

**DRAFT Minutes of Annual General Meeting**  
**National Aboriginal Community Controlled Health Organisation (NACCHO)**  
**24 October 2023 at 11:00 am AWST**  
**Hyatt Regency Perth, 99 Adelaide Terrace, Perth WA**

The NACCHO Chair, Donnella Mills, opened the meeting at 11:06 am.

**Welcome by the NACCHO Chairperson and Vicki O'Donnell Chairperson of the Aboriginal Health Council of Western Australia (AHCWA).**

The NACCHO Chair thanked Traditional Owners, Walter McGuire and Tina Hayden, for their Welcome to Country and for the smoking ceremony. The NACCHO Chair invited Vicki O'Donnell as Chair of AHCWA and the hosting affiliate to welcome delegates to Western Australia for the AGM.

The AHCWA Chair acknowledged the Whadjuk/Witjari Noongar people whose land the meeting was being held on and paid her respects to Elders past, present and emerging and the many lands delegates had travelled from. She welcomed the NACCHO Board on behalf of AHCWA and AHCWA members, to Western Australia. She congratulated the youth who had attended the previous day's youth conference and noted that they are the sector's emerging leaders. She closed by expressing wishes for a great conference that would be respectful and caring for all attendees.

The NACCHO Chair thanked her and stated it was important for her also to acknowledge the Traditional Owners of the region, the Noongar people, their Elders, and how we all continue to benefit from their knowledge and sacrifice.

The NACCHO Chair invited delegates to stand and observe one minute's silence to acknowledge those who had passed away in the last 12 months.

The NACCHO Chair welcomed individual Board directors and noted Michael Graham (Vic) and Pat Turner (CEO of NACCHO) were apologies for the meeting. The Chair also welcomed Erin McMullen, Company Secretary, Dr Dawn Casey (Deputy CEO of NACCHO) Charmaine Murfet (General Manager of Finance), Margaret Taylor (Auditor RSM), Tim Youngberry (independent auditor of the Audit and Assurance Committee) and Anne Cregan (Gilbert & Tobin).

The Chair noted that previous meetings had seen complaints concerning disrespectful behaviour and requested delegates to be respectful on Whadjuk Nyoongar country and set a good example to the sector and particularly the youth attending. She urged all delegates to be respectful of each other.

The Chair opened the floor to questions. No questions were raised.

The NACCHO Chair took delegates through a test process to confirm their understanding of the electronic voting equipment ('clickers').

The Chair confirmed a quorum and proceeded to agenda item 1.

**1. To confirm the minutes of the last Annual General Meeting held on 18 October 2022, National Convention Centre Canberra.**

The Chair asked whether any members had amendments to minutes. None were raised and the Chair invited members who attended the 18 October 2022 meeting to move and second the motion.

**Resolution: That the minutes of the last Annual General Meeting held on 18 October 2022 National Convention Centre Canberra, be accepted.**

**Moved: Craig Ritchie, Winnunga Nimmityjah**

**Seconded: Carol Stanislaus, Danila Dilba**

**Carried**

**2. To confirm the minutes of the last Extraordinary General Meeting held on 18 October 2022, National Convention Centre Canberra.**

The Chair asked whether any members had any amendments to the 2022 EGM minutes. None were raised and the Chair invited members who attended the 18 October 2022 meeting to move and second the motion.

**Resolution: That the minutes of the last Extraordinary General Meeting held on 18 October 2022 National Convention Centre Canberra, be accepted.**

**Moved: Vicki O'Donnell, Derby Aboriginal Health Service**

**Seconded: Desmond Hills, Ord Valley Aboriginal Health Service**

**Carried**

**3. To receive and consider the Annual Report of the Board of Directors.**

The Chair noted that copies of the Annual Report had been made available for members to review.

The Chair asked whether any members had questions. Rachel Atkinson said that Goolburri Aboriginal Health Advancement Company Limited should be recorded as celebrating their 30-year not 25-year anniversary as currently noted in the *Annual Report*. The Chair acknowledged the amendment and invited members to move and second the motion.

