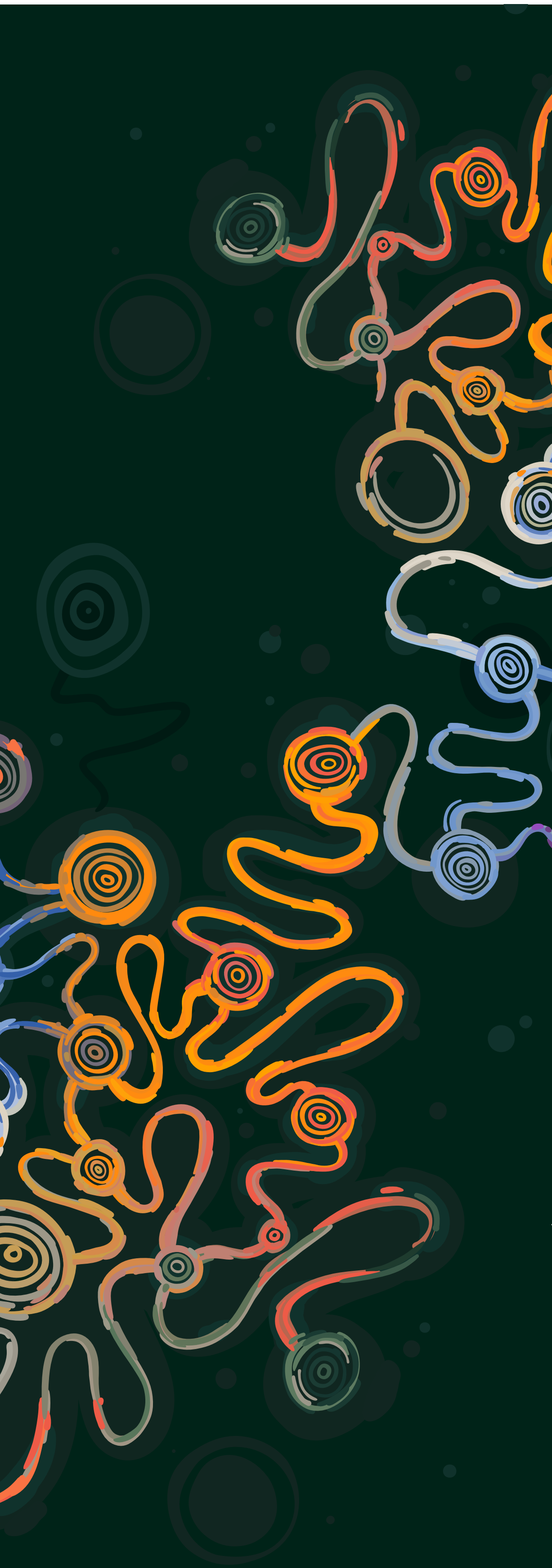
Annual Report FY22/23



Acknowledgement of Country

St John WA acknowledges the First Nations peoples of the many Traditional land and language groups across Western Australia as the Traditional Custodians of the Country. We pay our respects to their Ancestors and Elders, past and present.

SJWA is committed to honouring the unique cultural and spiritual relationships to the land, sea and waterways and the rich continuing contribution Aboriginal and Torres Strait Islander peoples make to our society.

Contents

Chair's Foreword

Kaya. ngalak kaadatj ngalang Whadjak moort wirin
- We acknowledge our Whadjak families' spirit.

I also recognise the connection, through 44 St John entities world-wide, with the modern and global St John story which is 146 years old this year.

From the inaugural first aid course delivered by St John in Western Australia back in 1892, the organisation has built quite an extraordinary connection across the State through the people it serves, and the people working alongside.

It was heartening to see the St John WA community grow to 64,454 people including 631 Order Members, 3130 paid and 4288 volunteer team members, and 56,405 spontaneous first responders. Together they supported 771,719 people to access care when they needed it most, and provided first aid training, sales and engagement activities to 341,015 people – including 235,560 young people.

This is a connection through about 1.2 million points in the single year, from Mathieson Jacoby's pioneering spirit set down when he started St John WA in 1892.

131 years later, the appointment of an inaugural Group CEO (GCEO) tasked with transforming St John WA into a contemporary group model of diverse service delivery was a welcome milestone during the year.

Kevin Brown joined St John WA from Perth Airport where he led another 24-hour high-pressure operation and hit the ground running, volunteering with the Event Health Services team before he had even got his feet under the desk on January 3.

SJWA delivered an overall surplus of $16.2m. The accumulated cash reserve of $154.9m will facilitate the significant upcoming investment into capital projects in clinical, property and digital transformation to ensure the organisation has the necessary capacity, systems, and resources to deliver on its commitment to the WA community. Retaining the ongoing surplus affords the organisation the ability to remain debt free and ensure the most value driven from reinvested capital.

The organisation commenced transitioning to a new group model in January geared to transform the business into a clear, transparent, coherent model enabling all teams within St John WA to equally shine and grow, for the betterment of the people St John WA serves. This transition will continue through to January 2024.

St John WA has continued to demonstrate innovation and growth over history. This year, through the transition, can be described as a recalibration year – in readiness for the next innovative strategic phase.

There was a keen focus on culture, leadership, regional equality, service equality, financial transparency, and digital support – all in keeping with feedback gathered through culture responses.

To support organisational performance, a new Constitution is being offered to Members, with the aim to build stronger governance structures at the Board level, as well.

The next strategic direction, on top of nine previous strategic directions since 1892, is set to add more value to the people of WA. The GCEO will release the organisations new strategic plan to guide this movement forwards, in 2024.

As movement around Western Australia - and the world – normalised during the year, St John WA team members in the regions were able to reconnect in person, and it was a great pleasure to see so many volunteers from across the State at the St John WA Experience in August.

In addition to the annual St John WA 'of the Year' Awards, Exmouth and Cue Sub Centres were recognised as Community Groups of the Year on Australia Day in their respective communities, and two volunteers were recognised by peak bodies: Dr Amanda Draper from Bunbury received Volunteering WA's Lifetime Contribution Award, and John Ree received a Department of Communities Lifetime Volunteering Service Award. These acknowledgements are testament to the value and trust placed in the St John WA team by the Western Australian community.

During the year St John WA welcomed three new board members: Highly-credentialled director Elisa Fear, and casual board appointments in social-enterprise expert Amanda Healy and experienced social and commercial director Craig Heatley.

I would also like to pay tribute to outgoing Chair Shayne Leslie, who provided steadfast and determined guidance during an era of long-term growth and diversification for the organisation.

His fellow outgoing Directors, Andrew Chuk and Professor Ian Rogers, also provided strong guidance during their nine years of commitment through the Board. At an executive level, Antony Smithson took the helm swiftly and strongly for six months as Acting Chief Executive Officer and he, along with many others on the leadership team, are deserving of much gratitude.

For an organisation which grew almost 13.9 per cent in revenue during FY23, St John WA commenced transitioning into a clear and accountable organisational, and introduced new leadership – all while serving people, day and night, through 17 different services, across the big state of WA, there are simply too many team members and partners to thank. A genuine thank you to all, the biggest gratitude going to those at the first connection point to helping the people of WA.

We look forward to helping each other, to help the people of WA, even more, in the years to come.

Sally Carbon - Board Chair OAM, OLY, CSTJ, FAICD

St John WA's Corporate Governance

St John WA is a charitable, non-profit and purposeful organisation providing preventative, community and emergency health-based services to Western Australians. St John WA is an establishment of the global Order of St John; an international humanitarian organisation that works to improve health and wellbeing across the world. The Order of St John is a major international charity accredited by the United Nations, with establishments in more than 44 locations worldwide.

St John International is incorporated in the United Kingdom by the Royal Charter and is governed by the St John Statutes and Regulations. Pursuant to the Statutes, St John International constituted:

- the Australian Priory, St John Ambulance Australia Ltd (ACN 633 627 899) (St John Australia), comprising the members of the Order in Australia, with immediate general control and supervision of the affairs and work of the Order in Australia; and
- St John WA as a recognised Commandery, part of St John Australia, comprising members of the Order in Western Australia and delivering humanitarian services consistent with the Principal Objects of the Order within the region of Western Australia.

The establishments of the Order are required to comply with the Order's Statutes and Regulations, solely to the extent permitted by law and their charitable status.

The members of the Order in Western Australia have delegated to the St John WA Board the powers to manage the business, charitable and other activities of the WA Commandery (with certain powers being expressly reserved to the WA Commandery in the Constitution). In turn, the Board has delegated certain powers to the Group CEO to run the day-to-day business of the organisation. The Board of St John WA aims to apply strong governance standards conducive to an organisation of St John WA's size and scale. The Board affirms that good governance exists by having systems and processes in place appropriate to its circumstances. As St John WA has grown exponentially in the last few years, its governance standards required extra investment over the previous reporting period. This investment will continue through the next year to not only meet its governance obligations, but to perform well amongst them.

St John WA is a group of companies comprising St John Ambulance Western Australia Limited, a public company limited by guarantee (comprised of Western Australian St John Order Members) and Apollo Health Limited, a public company limited by shares (St John Ambulance Western Australia Limited being the only member). Both companies are 'charities' with different 'sub-types', and both are regulated by the Charities Act 2013 (Cth), the Australian Charities and Not-for-Profits Commission Act 2012 (Cth), and the Corporations Act 2001 (Cth). The Board of St John WA provides oversight of St John WA and remains accountable to the WA Order Members.

St John WA defines 'governance' as the relationship and system that directs or controls the organisation. The Board's role is serious and professional, and its value is to ensure the organisation is run well, within the rules and laws, and ethically with high integrity. As St John WA has grown in size, scale and diversity of services, its governance sophistication has had to grow rapidly in the last few years. St John WA has more work to position itself with high performing governance.

St John WA's corporate governance framework caters for role delineation, board composition, board effectiveness, risk management, organisational performance, accountability and transparency, stakeholder engagement, conduct and compliance and the culture model.

2022-2023 Governance Highlights

- Advanced the Board composition, with three new Directors appointed.
- New Board Composition Matrix developed and released to check Board capability against modern-day governance needs.
- Defined the role of the Board delineated against the role of the Group CEO.
- Introduced new Board Committees to fulfil all governance recommendations or St John WA specific oversight needs.
- Appointed a new Group CEO, who appointed three Service Stream Chiefs and two Corporate Chiefs.
- Altered the Board meeting pattern to better align with 90-Day (or Quarterly) performance and accountability.
- Commenced an eight-month member engagement program with the end-state to agree to a new constitution for St John Ambulance WA Limited with compliance with the ACNC Act.
- Launched the Board Communique to keep members and stakeholders informed on the Board's activities and performance.
- Created a Board Chair email address to enable open two-way conversation with any Order member and stakeholders directly with the Board.
- Engaged an independent governance consultant to review St John WA's corporate governance and to provide advice to an evolving Company Secretariat.

New in 2023, the Board releases a Board Communique, soon after each Board meeting, demonstrating the work completed by the Board, the transparency of the Board's role, agenda, and its decision making. This Board Communique and key governance policies can be found here: stjohnwa.com.au/about-us/corporate-governance.

The Board

The Board's Role

The Board and its Committees engage in key strategic, governance and oversight activities each year. The Board's role does not duplicate that of the GCEO.

At the uppermost level, the Board now has four distinct roles:

- Support and oversight of the GCEO.
- St John WA's performance and accountability.
- St John WA's risk and compliance.
- Articulating the St John WA's long-term strategic direction.

