accommodation was carried out, as well as hydrology reporting on water at the site.

.....

Expenditure this financial year
\$56,896

COMMUNITY DEVELOPMENT



Wirrilimarra

Lore ground maintenance was carried out at the site.

A range of works were carried out at Wirrilimarra, including:

- > Bore maintenance
- > Construction of a verandah and carports
- > Installation of fencing
- > Repairs to the lore camp water tanks
- > Electrical/construction work carried out in workshop
- > Construction of bough sheds
- > Repairs to generator on site
- > Necessary connections of power and water to all buildings
- > Concrete works.

Expenditure this financial year
\$308,122*

*Amount is reflective of funds spent on corrective works from previous projects, as well as new works.

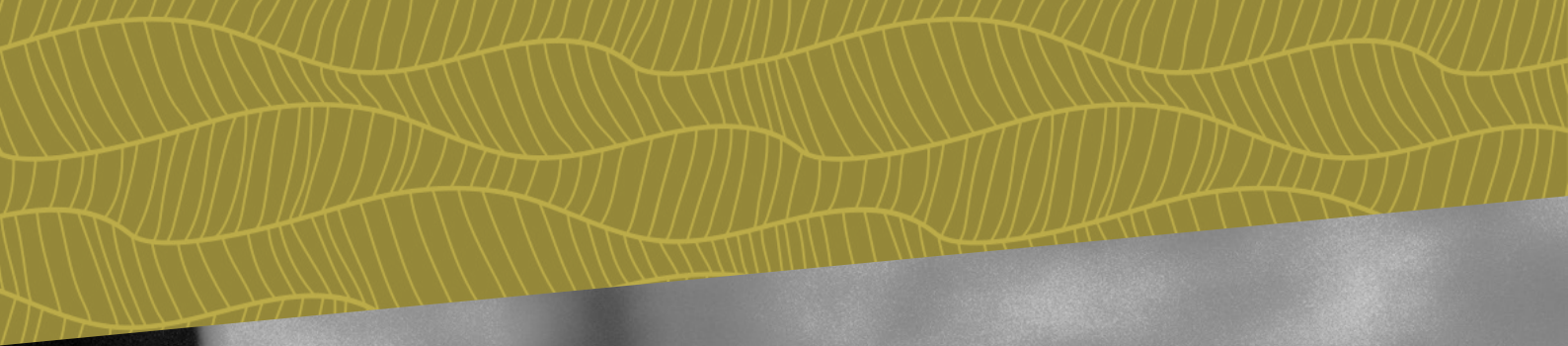
Youngaleena

Lore ground maintenance was carried out at the site.

Expenditure this financial year
\$3,607







FINANCIAL STATEMENTS

For the year ended 30 June 2018

GAC

ABN 93 807 596 843

ICN 2744

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Directors

Gloria Smith (Chair)

Natalie Parker (Vice Chair)

May Byrne (Secretary)

Andrew Dhu

Brian Tucker

Christina Stone

Karen Tommy

Lisa Coffin

Mary Mills

Steven Dhu

Stuart Ingie Jnr

Tyson Weedon

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FINANCIAL STATEMENTS

Directors' Report

GAC Director Summary Information

Our Directors present their report, together with the financial statements of the Corporation, for the financial year ended 30 June 2018.

| | Summary of Director's Term | | Summary of Board Attendance | |
|------------------------------|----------------------------|--------------------|---------------------------------------|-----------------------------|
| | Term of Office | Position on Board | Number of Meetings Eligible to Attend | Number of Meetings Attended |
| Bunjima Directors | | | | |
| Steven Dhu | 1 Jul 17 – 15 Dec 17 | Chairperson | 11 | 8 |
| | 16 Dec 17 – 30 Jun 18 | Director | | |
| May Byrne | 1 Jul 17 – 15 Dec 17 | Director | 11 | 9 |
| | 16 Dec 17 – 30 Jun 18 | Secretary | | |
| Andrew Dhu | 1 Jul 17 – 30 Jun 18 | Director | 11 | 11 |
| Karen Tommy | 1 Jul 17 – 30 Jun 18 | Director | 11 | 9 |
| Yinhawangka Directors | | | | |
| Stuart Ingie (Snr) | 1 Jul 17 – 20 Oct 17 | Deputy Chairperson | 5 | 3 |
| Darren Injie | 1 Jul 17 – 20 Oct 17 | Secretary | 5 | 4 |
| Aaron Martin | 1 Jul 17 – 20 Oct 17 | Director | 5 | 5 |
| Julie Walker | 1 Jul 17 – 20 Oct 17 | Director | 5 | 0 |
| Gloria Smith | 21 Oct 17 – 15 Dec 17 | Director | 6 | 5 |
| | 16 Dec 17 – 30 Jun 18 | Chairperson | | |
| Mary Mills | 21 Oct 17 – 30 Jun 18 | Director | 6 | 5 |
| Stuart Ingie (Jnr) | 21 Oct 17 – 30 Jun 18 | Director | 6 | 3 |
| Tyson Weedon | 21 Oct 17 – 30 Jun 18 | Director | 6 | 5 |
| Nyiyaparli Directors | | | | |
| Ailsa Roy | 1 Jul 17 – 20 Oct 17 | Director | 5 | 5 |
| Lisa Coffin | 1 Jul 17 – 20 Oct 17 | Director | 11 | 8 |
| | 16 Dec 17 – 30 Jun 18 | | | |
| | 21 Oct 17 – 15 Dec 17 | Secretary | | |
| Christina Stone | 1 Jul 17 – 20 Oct 17 | Director | 11 | 8 |
| | 16 Dec 17 – 30 Jun 18 | | | |
| | 21 Oct 17 – 15 Dec 18 | Deputy Chairperson | | |
| Brian Tucker | 1 Jul 17 – 30 Jun 18 | Director | 11 | 2 |
| Natalie Parker | 21 Oct 17 – 15 Dec 17 | Director | 6 | 4 |
| | 16 Dec 17 – 30 Jun 18 | Deputy Chairperson | | |

Note: In FY 2017-18 there were 11 GAC Board Meetings

Foundation Joint Committees

A number of Foundation joint committees were established with Directors from each of Gumala Investment Pty Ltd ("GIPL") and GAC. The GAC Directors who are Members of each of the joint committees are listed below:

| | Period on Committee | Number of Meetings Eligible to Attend | Number of Meetings Attended |
|---|-----------------------|---------------------------------------|-----------------------------|
| Foundation Audit and Risk Committee | | | |
| Andrew Dhu | 1 Jul 17 – 30 Jun 18 | 3 | 2 |
| Mary Mills | 21 Oct 17 – 30 Jun 18 | 3 | 2 |
| Stuart Ingie Jnr | 21 Oct 17 – 30 Jun 18 | 3 | 2 |
| Foundation Investments Committee | | | |
| Brian Tucker | 1 Jul 17 – 30 Jun 18 | 2 | 1 |
| Steven Dhu | 1 Jul 17 – 30 Jun 18 | 2 | 2 |
| Stuart Ingie Jnr | 21 Oct 17 – 30 Jun 18 | 2 | 1 |
| Foundation Joint Applications Review Committee | | | |
| Karen Tommy | 1 Jul 17 – 30 Jun 18 | 3 | 3 |
| Lisa Coffin | 1 Jul 17 – 30 Jun 18 | 3 | 2 |
| Mary Mills | 21 Oct 17 – 30 Jun 18 | 3 | 3 |
| May Byrne | 1 Jul 17 – 30 Jun 18 | 3 | 3 |
| Natalie Parker | 21 Oct 17 – 30 Jun 18 | 3 | 3 |
| Stuart Ingie Jnr | 21 Oct 17 – 30 Jun 18 | 3 | 2 |