**Resolution: That the Annual Report of the Board of Directors with the correction concerning the anniversary of Goolburri Aboriginal Health Advancement Company Limited, be accepted.**

**Moved: David Baird, Gurriny Yealamucka**

**Seconded: Kenneth Knox, Pius X**

**Carried**

#### **4. To receive a report from the Company Secretary on membership of the Company.**

The Chair introduced Erin McMullen as the NACCHO Company Secretary since the last AGM and thanked Chris Chenoweth for his long service to NACCHO. The Chair invited the Company Secretary to present her report.

The Company Secretary provided an update on NACCHO members for the period 1 July 2022 to 30 June 2023 and noted that the current membership tally was 145 members. She said that one member had been gained over past year, Palm Island Community Company (PICC), and one service was no longer a member, Carnarvon Medical Service Aboriginal Corporation (CMSAC). She reported on the state breakdown of membership as follows: 39 NSW; 24 VIC; 29 Qld; 19 WA; 12 SA; 1 TAS; 20 NT; 1 ACT.

She noted that a new Governance Committee of the Board had been established in 2023 with the purpose of updating NACCHO's governance documents in line with the constitution and under current Corporations Law and providing greater clarity on managing conflict of interests, effective performance, commissioning a review of the Board and the need for governance training for directors, as well as guiding through the special resolution being put forward in the EGM. The Company Secretary thanked the Board and Secretariat, James McDonald, and Sarah Patrick, for their ongoing assistance.

The Chair invited questions for the Company Secretary. Phil Naden (Coonamble Aboriginal Health Service) asked why some applications for membership had been denied. The Company Secretary advised that all applications are reviewed by the Board against the requirements for membership included in the NACCHO constitution and thoroughly investigated before being accepted or denied. Only a few applications over the past six years have been declined for not meeting the NACCHO criteria.

As there were no further questions, the Chair invited members to move and second the motion.

**Resolution: That the report from the Company Secretary on membership of the Company, be accepted.**

**Moved: Rachel Atkinson, PICC**

**Seconded: Bev Walley, Ord Valley Aboriginal Health Services**

**Carried**

#### **5. To receive and consider the financial report on the activities of the Company during the preceding financial year, including the auditor's report.**

The Chair invited Charmaine Murfet, NACCHO General Manager of Finance and Corporate, Margaret Taylor, NACCHO's External Auditor from RSM Australia, and Tim Youngberry, the Independent Chair of the Audit and Assurance Committee, to present the financial reports.

Mr Youngberry advised he had been appointed in April 2023, replacing Ms Jenny Morrison. He noted that NACCHO is a public company limited by guarantee, and NACCHO must provide annual financial statements in compliance with Australian Accounting Standards and requirements of the *Corporations Act* and the *Australian Charities and Not-for-profits Commission Act*.

He described four statements included in the financial statement: Statement of Comprehensive Income (Operating Statement or Profit/Loss Statement), Financial position (Balance Sheet), Statement of Changes of Equity, and Statement of Cash Flows.

He outlined the purpose and processes of the Audit and Assurance Committee and explained his role of oversight in preparing financial statements to ensure compliance with relevant standards. He further described NACCHO's current auditing procedures and governance framework and appropriate management. He was pleased to note that auditors had reviewed the directors' financial report and provided their opinion that the statements gave a true and fair view of NACCHO's finances over the financial year and were confident that NACCHO would be able to pay debts when they fell due.

He gave a summary of financial results for the financial year 2022-23, including a profit of almost \$2 million. He noted that NACCHO is currently solvent, with about \$131 million equity compared to \$128 million liabilities and noted that NACCHO does have a funding dependency on DoHAC around funding.

Mr Youngberry invited Charmaine Murfet to talk through the variances in the statements. Ms Murfet highlighted the following points.