St John WA's Board members have placed high emphasis on improving its governance standards over the past year. It has listened to key stakeholders and team members and compared itself to leading practice. The Board reflected on many changes to the regulatory framework in which it functions.

The Board aspires to comply with and optimise all Australian Institute of Company Directors Not-For-Profit Corporate Governance Principles (AICD Principles), all Australian Charities Not-For-Profit Commission Governance Standards (ACNC Standards) and relevant ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (ASX Principles). There are 120 recommendations collectively to follow across these Principles and Standards. The AICD Principles and ASX Principles are currently under review by AICD and ASX, with changes to these respective Principles expected in 2024, which will continue to shape the Board's governance practices in the coming year.

As of the change in October 2022, the Board holds 24 meetings per year, comprising formal Board and Board Committee meetings, planning days, and information meetings. It has other informal meetings, as required.

The number of formal Board and Board Committee meetings held during the year and each Director's attendance at those meetings are set in the Directors' Report on pages 22-23.

The Conduct of the Board

The Board is accountable to many stakeholders for the overall strategic direction, governance, and performance of St John WA. In carrying out its roles, the Board is expected to have regard for the interests of St John WA's Order members, team members, regulators, partners, broader stakeholders, and the community in which St John WA operates.

Board members are not involved in the day-to-day running of the organisation.

St John WA's Board strives to be high performing by delivering sustainable value to the organisation and the communities, and sets the tone of high integrity for the entire organisation. It completes this by setting its own planned agenda.

Board Structure, Skills, and Experience

The Board's composition continues to evolve, on a year-on-year basis, to accommodate the changing governance of the organisation and its new strategic direction.

The Board determines its size and composition, subject to the terms of St John WA's Constitution. Under the Constitution, there must be no less than five and no more than nine Directors as members of the Board.

The Board comprises only of independent non-executive Directors.

The Board has a gender representation goal of at least 40 per cent of each gender in the Board population, with female representation currently at 50 per cent.

Details of each Director's qualifications and experience are set out in the Directors' Report on pages 19-21.

Name	Independent	Length of service as a Director (as at 30 June, 2023)
Sally Carbon, OAM, OLY, CStJ	Chair and Independent Non-Executive Director	9 years, 9 months
Michael Gurry, AM	Independent Non-Executive Director	5 years, 9 months
Andrea LeGuier, MstJ	Independent Non-Executive Director	5 years, 9 months
Anthony Ahern, ASM, KStJ	Independent Non-Executive Director	3 years, 9 months
Jeffrey Williams, KStJ	Independent Non-Executive Director	2 years, 9 months
Elisa Fear	Independent Non-Executive Director	9 months
Amanda Healy	Independent Non-Executive Director	3 months
Craig Heatley	Independent Non-Executive Director	3 months

The Board (continued)

Board Committees

The Board divides its activities through several Board Committees. Tasks which remain in the hands of the entire Board, thus with accountability of Board Chair, include oversight of:

- Governance adherence
- Organisational integrity
- Organisational purpose
- Strategic direction and execution of Strategic Plan
- Organisational values
- Stakeholder engagement
- Apollo Health Ltd.
- Organisational performance

Further information on the Board's role and responsibilities is set out in the Board's Charter. The Charters of the Board and each of its Committees are available at: https://stjohnwa.com.au/about-us/corporate-governance

The Board has established four standing Committees to assist in the discharge of its responsibilities. Periodically, the Board will review the composition of each Board Committee. When required, the Board may establish special purpose committees or working groups to consider specific matters.

An overview of the members and responsibilities of each Board Committee is set out below:

Committee Chairs and Members	Key Functions
Audit & Investment Committee	
Craig Heatley (Chair) **Elisa Fear** **Tony Ahern**	· The external audit of St John WA's annual financial statements · Appropriate use of the organisation's resources · Budget, reforecasts and long-term financial matters · Monitoring of solvency · Long-term financial sustainability · Built form assets · Investments
Risk, Compliance and ESG Committee	
Andrea LeGuier (Chair) **Amanda Healy** **Mike Gurry**	· Risk Management Framework, Risk Appetite Statement and Risk process and policies · Internal Audit · Compliance of laws, regulations and internal policies · Environment, Social Responsibility and Governance (ESG) positioning · Security

Committee Chairs and Members	Key Functions
Health, Safety and Culture Committee	
Elisa Fear (Chair) **Amanda Healy** **Mike Gurry**	· Work health and safety · Monitoring of culture · Reward and recognition of team members · Organisational conduct and misconduct · Protection of vulnerable people
Nominations and Remuneration Committee	
Sally Carbon (Chair) **Jeffrey Williams** **Andrea LeGuier**	· Appointment of GCEO · GCEO and Director remuneration and processes · Chiefs' remuneration process · Director succession · Director performance · GCEO performance

Special Purpose Committees

The Board has also established two specific Committees to assist in the discharge of its clinical governance and member awards:

Clinical Performance Committee -
(Chaired by Jeffrey Williams) with responsibilities for the oversight of:

- Clinical Governance Framework
- Clinical performance monitoring

Honours and Awards Committee -
(Chaired by Sally Carbon) with responsibilities for the oversight of:

- Order of St John WA's Awards system nomination.

Board Composition, Selection and Appointment

The Board fused the Selection Committee with the Remunerations Committee, forming a more modern Nominations and Remunerations Committee. This Committee oversees the appointment of a Group CEO. During the reporting period, this Committee held many informal meetings to oversee the changes made to the top tier leadership of St John WA.

With executive leadership now settled, this Committee is focused on Board succession planning, including reviewing and making recommendations to the Board on appointing future Non-Executive Directors, who are appointed subject to the approval of WA Order Members at the next annual general meeting.

The Board (continued)

The Board's Succession Policy sets out the Board's process for Board renewal (including succession planning) to maintain an effective Board. It includes the process for nominations, selection and appointment of new Non-Executive Directors and performance reviews. The Board appointment process occurs with external guidance and oversight. An external advisor evaluates, interviews, and recommends appropriate Directors based on a brief supplied by the Board. Existing Directors also conduct interviews with potential Board candidates to ensure there is an appropriate fit for St John WA's values and strategic direction.

The Board sets and reviews the criteria for the appointment of new Directors having regard to:

- the existing composition of the Board,
- skills and experience within the Board's Composition Matrix and emerging business and governance issues,
- director's tenure,
- strategic direction of the organisation,
- committee balance,
- director's performance, and
- diversity and inclusion.

Details on the Board's Composition Matrix are available at: www.stjohnwa.com.au/about-us/corporate-governance

The future Board Chair will also be appointed through an externally-driven appointment process with a recruitment brief formed by the Board, external advisors, the Group CEO and Chiefs. The Board Chair's appointment is also recommended to St John Australia and St John International as the Commandery Lieutenant of St John WA.

The Board has established a Fit and Proper Person Policy to ensure that individuals appointed to the Board, executive roles, and other responsible person's roles, have the appropriate fitness and propriety to properly discharge their responsibilities.

Board Performance Evaluation

The Nominations and Remuneration Committee oversees the process for reviewing the performance of the Chair, Committee Chairs, Company Secretary, full Board, individual Directors, and the Committees, which occurs annually in October.

During the reporting period, the Board undertook an internal review of its performance, with an external review scheduled for October 2023.

The performance of the Board, individual Directors, Board Committees, Committee Chairs and Committee members, is assessed against the core elements for effective governance. The Board also evaluates the value it is adding to the organisation.

Directors' Remuneration

Directors' remuneration is regularly assessed and benchmarked against market data by an external remuneration consultant. Directors do not make recommendations for their own remuneration assessment.

The Chair and the Non-Executive Directors receive a fixed annual fee for services that recognises the role and responsibilities and the time commitments required. Directors pay their own professional membership fees and development.

Delegation to Group CEO

The Board delegates responsibility for the day-to-day management of St John WA to the GCEO as set out in a Board-approved Board to GCEO Delegation of Authority Policy. The GCEO is accountable to the Board for the exercise of this delegation. The Board may from time to time impose specific limitations on the delegation of authority to the GCEO.

Further delegation of the GCEO's responsibilities to other persons, such as the Chiefs, are permitted under the Board to GCEO Delegation of Authority Policy.

During the reporting period, Antony Smithson completed his service as Acting CEO following the appointment of the GCEO, Kevin Brown, on January 3, 2023. Kevin Brown is a qualified engineer by trade, and before joining St John WA, had led large-scale multi-disciplinary organisations across the world.

While running the operations of business, the GCEO forms and executes the organisation's forward-driving strategic plan based on the Board's approved strategic direction. The GCEO is supported in this function by five Chiefs, who were appointed in the new group model in the second half of the reporting period.

Service Streams:

- Chief Preventative Officer: Megan O'Donnell
- Chief Community Officer: Darren Webb
- Chief Emergency Officer: Brendon Brodie-Hall

Corporate Streams:

- Chief People, Culture and Development Officer: Tamsyn Howard
- Chief Finance Officer: Martyn Jenkins

The GCEO and Chiefs provide the Board and Board Committees with accurate, timely and clear information on St John WA's operations. This includes information on compliance with material legal and regulatory requirements and any conduct materially inconsistent with policies and code of conduct.

The GCEO attends all of the Board and Board Committee meetings, and the Chiefs attend on a needs basis. A Company Secretary attends all Board and Board Committee meetings.

Board members form relationships with executives and broader team members, as they are to seek information to fulfil their role (AICD Principle 4.2)

The Board (continued)

Approach to Conduct, Ethics and Transparency

St John WA's Code of Conduct aims to foster a culture of high ethical standards, personal and corporate integrity, and respect for others.

All team members undertake training on the Code of Conduct and St John WA's various policies.

St John WA commits to comply with both local and internationally accepted clinical governance standards.

St John WA expects its third-party suppliers to comply with the applicable laws and regulations and to observe all of the principles set out in the Supplier Code of Conduct.

St John WA has internal control systems to ensure financial statements comply with the applicable laws and to prevent fraud and other improper conduct.

St John WA will report against relevant ESG standards, for the first time in the 2024 financial year.

Approach to Risk Management

The Board is accountable for setting St John WA's risk appetite and for satisfying itself, that management has developed and implemented a sound system of risk management and internal controls.

The Board has adopted a Risk Management Framework that outlines a commitment to sound risk management practices aligned with regulatory and stakeholder requirements.

Risk management forms part of the Board and organisation's decision-making processes.

The Risk Management Framework is consistent with international and Australian risk management standards.

Approach to Stakeholder Engagement

The Board and GCEO seek to facilitate effective two-way communication with all stakeholders.

The Board encourages members' participation at formalised engagement sessions, in particular, the Annual General Meeting (AGM), where members are encouraged to provide the Company Secretary with any questions ahead of the AGM. All engagement helps the Board to understand members' issues and concerns and enables St John WA to address key members' feedback.

