

**Wirru-Murra Yindjibarndi Aboriginal Corporation
ICN 7483**

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED

30 JUNE 2020

Wirilu-Murra Yindjibarndi Aboriginal Corporation
Financial Report
30 June 2020

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These financial statements are the consolidated financial statements of the consolidated entity consisting of Wirilu-Murra Yindjibarndi Aboriginal Corporation and the entities it controls. The financial statements are presented in Australian dollars.

Wirilu-Murra Yindjibarndi Aboriginal Corporation is an incorporated domiciled in Australia.

Its registered office is:
Wirilu-Murra Yindjibarndi Aboriginal Corporation
6 Queen Street
ROEBOURNE WA 6178

The financial statements were authorised for issue by the Directors on 5 November 2020. The Directors have the power to amend and reissue the financial statements.

**Wirilu-Murra Yindjibarndi Aboriginal Corporation
Directors' Report
For the year ended 30 June 2020**

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Wirilu-Murra Yindjibarndi Aboriginal Corporation (referred to hereafter as the 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2020.

1. Directors

The names of the Directors in office for this financial year and up to the date of this report were:

Ken Sandy – (Re-appointed November 2019)
Allery Sandy - (Re-appointed November 2019 and become Chair)
Jill Tucker – (Re-appointed November 2019)
John Sandy – (Re-appointed November 2019)
Rodney Adams – (Resigned November 2019)
Jolleen Hicks – (Independent Director – Re-appointed November 2019)
Paul Aubrey - (Appointed November 2019)
Vince Adams - (Appointed November 2019)

2. Directors' Meetings

The Directors held meetings on the following dates:

29 July 2019, 26 September 2019, 27 September 2019, 22 October 2019, 19 November 2019, 4 March 2020, 21 April 2020, 28 May 2020, 19 June 2020 and 14 July 2020.

3. Distributions paid to members during the year:

There were no distributions paid to members.

4. Secretary

Ms. Jolleen Hicks was re-appointed as Secretary on the November 2019, Ms. Jolleen is qualified to carry out the duties of Secretary from her experience in business development and administration in positions she previously held.

5. Wirilu-Murra Yindjibarndi Aboriginal Corporation's Principle Activities

Wirilu-Murra Yindjibarndi Aboriginal Corporation (WMYAC), as one of the traditional owners of the Pilbara, continues to seek to create a positive future for the betterment of the Yindjibarndi community. Consequently, it pursues immediate and long-term goals with both industry and government to provide social and economic benefits including education, training and employment; better health; availability of, and improved housing; and cultural benefits by honoring, protecting and sustaining Yindjibarndi land and culture, and preserving Yindjibarndi heritage; whilst also becoming educated and proficient in operating its own businesses in the resource industry, and other industries which operate across the Pilbara.

These activities for this financial year included joint venture and contracting services, cross cultural training, heritage preservation through provision of heritage services, Yindjibarndi knowledge building and promoting, vocational training and good governance training.

Further, thorough its community work WMYAC is committed to supporting and facilitating the education of its youth and adult population, both in their heritage and culture, and within the non-Indigenous education system; and also to the establishment of a safe house for children and other community members; supporting its youth in gaining education, training and employment; provision of affordable housing and access to health care, and the provision of community support in all areas to alleviate the need or suffering of any Yindjibarndi person.

6. Review of Operations

Through its trading entities, WMYAC actively participate in building capacity and capability across its operations and Corporation by delivering mining support services across various projects for the betterment of, the Yindjibarndi community. These businesses are:

Eastern Guruma – Wirlu-Murra Joint Venture: During the period, the Enterprise in conjunction with its joint venture partner Eastern Guruma continuous to undertake Mining Services Contracts involving road maintenance works and resource definition works. This contract has been in operations since 2013 and in January 2019 the JV was successful in securing a further 5-year contract until 22 January 2024.

Solomon Bus Hire Contract: This contract has been in operations since 2013 and on the 1st July 2018, the Enterprise successful secured a further 5-year contract until 30 June 2023. In addition to the 10 x 55 BCI buses purchase in 2018/19 financial period, the Enterprise purchased additional 5 x 55 BCI buses ordered, bringing the total fleet to 15. All assets are fully utilised.