- \$1.9 million of profit increased from last year. Ms Murfet noted that some years will have profit fluctuations which relates to how many grants were received in accounted for. She advised that in some instances money is recognised in advance of expenditure where there are performance obligations to be met but these are not precisely defined in the funding agreements. Of the \$1.9 million showing as profit, approximately \$1.3 million of this funding will be spent in the next financial year to meeting ongoing performance obligations.
- Overall revenue had increased by \$24.8 million compared to the previous year and this relates to both new program funding, new fee-for-service funding and an increase in funding for existing programs. Total revenue recognised includes funding provided to affiliates and ACCHOs which NACCHO contracts to deliver specific programs.
- Employee expenses had increased as vacant positions had been filled, and higher staff numbers required to support new programs.
- She noted an increase in expenditure on contractors and consultants which was attributable to engagement of contractors to delivery mental-health training programs, provide specialist clinical advice, planning other specific expertise where it was more cost effective to do so rather than use in-house resources. Many of the contractor and consultancy fees incurred relate to new program money received in the 2022-23 financial year.
- Expenditure on Meeting and Workshop costs increased in 2022-23 from 2021-22 by \$556,726 due to expenditure on venue hire, catering and associated expenses for the NACCHO 2022 conference, conduct of workshops and workforce planning (separate funding received), and other meetings for program governance.
- Travel and Accommodation expenditure in 2022-23 increased when compared to 2021-22 by \$1.21 million reflecting increased travel activity following COVID-19 lockdowns, the increased cost of airfares and travel more broadly and costs associated with reimbursement of some ACCHOs for travel to meetings and workshops grant payments increased related to the increased number of grants for new programs. In the financial year 2022-23, NACCHO had paid \$51.41 million in grants which was a \$15.5 million increase from the previous year.
- Overview of grants provided for amount and program in which 441 grants sent out and paid last year, and 160 grants with a total of \$46.88 million paid out in the 2023-24 year at 17 October 2023.
- Concerning the statement of financial position, she advised that NACCHO's current assets to liabilities ratio is 1.03, noting that over 1 is a good result and that NACCHO currently has net assets over liabilities of \$4.1 million.
- For the statement of cash flows, she noted that cash in the bank is currently about \$99 million and has increased by about \$75million over last financial year related to funding being paid in

advance and held to pay for NACCHO's contractual obligations over the coming year. She provided a summary of receivables and other current assets at 30 June 2023. Receivables at the end of financial year 2022-23 were \$32.39 million, an increase of \$24.25 million related to NACCHO holding funding for distribution where NACCHO is responsible for meeting performance obligations and service delivery.

Ms Murfet invited questions on the financial statements.

Jim O'Shea, VACCHO, noted that long service leave appears low and sought clarification for this and advised that under note 12 of the report, that there was no definition regarding contractual obligations operations related to the breakdown of the \$32 million. Ms Murfet advised that NACCHO recognised long service after seven years in the ACT, and NACCHO started to accrue this from three years of service. Due to Canberra's workforce, dominated by the Commonwealth and ACT public services and the difficulty in retaining staff, the reduced long service leave was related to a reduced number of staff being eligible to accrue it. Regarding Note 12, she advised that the contractual obligations operations included operational funds for NACCHO to cover salaries, travel, and general operating expenses for programs where performance obligations have not yet been met. Of the total figure for contractual obligations, the operational \$16.6 million is an estimate of funds paid out to the sector but not yet spent at 30 June 2023, and \$14.4 million for NACCHO's future operations costs.

Jim O'Shea, VACCHO, sought clarification in relation to Note 14 whether payments made to the Chair and Company Secretary were previously included in a financial report. Ms Murfet advised that they were included previously.

John Paterson, AMSANT, sought clarification on whether NACCHO was solvent. Ms Murfet clarified that NACCHO's current solvency ratio was 1.03. John Paterson, AMSANT, asked if the ratio could be included in future annual reports. Ms Murfet agreed that this would be helpful and that it could be included in future annual reports.

Deb Butler, Danila Dilba, sought clarification on why advertising and promotion costs had decreased by \$22,000 and information on the background of increased consultation expenditures. Ms Murfet advised that some previous costs were related to promotional activities undertaken by the Coalition of Peaks Secretariat and production of videos and other promotional materials to encourage COVID vaccinations during the pandemic. She noted that consultation expenditures to cover the cost of temporary staff to fill vacancies, bringing in clinical expertise and other specialist skills, and contracting organisations to run training programs for new programs (for example suicide prevention and mental health first aid training).