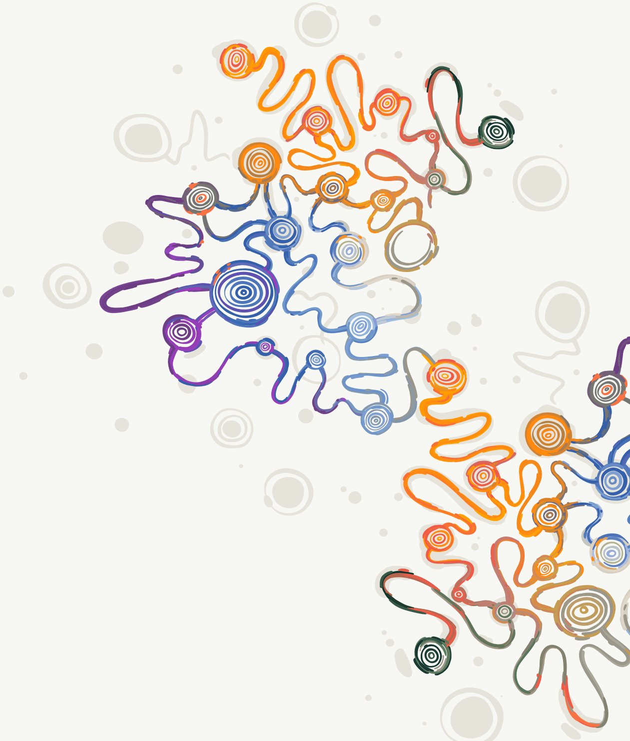
Members have communicated directly to the Chair, Board, and GCEO throughout the year through a range of mediums.

New Governance Principles for FY24

The Board of St John WA is preparing to work with new and evolving governance principles currently under review with AICD and ASX, that will include recommendations on Board's responsibilities for cyber and data security, diversity and inclusion, environment, climate change, customers, workplace sexual harassment, and to reflect changes to legislation and regulations.

First Nations Recognition

The Board of St John WA acknowledges the First Nations peoples of the many Traditional lands and language groups across Western Australia as the Traditional Custodians of Country.



Financial Report

St John Ambulance Western Australia Limited

Financial report for the year ended 30 June 2023

Directors' report

The Board of the Commandery of St John Ambulance Western Australia Limited "the Company" or "St John WA") submit herewith the Directors' Report together with the consolidated financial statements of the Company and its controlled entities ("the Group") for the financial year ended 30 June 2023. The Directors Report as follows;

Information about the Directors

The names and particulars of the Directors of the Company during or since the end of the financial year ended 30 June 2023 are:

Ms Sally Carbon, OAM, OLY, CStJ, FAICD
Non-executive Director
Board Chair/Commandery Lieutenant
Chair of Nominations & Remuneration Committee

Appointed — 30 September 2013
Appointed as the Chair and Commandery Lieutenant with effect from 25 October 2022

Ms Carbon is a commercial strategist, with her business of 12 years assisting the growth and performance of Western Australian, Australian and global businesses. Her previous executive roles span a breadth of profit and not-for-profit sectors, and she has served as a ministerial advisor. Ms Carbon has been a non-executive director for 34 years covering sport, health, education, insurance, finance and more. She is a Fellow of the Australian Institute of Company Directors and is an Order of Australian medal and Prime Minister Award recipient for her volunteerism and represented Australia in the sport of hockey for nine years including two Olympics (one gold) and two World Cups (gold and silver). She is the author of nine books.

Mr Anthony Ahern, ASM, KStJ, GAICD
Non-executive Director

Appointed - 29 October 2019

Mr Ahern was Chief Executive Officer of St John Western Australia from 2006 to 2018, when he retired after 45 years of service. Mr Ahern has extensive board experience, including on the Council of Ambulance Authorities and the WA Primary Health Alliance. Mr Ahern holds a business degree and a master's in information systems and completed the London Business School Senior Executive program.

Ms Elisa Fear, B.Comm, MBA, GAICD
Non-executive Director
Chair of Health, Safety & Culture Committee

Appointed - 25 October 2022

Mrs Fear has extensive financial experience from executive roles in investment banking including equity capital markets, debt, advisory and venture capital. This is overlaid with commercial experience from owning and running businesses. In addition to St John and Apollo Health, she is currently a Non-Executive Director of Western Power, Good Sammy Enterprises, and Yourtoolkit.com Limited (as Chair) and is a member of the Council of Curtin University. Ms Fear is also committed to providing support for women and children facing family and domestic violence.

Mr Michael Gurry, AM, FAICD

Non-executive Director

Appointed – 30 October 2017

Mr Gurry is the former Managing Director of HBF and President (Asia Pacific) of the DMR Consulting Group. He is a Fellow of the Australian Institute of Company Directors, a Fellow of the Australia Institute of Management and Senior Fellow of the Finance Institute of Australia. He has a science degree and has served on numerous boards, including as Chair and President of various industry bodies. He is Chair of Tabitha Foundation Australia, undertaking charitable programs in Cambodia.

Ms Amanda Healy, DCom CF

Non-executive Director

Appointed - 16 March 2023

Ms Healy has more than 35 years' experience in mining and heavy industry, working in human resources, safety and camp management. For two decades Ms Healy has led businesses in maintenance and asset management, one of which provides employment and development opportunities for Aboriginal people in the Pilbara. As an Aboriginal woman from the Wonnarua Nation (Hunter Valley NSW), a part of the Koori language group. Ms Healy is currently on the boards of Save the Children Investment Fund, Waalitj (Wirrapanda) Foundation, WA Social Enterprise Council and Pilbara Metals Project. She is the Chair of Enterprise Learning Projects and is founder and Director of Kirrikin Foundation and Waru Projects Pty Ltd.

Mr Craig Heatley, FCA, B.Bus, MAICD

Non-executive Director
Chair of Audit & Investment Committee

Appointed - 16 March 2023

Mr Heatley has more than 25 years' experience in external audit services, enhancing financial systems and navigating complex financial reporting challenges, much of this as a partner with PwC. His role as a chartered accountant led him to work in Canada, the United Kingdom, Middle East, a number of countries in Africa, and the US. A lifelong hockey player and dedicated family man led to a passion for community organisations. He is President of Netball WA and West Coast Fever and was formerly on the not-for-profit boards of Red Nose Australia as Chairperson and The Fathering Project.

Ms Andrea LeGuier, MstJ, MAICD

Non-executive Director
Chair of Risk, Compliance & ESG Committee

Appointed - 30 October 2017

Ms LeGuier is the Chief Executive Officer of the Perth Eye Hospital and Subiaco Private Hospital. She has enjoyed a diverse national and international career in senior management and director roles across many industry sectors, including information technology, private education, and health.

Mr Jeffrey Williams KStJ, AAICD

Non-executive Director
Chair of Clinical Performance Committee

Appointed - 27 October 2020

Mr Williams has been a volunteer with St John WA since age 11. He has contributed to reforms in volunteering and event health services for St John at both state and national levels. He is a Knight of the Order of St John. Mr Williams is a Registered Nurse with significant experience in Health Service Management having held senior leadership roles in public and private health care. He is currently Chief Executive Officer of St John of God Bunbury Hospital, Chair of the South West Advisory Board for Edith Cowan University and an Affiliate of the Australian Institute of Company Directors.

Mr Shayne Leslie, KStJ, B. Juris LL.B, GAICD

Non-executive Director

Appointed – 30 September 2013 | Resigned – 25 October 2022

A graduate from the University of Western Australia Law School, during his tenure on the Board Mr Leslie worked as a solicitor working in commercial litigation and dispute resolution. He is a Knight of the Order of St John and a Graduate of the Australian Institute of Company Directors.

Mr Andrew Chuk, MstJ, GAICD

Non-executive Director

Appointed – 30 September 2013 | Resigned – 25 October 2022

Mr Chuk has qualifications in engineering and economics and is a Graduate Member of the Australian Institute of Company Directors. Mr Chuk has held senior roles in the Western Australian Government, including Executive Director and Deputy Director General in Treasury and Health.

Professor Ian Rogers

Non-executive Director

Appointed – 30 September 2013 | Resigned – 25 October 2022

Professor Rogers has held appointments as a Professor of Emergency Medicine at St John of God Murdoch Hospital and the University of Notre Dame Fremantle. He is an emergency medicine specialist and educator. He is widely published and a regular speaker in his special interest areas such as sports medicine, wilderness medicine, emergency medicine systems and palliative care.

The above-named Directors held office during the whole of the financial year and since the end of the financial year, unless otherwise indicated.

Company Secretary

Ms Ly Cejka held the position of Co-Company Secretary at 30 June 2023 and she has held the position since 25 February 2021. As a qualified lawyer with extensive legal experience in the private and public sectors both locally and internationally, Ly holds a Bachelor of Laws and a Bachelor of Commerce from the University of Western Australia. Ly has completed the Governance Institute of Australia (GIA) Company Secretary course and holds the GIA Certificate in Governance.

Ms Gauri Potdar held the position of Co-Company Secretary as at 30 June 2023 and has held the position since 25 May 2023. Gauri has extensive company secretarial experience within the not-for-profit, charities and government trading enterprises sectors. Gauri hold Bachelor of Commerce, Post Graduate Diploma in Business Administration, and Company Secretary qualifications from India. Gauri has also completed the Governance Institute of Australia (GIA) Company Secretary course and is an Associate Member of the GIA.

Ms Elham Saunders held the position of Co-Company Secretary from 4 May 2022 to 3 May 2023.

Directors' Meetings

The following table sets out the number of Directors meetings (including meetings of committees of directors) held during the year ended 30 June 2023 and the number of meetings attended by each Director (while they were a director or committee member). During the year ended 30 June 2023, 11 Board meetings, four Audit and Investment Committee meetings, two Risk, Compliance and ESG Committee meetings, two Clinical Performance Committee meetings, one Health, Safety and Culture Committee meeting and four Nominations and Remuneration Committee meetings were held.

Director	Board		Audit and Investment Committee		Risk, Compliance and ESG Committee		Clinical Performance Committee		Health, Safety and Culture Committee		Nomination and Remuneration Committee	
	Eligible to Attend	*Attended*	*Eligible to Attend*	*Attended*	*Eligible to Attend*	*Attended*	*Eligible to Attend*	*Attended*	*Eligible to Attend*	*Attended*	*Eligible to Attend*	*Attended*
Ms Sally Carbon Chairperson of the Board and the Nomination and Remuneration Committee	11	11	3	3	-	-	-	-	-	-	4	4
Mr Anthony Ahern	11	11	4	4	-	-	-	-	-	-	-	-
Mr Michael Gurry	11	10	-	-	2	2	-	-	1	1	-	-
Ms Andrea LeGuier Chairperson of the Risk, Compliance and ESG Committee	11	10	1	1	2	2	-	-	-	-	4	3
Mr Jeffrey Williams Chairperson of the Clinical Performance Committee	11	10	-	-	1	1	2	2	-	-	4	4
Ms Elisa Fear Chairperson of the Health, Safety and Culture Committee	7	7	3	2	-	-	-	-	1	1	-	-
Ms Amanda Healy	3	3	-	-	1	1	-	-	1	-	-	-
Mr Craig Heatley Chairperson of the Audit and Investment Committee	3	3	1	1	-	-	-	-	-	-	-	-
Mr Shayne Leslie	4	4	-	-	-	-	-	-	-	-	-	-
Mr Andrew Chuk	4	4	1	1	-	-	-		-	-	-	-
Professor Ian Rogers	4	4	-	-	-	-	-	-	-	-	-	-

Other information

Members of the Commandery of St John Ambulance Western Australia Limited are liable to contribute up to a maximum of one dollar to the Commandery if the Company is wound up. The total amount members of the Commandery are liable to contribute is $621.

Principal Activities

The Group's principal activities throughout the financial year were the operation of five core businesses: Provision of first aid training and products; primary care including urgent care; event health services; patient transfer services and delivering the Western Australian emergency ambulance service.