Master Maintenance Service Agreement – 1st July 2018, the Enterprise successful secured a 5-year contract until 30 June 2023 to provide maintenance trades to Fortescue NPI at Solomon. As of June 2020, the Enterprise employs approximately 70 trades personnel.

Heritage Preservation: WMYAC has continued to conduct archaeological and anthropological surveys and monitoring, thereby providing ongoing employment opportunities and ensuring heritage preservation. The surveys identify numerous ethnological and archaeological sites, and have served to protect and preserve Yindjibarndi culture.

Gamburlarna Project: WMYAC in conjunction with the National Trust and FMG, WMYAC continues to implement the project aimed at building and promoting economic and cultural wealth for future generations through strategic long term programs around Yindjibarndi knowledge including cultural and land management, preservation and interpretation of significant cultural, natural and heritage assets.

At the same time, Gamburlarna is focusing on developing a tourism business (cultural experience) on Yindjibarndi country and knowledge.

Training and Employment: WMYAC continues to liaise with the community to provide training and employment opportunities. To June 2020, WMYAC Group employed 6 admin trainees and 2 mechanic trainees.

WMYAC operates a gardening and landscaping team of 5 Yindjibarndi members, undertaking work in Karratha and Roebourne.

Corporation: The Corporation continues to provide funeral, critical ill, education, utilities and food assistance to members. In addition, the Corporation has supported a number of community groups including Mingullatharndo Community housing expansion, Big aRT, the Aboriginal Medical Service, sporting teams, local church and during CORVID 19 pandemic, the Corporation donated 800 x 500ml of hand sanitizer and non-perishable food boxes.

At Reporting Date, these services were delivered by a strong 140 FTE's with 32% Aboriginal participation.

7. Significant Changes

Good Governance and Management: The WMYAC Board is committed to continuing to improve and implement strong, transparent and good governance that delivers financial sustainability across its business units and Corporation.

The WMYAC Board and WMYAC employees will continue to ensure everyone is trained in the management of an Indigenous Corporation and the delivery of its objectives, and to possess a better understanding of their obligations to an Indigenous Corporation and the wider Yindjibarndi community.

**Wirru-Murra Yindjibarndi Aboriginal Corporation
Directors' Report
For the year ended 30 June 2020**

Current management have the necessary skills, qualifications and experience to manage and pass on their practical knowledge of financial management and processes of a business of this size. These skills are being passed on to the directors at every board meeting improving the Board's skills in the management of the Corporation.

WMYAC continuous to implement a strong and detail six-month cash flow forecast which is updated weekly to better manage its financial commitments.

Likely developments in WMYAC's operations in future financial years and the expected results of those operations:

The Board is of the opinion that WMYAC and its entities will continue to maintain its existing works, continue to grow its operations across other service lines and delivering a positive financial return for its members.

In addition, WMYAC has identified and continuous to identify new business opportunities with potential partners that may provide the business with different skills sets to grow and therefore, further contribute to WMYAC ongoing success while providing employment opportunities to the Yindjibarndi community.

8. Environmental Performance

WMYAC's operations are not regulated by any significant environmental regulation under a Commonwealth, state or territory law.

9. Audit

No officer of WMYAC was at any time during the year, a partner in the audit firm or a director of the audit consolidated entity which undertook an audit of WMYAC for this financial year.

10. Auditor's Declaration

A copy of the auditor's declaration under section 339-50 of the Corporations (Aboriginal and Torres Strait Islander) Act 2006 for the audit for this financial year is enclosed.

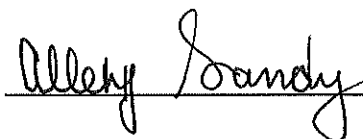
11. Application under section 169-5 of the Act

No applications have been made under section 169-5 of the Corporations (Aboriginal and Torres Strait Islander) Act 2006, and none were granted.

12. Additional Disclosures to the Financial Report

WMYAC has adopted the Australian financial reporting standard AASB 1053 Tier 2 reduced disclosure level. There is no additional information necessary to provide a true and fair view of the financial position and performance of the Corporation.