FINANCIAL STATEMENTS

Directors' Report Continued

The remuneration of those who held a position of Director of GAC during the course of the financial year is detailed in the following table:

| Name | Remuneration (\$) | Superannuation (\$) | Communication Allowance (\$) | TOTAL (\$) | Dates Received Director Remuneration During 2017/18 |
|--------------------|-------------------|---------------------|------------------------------|----------------|---|
| Aaron Martin | 11,442 | 1,087 | 235 | 12,764 | 1 Jul 17 - 20 Oct 17 |
| Ailsa Roy | 11,442 | 1,087 | 235 | 12,764 | 1 Jul 17 - 20 Oct 17 |
| Darren Injie | 12,472 | 1,185 | 392 | 14,049 | 1 Jul 17 - 20 Oct 17 |
| Julie Walker | 11,442 | 1,087 | 235 | 12,764 | 1 Jul 17 - 20 Oct 17 |
| Stuart Ingie (Snr) | 14,532 | 1,381 | 392 | 16,305 | 1 Jul 17 - 20 Oct 17 |
| Gloria Smith | 39,913 | 3,792 | 734 | 44,439 | 21 Oct 17 – 30 Jun 18 |
| Mary Mills | 23,557 | 2,238 | 485 | 26,280 | 21 Oct 17 – 30 Jun 18 |
| Natalie Parker | 28,465 | 2,704 | 734 | 31,903 | 21 Oct 17 – 30 Jun 18 |
| Stuart Ingie (Jnr) | 23,558 | 2,238 | 485 | 26,281 | 21 Oct 17 – 30 Jun 18 |
| Tyson Weedon | 23,558 | 2,238 | 485 | 26,281 | 21 Oct 17 – 30 Jun 18 |
| Andrew Dhu | 35,000 | 3,325 | 720 | 39,045 | 1 Jul 17 – 30 Jun 18 |
| Brian Tucker | 36,454 | 3,463 | 794 | 40,711 | 1 Jul 17 – 30 Jun 18 |
| Christina Stone | 35,000 | 3,325 | 720 | 39,045 | 1 Jul 17 – 30 Jun 18 |
| Karen Tommy | 35,000 | 3,325 | 720 | 39,045 | 1 Jul 17 – 30 Jun 18 |
| Lisa Coffin | 35,485 | 3,371 | 794 | 39,650 | 1 Jul 17 – 30 Jun 18 |
| May Byrne | 36,636 | 3,480 | 969 | 41,085 | 1 Jul 17 – 30 Jun 18 |
| Steven Dhu | 50,144 | 4,764 | 951 | 55,859 | 1 Jul 17 – 30 Jun 18 |
| TOTAL | 464,100 | 44,090 | 10,080 | 518,270 | |

Note 1: GAC Directors did not receive any additional performance bonuses or provided with any other incentives.

Note 2: The table refers to actual remuneration and communication allowance earned. It does not include costs incurred by GAC for travel related expenses.

Overview of Financial Statements

These financial statements are for Gumala Aboriginal Corporation (GAC). The financial accounts of Gumala Enterprises Pty Ltd (GEPL) and, by virtue of the clarified principle arrangement in place, the Gumala Enterprises Trust (GET), are not consolidated in these statements.

Operating Surplus

GAC has delivered its second consecutive financial year surplus. The operating surplus for the 2018 financial year was \$54,751.

FY 2018's revenue and expenditure from General Gumala Foundation ("GGF") funding both increased, mainly due to the relaunch of Member programs at the start of FY2018. As a result of taking over key shared support functions from ("GIPL") in June 2017, GAC's GGF funded administration costs have increased by \$1.5m. GIPL's administration costs have reduced as a consequence of GAC taking over these support functions.

Finally, the reason for higher surplus in FY2017 in comparison to FY2018 is mainly related to i) the divestment of community assets on GAC's books from FY2017 and ii) the recognition of the GEPL debt in FY2017.

| | 2017/18 | 2016/17 |
|---|-----------------|------------------|
| Funding from General Gumala Foundation | \$6,203,672 | \$3,266,330 |
| Other Income | \$1,100,405 | \$1,287,471 |
| Reversal of Provision for Doubtful Debts | - | \$1,340,086 |
| GGF Funded Member Benefits | (\$3,113,219) | (\$1,366,411) |
| GGF Funded Administration Costs | (\$3,267,823) | (\$1,725,242) |
| Depreciation and Amortisation Expense | (\$141,656) | (\$405,532) |
| Impairment of PPE | - | (\$803,037) |
| Other Funded Member Benefits | (\$616,035) | (\$849,869) |
| Other Funded Administration Costs | (\$110,593) | (\$108,570) |
| SURPLUS / (DEFICIT) | \$54,751 | \$635,226 |

Principal Activities

As the manager of the GGF, GAC mainly delivers benefits to Members through Member programs, in-kind assistance for community development and joint partnership with external parties. GAC continues to focus on creating sustainable communities through the areas of Health, Housing, Education and Law & Culture.

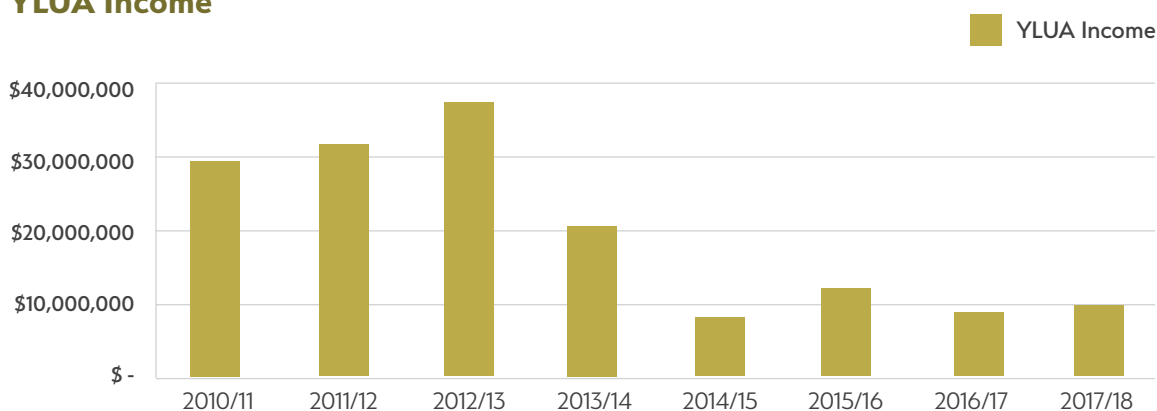
FINANCIAL STATEMENTS

Directors' Report Continued

Key GAC Events

The significant decline in commodity prices and land disturbance from mining activities at the Yandicoogina Mine site has had major consequences on the revenue received by the GGF from Rio Tinto. The graph below shows the impact on YLUA income since its peak in 2012/13.

YLUA Income

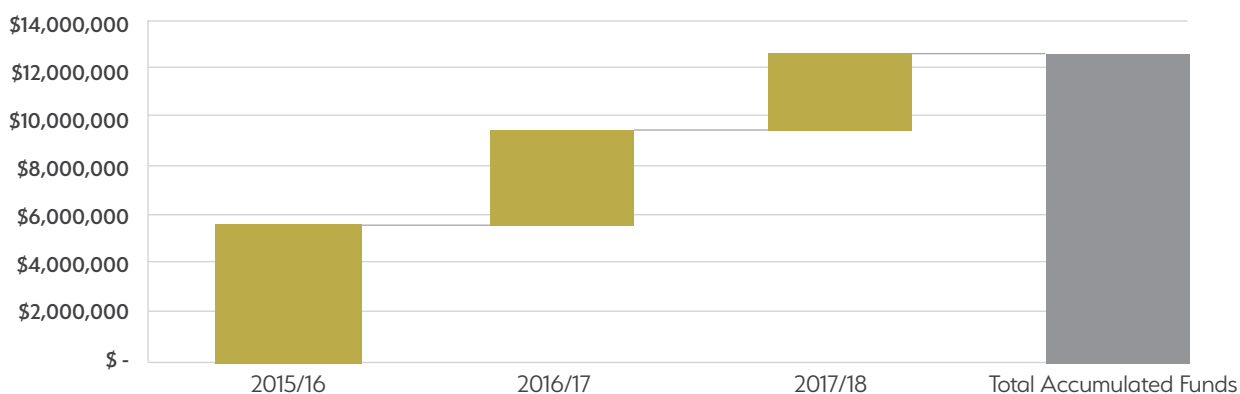


The GGF mining revenue has declined from a high of \$37.1m in FY2013 to \$20.7m in FY2014 to \$9.8m in FY2018. Over the past four years, GGF received between \$7m-\$13m YLUA Income each year, which is approximately 30% in comparison to the FY2013 revenue.

Since FY2016, GAC and GGF have agreed to replace advance funding arrangements with funding in arrears. This arrangement ensures that GAC has more financial certainty on funds available for Member programs.