By undertaking these activities, St John WA was better positioned to serve humanity and build resilient communities through the relief of sickness, distress, suffering and danger.

Objectives

The purpose of St John WA is to serve humanity and build resilient communities through the relief of sickness, distress, suffering and danger.

During the year, St John WA started review of its strategic objectives with input from the Board and external advisors. As at 30 June 2023, the objectives were in a state of review with a new Strategic Direction being developed.

The review involves aligning the organisation into five distinct streams, providing clarity and improving services for both team members and the community. This includes functional alignment to our service streams to better serve the community of WA.

Performance measures

St John WA measures its performance in many ways, including measuring and focusing on:

Preventative Stream

- Number of paid first aid students.
- First aid equipment sales and servicing.
- First Responder App registrations.
- Triple Zero (000) calls made via the First Responder App.
- Emergency Ambulance patients who received bystander-led first aid prior to ambulance arrival
- Emergency Ambulance out-of-hospital cardiac arrest cases where an AED was applied prior to ambulance arrival.
- Emergency Ambulance out-of-hospital cardiac arrest cases where bystander CPR was attempted prior to ambulance arrival.

Community Stream

- Urgent Care, General Practice and Dental patients.
- Urgent Care patient wait times.
- Clinical performance measures.
- Customer satisfaction.
- Events attended by Event Health Services.
- Industry Medical Services capacity.

Emergency Stream

- Triple Zero (000) calls answered in 10 seconds.
- Secondary Triage Team assessments.
- Out-of-hospital cardiac arrest cases where a triple response in metropolitan Perth was deployed.
- Metropolitan Ambulance response performance.
- Virtual Emergency Medicine patients diverted from Emergency Department.
- Community Transport case numbers.
- Booked transfer performance.

People, Culture and Development

- Total team FTE (excluding Primary Health).
- Active volunteer numbers.
- First aid students (charitable).
- Operational Lost Time Injury Frequency Rate (LTIFR).
- Occupational Health and Safety incidents.
- Wellbeing and Support referrals.
- Training and Development hours and course attendance.
- Reconciliation Action Plan deliverables on track.

Finance Stream

- Group Earnings Before Interest, Tax, Depreciation and Amortisation.
- Reportable Net Surplus.
- Capital Expenditure.
- Return on Group capital employed.
- Cash flow.
- Risk and compliance.
- Cyber security.
- Reporting associated with the Ambulance Services Agreement.

Financial results

The consolidated net surplus for the year ended 30 June 2023 was $16.2 million (2022: $8.1 million).

The surplus facilitates the ongoing capital investment requirements of the Group to meet the growing demand for the ambulance service across the state. During the past year, St John invested $21.8 million (2022: $51.0 million) in its capital works program, including:

- Property: $3.4 million (2022: $17.9 million)
- Fleet: $12.1 million (2022: $14.9 million)
- Plant and Equipment: $6.3 million (2022: $18.2 million)

The disruption to supply chains and resource availability following the Covid-19 pandemic, particularly in the motor industry and construction resulted in a delay in fulfilling capital commitments during the year for Fleet and Property. This lag has contributed to the build-up of cash reserves at the year end. The organisation has a substantial program of capital projects planned for the coming years, covering property acquisitions and improvements, fleet vehicles for ambulance and industrial medical services and IT & Communications infrastructure upgrades across the state.

Review of operations

On January 1, 2023 the Company commenced operating under a new Ambulance Services Agreement with the Health Department of Western Australia for the provision of emergency ambulance services in Western Australia.

A historical underpayment issue in the Apollo Health business, identified in 2021 and self-reported to Fair Work Australia at the earliest opportunity, was addressed during the year and measures were put in place to prevent recurrence.

A new operating model was implemented, aligned St John WA to five distinct streams aimed at providing clarity and focus to improve services for both team members and the community.

The service framework covered outward-facing services in Preventative, Community and Emergency Streams, and support services in People, Culture and Development, and Finance.

The Company joined more than 2000 corporate, government and not-for-profit organisations with the launch of its Reconciliation Action Plan during February. At the end of the reporting period, 50 per cent of the 70 listed deliverables were complete, with 34 due after the end of the financial year.

	2023	2022
Triple Zero (000) calls received	287,130	283,796
Emergency Ambulance (Priority 1-3)	265,354	259,613
Patient transfer occasions of care (Priority 4)	94,489	100,671
First Aid training and engagement	341,015	345,968
Primary care patients	340,766	348,669
Events attended	3,534	3,475

Change in the State of Affairs

There were no significant changes in the state of affairs of the Company during the financial year.

Subsequent Events

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years

Indemnification of Officers and Auditors

During the financial year, the Group paid a premium in respect of a contract insuring the Directors of the Company (as named on page 19 to 21) and of any related body corporate, the Company Secretaries and all Executive Officers of the Company and of any related body corporate against a liability incurred as such a Director, Secretary or Executive Officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Group has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the company or of any related body corporate against a liability incurred as such an Officer or Auditor.

Future Developments

The Group will continue to pursue its principal activities of providing first aid, ambulance services and primary care within the state of Western Australia for furtherance of the objectives mentioned above.

Proceedings on Behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

Environmental Regulation

The Group's operations are not subject to any significant environment regulation under a law of the Commonwealth or of a state or territory.

Auditor's Independence Declaration

The auditor's independence declaration has been given to the Directors in accordance with subdivision 60-C of the Australian Charities and Not-for-Profit Commission Act 2012 is on page 28.

This directors' report is signed in accordance with a resolution of directors made pursuant to section 298(2) of the Corporations Act 2001.

Sally Carbon
Chair

Date: 21 September 2023

Deloitte.

Deloitte Touche Tohmatsu
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The Board of the Commandery in Western Australia
St John Ambulance Western Australia Ltd
209 Great Eastern Highway
BELMONT, Western Australia 6104

21 September 2023

Dear Board Members

St John Ambulance Western Australia Ltd

In accordance with Subdivision 60-C of the *Australian Charities and Not-for-profits Commission Act 2012*, I am pleased to provide the following declaration of independence to the Board of the Commandery of St John Ambulance Western Australia Ltd.

As lead audit partner for the audit of the financial statements of St John Ambulance Western Australia Ltd for the financial year ended 30 June 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Penelope Pink
Partner
Chartered Accountants

Deloitte.

Deloitte Touche Tohmatsu
ABN 74 490 121 060

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Independent Auditor's Report to the Members of St John Ambulance Western Australia Ltd

Opinion

We have audited the financial report of St John Ambulance Western Australia Ltd (the "Company") and its subsidiaries (the "Group") which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the declaration by the directors.

In our opinion,

a) the accompanying financial report of the Group is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (the "ACNC Act"), including:

   (i) giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year then ended; and

   (ii) complying with Australian Accounting Standards and Division 60 of the ACNC Act and Not-for-profits Commission Regulation 2013;

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the ACNC Act and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the "Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other Information

The Directors are responsible for the other information. The other information obtained at the date of this auditor's report comprises the Directors' Report included in the Group's Annual Report for the year ended 30 June 2023, 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 we do not and will 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 on the other information that we obtained prior to the date of this auditor's report, 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.

Liability limited by a scheme approved under Professional Standards Legislation.

Member of Deloitte Asia Pacific Limited and the Deloitte organisation.

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Responsibilities of the Directors for the Financial Report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the ACNC Act 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 Group 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 Group 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.

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 Group'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 Group'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 Group 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 entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group's audit. We remain solely responsible for our audit opinion.

Deloitte.

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.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

PEPink

Penelope Pink
Partner
Chartered Accountants
Perth, 21 September 2023

ST JOHN AMBULANCE WESTERN AUSTRALIA LIMITED
DECLARATION BY THE BOARD OF THE COMMANDERY IN WESTERN AUSTRALIA

St John Ambulance Western Australia Limited operates in Western Australia under the guidance and control of the Board.

The Board declares that:

(a) In the opinion of the Board, the attached financial statements are in compliance with Australian Accounting Standards, as stated in Note 3 to the financial statements.

(b) In the opinion of the Board, the attached financial statements and notes thereto are in accordance with the Australian Charities and Not-for-Profit commission Act 2012, including compliance with accounting standards and gives a true and fair view of the financial position and performance of the Group; and

(c) In the opinion of the Board, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed on behalf of the Board:

SALLY CARBON
CHAIRPERSON

Date: 21 SEPTEMBER 2023

Consolidated Statement of Profit or Loss and Other Comprehensive Income
for the financial year ended 30 June 2023

	Note	2023 $'000	2022 $'000
Revenue	5	457,906	401,883
Interest income		3,019	379
Other income		974	484
Administration expenses		11,588	8,944
Ambulance operating expenses		10,521	10,158
Bad and doubtful debts	6	37,235	32,651
Depreciation of property, plant and equipment	11	21,342	20,727
Depreciation of right of use asset	12	5,036	3,281
Impairment of right of use asset	12	905	-
Amortisation and impairment of intangibles		-	20
Interest expense for lease liabilities and make good provision		966	323
Financial charges		2,235	2,131
Marketing expenses		5,684	6,847
Professional fees		7,135	4,705
Property and equipment expenses		23,077	19,427
Employee benefits	6	313,974	280,358
Training materials		1,103	888
Other expenses		4,927	4,226
Surplus for the Year		16,171	8,060
Other comprehensive income		-	-
Total Comprehensive Income for the Year		16,171	8,060

Notes to the financial statements are included on pages 37 to 67

Consolidated Statement of Financial Position
as at 30 June 2023

	Note	2023 $'000	2022 $'000
Current Assets			
Cash at bank	19	152,863	103,953
Restricted cash	7, 19	2,056	1,989
Inventories	8	6,194	9,635
Trade and other receivables	9	22,987	36,236
Other current assets	10	11,469	17,279
Total Current Assets		195,569	169,092
Non-Current Assets			
Property, plant and equipment	11	250,164	250,255
Right of use assets	12	17,585	15,093
Total Non-Current Assets		267,749	265,348
Total Assets		463,318	434,440
Current Liabilities			
Trade and other payables	14	7,605	8,524
Provisions	15	55,389	47,589
Other current liabilities	16	24,729	23,600
Lease liabilities	17	3,889	3,199
Total Current Liabilities		91,612	82,912
Non-Current Liabilities			
Provisions	15	12,571	10,696
Lease liabilities	17	14,933	12,801
Total Non-Current Liabilities		27,504	23,497
Total Liabilities		119,116	106,409
Net Assets		344,202	328,031
Equity			
Retained surpluses		344,202	328,031
Total Equity		344,202	328,031

Notes to the financial statements are included on pages 37 to 67

Consolidated Statement of Changes in Equity
for the financial year ended 30 June 2023

	Note	2023 $'000	2022 $'000
Retained Surpluses			
Balance at the start of the year		328,031	319,971
Surplus for the year		16,171	8,060
Other comprehensive income for the year		-	-
Total Comprehensive Income for the Year		16,171	8,060
Balance at the end of the Year		344,202	328,031
Total Retained Surpluses		344,202	328,031
Total Equity		344,202	328,031

Notes to the financial statements are included on pages 37 to 67

Consolidated Statement of Cash Flows
for the financial year ended 30 June 2023

	Note	2023 $'000	2022 $'000
Cash Flow from Operating Activities			
Receipts from operating activities		248,198	230,136
Ambulances services revenue		224,039	154,219
Payments for operating activities		(401,953)	(364,826)
Net Cash Provided by Operating Activities	19(b)	70,284	19,529
Cash Flows from Investing Activities			
Proceeds from the sale of property, plant and equipment		1,562	709
Payments for property, plant and equipment		(21,792)	(50,967)
Interest income		3,019	379
Net Cash Used in Investing Activities		(17,211)	(49,879)
Cash Flow from Financing Activities			
Repayment of lease liabilities		(3,457)	(3,023)
Lease interest payment		(639)	(323)
Net Cash Used in Financing Activities		(4,096)	(3,346)
Net Movement in Cash and Cash Equivalents		48,977	(33,696)
Cash and Cash Equivalents at the Beginning of the Financial Year		105,942	139,638
Cash and Cash Equivalents at the End of the Financial Year	19(a)	154,919	105,942

Notes to the financial statements are included on pages 37 to 67

Notes to the Consolidated Financial Statements for the financial year ended 30 June 2023

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1	General information
2	Application of New and Revised Accounting Standards
3	Significant Accounting Policies
4	Critical Accounting Judgements and Key Sources of Estimation Uncertainty
5	Revenue
6	Surplus for the Year
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1. General Information

St John Ambulance Western Australia Limited (the Company) is a company limited by guarantee incorporated in Australia. The address of its registered office and principal place of business is as follows:

209 Great Eastern Highway Belmont, Western Australia, 6104
Phone: (08) 9334 1222
Web Site: www.stjohnwa.com.au

The Company's principal activities are the provision of ambulance services, primary and ancillary care and first aid training within the state of Western Australia.