Director:



Director

Dated: 5th November 2020

**Wirru-Murra Yindjibarndi Aboriginal Corporation
Directors' Declaration
For the year ended 30 June 2020**

The Directors of Wirru-Murra Yindjibarndi Aboriginal Corporation (WMYAC) declare that at its meeting held it resolved:

1. the attached financial statements and notes comply with Australian Accounting Standards - Reduced Disclosure Requirements, the *Corporations (Aboriginal and Torres Strait Islander) Act 2006*, the *Corporations (Aboriginal and Torres Strait Islander) Regulations 2007* and other mandatory professional reporting requirements;
2. there are reasonable grounds to believe that the parent entity and consolidated entity will be able to pay their debts as and when they become due and payable;
3. that, in their opinion, the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2020 and of its performance for the financial year ended on that date;

Signed in accordance with a resolution of the board of directors.

Director:



Director

Dated: 5th November 2020
Perth, WA



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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Wirlu-Murra Yindjibarndi Aboriginal Corporation for the year ended 30 June 2020, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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

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RSM AUSTRALIA PARTNERS

A Whyte
ALASDAIR WHYTE
Partner

Perth, WA
Dated: 5 November 2020

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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
WIRLU-MURRA YINDJIBARNDI ABORIGINAL CORPORATION**

Opinion

We have audited the financial report of Wirlu-Murra Yindjibarndi Aboriginal Corporation ("the corporation"), which comprises the statement of financial position as at 30 June 2020, the statement of 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 the directors' declaration.

In our opinion, the accompanying financial report of the corporation is in accordance with the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* and the *Corporations (Aboriginal and Torres Strait Islander) Regulations 2007*, including:

- (i) giving a true and fair view of the corporation's financial position as at 30 June 2020 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the corporation in accordance with the auditor independence requirements of the Corporations Act 2001 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 confirm that the independence declaration required by the *Corporations (Aboriginal and Torres Strait Islander) Act 2006*, which has been given to the directors of the corporation, would be in the same terms if given to the directors as at the time of this auditor's report.

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

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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 – Reduced Disclosure Requirements and the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* and the *Corporations (Aboriginal and Torres Strait Islander) Regulations 2007* 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 ability of the corporation to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the corporation or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

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A Whyte
ALASDAIR WHYTE
Partner

Perth, WA
Dated: 5 November 2020

Wirilu-Murra Yindjibarndi Aboriginal Corporation
Consolidated Statement of Profit or Loss and Comprehensive Income
For the year ended 30 June 2020

	NOTE	2020 \$	2019 \$
Revenue			
Service Income	2	29,450,835	22,950,692
Other Income	2	131,840	148,188
Expenses			
Cost of Sales	3	(21,665,352)	(17,436,487)
Consulting Expenses	3	(548,382)	(694,291)
Employee Expenses	3	(483,090)	(511,036)
Other Expenses	3	(4,212,172)	(1,920,355)
Profit Before Taxes		2,673,679	2,536,711
Income Tax Benefit		-	-
Profit after Income Taxes for the year attributable to the members of Wirilu-Murra Yindjibarndi Aboriginal Corporation		2,673,679	2,536,711
Other Comprehensive Income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the members of Wirilu-Murra Yindjibarndi Aboriginal Corporation		2,673,679	2,536,711

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes

Wirilu-Murra Yindjibarndi Aboriginal Corporation
Consolidated Statement of Financial Position
As at 30 June 2020

	NOTE	2020 \$	2019 \$
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	4	9,043,254	8,641,129
Trade and Other Receivables	5	3,679,072	3,234,870
Prepayments		265,562	103,021
TOTAL CURRENT ASSETS		<u>12,987,888</u>	<u>11,979,020</u>
NON-CURRENT ASSETS			
Property, Plant, and Equipment	6	8,804,445	3,961,634
TOTAL NON-CURRENT ASSETS		<u>8,804,445</u>	<u>3,961,634</u>
TOTAL ASSETS		<u><u>21,792,333</u></u>	<u><u>15,940,654</u></u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	7	3,131,129	3,087,621
Employee Benefits	8	848,870	729,414
Interest Bearing Liabilities	9	1,815,067	651,482
TOTAL CURRENT LIABILITIES		<u>5,795,066</u>	<u>4,468,517</u>
NON-CURRENT LIABILITIES			
Interest Bearing Liabilities	9	5,105,864	3,254,413
TOTAL NON-CURRENT LIABILITIES		<u>5,105,864</u>	<u>3,254,413</u>
TOTAL LIABILITIES		<u>10,900,930</u>	<u>7,722,930</u>
NET ASSETS		<u><u>10,891,403</u></u>	<u><u>8,217,724</u></u>
EQUITY			
Retained Earnings		10,891,403	8,217,724
TOTAL EQUITY		<u><u>10,891,403</u></u>	<u><u>8,217,724</u></u>