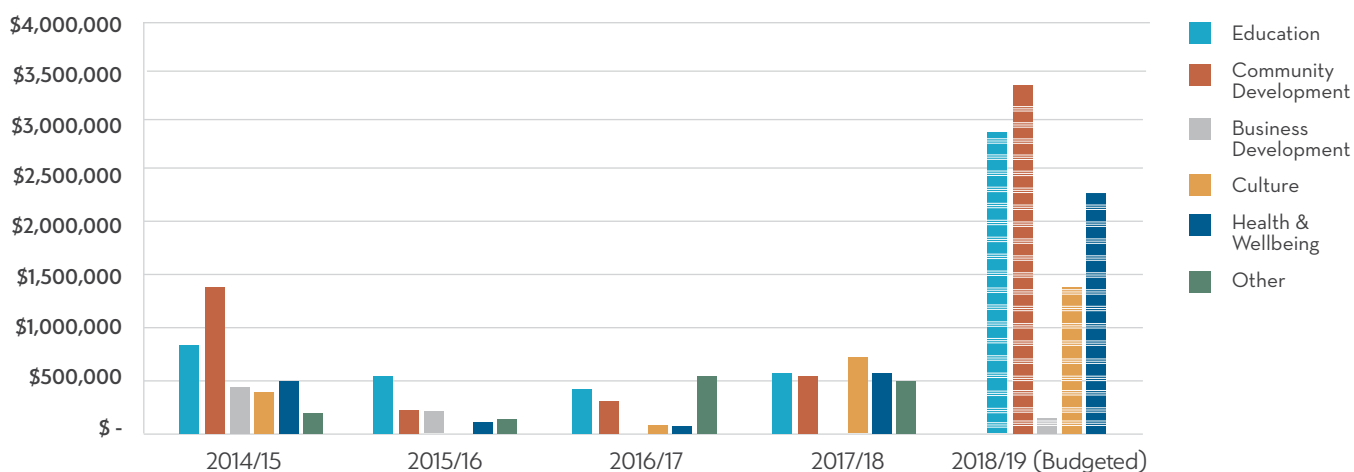
Member Programs

Accumulated Program Available Funding - Since FY2016



As at 30 June 2018, Member available funds has increased to \$12.5m, which has a steadily grown compared to \$5.5m when the funding in arrears arrangement was established in FY2016.

Member Program Benefits



The above table shows the actual Member programs spending for the past four years. Approximately \$3.7m was spent on Member programs in FY2018 and GAC has budgeted around \$9.9m of FY2019 Member programs.

In FY2017, a number of programs were deferred due to the potential for a cash payment being granted should the proposed Trust Deed changes be supported. A number of community projects approved in FY2017 have been carried over into FY2018. Given the feedback that GAC gathered from many Members through surveys and consultation, in addition to existing education assistance programs, a new flexible program model was built and launched in July 2018. This was designed to encourage more Members to receive program benefits through GAC.

On top of the Member programs, GAC is actively seeking external grant funds and partnership opportunities to deliver more benefits to our Members.

ORIC Compliance Notice

The application lodged to the Administrative Appeals Tribunal against ORIC's compliance notice decision, resulted in an agreed settlement reached by both parties. A supplementary compliance notice was issued by ORIC in November 2017 and the GAC Board was satisfied with the content of this supplementary notice. This application has officially closed.

Legal Proceedings

In July 2017, GAC filed proceedings in the Federal Court of Australia against former Chief Executive Officer – Mr Steve Mavrigiannakis (Mav). Mr Mav filed a Defence in September 2017, denying liability. GAC and Mr Mav have agreed to settle the dispute amicably. GAC has discontinued the proceedings and now considers the matter closed.

Significant Changes in State of Affairs

At the 2017 GAC AGM, all 12 Board positions were filled with six of the positions carrying two year terms and six of the positions carrying a one year term. Those six positions with a one year term will be up for re-election at the 2018 AGM. This method ensures staggered terms with the carry over of corporate knowledge for new Directors.

FINANCIAL STATEMENTS

Directors' Report Continued

After Balance Date Events

The Foundation Review has commenced with an external consultant to be appointed by the Trustee. The YLUA review is in a planning stage with Rio Tinto.

Other than the Foundation and the YLUA review, no matters or circumstances have arisen since the end of the financial year, which significantly affected or could significantly affect the operations of the Corporation, the results of those operations or the state of affairs of the Corporation in future financial years.

Indemnifying Officers or Auditors

During the Financial Year, the Corporation has paid a premium in respect of insuring Directors and Officers of the Corporation. The terms of the premium paid are commercial in confidence and, therefore, have not been disclosed.

Compensation of Key Management Personnel

| | 2017/18 (\$) | 2016/17 (\$) |
|--|----------------|----------------|
| Directors | 518,270 | 520,360 |
| Key Management Personnel – Salaries and Wages* | 325,284 | 256,904 |
| Key Management Personnel - Other Benefits^ | 18,354 | 2,136 |
| Total | 861,908 | 779,440 |

*During the reporting period a total of three (2016/17: 2) Key Management Personnel were employed by the Corporation.

^KMP other benefits included staff housing subsidies and motor vehicle usages.

Options

The Corporation does not have any options to declare at the date of this report.

Non-Audit Services

None of the non-audit services were provided to the Corporation.

Auditor's Independence Declaration

A copy of the Auditors independence declaration attached.

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

Director: _____



Chairperson Gloria Smith

Dated this 15th day of August 2018



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To The Board of Directors

Auditor's Independence Declaration under Section 339-50 of the Corporations (Aboriginal and Torres Strait Islander) Act 2006

In accordance with section 339-50 of the Corporations (Aboriginal and Torres Strait Islander) Act 2006, I am pleased to provide the following declaration of Independence to the Board of Directors of Gumala Aboriginal Corporation.

As lead audit partner for the audit of the financial statements of Gumala Aboriginal Corporation for the financial year ended 30 June 2018, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours faithfully

BENTLEYS
Chartered Accountants

CHRIS NICOLOFF CA
Partner

Dated at Perth this 15th day of August 2018



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- Accountants
- Auditors
- Advisors

FINANCIAL STATEMENTS

Statement of Profit or Loss and Other Comprehensive Income

| | Note | 30 Jun 2018 (\$) | 30 Jun 2017 (\$) |
|--|------|------------------|------------------|
| Income | | | |
| Funding from General Gumala Foundation - Member Benefits | 3(a) | 2,612,088 | 845,910 |
| Funding from General Gumala Foundation - Administration | 3(b) | 3,591,584 | 2,420,420 |
| Other Income | 3(c) | 1,100,405 | 1,287,471 |
| Reversal of Provision for Doubtful Debts | | - | 1,340,086 |
| TOTAL INCOME | | 7,304,077 | 5,893,887 |
| GGF Funded Expenditure | | | |
| Member Benefits | 4(a) | 3,113,219 | 1,366,411 |
| Administration Costs | 4(b) | 3,267,823 | 1,725,242 |
| Depreciation | 9,11 | 85,004 | 316,331 |
| Amortisation | 10 | 56,652 | 89,201 |
| Impairment of PPE (Community Assets) | 9,11 | - | 803,037 |
| Total GGF Funded Expenditure | | 6,522,698 | 4,300,222 |
| Other Funded Expenditure | | | |
| Member Benefits | 4(c) | 615,221 | 849,869 |
| Administration Costs | 4(d) | 111,407 | 108,570 |
| Total Other Funded Expenditure | | 726,628 | 958,439 |
| TOTAL EXPENSES | | 7,249,326 | 5,258,661 |
| SURPLUS / (DEFICIT) FOR THE YEAR | | 54,751 | 635,226 |

This Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Financial Position

| | | 30 Jun 2018 (\$) | 30 Jun 2017 (\$) |
|--------------------------------------|----|------------------|------------------|
| Assets | | | |
| Current Assets | | | |
| Cash and Cash Equivalents | 5 | 3,232,278 | 1,700,705 |
| Trade and Other Receivables | 6 | 710,158 | 1,545,376 |
| Other Assets | 7 | 145,327 | 133,511 |
| Total Current Assets | | 4,087,763 | 3,379,592 |
| Non-Current Assets | | | |
| Receivables | 6 | 490,086 | 690,086 |
| Investments | 8 | 3 | 3 |
| Property, Plant and Equipment | 9 | 91,558 | 110,692 |
| Intangible Assets | 10 | 33,313 | 89,965 |
| Projects | 11 | 27,039 | 76,266 |
| Total Non-Current Assets | | 641,999 | 967,012 |
| TOTAL ASSETS | | 4,729,762 | 4,346,604 |
| Liabilities | | | |
| Current Liabilities | | | |
| Trade and Other Payables | 12 | 954,104 | 744,479 |
| Provisions | 13 | 135,991 | 102,095 |
| Other Liabilities | 14 | 150,640 | 70,000 |
| Total Current Liabilities | | 1,240,735 | 916,574 |
| Non-Current Liabilities | | | |
| Provisions | 13 | 13,720 | 9,474 |
| Total Non-Current Liabilities | | 13,720 | 9,474 |
| TOTAL LIABILITIES | | 1,254,455 | 926,048 |
| NET ASSETS | | 3,475,307 | 3,420,556 |
| Equity | | | |
| Retained Surplus | 15 | 3,475,307 | 3,420,556 |
| TOTAL EQUITY | | 3,475,307 | 3,420,556 |

This Statement of Financial Position should be read in conjunction with the accompanying notes.