Ted Wilkes, LTH&CS, sought clarification for why funds being spent in the next financial year were being counted as profit. Ms Murfet advised that it is mainly an accounting anomaly related to the accounting standards and that NACCHO is required to apply when preparing the financial statements. She noted that for some funding recognised as profit in the relevant financial year work will still be completed and the expenditure associated with this work will occur in the next financial year. Tim Youngberry advised that the recognition of revenue and expenditures in different financial years is a timing issue which can impact on NACCHO's profit/loss result at year end. Mr Wilkes sought further clarification as to why NACCHO as a not-for-profit organisation would be showing profit at end of year. Mr Youngberry explained that 'profit' was showing due to the technicalities of financial year reporting and stated that NACCHO is not generating a business profit, and that the company is definitely a not-for-profit-organisation.

David Sturges, South West AMS, sought clarification regarding travel expenses and whether the increased expenses could be itemized to individuals or reported more clearly. Ms Murfet advised that

travel expenses are broken down and attributed to programs and that increases are related to activity associated with programs and workshops and funding ACCHOs and affiliates to attend workshops. Mr Sturgess sought further clarification of whether the travel costs were more than the program funding. Ms Murfet advised that travel cost estimates are included when developing program budgets and travel requests must go through internal approval processes before being paid for and were kept to a minimum.

Paul Hussein, Yerin Aboriginal Health Service, sought clarification on why auditing expenses under Note 13 were so high for only one audit process. Ms Murfet advised that Note 19 provided more information on the audit process and costing and that there are different kinds of auditing included under auditing expenses: NACCHO's financial statements go through audit processes, as do grant programs and NACCHO also undertakes internal audits for, risk management and best practice processes.

LaVerne Belleair, Redfern AMS, sought clarification regarding staff vacancies and recruiting expenses and why salaries overall increased. Ms Murfet noted that with the increased number of programs there had been increased workload and new staff hired. She advised a net gain of 26 new staff in the past financial year. Ms Belleair sought further clarification that 26 new staff equated to \$2 million increase in expenditure. Ms Murfet advised that this increased expenditure included increases in CPI as well as salary, superannuation, and leave entitlements, and any other costs related to new employees.

There being no further questions, the Chair invited members to move and second the motion.

**Resolution: That the financial report on the activities of the Company during the preceding financial year, including the auditor's report be accepted.**

**Moved: Richard Ansey, Mawarnkarra**

**Seconded: Craig Taylor, Albury Wodonga Aboriginal Health Service**

**Carried**

**6. To endorse the directors, elected or appointed by the respective state and territory affiliates.**

The Chair invited the Company Secretary to report to members on the nomination of directors by the affiliates.

The Company Secretary confirmed the nominations from each state and territory as follows:

Phil Naden and Kane Ellis (NSW); Michael Graham and Dallas Widdicombe (VIC); Vicki O'Donnell and Preston Thomas (WA); Rob McPhee and Leisa McCarthy (NT); Wilhelmine Lieberwirth and David Dudley (SA); Craig Ritchie (ACT); and Raylene Foster (TAS); and two new directors appointed by QAIHC, Rachel Atkinson and Sheryl Lawton (QLD)

The Chair invited members to move and second the motion.

**Resolution: That the appointed directors, elected or appointed by the respective State and Territory affiliates, be accepted**

**Moved: Lisa Gibson, Lakes Entrance Aboriginal Health Association**

**Seconded: Alisha Agland, Orange Aboriginal Medical Service**

**Carried**

## **7. To elect a Deputy Chairperson.**

The Chair invited the Company Secretary to manage the election of a Deputy Chairperson.

The Company Secretary confirmed that three nominations had been received for election as Deputy Chair of NACCHO, Chris Bin Kali, Matthew Cooke, and David Baird.

The Chair invited nominees to speak for three minutes to present their statement of claims.

Mr Baird accepted the opportunity and presented a statement of claims in support of his nomination as Deputy Chair of NACCHO.

Mr Sandy Davies then advised that Matthew Cooke was unwell and not able to attend the AGM. He asked if he could present on Mr Cooke's behalf. The Chair was advised that this was appropriate. Mr Davies presented a statement of claim in support of Mr Cooke's nomination for the position of NACCHO Deputy Chair.