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes

Wirru-Murra Yindjibarndi Aboriginal Corporation
Consolidated Statement of Changes in Equity
For the year ended 30 June 2020

	Retained Earnings \$	Total \$
Balance at 30 June 2018	5,681,013	5,681,013
Profit after income tax expense for the year	2,536,711	2,536,711
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	<u>2,536,711</u>	<u>2,536,711</u>
Balance at 30 June 2019	<u>8,217,724</u>	<u>8,217,724</u>
Profit after income tax expense for the year	2,673,679	2,343,679
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	<u>2,673,679</u>	<u>2,343,679</u>
Balance at 30 June 2020	<u>10,891,403</u>	<u>10,561,403</u>

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes

Wirru-Murra Yindjibarndi Aboriginal Corporation
Consolidated Statement of Cash Flows
For the year ended 30 June 2020

	NOTE	2020 \$	2019 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts for services (inclusive of GST)		29,120,293	23,524,265
Payments to suppliers and employees (inclusive of GST)		(23,646,452)	(20,298,306)
Payments for community support		(1,417,024)	(316,248)
Interest received		3,697	79,734
Interest and other finance costs paid		(219,342)	(7,490)
Refunds from Taxation Authority		-	126,193
Net cash provided by operating activities	10	3,841,172	3,108,148
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments of property, plant, and equipment		(1,779,418)	(3,351,490)
Proceeds from property, plant and equipment		88,698	-
Net cash used in investing activities		(1,690,720)	(3,351,490)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts from borrowings		-	2,690,895
Repayment of borrowings		(1,748,327)	-
Loans provided		-	100,000
Net cash (used in) / provided by financing activities		(1,748,327)	2,790,895
Net increase in cash held		402,125	2,547,553
Cash at beginning of the year		8,641,129	6,093,576
CASH AT END OF THE YEAR	4	9,043,254	8,641,129

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes

Wirilu-Murra Yindjibarndi Aboriginal Corporation
Notes to the Financial Statements
For the year ended 30 June 2020

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements and notes represent those of Wirilu-Murra Yindjibarndi Aboriginal Corporation and its controlled entities ("consolidated entity").

The financial report was authorised for issue on 5th of November 2020 by the board of directors.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Board, the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* ("CATSI"), the *Corporations (Aboriginal and Torres Strait Islander) Regulations 2007* and other mandatory professional reporting requirements

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless otherwise stated.

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

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Parent Entity Information

These financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in Note 12.

Principles of Consolidation

A controlled entity is any entity over which Wirilu-Murra Yindjibarndi Aboriginal Corporation has the power to govern the financial and operating policies so as to obtain benefits from its activities. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are considered.

A list of controlled entities is contained in Note 11 to the financial statements.

As at reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year then ended. Where controlled entities have entered (left) the consolidated entity during the year, their operating results have been included (excluded) from the date control was obtained (ceased).

All inter-group balances and transactions between entities in the consolidated entity, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

Joint Arrangements

Under AASB 11 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The consolidated entity only has joint operations.

Joint Operations

The consolidated entity recognises its direct rights to the assets, liabilities, revenues, and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings. A list of joint operations is contained in Note 14 to the financial statements.

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New, revised, or amending Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period, in particular AASB 16 Leases.

AASB 16 Leases

The consolidated entity has adopted AASB 16 from 1 July 2019. The standard replaces AASB 117 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities. For lessor accounting, the standard does not substantially change how a lessor accounts for leases.