FINANCIAL STATEMENTS

Statement of Changes in Equity

| | Retained Surplus (\$) | Total (\$) |
|------------------------------------|-----------------------|------------------|
| 30 JUNE 2017 FINANCIAL YEAR | | |
| Balance at 1 Jul 2016 | 2,785,330 | 2,785,330 |
| Surplus for the year | 635,226 | 635,226 |
| BALANCE AT 30 JUNE 2017 | 3,420,556 | 3,420,556 |
| 30 JUNE 2018 FINANCIAL YEAR | | |
| Balance at 1 Jul 2017 | 3,420,556 | 3,420,556 |
| Surplus for the year | 54,751 | 54,751 |
| BALANCE AT 30 JUNE 2018 | 3,475,307 | 3,475,307 |

This Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

| | Note | 30 Jun 2018 (\$) | 30 Jun 2017 (\$) |
|---|-----------|------------------|------------------|
| Cash Flow From Operating Activities | | | |
| Receipts from customers | | 8,104,831 | 4,405,369 |
| Payments to suppliers and employees | | (6,865,448) | (4,198,049) |
| NET CASH PROVIDED BY / (USED IN) OPERATING ACTIVITIES | 16 | 1,239,383 | 207,320 |
| Cash Flow From Investing Activities | | | |
| Interest received | | 20,270 | 15,595 |
| Proceeds from sale of plant and equipment | | 88,565 | 9,336 |
| Purchase of property, plant and equipment | | (16,645) | (72,108) |
| NET CASH PROVIDED BY / (USED IN) INVESTING ACTIVITIES | | 92,190 | (47,177) |
| Cash Flow From Financing Activities | | | |
| Loan Repayments from GEPL | | 200,000 | 450,000 |
| NET CASH FROM FINANCING ACTIVITIES | | 200,000 | 450,000 |
| Net increase / (decrease) in cash held | | 1,531,573 | 610,143 |
| Cash and cash equivalents at beginning of financial year | | 1,700,705 | 1,090,562 |
| CASH AND CASH EQUIVALENTS AT THE END OF FINANCIAL YEAR | 5 | 3,232,278 | 1,700,705 |

This Statement of Cash Flows should be read in conjunction with the accompanying notes.

FINANCIAL STATEMENTS

Notes to the Financial Statements

These financial statements cover the economic entity of GAC, which is established and domiciled in Australia with its registered office at 1 Stadium Road, Tom Price, WA 6751.

Note 1 Summary of Significant Accounting Policies

(a) Basis of Preparation

This financial report is a general purpose report that has been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board and the Corporations (Aboriginal and Torres Strait Islanders) Act 2006. The Corporation 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 a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report is presented in Australian dollars, has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(b) New Accounting Standards

In the financial year ended 30 June 2018, the Corporation has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2017. It has been determined by the Corporation that there is no impact, material or otherwise, of the new and revised standards and interpretations on its business and therefore no change is necessary to the Corporation's accounting policies.

In addition, the AASB has issued new and amended accounting standards and interpretations that have mandatory application dates for future reporting periods.

The Corporation has taken steps to ensure timely application of these standards. The new and amended standards that are relevant to the Corporation are listed below:

AASB 9 Financial Instruments

AASB 9 introduces new requirements for the classification and measurement of financial assets and liabilities. These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139.

The effective date for this standard is for annual reporting periods beginning on or after 1 January 2018. GAC is yet to undertake a detailed assessment of the impact of AASB 9. However, based on the Corporation's preliminary assessment, the Standard is not expected to have a material impact on the transactions and balances recognised in the financial statements when it is first adopted for the year ending 30 June 2019.

AASB 15 Revenue from Contracts with Customers

AASB 15 replaces AASB 118: Revenue, AASB 111 Construction Contracts and some revenue-related Interpretations. In summary, AASB 15:

- > establishes a new revenue recognition model;
- > changes the basis for deciding whether revenue is to be recognised over time at a point in time;
- > provides a new and more detailed guidance on specific topics (e.g. multiple element arrangements, variable pricing, rights of return and warranties); and
- > expands and improves disclosures about revenue.

When this Standard is first adopted for the year ending 30 June 2019, there is not expected to be any material impact on the transactions and balances recognised in the financial statements.

Note 1 Summary of Significant Accounting Policies (continued)

AASB 16 Leases

AASB 16 introduces new requirements for the classification and measurement of operating leases. These requirements involve the recognition of a lease liability and a corresponding right-of-use asset for all lease arrangements.

The effective date for this standard is for annual reporting periods beginning on or after 1 January 2019. GAC is currently assessing the impact of adopting the new standard of AASB 16.

(c) Revenue and Other Income

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Corporation and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

Funding from Gumala General Foundation

Funding is provided by Gumala Investments Pty Ltd ("GIPL") as the trustee for the General Gumala Foundation based on budgeted expenditure for the delivery of benefits to Members and other projects. Income from GIPL is recognised in line with the related expenditure and budgeted period. Quarterly acquittals are required to reimburse GIPL funded expenditure which has been spent according to the budget.

Heritage Surveys

Revenue is generated under the Yandi Land Use Agreement to implement its key objectives to deliver benefits to Traditional Owners. Revenue is recognised following provision of the service to Rio Tinto.

Interest

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument.

Government grants

Grants are recognised at the fair value where there is reasonable assurance that the grant will be received and all attaching conditions have been complied with.

When the grant relates to an expense item, it is recognised as income over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate.

Gumala Enterprise Trust ("GET") Distribution

Distributions from GET are recognised when they are declared.

(d) Interests in Subsidiaries

The interest in GAC's owned subsidiaries, Gumala Enterprises Pty Ltd ("GEPL") and, by virtue of the classified principle arrangement in place, the Gumala Enterprises Trust, are not consolidated into these financial statements on the basis that control by GAC has not existed at any time during or since the end of the reporting period.

(e) Principles of Consolidation

Subsidiaries

The financial statements do not incorporate the assets and liabilities of all subsidiaries of GAC as at 30 June 2018. As disclosed in Note 1(d), GAC did not control GEPL during the reporting period.

FINANCIAL STATEMENTS

Notes to the Financial Statements (continued)

Note 1 Summary of Significant Accounting Policies (continued)

(f) Income Tax

No income tax has been charged as the Corporation is exempt from paying income tax.

(g) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

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

(h) Cash and Cash Equivalents

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

(i) 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.

Plant and Equipment

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

The carrying amount of plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable

amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

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

The estimated useful lives used for each class of depreciable assets are:

Class of Fixed Assets

| | |
|--------------------------------|-----------------|
| Motor Vehicles | 12.50% - 20.00% |
| Buildings | 6.67% |
| Plant, Furniture and Equipment | 5.00% - 25.00% |

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

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in profit or loss. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

Note 1 Summary of Significant Accounting Policies (continued)

(j) Projects

Each project is carried at cost or fair value as indicated, less, where applicable, any accumulated depreciation and impairment losses.

Capitalised Costs

Projects are measured on the cost basis less any accumulated depreciation and any impairment losses. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Corporation and the cost can be reliably measured. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation

The depreciable amount of all projects are depreciated on a straight-line basis over the asset's useful life to the Corporation commencing from the time the asset is held ready for use.

The estimated useful lives used for each class of depreciable assets contained within in projects are:

Class of Fixed Assets

| | |
|---------------------------------------|-----------------|
| Motor Vehicles | 12.50% - 20.00% |
| Buildings | 4.00% - 6.67% |
| Plant, Furniture and Equipment | 5.00% - 25.00% |

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

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

(k) Intangible Assets

Recognition of intangible assets

Acquired computer software and computer licenses are capitalised on the basis of the costs incurred to acquire and install the specific software.

Subsequent measurement

All intangible assets, are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives, as these assets are considered finite. Residual values and useful lives are reviewed at each reporting date. In addition, they are subject to impairment testing.

The following estimated useful lives are applied:

Software: 20 - 40%

Amortisation has been included within depreciation, amortisation and impairment of non-financial assets. Subsequent expenditures on the maintenance of computer software are expensed as incurred.

When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset, and is recognised in profit or loss within other income or other expenses.