2. Application of New and Revised Accounting Standards

(a) New Standards and Interpretations Adopted

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to their operations and are effective for the current financial reporting period beginning 1 July 2022. The adoption of these standards and interpretations did not have a material impact on the Group.

(b) Accounting Standards and Interpretations Issued but not yet Effective

The following Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective and have not been adopted by the Group for the year ended 30 June 2023:

Standard / Interpretation	Effective for annual reporting periods beginning on or after	Expected to be applied by the Company
AASB 17 Insurance Contracts Establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes AASB 4 Insurance Contracts, AASB 1023 General Insurance Contracts and AASB 1038 Life Insurance Contracts.	1 January 2023	30 June 2024
AASB 2022-5 Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback Amends AASB 16 Leases by adding subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements in AASB 15 Revenue from Contracts with Customers to be accounted for as a sale.	1 January 2024	30 June 2025
AASB 2022-7 Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards Makes editorial corrections to six Australian Accounting Standards and AASB Practice Statement 2 Making Materiality Judgements. The corrections include corrections made by the IASB to IFRS Accounting Standards since June 2021.	1 January 2023	30 June 2024
AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates Amends AASB Standards to improve accounting policy disclosures and clarify the distinction between accounting policies and accounting estimates.	1 January 2023	30 June 2024
AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current and AASB 2020-6 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current- Deferral of Effective Date Clarifies the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period and specifies that the classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability.	1 January 2023	30 June 2024

As at the date of authorisation of the financial statements, there are no IASB standards and IFRS Interpretation Committee interpretations on issue but not yet effective, but for which Australian equivalent standards have not yet been issued that are applicable to the group.

The Company is in the process of determining the impact of these standards on the Group's future financial statements and does not plan to adopt these standards before their effective dates.

3. Significant Accounting Policies

Statement of Compliance

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (AASBs) and other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the Australian Charities and Not-for-Profit Commission Act 2012 and the Charitable Collections Act (WA) 1946.

These consolidated financial statements reflect the financial position of St John Ambulance Western Australia Limited (Company) and its consolidated entities (Group). The financial position of the Company constitutes the combined financial position of metropolitan and country operations. Country operations include the amalgamated financial position of 95 country sub centres staffed by volunteers, 19 country sub centres predominantly staffed by a mixture of volunteers and paid Team Members and four regional support funds (refer note 27).

For the purposes of preparing the financial statements, the Group is a not-for-profit entity.

The financial statements were authorised for issue by the Directors on 21 September 2023.

Going Concern

The Board have, at the time of approving the financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing these consolidated financial statements.

Basis of Preparation

The consolidated financial statements have been prepared on the basis of historical cost. Historical cost is based on the fair values of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair values for measurement and/or disclosure purpose in these consolidated financial statements is determined on such a basis, except leasing transactions, that are within the scope of *AASB 16 Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in *AASB 102 Inventories* or value in use in *AASB 136 Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorised into level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 are inputs other than quoted process included within level 1 that are observable for the asset or liability either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

All amounts are rounded to the nearest thousand dollars, unless otherwise indicated and are presented in Australian dollars.

3. **Significant Accounting Policies (continued)**

The following significant accounting policies have been adopted in the preparation and presentation of the financial statements:

(a) Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and cease when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company. Total comprehensive income of subsidiaries is attributed to the owners of the Company.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

(b) Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the entity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their fair value, except that deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with *AASB 112 Income Taxes* and *AASB 119 Employee Benefits* respectively.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquire (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

3. **Significant Accounting Policies (continued)**

(c) Goodwill

Goodwill arising on an acquisition of a business combination is carried at cost as established at the date of the acquisition of the business (see note b above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash generating units (or Groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attainable amount of goodwill is included in the determination of the profit or loss on disposal.

(d) Cash and Cash Equivalents

Cash comprises of cash on hand and demand deposits. Cash equivalents are short-term (generally with original maturity of twelve months or less), highly liquid investments that are readily convertible to known amounts of cash which are subject to an insignificant risk of changes in value.

(e) Employee Benefits

Provision is made for benefits accruing to employees in respect of salaries and wages, annual leave and long service leave when it is probable that settlement will be required, and they are capable of being measured reliably.

Provisions made in respect of salaries and wages, annual leave and long service leave expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Provisions made in respect of annual and long service leave which is not expected to be settled within 12 months is measured as the present value of the estimated future cash outflows to be made in respect of services provided by employees up to reporting date.

Defined contribution plans
Contributions to defined contribution superannuation plans are recognised as an expense when employees have rendered services entitling them to the contribution.

(f) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

The amortised cost of a financial asset or a financial liability and the allocation and recognition of the interest revenue or interest expense in profit or loss over the relevant period is performed using the effective interest rate (EIR) method, where EIR is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

Financial assets

Initial recognition and measurement
Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

3. Significant Accounting Policies (continued)

(f) Financial Instruments (continued)

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, including transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement:
For purposes of subsequent measurement, financial assets are classified in four categories:

- financial assets at amortised cost (debt instruments)
- financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments). There are no such financial assets as at 30 June 2022 (or 30 June 2021)
- financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)
The Group classifies its financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Trade and other receivables that have fixed or determinable payments that are not quoted in an active market are classified at amortised cost. Trade and other receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

3. Significant Accounting Policies (continued)

(f) Financial Instruments (continued)

Derecognition of financial assets
The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Impairment of financial assets
The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12 month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables.

Subsequent measurement
All financial liabilities are measured subsequently at amortised cost using the effective interest method or at fair value through profit or loss.

Financial liabilities measured subsequently at amortised cost
Financial liabilities that are held for trading or designated as at fair value through profit or loss, are measured subsequently at amortised cost using the effective interest method. The Group's only financial liabilities include the trade and other payables and contract liabilities which are measured at amortised cost.

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the statement of profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in *AASB 9 Financial Instruments* are satisfied. The Group has not designated any financial liability as at fair value through profit or loss.

3. Significant Accounting Policies (continued)

(f) Financial Instruments (continued)

Derecognition of financial liabilities
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(g) Contingent Liabilities

A contingent liability is:

(i) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group, or
(ii) a present obligation that arises from past events but is not recognised because:
- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or
- the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognised in the consolidated statement of financial position, except if they arise from a business combination. They are disclosed unless the possibility of an outflow of economic benefits is remote.

(h) Impairment of Tangible and Intangible Assets other than Goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, Company assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

3. Significant Accounting Policies (continued)

(i) Income Tax

The Company is a public benevolent institution and is exempt from income tax from 1 July 2000 under Subdivision 50-B of the Income Tax Assessment Act 1997.

The subsidiary Apollo Health Ltd is a not-for-profit entity and is exempt from income tax.

(j) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost comprises direct materials and where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the first in first out method. Net realisable value represents the estimated selling price less estimated costs of completion and costs necessary to make the sale.

(k) Leases

The Group as a lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognises the lease payments as an operating expense in the Property and Equipment line, on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the lessee uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:
- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

3. **Significant Accounting Policies (continued)**

(k) Leases (continued)

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under *AASB 137 Provisions, Contingent Liabilities and Contingent Assets*. To the extent that the costs relate to a right-of use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

The Group applies *AASB 136 Impairment of Assets* to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in 'Other expenses' in profit or loss.

As a practical expedient, *AASB 16 Leases* permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient. For contracts that contain a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Concessionary leases
The Group leases a number of buildings from Government and other third parties with significantly below-market terms and conditions principally to enable it to further its objectives. The Group is dependent on these leases to further its objectives as it utilises the buildings to run its operations to deliver its services. The Group is restricted on the use of the buildings as agreed with the counterparties and may not utilise it for other purposes including sub-leasing to other entities. The Group has elected to measure these leases at cost.

3. **Significant Accounting Policies (continued)**

(k) Leases (continued)

The Group as lessor
The Group enters into lease agreements as a lessor with respect to some of its investment properties. Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases. When a contract includes lease and non-lease components, the Group applies *AASB 15 Revenue from Contracts with Customers* to allocate the consideration under the contract to each component.

(l) Property, Plant and Equipment

Land is measured at cost.

Plant and equipment, buildings and leasehold improvements are stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the item. In the event that settlement of all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

Depreciation is provided on property, plant and equipment, including freehold buildings but excluding land. Depreciation is provided so as to write off the net cost of each asset over its estimated useful life. Depreciation is calculated using the following basis:

Buildings and Leasehold Improvements – Between 10 to 40 years straight-line method
Plant and Equipment - Between 3 to 10 years straight-line method
Ambulances and Other Vehicles - Between 4 to 8 years straight-line method
Land is not depreciated

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, with the effect of any changes recognised on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising from the disposal is determined as the difference between the carrying amounts of the asset and is recognised in profit or loss.

3. Significant Accounting Policies (continued)

(m) Intangible Assets

(i) Intangible assets acquired separately
Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

(ii) Intangible assets acquired in a business combination
Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

(iii) Derecognition of intangible assets
An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit or loss when the asset is derecognised.

(n) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group 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 reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, it's carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

(o) Revenue

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

The Group recognises income from its main revenue/income streams as listed below:
- Ambulance transport fees
- Government grants and funding arrangements
- First aid training and services income
- Primary health services
- Capital grants

Ambulance transport fees
Ambulance Transport revenue fee for service and is recognised at the point in time when the performance obligation has been met, being when the service has been provided to the customer. It is recognised at the amount that reflects the consideration to which the Group expects to be entitled in exchange for transferring services to the customer.