Mr Chris Bin Kali presented his statement of claims in support of his nomination as Deputy Chair of NACCHO.

The Chair thanked all the candidates and declared the poll for the election of the Deputy Chair open.

At this stage, Deb Butler, Danila Dilba noted that at the last EGM, Mr Cooke had shown disrespect for the Chair and NACCHO directors and, in her view, had not followed the Code of Conduct. She noted that Mr Cooke had resigned from the NACCHO Board just before the last AGM and questioned why he was now nominating as the Deputy Chairperson. John Singer, Nganampa Health Council, noted that even if people were concerned about events from last year, it was unfair to come out and criticize one candidate to others who were not there. He asked that a democratic process be followed. Sheryl Lawton said that, if Mr Cooke had behaved in an unprofessional or disrespectful way, an official complaint should have been made and dealt with properly.

The Chair invited members to commence voting.

The Company Secretary announced that Chris Bin Kali had been elected as the Deputy Chair of NACCHO.

## **8. Any other business**

The Chair invited members to raise any other business.

LaVerne Belleair, Redfern AMS, said that she was disappointed in the voting system. She noted that results were not visible to members and queried how members know the result reported was accurate to what was voted. The Chair said that the breakdown had been provided for some agenda items where possible but noted that breakdown was not usually provided for all votes in AGMs. Ms Belleair asked whether breakdowns had been provided in previous years. The Chair advised that voting breakdown for Deputy Chair and Chair has not been provided in the five years she had been Chair of NACCHO so as not to embarrass the unsuccessful candidates. She advised that the usual process was for the vote to be counted with a scrutineer such as the External Auditor and for the Company Secretary to announce the result.

Millie Hill, Halls Creek, sought clarification on whether the Board would be able to access information on who had voted and how they had voted. The Chair advised that the Board does not have access to this information. Another member asked for confirmation that names are not attached to votes. The Chair invited Mr Phil Cohen, the external IT expert running the voting, to explain the voting process. He advised that a number was attached to each voter to de-identify them when voting and that their names

were never attached to a vote, only to the correlating number. The number related to the individual clicker so that the weightings for proxies, etc. could be managed and eligibility verified and also so that he could ensure that all clickers were returned. The voting registers and ballots were all destroyed at the end of the meeting. Colin Garlett, Moorditj Koort Aboriginal Corporation, noted that results were given from example questions and queried why results were not given for other questions. It was explained that there was no requirement to report on the breakdown of votes.

Ted Wilkes, LTH&CS noted that members are now voting as a collective for the health service they belong to rather than as individuals and queried if that was democratic. He stated that he would have preferred to vote as an individual, not as part of a collective vote for his service. Kieran Chilcott, Kalwun Health Service, noted that the NACCHO constitution stated that decisions should be made by count of show of hands and queried if the day's voting processes were valid. The Chair invited Anne Cregan from Gilbert and Tobin to respond. Ms Cregan advised that the Chair can declare a poll. She confirmed that the Chair had declared a poll and clarified that the voting clickers were a method of voting by a poll and that this was made clear through the test exercise conducted at the beginning of the meeting.

Amanda Hand, Oonah Health & Community Services Aboriginal Corporation, asked if the NACCHO directors could publish the commissioning model to increase transparency of how funding is provided to sector as there has been an increase in funding to the sector. The Chair advised that this was likely to be discussed at the December 2023 Board meeting for discussion and that further work on the issue of funds distribution would be likely to take place in early 2024.

Mr Sandy Davies requested confirmation that NACCHO has 145 members and queried why they were not all represented in the room. The Chair advised that a quorum had been met and that the members in the room had made the decision to attend and she could not comment on why a particular service was not in the room.

Elizabeth Adams, Goolburri Aboriginal Health Advancement Co Ltd, asked if the number of votes for confirming the financial statements did not match the total number of votes. The Chair clarified that there were 164 registered voters at the AGM but that this might change for the EGM and that not every always voted for each motion.

There were no further questions.

The Chair closed the meeting at 1:21 pm.