FINANCIAL STATEMENTS

Notes to the Financial Statements (continued)

Note 1 Summary of Significant Accounting Policies (continued)

(l) Impairment of Assets

At each reporting date, the Corporation assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, (being the higher of the asset's fair value less costs to sell and value in use), to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement. Where it is not possible to estimate the recoverable amount of an individual asset, the Corporation estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(m) Trade and Other Payables

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

(n) Provisions

Provisions are recognised when the Corporation has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(o) Employee Benefits

Provision is made for the Corporation's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at 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 satisfy vesting requirements. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Superannuation

The Corporation pays fixed contributions at the statutory rate to defined contribution plans as specified by the choice of the employees. The Corporation has no legal or constructive obligations to pay contributions in addition to its fixed contributions, which are recognised as an expense in the period that relevant employee services are received.

(p) 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 equivalent to the date that the Corporation commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Note 1 Summary of Significant Accounting Policies (continued)

Financial Instruments (continued)

Classification and Subsequent Measurement

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

Amortised cost is calculated as:

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

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

(i) Financial assets at fair value through profit or loss

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging

purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(ii) Loans and receivables

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

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

(q) Leases

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight line basis over the life of the lease term.

(r) Key Judgement – Receivables

The Corporation assesses at each reporting date the recoverability of its receivable balances. Where evidence exists that the amount might not be recoverable, the recoverable amount to be recorded is considered.

In the 2015 financial year, based on the financial position of the Gumala Enterprises Trust ("GET"), GAC provided fully for a debt of \$2,213,753 owing from distributions from the GET. During the 2017 year, the GET and GAC finalised a repayment arrangement with the 2015 distribution being amended from \$901,929 to \$28,262, and \$450,000 being paid in accordance with the agreed schedule. Due to the demonstration of capacity to repay the debt, GAC has reversed the previously provided-for balance of \$2,213,753 and the remaining debt of \$890,086 is recognised as fully recoverable in FY2017. \$200,000 was paid in FY2018 and the remaining debt amounts become \$690,086 as at 30 June 2018.

FINANCIAL STATEMENTS

Notes to the Financial Statements (continued)

Note 3 Income

Note 3(a) Funding from General Gumala Foundation – Member Benefits

| | 30 Jun 2018 (\$) | 30 Jun 2017 (\$) |
|---|------------------|------------------|
| Business Development Grants | 34,238 | 29,786 |
| Community Development Grants | 524,078 | 300,671 |
| Cultural Purposes Grants | 741,819 | 90,490 |
| Education and Training Grants | 692,741 | 326,126 |
| Health and Wellbeing Grants | 619,212 | 76,477 |
| Other Grants | - | 22,360 |
| FUNDING FROM GENERAL GUMALA FOUNDATION - MEMBER BENEFITS | 2,612,088 | 845,910 |

Note 3(b) Funding from General Gumala Foundation – Administration

| | 30 Jun 2018 (\$) | 30 Jun 2017 (\$) |
|--|------------------|------------------|
| Administration Funding | 3,008,642 | 1,634,025 |
| GAC Annual General Meeting | 277,519 | 48,379 |
| GGF Extraordinary Meeting | - | 173,708 |
| Consultation Meeting | 305,423 | 424,708 |
| Consultation Meeting (2015) | - | 139,600 |
| TOTAL FUNDING FROM GENERAL GUMALA FOUNDATION - ADMINISTRATION | 3,591,584 | 2,420,420 |

Note 3(c) Other Income

| | 30 Jun 2018 (\$) | 30 Jun 2017 (\$) |
|--|------------------|------------------|
| Department of Aboriginal Affairs | 49,722 | - |
| Department of Social Services | 156,542 | 192,975 |
| Department of Prime Minister and Cabinet | 367,010 | 395,783 |
| Rio Tinto | 260,879 | 268,924 |
| SUB-TOTAL | 834,153 | 857,682 |
| Interest Received | 20,271 | 15,595 |
| Sale of Non-Current Assets | 88,565 | 9,336 |
| Bus Program Sponsorship | 14,401 | 10,894 |
| NAIDOC Sponsorship Contributions | - | 11,420 |
| Shared Service Agreement Income | 8,550 | - |
| Other | 134,465 | 382,544 |
| TOTAL OTHER INCOME | 1,100,405 | 1,287,471 |

Note 4 Expenses

Note 4(a) GGF Funded Member Benefits

| | 30 Jun 2018 (\$) | 30 Jun 2017 (\$) |
|---|------------------|------------------|
| Member Business Development Projects | | |
| TOTAL MEMBER BUSINESS DEVELOPMENT PROJECTS | - | - |
| Member Community Development Assistance Programs | | |
| Donga Relocation | 3,800 | 16,077 |
| Youngaleena Football Goals & Shade Structure | - | 16,147 |
| Bardulnah Infrastructure Upgrades | - | 10,000 |
| Bidiltha Fencing | 2,067 | 49,958 |
| Jundaru Make Safe | 13,660 | 917 |
| Wirrillimarra Stage 3 Completion Works | 308,122 | 82,696 |
| Wakuthuni Community Place Planning Stage 1 | 104 | 2,241 |
| Bidiltha Homeland Visit Works | 43,947 | - |
| Mingullatharndo Safe Water | 53,096 | - |
| TOTAL MEMBER COMMUNITY DEVELOPMENT ASSISTANCE PROGRAMS | 424,796 | 178,036 |

FINANCIAL STATEMENTS

Notes to the Financial Statements (continued)

Note 4(a) GGF Funded Member Benefits (continued)

| | 30 Jun 2018 (\$) | 30 Jun 2017 (\$) |
|---|------------------|------------------|
| Member Community Development Projects | | |
| Community Development Project | 139,063 | 71,486 |
| TOTAL MEMBER DEVELOPMENT COMMUNITY PROJECTS | 139,063 | 71,486 |
| TOTAL COMMUNITY DEVELOPMENT MEMBER BENEFITS | 563,859 | 249,522 |
| Member Cultural Assistance Programs | | |
| Cane River Toilets | 2,342 | 5,825 |
| Lore Camp Maintenance | 17,553 | 25,095 |
| Elders Advisory Council | - | 50,000 |
| Funeral Program | 661,054 | - |
| TOTAL MEMBER CULTURAL ASSISTANCE PROGRAMS | 680,949 | 80,920 |
| Member Culture Community Projects | | |
| Culture Projects | 60,122 | 9,570 |
| TOTAL MEMBER CULTURAL ASSISTANCE PROJECTS | 60,122 | 9,570 |
| TOTAL CULTURAL PURPOSES MEMBER BENEFIT | 741,071 | 90,490 |
| Member Education and Training Programs | | |
| Kindergarten Education | 4,548 | 823 |
| Primary Education | 72,770 | 16,822 |
| Secondary Education | 43,994 | 30,493 |
| Tertiary Education | 141,187 | - |
| Education Incentive | 3,682 | 13,412 |
| 3A Support | 260,193 | 148,123 |
| Traineeships and Internships | 34,238 | 29,786 |
| Karratha Homework Club | 847 | - |
| TOTAL EDUCATION AND TRAINING MEMBER PROGRAMS | 561,459 | 239,459 |
| Member Education and Training Community Projects | | |
| School Years Education Project | 126,333 | 137,975 |
| TOTAL MEMBER EDUCATION AND TRAINING COMMUNITY PROJECTS | 126,333 | 137,975 |
| TOTAL EDUCATION AND TRAINING MEMBER BENEFITS | 687,792 | 377,434 |

Note 4(a) GGF Funded Member Benefits (continued)

| | 30 Jun 2018 (\$) | 30 Jun 2017 (\$) |
|---|------------------|------------------|
| Member Health and Wellbeing Programs | | |
| St. John Ambulance Cover | (820) | 15,009 |
| Mental Health First Aid | 1,434 | 1,581 |
| Protective Behaviours Training | (168) | 10,930 |
| Health in Motion | 479 | - |
| Health Assistance | 44,651 | - |
| Chrisco Hampers – Festive Season | 572,647 | - |
| TOTAL HEALTH AND WELLBEING MEMBER PROGRAMS | 618,223 | 27,520 |
| Member Health and Wellbeing Projects | | |
| Health Project | - | 48,955 |
| TOTAL MEMBER HEALTH AND WELLBEING PROJECTS | - | 48,955 |
| TOTAL MEMBER HEALTH AND WELLBEING BENEFITS | 618,223 | 76,475 |
| Member Other Programs | | |
| NAIDOC Sponsorship | - | 19,859 |
| Member Consultation Meeting | 289,084 | 142,881 |
| Consultation Survey | 213,190 | 255,000 |
| Extraordinary General Meeting | - | 154,750 |
| TOTAL MEMBER OTHER PROGRAMS | 502,274 | 572,490 |
| TOTAL OTHER MEMBER BENEFITS | 502,274 | 572,490 |
| TOTAL GGF FUNDED MEMBER BENEFITS | 3,113,219 | 1,366,411 |