3. Significant Accounting Policies (continued)

(o) Revenue (continued)

Government grants and funding arrangements
When the Group receives government grants and funding, it performs an assessment to determine if the contract is 'enforceable' and contains 'sufficiently specific' performance obligations. In cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the transaction is accounted for under *AASB 15 Revenue from Contracts with Customers* where income is recognised when (or as) the performance obligations are satisfied. In all other cases (where the contract is not 'enforceable' or the performance obligations are not 'sufficiently specific'), the transaction is accounted for under *AASB 1058 Income of Not-for-Profit Entities* where the Group:

- Recognises the asset in accordance with the requirements of other relevant applicable Australian Accounting Standards (e.g. *AASB 9 Financial Instruments, AASB 16 Leases, AASB 116 Property, Plant and Equipment* and *AASB 138 Intangible Assets*)
- Considers whether any other financial statement elements should be recognised ('related amounts') in accordance with the relevant applicable Australian Accounting Standard including:
  - contributions by owners (*AASB 1004 Contributions*)
  - a lease liability (*AASB 16 Leases*)
  - revenue, or a contract liability arising from a contract with a customer (*AASB 15 Revenue from Contracts with Customers*)
  - a financial instrument (*AASB 9 Financial Instruments*)
  - a provision (*AASB 137 Provisions, Contingent Liabilities and Contingent Assets*)
- Recognises income immediately in profit or loss for the excess of the initial carrying amount of the asset over any related amounts recognised.

Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised as income of the period in which it becomes receivable.

Grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets (including property, plant and equipment) are recognised as a financial liability in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful life of the related assets.

The grant received from the Federal Government for the provision of Urgent Care centres has given rise to a financial liability, due to its terms, which reduces over the period of the grant agreement. The income will be recognised as grant income progressively in the Statement of Profit or Loss and Other Comprehensive Income as the grant agreement conditions are satisfied.

On the 1st of January 2023 the Company commenced operating under a new Ambulance Services Agreement with the Health Department of Western Australia for the provision of ambulance services in Western Australia.

Revenue from Services to the Health Department of Western Australia for the first six months of the 2023 Financial year is recognised at a point in time as the services are provided to the Health Department of Western Australia. Revenue is received from the Health Department of Western Australia in the form of transfers of resources to the Company in return for past or future compliance with certain conditions relating to the operating activities of the entity.

3. Significant Accounting Policies (continued)

(o) Revenue (continued)

Government grants and funding arrangements (continued)
From 1 January 2023, Revenue from Services under the Ambulance Services Agreement is also recognised in line with *AASB 15 Revenue from Contracts with Customers.* The provision of the ambulance services is a stand-ready performance obligation and as the customer simultaneously receives and consumes the benefits provided the revenue is recognised over time. The method applied for over time recognition is based on time and reflects the pattern of performance of the service. The transaction price consists of both fixed and variable consideration elements with the latter dependent on both the level of activity (cases) in the period, achieving certain KPIs and the continuing investment in the infrastructure of the Group. The variable revenue recognised is assessed and constrained should there be a significant risk of reversal of the revenue in future periods. There is not considered to be a significant financing component in this revenue stream as the period between the recognition of revenue under the straight-line method and the payment is always less than one year.

First aid training and services income
First aid training and services income is recognised at the point in time when the service has been completed at amounts that reflect the consideration to which the Group expects to be entitled in exchange for providing the service.

Primary health services
Primary Health revenue is recognised net of doctor and dentist fees at the point in time when the service has been completed at amounts that reflect the consideration to which the Group expects to be entitled in exchange for providing the service.

Capital grants – Buildings
For capital grants received under an enforceable agreement where it includes a transfer to enable the Group to acquire or construct a recognisable non-financial asset to identified specifications which will be controlled by the Group when completed, the Group recognises a liability for the excess of the fair value of the transfer over any related amounts recognised and recognises income as it satisfies its obligations under the transfer.

As the capital grants received by the Group are primarily for the construction of buildings, the Group recognises income as the buildings are constructed (when it satisfies its obligations).

Unrecognised revenue - Volunteer services
The Group regularly receives volunteer services as part of its operations. Under *AASB 1058 Income of Not-for-Profit Entities*, private sector not-for-profit entities have a policy option to account for donated services at fair value if the fair value can be reliably measured. The Group has decided to adopt the accounting policy option not to recognise volunteer services. Accordingly, no amounts are recognised in the financial statements for volunteer services.

(p) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:
(i) where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
(ii) for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables. Cash flows are included in the Statement of Cash Flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(q) Pensioner Concessions

Pensioner Concessions are recorded as discounted revenue rather than as expenditure. Pensioners are entitled to a 50% concession on ambulance transport if they hold a valid Pensioner Concession Card.

4. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the Group’s accounting policies, which are described in note 3, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Key Sources of Estimation Uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

Useful lives of property, plant and equipment
As described in note 3(l) the Group reviews the estimated useful lives of property, plant and equipment at the end of each annual reporting period.

Revenue recognition
To determine if a grant contract should be accounted for under *AASB 1058 Income of Not-for-Profit Entities* or *AASB 15 Revenue from Contracts with Customers*, the Group has to determine if the contract is ‘enforceable’ and contains ‘sufficiently specific’ performance obligations. When assessing if the performance obligations are ‘sufficiently specific’, the Group applies significant judgement in this regard by performing a detailed analysis of the terms and conditions contained in the grant agreements, the allocation of funding between projects, review of accompanying documentation and holding discussions with relevant parties.

Impairment of receivables
Ambulance transport receivables have been provided for based on historical experience. The exact adjustment to the amount receivable cannot be ascertained with any certainty and thus assumptions/estimates have been made about the demographics and the location in which the service was provided.

Impairment assessment of property, plant and equipment
In accordance with note 3 (l), Property, plant and equipment, the Group has performed an assessment to determine if there are any indicators of impairment. Judgements have been made by management based on consideration of both internal and external sources as per *AASB 136 Impairment of Assets* concluding no impairment triggers existed as at 30 June 2023.

Impairment of right of use assets
The Group has performed an impairment assessment of its right of use assets; it was determined that one leased asset was impaired due to the difficulty finding practitioners and prohibitive costs to operate the clinic. The leased property has been marketed with a local estate agent and is expected to be sub-leased for a portion of the remainder of the lease term. The carrying amount of the right-of-use asset in respect of the property is S2.9 million at 30 June 2023 (2022 $nil). In estimating the recoverable amount of the right-of-use asset, the directors have made assumptions about the achievable market rates for similar properties with similar lease terms, the likelihood of the commencement date of the proposed sub-lease and the applicable discount rate. Due to the associated uncertainty, it is possible that these estimates may need to be revised during the next year. Refer note 12.

Determining the performance obligations in relation to the Ambulance Services Agreement funding arrangements
Note 3(o) describes the revenue recognition in relation to the provision of ambulance services to Western Australia, which is identified as one performance obligation. The contract outlines multiple services that the Group is required to deliver in the performance of the contract. On assessing these services the Directors have applied judgement in determining that they are not distinct in the context of the contract as whole, and therefore represent one performance obligation. In making their judgement, the Directors considered the detailed criteria for the recognition of revenue set out in AASB 15.

4. Critical Accounting Judgements and Key Sources of Estimation Uncertainty (continued)

Key Sources of Estimation Uncertainty (continued)

Variable consideration in relation to the Ambulance Services Agreement funding arrangements
The over time revenue from the Ambulance Services Agreement includes fixed and variable consideration. The Group has assessed the conditions attached to the variable consideration component for the period 1 January 2023 to 30 June 2023 and determined there are no constraints applicable to the variable consideration in this period.

Recognition of contingent liabilities
As described in note 25 to the financial statements, in the opinion of the directors, the Group did not have any contingent liabilities as at 30 June 2023.

Annual leave and long service leave provisions
In determining the liability to the Group for employee leave entitlements the following factors have been based on estimates:
(i) On-costs – superannuation and workers compensation
(ii) Probability of employee turnover
(iii) Future pay and allowance increases

Provision for future claims for child abuse arising from past events
Various actuarial assumptions are used when determining the Group's obligations for future claims in relation to historical child abuse.

5. Revenue

	2023 $'000	2022 $'000
The following is an analysis of the Group's revenue for the year.		
Point in Time Revenue		
Ambulance transport fees	187,470	197,219
Membership fees	2,690	2,592
DFES helicopter fees	3,667	3,387
Medical health services	6,752	6,450
First aid training and services income	21,372	18,679
Event health services	3,904	3,134
Primary health services	22,349	19,063
Ambulances services revenue	84,743	141,803
Donations and bequests (i)	1,538	1,932
Other revenue	1,585	530
	336,070	394,789
Over Time Revenue		
Urgent care facilities grant funding (ii)	4,012	7,094
Ambulance services agreement revenue	117,824	-
	121,836	7,094
Total	457,906	401,883

(i) Donations received are utilised for specific philanthropic objectives as well as general operating activities.
(ii) Federal Government grant funding received for the construction and operation of three urgent care centres.

6. Surplus for the Year

	2023 $'000	2022 $'000
The surplus from ordinary activities includes the following items:		
Gain on sales of property, plant and equipment	974	484
Interest income	3,019	379
Other Income	3,993	863
Short-term and low value lease expenses	1,650	773
Costs relating to fundraising activities	1,181	2,411
Bad and Doubtful Debts Expense:		
Bad debts expense	32,651	34,562
Doubtful debts expense/(write-back)	4,584	(1,911)
Total Bad and Doubtful Debts Expense	37,235	32,651
Employee Benefit Expense:		
Personnel salaries and wages	262,712	232,816
Defined contribution plan	25,556	22,067
Other employee expenses	25,706	25,475
Total Employee Benefit Expense	313,974	280,358

Lease commitments for short-term and low value leases are disclosed in note 18.

7. Restricted Cash

	2023 $'000	2022 $'000
The Bertie and Olga Charitable Trust	2,056	1,989
Total	2,056	1,989

The Company is the Trustee of the Bertie & Olga Cohen Charitable Trust. The funds contained within the Trust have been brought to account as restricted cash to be distributed according to the terms of the Trust.

8. Inventories

	2023 $'000	2022 $'000
Inventories at cost	7,647	9,635
Provision for expiring stock	(1,453)	-
Total	6,194	9,635

9. Trade and Other Receivables

	2023 $'000	2022 $'000
Ambulance transport receivables [(i)]	17,991	19,632
Allowance for losses	(7,519)	(9,805)
	10,472	9,827
Sundry receivables [(ii)]	13,114	27,198
Allowance for losses	(1,131)	(789)
	11,983	26,409
Net goods and services tax	532	-
Total	22,987	36,236

(i) The average credit period is 14 days for all receivables. No interest is charged on outstanding ambulance transport receivables. Ambulance transport accounts are written off 75 days from the date of invoicing based on historical experience and are sent to collection agencies. An allowance has been made for estimated irrecoverable trade receivable amounts arising from ambulance transport accounts and the rendering of services, there has been no change in the determination of the estimation (refer note 4).

(ii) The average credit period is 14 – 30 days for all receivables. No interest is charged on outstanding trade receivables. Sundry receivables includes amounts owing from the Health Department of Western Australia and other institutional customers. Collection timeframes are within expected terms.

Movement in the Allowance for Impairment Losses

	2023 $'000	2022 $'000
Balance at the start of the year	10,594	12,811
Net impairment losses (written back)/provided for	(1,944)	(2,217)
Balance at the end of the year	8,650	10,594

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor, adjusted for factors that are specific to the debtor and general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

10. Other Current Assets

	2023 $'000	2022 $'000
Prepayments	6,206	2,336
Accrued income	5,263	10,160
Contract asset	-	4,783
Total	11,469	17,279

Accrued income includes ambulance transport revenue, Health Department contract for services revenue, interest income and primary health services revenue.