AASB 16 was adopted using the modified retrospective approach and as such comparative information has been not been restated. There was no impact on opening retained profits as at 1 July 2019.

As a result of the adoption of AASB 16, the consolidated entity recognised \$2,165,404 in right of use assets at 1 July 2019, with the corresponding recognition of \$2,165,404 in lease liabilities as at 1 July 2019.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Comparative Figures

Comparative figures are adjusted for changes in presentation for the current financial year as required by Accounting Standards or as a result of changes in accounting policy.

Revenue and Other Income

The consolidated entity recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Rendering of services

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Grants

Grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and all attached conditions will be complied with.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income Tax

As the incorporated association is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is current when: it is expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is current when: it is expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and Cash Equivalents

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

Trade and Other Receivables

Trade receivables are recognised initially at cost and are subsequently measured at cost less any provision for impairment. Most sales are made on the basis of normal credit terms and are not subject to interest.

At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. A provision for impairment is established when there is objective evidence that the consolidated entity will not be able to collect all amounts due according to the original terms of the receivables.

Property, Plant and Equipment

Property, plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of property, 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 assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 consolidated entity and the cost of the item can be measured reliably. 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 fixed assets is depreciated on a declining balance basis.

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

<i>Class of Fixed Asset</i>	<i>Depreciation rate</i>
Buildings depreciated over 20 years	5%
Motor Vehicles	18.75% - 20%
Office Furniture and Equipment	10.25% – 33.33%
Hardware & Software	25%
Buses	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

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

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

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Impairment of Assets

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

Trade and Other Payables

Trade payables represent the liabilities for goods and services received by the consolidated entity that remain unpaid at the end of the reporting period. They are recognised at their transaction price. Trade payables are subject to normal credit terms (30–60 days) and do not bear interest.

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Provisions

Provisions are recognised when the consolidated entity has a present (legal or constructive) obligation as a result of a past event, it is probable the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Dividends

Dividends are recognised when declared during the financial year and no longer at the discretion of the consolidated entity.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Goods and Services Tax ("GST")

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the 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 cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Critical Accounting Estimates and Judgments

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

Estimation of useful lives of assets

The consolidated entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the consolidated entity based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the company operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the consolidated entity unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Wirru-Murra Yindjibarndi Aboriginal Corporation
Notes to the Financial Statements
For the year ended 30 June 2020

	2020 \$	2019 \$
NOTE 2. INCOME		
Service Income		
Services & Contracting Income	29,450,835	22,950,692
Total Service Income	29,450,835	22,950,692
Other Income		
Interest Income	3,697	79,234
Support Income	113,660	68,954
Profit / (Loss) from sale of equipment	14,483	-
Total Other Income	131,840	148,188
Total Income	29,582,675	23,098,880

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

Provision of labour	20,696,449	17,276,868
Equipment rental	7,249,918	4,661,592
Maintenance works	1,213,799	768,302
Other	290,670	243,930
Total	29,450,835	22,950,692

All revenue is earned through the provision of services or equipment in Australia.

Wirru-Murra Yindjibarndi Aboriginal Corporation
Notes to the Financial Statements
For the year ended 30 June 2020

	2020	2019
	\$	\$
NOTE 3. EXPENSES		
Cost of Sales	21,665,352	17,436,487
Consulting Expenses		
Legal Expenses	50,042	15,098
Other Consulting Expenses	498,340	679,193
Total Consulting Expenses	548,382	694,291
Employee Benefits Expenses	483,090	511,036
Other Expenses		
Insurance Expenses	100,874	43,156
Meeting Expenses	125,486	93,813
Rent Expenses	24,468	57,858
Office Expenses	84,340	52,003
Community Support Expenses	1,417,024	945,257
Depreciation	1,625,756	54,047
Travel and Accommodation	84,917	85,892
Interest and Other Bank Charges	219,342	7,490
Motor Vehicle Expenses	35,739	23,491
Other Expenses	494,226	557,348
Total Other Expenses	4,212,172	1,920,355
Total Expenses	26,908,996	20,562,169