FINANCIAL STATEMENTS

Notes to the Financial Statements (continued)

Note 4(b) GGF Funded Administration Costs

| | 30 Jun 2018 (\$) | 30 Jun 2017 (\$) |
|--|------------------|------------------|
| Employee Benefits Expense | 1,979,288 | 1,054,196 |
| IT and Communication Expenses | 325,156 | 30,824 |
| Motor and Travel Expenses | 47,429 | 44,899 |
| Board and Subcommittee Meeting Costs | 119,768 | 69,861 |
| Occupancy Costs | 141,042 | 25,549 |
| Annual General Meeting | 67,185 | 48,379 |
| Extraordinary General Meeting | - | 18,958 |
| Member Consultation Meeting | 13,483 | 26,827 |
| Insurance | 118,177 | 115,367 |
| Printing and Stationery | 64,970 | 12,942 |
| Accounting and Audit Fees | 38,883 | 39,049 |
| Consultancy Expenses | 9,750 | - |
| Legal Expenses | 263,907 | 167,086 |
| Recruitment Costs | 1,243 | 6,575 |
| Training and Development | 62,786 | 49,399 |
| Utilities | 6,096 | 4,933 |
| Bank Charges | 1,090 | 2,090 |
| Other Administration Expenses | 7,570 | 8,308 |
| TOTAL GGF FUNDED ADMINISTRATION COSTS | 3,267,823 | 1,725,242 |

Note 4(c) Other Funded Member Benefits

| | 30 Jun 2018 (\$) | 30 Jun 2017 (\$) |
|---|------------------|------------------|
| 3A Program | 522,741 | 590,257 |
| GAC Bus Sponsorship | 9,815 | 9,765 |
| Heritage Survey | 31,934 | 67,609 |
| NAIDOC Sponsorship | - | 11,420 |
| Festive Season Gift Card | - | 170,817 |
| Cane River Lore Camp Upgrade | 49,822 | - |
| Others | 909 | - |
| TOTAL OTHER FUNDED MEMBER BENEFITS | 615,221 | 849,868 |

Note 4(d) Other Funded Administration Costs

| | 30 Jun 2018 (\$) | 30 Jun 2017 (\$) |
|--|------------------|------------------|
| Employee Benefits Expense | 107,505 | 107,487 |
| IT and Communications | 814 | 789 |
| Motor and Travel Expenses | 3,088 | 294 |
| TOTAL OTHER FUNDED ADMINISTRATION COSTS | 111,407 | 108,570 |

Note 4(e) Employee Benefits (All Sources)

| | 30 Jun 2018 (\$) | 30 Jun 2017 (\$) |
|--|------------------|------------------|
| Key Management Personnel (Excluding Directors) | 325,284 | 256,904 |
| Non Key Management Personnel | 1,677,898 | 886,866 |
| TOTAL EMPLOYEES BENEFITS | 2,003,182 | 1,143,770 |

| | 30 Jun 2018 (\$) | 30 Jun 2017 (\$) |
|---|------------------|------------------|
| GGF Funded Administration | 1,461,015 | 533,905 |
| Other Funded Member Benefits – Heritage Survey Payments | 31,934 | 67,610 |
| Other Funded Member Benefits – 3A Program | 407,887 | 439,682 |
| Other Funded Administration | 102,346 | 102,573 |
| TOTAL EMPLOYEES BENEFITS | 2,003,182 | 1,143,770 |

Note 5 Cash and Cash Equivalents

| | 30 Jun 2018 (\$) | 30 Jun 2017 (\$) |
|--|------------------|------------------|
| Cash at bank | 3,232,278 | 1,700,705 |
| Total Cash and Cash Equivalents | 3,232,278 | 1,700,705 |

Cash at bank earns interest at floating rates based on daily bank rates.

Reconciliation of Cash

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to items in the Statement of Financial Position as outlined above. There are no restrictions on any cash held.

FINANCIAL STATEMENTS

Notes to the Financial Statements (continued)

Note 6 Trade and Other Receivables

| | Note | 30 Jun 2018 (\$) | 30 Jun 2017 (\$) |
|--|--------|------------------|------------------|
| Current | | | |
| Trade Receivables | b) | 10,206 | 288,602 |
| Other Related Parties | | 3,488 | 1,432 |
| Unpaid Present Entitlement from GEPL | c) | 200,000 | 200,000 |
| Other Receivables | a), b) | 496,461 | 1,221,062 |
| Provision for Doubtful Debts | | - | (165,720) |
| TOTAL CURRENT TRADE AND OTHER RECEIVABLES | | 710,155 | 1,545,376 |
| Non-Current | | | |
| Unpaid Present Entitlement from GEPL | c) | 490,086 | 690,086 |
| TOTAL NON-CURRENT RECEIVABLES | | 490,086 | 690,086 |

a) Trade Receivables

The largest other receivables as at 30 June 2018 is the balance from General Gumala Foundation (GGF). The GGF other receivables balance is \$489,668, which is made up primarily of the June 2018 quarter acquittal claim. Refer to Note 18c for further information.

b) Financial Assets Classified as Loans and Receivables

| | 30 Jun 2018 (\$) | 30 Jun 2017 (\$) |
|---|------------------|------------------|
| Trade receivables | 10,206 | 288,602 |
| Other Receivables | 496,461 | 790,646 |
| TOTAL FINANCIAL ASSETS CLASSIFIED AS LOANS AND RECEIVABLES | 506,667 | 1,079,248 |

c) GEPL Distribution

In the 2015 financial year, based on the financial position of the Gumala Enterprises Trust ("GET"), GAC provided fully for a debt of \$2,213,753 owing from prior year profit distributions from the GET. A repayment arrangement was made in 2017 and the repayment balance is \$1,340,086. Payments are scheduled to be completed by 2020 (at \$50,000 per quarter). Of this balance, \$450,000 and \$200,000 was paid in accordance with the agreed schedule during last and the current year. Due to the demonstration of capacity to repay the debt, GAC has recognised the full remaining debt of \$690,086 as recoverable.

Note 7 Other Assets

| | 30 Jun 2018 (\$) | 30 Jun 2017 (\$) |
|-------------------------------|------------------|------------------|
| Current | | |
| Prepayments | 131,117 | 124,061 |
| Bonds and refundable deposits | 14,210 | 9,450 |
| TOTAL OTHER ASSETS | 145,327 | 133,511 |

Note 8 Investments in Subsidiaries at Cost

| | 30 Jun 2018 (\$) | 30 Jun 2017 (\$) |
|----------------------------------|------------------|------------------|
| Gumala Enterprises Pty Ltd | 2 | 2 |
| Gumala Investments Pty Ltd | 1 | 1 |
| TOTAL INVESTMENTS AT COST | 3 | 3 |

Note 9 Property, Plant and Equipment

| | 30 Jun 2018 (\$) | 30 Jun 2017 (\$) |
|---|------------------|------------------|
| Plant, Furniture and Equipment | | |
| At cost | 684,006 | 667,362 |
| Accumulated depreciation | (668,628) | (657,689) |
| TOTAL PLANT, FURNITURE AND EQUIPMENT | 15,378 | 9,673 |
| Motor Vehicles | | |
| At cost | 332,812 | 399,705 |
| Accumulated depreciation | (256,632) | (298,686) |
| TOTAL MOTOR VEHICLES | 76,180 | 101,019 |
| TOTAL PROPERTY, PLANT AND EQUIPMENT | 91,558 | 110,692 |

FINANCIAL STATEMENTS

Notes to the Financial Statements (continued)

Note 9 Property, Plant and Equipment (continued)

Movement in Carrying Amounts

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

| 2018 | Plant, Furniture and Equipment (\$) | Motor Vehicles (\$) | Total (\$) |
|---|-------------------------------------|---------------------|---------------|
| Balance at the beginning of the year | 9,673 | 101,019 | 110,692 |
| Additions | 16,644 | - | 16,644 |
| Disposals | - | - | - |
| Depreciation expense | (10,939) | (24,839) | (35,778) |
| CARRYING AMOUNT AS AT 30 JUNE 2018 | 15,378 | 76,180 | 91,558 |

| 2017 | Plant, Furniture and Equipment (\$) | Motor Vehicles (\$) | Total (\$) |
|---|-------------------------------------|---------------------|----------------|
| Balance at the beginning of the year | 31,592 | 57,391 | 88,983 |
| Additions | 3,858 | 70,000 | 73,858 |
| Disposals | - | - | - |
| Depreciation expense | (25,777) | (26,372) | (52,149) |
| CARRYING AMOUNT AS AT 30 JUNE 2017 | 9,673 | 101,019 | 110,692 |