11. Property, Plant and Equipment

	Leasehold and Freehold Land at Cost $'000	Buildings and Leasehold Improvements at Cost $'000	Plant and Equipment at Cost $'000	Ambulance and Vehicles at Cost $'000	Assets Under Construction $'000	Total $'000
Gross Carrying Amount						
Balance as at 1 July 2021	33,260	146,551	76,374	105,479	14,195	375,859
Additions	-	-	-	-	50,716	50,716
Transfer from capital work in progress	6,000	7,599	10,171	11,604	(35,374)	-
Disposals	-	-	(1,874)	(6,414)	-	(8,288)
Balance as at 30 June 2022	39,260	154,150	84,671	110,669	29,537	418,287
Additions	-	-	-	-	21,839	21,839
Transfer from capital work in progress	-	5,159	10,725	9,370	(25,254)	-
Disposals	-	(82)	(1,434)	(9,489)	-	(11,005)
Balance as at 30 June 2023	39,260	159,227	93,962	110,550	26,122	429,121
Accumulated Depreciation						
Balance as at 1 July 2021	-	35,822	48,290	71,256	-	155,368
Disposals	-	-	(1,787)	(6,276)	-	(8,063)
Depreciation expense	-	5,188	5,533	10,006	-	20,727
Balance as at 30 June 2022	-	41,010	52,036	74,986	-	168,032
Disposals	-	(64)	(1,217)	(9,136)	-	(10,417)
Depreciation expense	-	5,588	5,908	9,846	-	21,342
Balance as at 30 June 2023	-	46,534	56,727	75,696	-	178,957
Net Book Value						
as at 30 June 2022	39,260	113,140	32,635	35,683	29,537	250,255
as at 30 June 2023	39,260	112,693	37,235	34,854	26,122	250,164

Urgent Care Grant Funded Assets with Special Conditions

Property, plant and equipment with a net book value of $7.2m (2022: $8.6m) has been pledged as security against the financial liability of the Group in relation to the Federal Government grant provided for the Urgent Care centres (refer note 16). The Group is not allowed to pledge these assets as security for other borrowings or to sell them to another entity without the approval of the Federal Government.

12. Right of Use Assets

	2023 $'000	2022 $'000
Cost		
Balance at 1 July	22,277	15,671
Additions	8,682	6,606
Balance at 30 June	30,959	22,277
Accumulated Depreciation and Impairment		
Balance at 1 July	(7,184)	(3,903)
Depreciation expense	(5,036)	(3,281)
Adjustment	(249)	-
Impairment	(905)	-
Balance at 30 June	(13,374)	(7,184)
Carrying amount at 30 June	17,585	15,093

(i) The right of use assets relate to several buildings that are leased by the Group and the associated make good provisions. The average lease term for the current financial year is 5.1 years (2022: 4.8 years).
(ii) Approximately one third of the leases expired in the current financial year. The expired contracts were replaced by new leases for identical underlying assets.
(iii) Depreciation expense of $5.3 million (2022: $3.3 million) and interest expense on lease liabilities and make good provisions of $966 thousand (2022: $323 thousand) were recognised in profit and loss in 2023.
(iv) The maturity of lease liabilities is presented in note 17.

13. Subsidiary

Details of the Group's material subsidiaries at the end of the reporting period are as follows:

Name of Subsidiary	Principal Activity	Place of Incorporation and Operation	Proportion of Ownership Interest and Voting Held by the Group	
			2023	2022
Apollo Health Limited	Provision of primary and ancillary health services	Australia	100%	100%

14. Trade and Other Payables

	2023 $'000	2022 $'000
Trade payables	6,786	7,412
Other payables	819	1,112
Total	7,605	8,524

The average credit term offered to the Group is 30 days interest free from date of invoice. The Group pays all accounts by the due date but normally within 14 days from the receipt of invoices. The Group has financial risk management policies in place to ensure that all payables are paid within the credit terms.

15. Provisions

	2023 $'000	2022 $'000
Current		
Provision for annual leave	32,203	28,152
Provision for vested long service leave	23,176	19,266
Provision for potential future claims	-	130
Provision other	10	41
Total	55,389	47,589
Non-Current		
Provision for long service leave	7,162	8,196
Provision for potential future claims	2,630	2,500
Provision for make good costs	2,779	-
Total	12,571	10,696

The current provision for annual leave and vested long service leave entitlements represent employee benefits that are expected to be taken within 12 months.

The provision for potential future claims is related to the Group's total outstanding exposure to historical child sexual abuse claims under the National Redress Scheme. The amount relates to an actuarial estimation of likely future reported civil claims and future payments as a result of past events where the Group may be found responsible. There were no new cases brought forward during the year.

16. Other Current Liabilities

	2023 $'000	2022 $'000
Accrued expenses	12,404	11,097
Accrued expenses – property, plant and equipment	218	171
Unearned revenue	4,883	3,785
Contract liability	7,224	8,547
Total	24,729	23,600

Unearned revenue includes grant funding, benefit funds, primary health services revenue and first aid course fees.

The Federal Government, via a grant agreement executed in 2019 have provided the Group with funding of $21.6m to support the administration and construction of Urgent Care centres. At 30 June 2023, $21.5m (2022: $18.9m) has been spent by the Company. At 30 June 2023 $11.2m had been spent on operational expenditure (2022: $9.0m) and $10.3m had been spent on capital (2022: $9.9m) expenditure in line with the agreement. This capital expenditure has been recognised in the Statement of Financial Position as Property, Plant and Equipment.

17. Lease Liabilities

	2023 $'000	2022 $'000
Maturity Analysis:		
Year 1	4,645	3,700
Year 2	4,477	3,577
Year 3	2,741	3,429
Year 4	1,974	1,756
Year 5	1,884	1,027
Onwards	6,400	4,843
	22,121	18,332
Less: Unearned interest	(3,299)	(2,332)
	18,822	16,000
Analysed as:		
Current	3,889	3,199
Non-current	14,933	12,801
	18,822	16,000

The Group does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the Group's finance function.

18. Commitments for Expenditure

	2023 $'000	2022 $'000
Capital Expenditure Commitments		
Land and buildings		
Not longer than 1 year	550	836
Longer than 1 year and not longer than 5 years	-	-
Longer than 5 years	-	-
	550	836
Total Commitments for Capital Expenditure	550	836
Lease Commitments		
Radio Sites		
Not longer than 1 year	157	149
Longer than 1 year and not longer than 5 years	80	120
Longer than 5 years	-	-
	237	269
Residential Properties		
Not longer than 1 year	455	376
Longer than 1 year and not longer than 5 years	23	6
Longer than 5 years	-	-
	478	382
Commercial Properties		
Not longer than 1 year	523	14
Longer than 1 year and not longer than 5 years	3,163	17
Longer than 5 years	3,085	-
	6,771	31
Total Commitments for Lease Expenditure	7,486	682

The commercial property lease commitments longer than five years includes one property where the lease has been signed but had not commenced in 2023.

19. Notes to the Statement of Cash Flows

For the purpose of the Statement of Cash Flows, cash includes cash on hand and in banks and investments in short term deposits, net of outstanding bank overdrafts. Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	2023 $'000	2022 $'000
a) Reconciliation of Cash and Cash Equivalents		
Cash	51,524	36,844
Term deposit investments (short term)	101,339	67,109
Cash at bank	152,863	103,953
Restricted cash	2,056	1,989
Total Cash and Cash Equivalents	154,919	105,942
b) Reconciliation of Surplus to Net Cash Flow		
Surplus	16,171	8,060
Depreciation expense – property, plant and equipment	21,342	20,727
Depreciation expense – right of use assets	5,036	3,281
Amortisation and impairment expense	905	20
Gain on sale of property, plant and equipment	(974)	(484)
Interest income	(3,019)	(379)
Interest expense – lease liabilities and make good	966	323
Decrease/(Increase) in assets:		
Inventories	3,441	(149)
Receivables	13,249	5,961
Prepayments	(3,870)	(1,034)
Accrued income	4,897	(6,684)
Contract assets	4,783	(4,783)
(Decrease)/Increase in liabilities		
Payables	(919)	(2,606)
Leave provisions	6,927	4,081
Other provisions	267	(5,148)
Accrued expenses	1,307	587
Unearned revenue	1,098	73
Contract liabilities	(1,323)	(2,317)
Net cash from operating activities	70,284	19,529

c) Financing Facilities

An unsecured bank overdraft facility was available at the end of the year for $4.0 million (2022: $4.0 million), the facility was not used during the year. The facility is reviewed annually.

For financing facilities relating to leases refer to note 17 and note 20.

d) Non-cash Financing and Investing Transactions

Additions to right of use assets during the year amounting to $8.7m (2022: $6.6m) were financed by new leases of $6.3m (2022: $6.6m) and make good provisions of $2.4m (2022: nil).

19. Notes to the Statement of Cash Flows (continued)

e) Reconciliation of Liabilities Arising from Financing Activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's statement of cash flows as cash flows from financing activities.

2023			Non-cash changes		
	1 July 2022 $'000	Cash flows $'000	New leases $'000	Other $'000	30 June 2023 $'000
Lease liabilities	16,000	(4,096)	6,275	643	18,822
Total liabilities arising from financing activities	16,000	(4,096)	6,275	643	18,822

2022			Non-cash changes		
	1 July 2021 $'000	Cash flows $'000	New leases $'000	Other $'000	30 June 2022 $'000
Lease liabilities	12,417	(3,346)	6,543	386	16,000
Total liabilities arising from financing activities	12,417	(3,346)	6,543	386	16,000

The Group classifies interest paid as cash flows from financing activities

20. Financial Instruments

a) Financial Risk Management

The Group has a policy of being conservative in financial risk management. The Group does not enter into or trade financial instruments, including derivative securities. Excess funds are placed in term deposits with banks in order to achieve a modest rate of return.

Standard trade reference checks are undertaken to assess counterparty risk prior to extending trade credits.

Trade debtors and trade creditors are monitored on an ongoing basis to mitigate risk exposures.

b) Capital Risk Management

The Group manages its capital to ensure that the Group will be able to continue as a going concern while fulfilling its objective of providing first aid and ambulance services within Western Australia.

The Group's overall strategy remains unchanged from 2022. The capital structure of the Group consists of equity which wholly consists of retained surpluses.

The Group is not subject to externally imposed capital requirements.

Operating cash flows are used to maintain and expand the Group's capital requirements.

c) Significant Accounting Policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 3 to the financial statements.

20. Financial Instruments (continued)

d) Interest Rate Risk Management

The Group's market risk exposure is primarily to interest rate movements related to amounts of interest income derived from bank deposits. Any change in interest rates will impact the interest income for the Group as well as the incremental borrowing rate associated with leases will in turn impact the Group's finance costs. The interest rate risk is inherently managed through the Group's investment and borrowing policies.

There has been no change to the Group's exposure to market risks or the manner in which these risks are managed and measured.

e) Liquidity Risk Management

Ultimate responsibility for liquidity risk management rests with the senior management team, who has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate cash reserves, leases and banking facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Note 19 (c) sets out details of undrawn facilities that the Group has at its disposal to further reduce the liquidity risk.

f) Credit Risk Management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has credit approval processes in place to scrutinise commercial applications for credit prior to providing services on credit terms.

Trade receivables relating to ambulance transport consist of a large number of customers. Individual receivables are written off 75 days from the date of invoicing and are sent to debt collection agencies for recovery.