NOTE 4. CASH AND CASH EQUIVALENTS	2020 \$	2019 \$
Cash at bank	6,941,585	6,592,603
Cash on deposit	2,101,669	2,048,526
	<u>9,043,254</u>	<u>8,641,129</u>

NOTE 5. TRADE AND OTHER RECEIVABLES

CURRENT

Trade and other receivables	<u>3,679,072</u>	<u>3,219,995</u>
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NOTE 6. PROPERTY, PLANT, AND EQUIPMENT

Land	674,760	674,760
Buildings	343,969	278,546
Less: accumulated depreciation	<u>(33,450)</u>	<u>(16,385)</u>
Total buildings	310,519	262,161
Motor vehicles, buses and equipment - at cost	7,321,522	3,097,336
Less: accumulated depreciation	<u>(1,118,153)</u>	<u>(109,841)</u>
Total motor vehicles	6,203,369	2,987,495
Office equipment - at cost	133,108	119,554
Less: accumulated depreciation	<u>(97,098)</u>	<u>(82,337)</u>
Total office equipment	36,020	37,217
Right of Use Asset	2,165,405	-
Less: accumulated depreciation	<u>(585,628)</u>	<u>-</u>
Total right of use asset	1,579,777	-
Total property, plant, and equipment	<u>8,804,445</u>	<u>3,961,633</u>

	Opening Balance \$	Additions \$	Disposals \$	Depreciation \$	Closing Balance \$
Land	674,760	-	-	-	674,760
Buildings	262,161	73,753	(8,330)	(17,065)	310,519
Motor Vehicles, buses and equipment	2,987,495	4,288,000	(63,814)	(1,008,312)	6,203,369
Office Equipment	37,217	15,624	(2,070)	(14,751)	36,020
Right of Use	-	2,165,405	-	(585,628)	1,579,777
Total	<u>3,961,633</u>	<u>6,542,782</u>	<u>(74,214)</u>	<u>(1,625,756)</u>	<u>8,804,445</u>

	2020	2019
	\$	\$
NOTE 7. TRADE AND OTHER PAYABLES		
CURRENT		
Trade payables	989,490	964,668
Accrued expenses	1,458,643	1,405,975
Payable to the ATO	417,428	466,978
Other payables	265,568	250,000
Total trade and other payables	<u>3,131,129</u>	<u>3,087,621</u>
NOTE 8. EMPLOYEE BENEFITS		
Employee Benefits	<u>848,870</u>	<u>729,414</u>
NOTE 9. INTEREST-BEARING LIABILITIES		
CURRENT		
Hire purchase liabilities (i)	1,044,306	651,482
Lease liabilities	770,761	-
	<u>1,815,067</u>	<u>651,482</u>
NON-CURRENT		
Hire purchase liabilities (i)	3,652,574	2,279,413
Loan (ii)	615,000	975,000
Lease liabilities	838,290	-
	<u>5,105,864</u>	<u>3,254,413</u>
Total interest bearing liabilities	<u>6,920,931</u>	<u>3,905,895</u>

- (i) This balance represents hire purchase commitments incurred for the acquisition of new equipment under a facility provided by ANZ. Repayments are made monthly and interest is charged at rates between 3.03% and 4.66% depending on the equipment being financed. The facilities have a remaining term of between 4 and 5 years.
- (ii) Repayment of the loan facility commenced on 1 November 2017, at \$15,000 a month. A fixed interest rate of 15 % per annum is only accrued on missed monthly repayments.

NOTE 10. RECONCILIATION OF CASH FLOW FROM OPERATIONS WITH PROFIT

	2020	2019
	\$	\$
Net profit	2,673,679	2,536,711
Depreciation expense	1,625,765	54,047
Gain/(loss) on disposal of asset	(14,483)	-
Movements:		
(Increase)/Decrease in receivables	(444,202)	631,312
(Increase)/Decrease in prepayments	(162,541)	59,988
Increase/(Decrease) in trade and other payables	162,963	(173,910)
Net cash provided by operating activities	<u>3,841,172</u>	<u>3,108,148</u>

NOTE 11. CONTROLLED ENTITIES CONSOLIDATED

Subsidiaries of Wirlu-Murra Yindjibarndi Aboriginal Corporation:

Subsidiary	Country of Incorporation	Percentage Owned (%)	
		2020	2019
Wirlu-Murra Tableland Heritage Pty Ltd*	Australia	-	100%
Wirlu-Murra Yindjibarndi Services Pty Ltd	Australia	100%	100%
Wirlu-Murra Yindjibarndi Contracting No 1 Pty Ltd*	Australia	-	100%
Wirlu-Murra Enterprises Pty Ltd	Australia	100%	100%

* These entities were wound up during the current year and the consolidated entity no longer has an interest in them.