Note 10 Intangible Assets

| | 30 Jun 2018 (\$) | 30 Jun 2017 (\$) |
|--------------------------------|------------------|------------------|
| Computer Software | | |
| At cost | 562,109 | 562,109 |
| Accumulated depreciation | (528,796) | (472,144) |
| TOTAL COMPUTER SOFTWARE | 33,313 | 89,965 |
| TOTAL INTANGIBLE ASSETS | 33,313 | 89,965 |

Movement in Carrying Amounts

Movement in the carrying amount for each class of intangible assets between the beginning and end of the current financial year:

| 2018 | Computer Software (\$) | Total (\$) |
|---|------------------------|---------------|
| Balance at the beginning of the year | 89,965 | 89,965 |
| Additions | - | - |
| Disposals | - | - |
| Amortisation expense | (56,652) | (56,652) |
| CARRYING AMOUNT AS AT 30 JUNE 2018 | 33,313 | 33,313 |

| 2017 | Computer Software (\$) | Total (\$) |
|---|------------------------|---------------|
| Balance at the beginning of the year | 179,166 | 179,166 |
| Additions | - | - |
| Disposals | - | - |
| Amortisation expense | (89,201) | (89,201) |
| CARRYING AMOUNT AS AT 30 JUNE 2017 | 89,965 | 89,965 |

FINANCIAL STATEMENTS

Notes to the Financial Statements (continued)

Note 11 Projects

| | 30 Jun 2018 (\$) | 30 Jun 2017 (\$) |
|--------------------------|------------------|------------------|
| At cost | 1,807,367 | 2,836,590 |
| Accumulated depreciation | (1,780,328) | (2,760,324) |
| TOTAL PROJECTS | 27,039 | 76,266 |

Movement in Carrying Amounts

| | Note | 30 Jun 2018 (\$) | 30 Jun 2017 (\$) |
|--------------------------------------|------|------------------|------------------|
| Balance at the beginning of the year | | 76,266 | 1,145,235 |
| Additions | | - | - |
| Disposals | | - | (1,750) |
| Impairment | (a) | - | (803,037) |
| Depreciation expense | | (49,227) | (264,181) |
| CLOSING BALANCE | | 27,039 | 76,266 |

a) Impairment of capitalised prior year community program expenditure for infrastructure and facilities built on community land. The corporation was not able to take possession and resell the infrastructure and facilities so the values have been impaired to nil.

Note 12 Trade and Other Payables

| | Note | 30 Jun 2018 (\$) | 30 Jun 2017 (\$) |
|---------------------------------------|------|------------------|------------------|
| Trade payables | (a) | 244,979 | 202,707 |
| Accrued expenses | | 591,811 | 461,162 |
| PAYG liabilities | | 33,561 | 27,818 |
| GST liabilities | | 29,150 | 14,386 |
| FBT Payable | | - | (865) |
| Superannuation Payable | | 54,292 | 38,960 |
| Salary Sacrifice Payable | | 311 | 311 |
| TOTAL TRADE AND OTHER PAYABLES | | 954,104 | 744,479 |

a) Included in Trade Payables are amounts owing to related parties. Refer to Note 18c.

Note 13 Provisions

| | | 30 Jun 2018 (\$) | 30 Jun 2017 (\$) |
|--|--|------------------|------------------|
| Current | | | |
| Employee benefits - Annual leave | | 104,048 | 76,366 |
| Employee benefits - Long service leave | | 31,943 | 25,729 |
| TOTAL CURRENT PROVISIONS | | 135,991 | 102,095 |
| Non Current | | | |
| Employee benefits - Long service leave | | 13,720 | 9,474 |
| TOTAL NON CURRENT PROVISIONS | | 13,720 | 9,474 |

Note 14 Other Liabilities

| | Note | 30 Jun 2018 (\$) | 30 Jun 2017 (\$) |
|--------------------------------|------|------------------|------------------|
| Current | | | |
| Unexpended Grant Funding | (a) | 150,640 | 70,000 |
| TOTAL OTHER LIABILITIES | | 150,640 | 70,000 |

a) Unexpended Grant Funds relate to external funding provided where associated expenses have not yet incurred.

Note 15 Equity

| | | 30 Jun 2018 (\$) | 30 Jun 2017 (\$) |
|--------------------------|--|------------------|------------------|
| Retained Earnings | | | |
| Retained Earnings | | 3,475,307 | 3,420,556 |
| TOTAL EQUITY | | 3,475,307 | 3,420,556 |

FINANCIAL STATEMENTS

Notes to the Financial Statements (continued)

Note 16 Cash Flow Information

| | 30 Jun 2018 (\$) | 30 Jun 2017 (\$) |
|--|------------------|------------------|
| Surplus/ (Deficit) for the year | 54,751 | 635,226 |
| Cash flows excluded from profit attributable to operating activities: | | |
| Interest Received | (20,270) | (15,595) |
| Non cash flows in profit | | |
| Depreciation expense | 141,656 | 316,331 |
| Amortisation expense | - | 89,201 |
| Disposal of investment | - | 49 |
| Project Impairment | - | 803,037 |
| Net (gain)/loss on disposal of Property, Plant and Equipment | (88,565) | (9,336) |
| Provision for Doubtful Debts | - | (1,340,086) |
| Change in operating Assets and Liabilities | | |
| (Increase) / Decrease in Trade and Other Receivables | 835,220 | (148,871) |
| (Increase) / Decrease in Prepayments and Deposits | (11,816) | (18,323) |
| Increase / (Decrease) in Trade and Other Payables | 209,625 | (149,585) |
| Increase / (Decrease) in Provisions | 38,141 | 45,272 |
| Increase / (Decrease) in Other Liabilities | 80,641 | - |
| CASH IN / (OUT) FLOW FROM OPERATIONS | 1,239,383 | 207,320 |

GAC did not have any non-cash investing or financing transactions in the 2018 financial year.

Note 17 Auditor's Remuneration

| | 30 Jun 2018 (\$) | 30 Jun 2017 (\$) |
|--|------------------|------------------|
| Remuneration of auditor of the Corporation, Grant Thornton Audit Pty Ltd for: | | |
| - Fees charged in relation to the prior year audit | - | 2,599 |
| Remuneration of auditor of the Corporation, Bentleys Audit Pty Ltd for: | | |
| - Audit of the financial report | 34,000 | 32,000 |
| - Fees charged in relation to the prior year audit | 3,165 | - |
| TOTAL AUDITOR'S REMUNERATION | 37,165 | 34,599 |

Note 18 Related Party Transactions

Related Parties

The Corporation's main related parties are as follows:

a. Key management personnel

The Directors of GAC have the authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, and are considered key management personnel of the Corporation. Directors during the year are listed on page 3 in the Directors' Report.

In addition to the Directors, the following personnel are considered to be Key Management Personnel of GAC for FY2018:

- > Jahna Cedar (Executive Officer)
- > Jason Lonesborough (Operations Manager - Resigned)
- > Sonya McKenzie (Operations Manager)

In addition to the Directors, the following personnel were considered to be Key Management Personnel of GAC for FY2017:

- > Jahna Cedar (Executive Officer)
- > Jason Lonesborough (Operations Manager)

The totals of remuneration payable to Directors and Key Management Personnel (KMP) of the Corporation during the year are as follows:

| | 30 Jun 2018 (\$) | 30 Jun 2017 (\$) |
|------------------------------|------------------|------------------|
| Short-term employee benefits | 771,643 | 710,885 |
| Post-employment benefits* | 71,912 | 66,378 |
| Other Benefits | 18,353 | 2,136 |
| TOTAL | 861,908 | 779,399 |

*Post-employment benefits comprise contributions paid to defined contribution superannuation plans on behalf of the KMP.