In addition, the Group is exposed to credit risk in relation to bank guarantees held for several leased properties. The total exposure to the Group as at 30 June 2023 is $1.7m (30 June 2022: $1.4m).

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 20 (g).

20. Financial Instruments (continued)

g) Categories of Financial Instruments and their Fair Values

This note provides information about the categories of the Group's financial instruments and how the Group determines fair values of various financial assets and financial liabilities.

The Group has no financial instruments that are required to be measured at fair value on a recurring basis.

The Board considers that the carrying amounts of financial assets and financial liabilities carried at amortised cost recognised in the financial statements approximate their fair values.

	2023		2022	
	Carrying Amount $'000	Fair Value $'000	Carrying Amount $'000	Fair Value $'000
Financial Assets				
Trade and other receivables	22,455	22,455	36,236	36,236
Contract assets	-	-	4,783	4,783
Cash and cash equivalents	154,919	154,919	105,942	105,942
Total Financial Assets	177,374	177,374	146,961	146,961
Financial Liabilities				
Trade and other payables	7,605	7,605	8,524	8,524
Accrued expenses	13,857	13,857	11,097	11,097
Accrued expenses - property, plant and equipment	218	218	171	171
Contract liabilities	7,224	7,224	8,547	8,547
Total Financial Liabilities	28,904	28,904	28,339	28,339

As at 30 June 2023 the fair value hierarchy of the Group's financial assets and financial liabilities that are not measured at fair value but for which fair value disclosures are required are set out below:

	Fair Value Hierarchy as at 30 June 2023			
	Level 1 $'000	Level 2 (i) $'000	Level 3 $'000	Total $'000
Financial Assets				
Trade and other receivables	-	22,455	-	22,455
Contract assets	-	-	-	-
Cash and cash equivalents	154,919	-	-	154,919
Total Financial Assets	154,919	22,455	-	177,374
Financial Liabilities				
Trade and other payables	-	7,605	-	7,605
Accrued expenses	-	13,857	-	13,857
Accrued expenses – property, plant and equipment	-	218	-	218
Contract liabilities	-	7,224	-	7,224
Total Financial Liabilities	-	28,904	-	28,904

Notes to the Consolidated Financial Statements for the financial year ended 30 June 2023

20. Financial Instruments (continued)

g) Categories of Financial Instruments and their Fair Values (continued)

As at 30 June 2022 the fair value hierarchy of the Group's financial assets and financial liabilities that are not measured at fair value but for which fair value disclosures are required are set out below:

	Fair Value Hierarchy as at 30 June 2022			
	Level 1 $'000	Level 2 (i) $'000	Level 3 $'000	Total $'000
Financial Assets				
Trade and other receivables	-	36,236	-	36,236
Contract assets	-	4,783	-	4,786
Cash and cash equivalents	105,942	-	-	105,942
Total Financial Assets	105,942	41,019	-	146,961
Financial Liabilities				
Trade and other payables	-	8,524	-	8,524
Accrued expenses	-	11,097	-	11,097
Accrued expenses – property, plant and equipment	-	171	-	171
Contract liabilities	-	8,547	-	8,547
Total Financial Liabilities	-	28,839	-	28,839

(i) The fair value of financial assets and financial liabilities with standard terms and conditions (ie level 2 above) are determined with reference to nominal values (which approximates fair value) with relevant adjustments that reflects the credit risk of counterparties.

h) Maturity Profile of Financial Instruments

The maturity profile of financial assets and financial liabilities held by the Group are detailed on the following pages. The tables below have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

The following table details the Group's exposure to interest rate and liquidity risk as at 30 June 2023:

			Fixed Maturity Dates		
2023	Weighted Average Interest Rate	Variable Interest Rates (at call) $'000	Less than 1 Year $'000	Greater than 1 year $'000	Total $'000
Financial Assets					
Trade and other receivables	-	-	22,455	-	22,455
Contract assets	-	-	-	-	-
Cash and cash equivalents	3.52%	51,524	103,395	-	154,919
	-	51,524	125,850	-	177,374
Financial Liabilities					
Trade and other payables	-	-	7,605	-	7,605
Accrued expenses	-	-	13,857	-	13,857
Accrued expenses – property, plant and equipment	-	-	218	-	218
Contract liabilities	-	-	7,224	-	7,224
	-	-	28,904	-	28,904

20. Financial Instruments (continued)

h) Maturity Profile of Financial Instruments (continued)

The following table details the Group's exposure to interest rate and liquidity risk as at 30 June 2022:

2022	Weighted Average Interest Rate	Variable Interest Rates (at call) $'000	Fixed Maturity Dates Less than 1 Year $'000	Fixed Maturity Dates Greater than 1 years $'000	Total $'000
Financial Assets					
Trade and other receivables	-	-	36,236	-	36,236
Contract assets	-	-	4,783	-	4,783
Cash and cash equivalents	0.81%	36,844	69,098	-	105,942
	-	36,844	110,117	-	146,961
Financial Liabilities					
Trade and other payables	-	-	8,524	-	8,524
Accrued expenses	-	-	11,097	-	11,097
Accrued expenses – property, plant and equipment	-	-	171	-	171
Contract liabilities	-	-	8,547	-	8,547
	-	-	28,339	-	28,339

21. Key Management Personnel

The aggregate compensation made to Board members and other members of key management personnel of the Group is below:

	2023 $'000	2022 $'000
Short-term employee benefits – Board Members	446	326
Short-term employee benefits – Management Personnel	3,990	3,599
Post-employment benefits	383	334
Other long-term benefits	(13)	42
Termination benefits	-	-
Total	4,806	4,301

During the year until 31 March 2023, Board members received sitting fees in line with the St John Ambulance Western Australia Limited constitution and the State Board Sitting Fees and Reimbursement Policy. The Nominations & Remuneration Committee reviews the sitting fees annually in line with the objectives of the policy and the Constitution, and any changes to the sitting fees arising out of the review must be approved by the full Board. From 1 April 2023, the Board's remuneration has been based on amounts and processes recommended by an external advisory firm, shifting to a model of 26 fortnightly instalments per year with external reviews into Board remuneration at least three years apart.

22. Remuneration of Auditors

	2023 $	2022 $
Audit of the financial report	242,000	227,900
Other non-audit services:		
Risk advisory services	77,580	250,474
Cost benefit analysis	-	35,140
Total	319,580	513,514

The auditors for the Group are Deloitte Touche Tohmatsu.

23. Related Party Transactions

There were no transactions with other related parties of the Group during the financial year. In the prior year the Group obtained advisory services to the value of $5,225 from a member of the Board.

There were no balances outstanding at the end of the reporting period due to or from related parties (2022: nil).

Balances and transactions between the Company and its subsidiary, which is a related party of the Company, have been eliminated on consolidation and are not disclosed in this note.

Refer to note 21 for information regarding key management personnel related parties.

24. Subsequent Events

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

25. Contingent Liabilities

From time to time, the Group is party to various legal claims as well as inquiries from regulators and government bodies that arise in the ordinary course of business. Consideration is given to such matters and contingent liabilities are disclosed when management reaches a stage where a reasonable evaluation of likely outcome can be supported. As at 30 June 2023, the Directors have determined that there are no such matters (2022: Nil).

26. Parent Entity Information

The accounting policies of the parent entity, which have been applied in determining the financial information shown below, are the same as those applied in the consolidated financial statements except as set out below. Refer to note 3 for a summary of the significant accounting policies relating to the Group.

Investments in Subsidiaries

Investments in subsidiaries are accounted for at cost. Dividends received from subsidiaries are recognised in profit or loss when its right to receive the dividend is established (provided that it is probable that the economic benefits will flow to the Parent and the amount of income can be measured reliably).

	2023 $'000	2022 $'000
Financial Position		
Assets		
Current assets	202,198	168,858
Non-Current assets	243,655	242,709
Total Assets	445,853	411,567
Liabilities		
Current liabilities	79,971	69,498
Non-Current liabilities	21,681	14,038
Total Liabilities	101,652	83,536
Equity		
Retained surpluses	344,201	328,031
Total Equity	344,201	328,031
Financial Performance		
Surplus for the year	16,170	8,060
Other comprehensive income	-	-
Total comprehensive income	16,170	8,060

	2023 $'000	2022 $'000
Capital Expenditure Commitments by the Parent Entity		
Property, Plant and Equipment		
Not longer than 1 year	550	537
Longer than 1 year but not longer than 5 years	-	-
Longer than 5 years	-	-
	550	537
Commitments by the Parent Entity		
Not longer than 1 year	948	539
Longer than 1 year but not longer than 5 years	1,263	143
Longer than 5 years	30	-
	2,344	682

The Parent has provided a letter of support to its subsidiary Apollo Health Limited effective for a period of at least 12 months from the date of signing the subsidiary's financial statements. The Parent will not call loan amounts due in this period and will provide financial assistance in the event that Apollo is unable to pay its debts as and when they become due.

27. St John Country Sub Centres

The following St John sub centre locations and support funds have been consolidated with the metropolitan operations in the consolidated financial statements:

St John Sub Centres with Volunteers:		**95**
Augusta	Harvey	Newdegate
Beverley	Irwin Districts	Northampton
Boddington	Jerramungup	Northcliffe
Boyup Brook	Jurien Bay	North Midlands
Bridgetown	Kalbarri	Onslow
Brookton	Kambalda	Pemberton
Bruce Rock	Katanning	Perenjori
Brunswick	Kellerberrin	Pingelly
Bullsbrook	Kent	Quairading
Capel	Kojonup	Ravensthorpe
Carnarvon	Kondinin	Rocky Gully
Cervantes	Kulin	Sandstone
Chapman Valley	Kununoppin	Shark Bay
Chittering/Gingin	Lake Grace	Southern Cross
Christmas Island	Lake King	Tambellup
Coolgardie	Lancelin	Tom Price
Corrigin	Laverton	Toodyay
Cranbrook	Leeman Greenhead	Varley
Cue	Leinster	Victoria Plains
Cunderdin	Leonora	Wagin
Dalwallinu	Manjimup	Walpole
Dandaragan	Margaret River	Waroona
Darkan	Meekatharra	Wickepin
Denmark	Menzies	Wickham-Roebourne
Donnybrook	Moora	Williams
Dowerin	Morangup	Wongan Hills
Dumbleyung	Morawa	Wundowie
Dunsborough	Mt Barker	Wyalkatchem
Esperance	Mt Magnet	Wyndham
Exmouth	Mullewa	Yalgoo
Gnowangerup	Nannup	York
Goomalling	Narembeen	

St John Sub Centres with Paid Team Members:		**19**
Albany	East Bunbury	Narrogin
Australind	Geraldton	Newman
Broome	Hedland	Norseman
Bunbury	Kalgoorlie	Northam
Busselton	Karratha	Pinjarra
Collie	Kununurra	
Dawesville	Merredin	

St John Regional Support Funds:		**4**
Great Southern Regional Support Fund	Wheatbelt Regional Support Fund	
Midwest Regional Support Fund	Southwest Regional Support Fund	

St John WA

209 Great Eastern Highway, Belmont WA 6104
T 08 9334 1222

stjohnwa.com.au

Would you like to help?

St John WA is always looking for
new volunteers to fill a range of roles.

Email us on
volunteersourcing@stjohnwa.com.au

Phone us on **08 9334 1306 or toll free 1800 069 393**