NOTE 12. PARENT INFORMATION

The following information has been extracted from the books and records of the parent entity and has been prepared in accordance with Australian Accounting Standards.

	2020 \$	2019 \$
STATEMENT OF FINANCIAL POSITION		
ASSETS		
Current assets	2,451,120	2,253,880
Non-Current assets	538,800	492,748
TOTAL ASSETS	<u>2,989,920</u>	<u>2,746,628</u>
LIABILITIES		
Current liabilities	51,927	26,766
Non-Current liabilities	615,000	975,000
TOTAL LIABILITIES	<u>666,927</u>	<u>1,001,766</u>
EQUITY	<u>2,322,993</u>	<u>1,744,862</u>
STATEMENT OF COMPREHENSIVE INCOME		
Total Comprehensive Loss	<u>875,203</u>	<u>(1,436,000)</u>

Guarantees

Wirru-Murra Yindjibarndi Aboriginal Corporation has not entered into any guarantees, in the current or previous financial year, in relation to the debts of its subsidiaries.

Contingent Liabilities

The parent entity had no contingent liabilities as at 30 June 2020 and 2019.

Capital Commitments - Property, Plant, and Equipment

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2020 and 2019.

NOTE 13. COMMITMENTS

As at the reporting date, the consolidated entity did not have any contractual capital commitments.

As at the reporting date, the consolidated entity had the following operating lease commitments:

	2020	2019
	\$	\$
<i>Lease commitments – operating</i>		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	9,270	23,760
One to five years	-	9,900
More than five years	-	-
	9,270	33,660

These operating lease commitments relate to the lease for office premises in Perth, Western Australia.

NOTE 14. INTEREST IN JOINT OPERATIONS

The consolidated entity has recognised its share of jointly held assets, liabilities, revenues and expenses of joint operations. These have been incorporated in the financial statements under the appropriate classification. Information relating to joint operations that are material to the consolidated entity are set out below

Name	Principal place of business	Ownership Interest (%)	
		2020	2019
Eastern Guruma Pty Ltd and Wirlu-Murra Enterprises Pty Ltd Joint Venture	Australia	50%	50%
Thiess Pty Ltd and Wirlu-Murra Enterprises Pty Ltd Joint Venture	Australia	-	50%
NRW Pty Ltd, Eastern Guruma Pty Ltd and Wirlu-Murra Enterprises Pty Ltd Joint Venture	Australia	-	25%

NOTE 15. CONTINGENT LIABILITIES

Bank Security Deposit Guarantee have been provided by Commonwealth Bank on behalf of the consolidated entity at 30 June 2020: nil (2019: \$170,101).

NOTE 16. KEY MANAGEMENT PERSONNEL COMPENSATION

The totals of remuneration paid to key management personnel (KMP) of the Group during the year are as follows:

	2020	2019
	\$	\$
Key management personnel compensation	599,368	583,323

	2020	2019
	\$	\$

NOTE 17. REMUNERATION OF AUDITORS

Audit and assurance services	32,500	32,500
Total	32,500	32,500

NOTE 18. RELATED PARTY TRANSACTIONS

Transactions with related parties

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

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

NOTE 19. EVENTS AFTER THE REPORTING PERIOD

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has been financially positive for the incorporated association up to 30 June 2020, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No matter or circumstance has arisen since 30 June 2020 that has significantly affected, or may significantly affect the incorporated association's operations, the results of those operations, or the incorporated association's state of affairs in future financial years.

NOTE 20. CORPORATION DETAILS

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

Wiru-Murra Yindjibarndi Aboriginal Corporation
6 Queen Street
ROEBOURNE WA 6178