The number of KMP (Staff) of the Corporation included in above figures are shown below in the relevant remuneration bands:

| | 30 Jun 2018 (\$) | 30 Jun 2017 (\$) |
|---|------------------|------------------|
| \$ Nil - \$49,999 | 1 | 0 |
| \$ 50,000 - \$99,999 | 0 | 1 |
| \$ 100,000 - \$ 200,000 | 2 | 1 |
| TOTAL NUMBER OF KMP (STAFF) OF THE CORPORATION | 3 | 2 |

FINANCIAL STATEMENTS

Notes to the Financial Statements (continued)

Note 18 Related Party Transactions (continued)

KMP (Staff) Employee Benefits:

| | 30 Jun 2018 (\$) | 30 Jun 2017 (\$) |
|--|------------------|------------------|
| Remuneration | 297,461 | 234,615 |
| Post Employment Benefits | 27,823 | 22,288 |
| Other Benefits | 18,354 | 2,136 |
| TOTAL KMP (STAFF) EMPLOYEE BENEFITS | 343,638 | 259,039 |

The number of KMP (Directors) of the Corporation included in above figures show below in the relevant remuneration bands:

| | 30 Jun 2018 (No.) | 30 Jun 2017 (No.) |
|---|-------------------|-------------------|
| \$ Nil - \$49,999 | 16 | 11 |
| \$ 50,000 - \$99,999 | 1 | 1 |
| \$ 100,000 - \$ 200,000 | 0 | 0 |
| TOTAL NUMBER OF KMP (DIRECTORS) OF THE CORPORATION | 17 | 12 |

KMP (Directors) Employee Benefits:

| | 30 Jun 2018 (\$) | 30 Jun 2017 (\$) |
|--|------------------|------------------|
| Remuneration | 464,100 | 464,102 |
| Post Employment Benefits | 44,089 | 44,090 |
| Communication Allowance | 10,081 | 12,168 |
| TOTAL KMP (DIRECTORS) EMPLOYEE BENEFITS | 518,270 | 520,360 |

b. Other related party benefits for KMP

Other related parties include close family Members of KMPs, and entities that are controlled or jointly controlled by those KMPs or their close family Members, individually or collectively with family Members or KMPs. The amounts included within the table below include Member program benefits and direct payments relating to matters such as meeting travel cost reimbursements and Member surveys.

All amounts in the table below are for programs or meeting travel costs that were available to all Members. No discretionary Member payments were made during FY2018.

The Corporations (Aboriginal and Torres Strait Islander) Act 2006 (CATSI Act) excludes certain payments such as remuneration and payments to Members that are available to other Members from its definition of Related Party Benefits. However, under the Accounting Standards the definition of Related Party Benefits does not have any similar exclusions. Under Accounting Standards, a related party is a Member of the KMP of the reporting entity or a close Member of that person's family. To ensure compliance with the Accounting Standards, GAC has disclosed all applicable payments of benefits to Directors and their related parties in the tables below, regardless of whether they may be excluded from recognition as Related Party Benefits under the CATSI Act.

Other Related Parties Benefits:

| | 30 Jun 2018 (\$) | 30 Jun 2017 (\$) |
|---|------------------|------------------|
| Benefits Received by KMPs as Members of the Corporation | 40,023 | 2,150 |
| Benefits Received by KMPs relatives as Members of the Corporation | 84,654 | 20,136 |
| TOTAL | 124,677 | 22,286 |

c. Transactions with related parties

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

The following transactions occurred with related parties:

The Statement of Profit or Loss and Other Comprehensive Income for GAC includes the following revenues and expenses arising from transactions with related entities of GAC.

| | 30 Jun 2018 (\$) | 30 Jun 2017 (\$) |
|--|------------------|------------------|
| Gumala Enterprises Pty Ltd ATF Gumala Enterprises Trust (GEPL) | | |
| Expenses from acquisition of services from GEPL | 7,391 | 99,821 |
| Revenues from provision of services to GEPL | 8,440 | 8,556 |
| Reversal of Provision for Doubtful Debts for prior distributions from GEPL | - | 1,340,036 |
| Gumala Investments Pty Ltd ATF The General Gumala Foundation (GIPL) | | |
| Expenses from acquisition of services from GIPL | 117,090 | 15,136 |
| Revenues from funding or provision of services to GIPL | 5,609,699 | 3,266,330 |

The Balance Sheet for GAC includes the following assets and liabilities arising from transactions with related entities of GAC.

| | 30 Jun 2018 (\$) | 30 Jun 2017 (\$) |
|--|------------------|------------------|
| Gumala Enterprises Pty Ltd ATF Gumala Enterprises Trust (GEPL) | | |
| Accounts Receivable | 1,980 | 8,290 |
| Loan Receivable for prior year distributions | 690,086 | 890,086 |
| Accounts Payable | - | 102,812 |
| Gumala Investments Pty Ltd ATF The General Gumala Foundation (GIPL) | | |
| Trade Receivable | 151 | 272,774 |
| Other Receivable | 493,157 | 1,053,372 |
| Accounts Payable | 3,099 | 13,311 |

FINANCIAL STATEMENTS

Notes to the Financial Statements (continued)

Note 19 Capital and Leasing Commitments

Non-cancellable operating leases contracted for, but not capitalised in the financial statements.

| | 30 Jun 2018 (\$) | 30 Jun 2017 (\$) |
|--|------------------|------------------|
| Payable - minimum lease payments: | | |
| Less than 12 months | 214,538 | 165,938 |
| 1 – 5 years | 232,978 | 163,668 |
| More than 5 years | - | - |
| TOTAL LEASE COMMITMENTS | 447,516 | 329,606 |

The Corporation has entered into commercial leases for rental properties. There are no restrictions placed upon the lessee by entering into these leases.

Note 20 Financial Risk Management

Credit Risk

The Corporation has no significant concentration of credit risk with respect to any single counter party or group of counter parties other than those receivables specifically provided for and mentioned within Note 6.

Liquidity Risk

Liquidity risk arises from the possibility GAC might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. GAC manages liquidity risk by monitoring cash flows and ensuring that adequate cash funds are maintained and available to meet its liquidity requirements for 30 days periods at a minimum.

GAC & GGF Boards have approved advance funding arrangement, advance cash funds provided to GAC at the beginning of each quarter to ensure enough cash flows to meet the budget spending. Advance funds acquitted in the quarterly acquittal reports.

Note 21 Events after the End of the Reporting Period

GAC is not named as a defendant in any proceedings which the Directors consider will have a material effect of the Corporation's operations, business strategy, financial position or profitability. Contingencies are disclosed in the notes to the financial statements.

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

Note 22 Economic Dependency

Whilst the Corporation is exploring additional sources of funding, it currently relies almost exclusively on the continued financial support via grant funding from the General Gumala Foundation. The Budget for the year ending 30 June 2018 has been approved by the General Gumala Foundation Board and funds are remitted quarterly in arrears subject to submission of quarterly acquittal reports.

Note 23 Corporation Details

The registered office and principal place of business of the Corporation is:

TOM PRICE HEAD OFFICE

GAC

1 Stadium Road, Tom Price, WA 6751
Australia

PERTH HEAD OFFICE (Administration office)

GAC

Level 2, 165 Adelaide Terrace, East Perth, WA 6004
Australia

FINANCIAL STATEMENTS

Directors' Declaration



The Directors of the Corporation declare that:

1. The financial statements and accompanying notes are in accordance with the Corporations (Aboriginal and Torres Strait Islanders) Act 2006 and:
 - (a) comply with Australian Accounting Standards; and
 - (b) give a true and fair view of the financial position as at 30 June 2018 and of the performance for the year ended 30 June 2018.
2. In the Directors' opinion, there are reasonable grounds to believe that the Corporation will be able to pay its debts as and when they become due and payable.

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

Director:  _____

Gloria Smith | **Chairperson**

Dated this 15th day of August 2018

Independent Auditor's Report

To the Members of Gumala Aboriginal Corporation

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Gumala Aboriginal Corporation ("the Corporation"), which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information to the financial report and the directors declaration.

In our opinion:

- a. the accompanying financial report of Gumala Aboriginal Corporation is in accordance with the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* and *Division 60 of the Australian Charities and Not-for-profits Commission Act 2012*, including:
 - (i) giving a true and fair view of the Corporation's financial position as at 30 June 2018 and of its financial performance for the year then ended; and
 - (ii) complying with Australian Accounting Standards and the *Corporations (Aboriginal and Torres Strait Islander) Regulations 2007* and any applicable determinations made by the registrar of Aboriginal Corporations under Division 336 of the Act and the *Australian Charities and Not-for-Profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement. 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 Corporation in accordance with the auditor independence requirements of the *Corporations (Aboriginal and Torres Strait Islander) Act 2006*; the *Australian Charities and Not-for-profits Commission Act 2012* and 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.

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

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Independent Auditor's Report

To the Members of Gumala Aboriginal Corporation (Continued)



Other Information

The directors are responsible for the other information. The other information comprises the information included in the Corporation's annual report for the year ended 30 June 2018, but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of the Directors 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; the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* and the *Australian Charities and Not-for-profits Commission ("ACNC") Act 2012* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the 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 has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation'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 Corporation 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Corporation or business activities within the Corporation to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Corporation audit. We remain solely responsible for our audit opinion.

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

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



BENTLEYS
Chartered Accountants



CHRIS NICOLOFF CA
Partner

Dated at Perth this 15th day of August 2018

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