

ANNUAL REPORT 2023-24

Driving financial inclusion and economic empowerment with Aboriginal and Torres Strait Islander people.



Australian Government
Indigenous Business Australia

A note on terminology

The United Nations Permanent Forum on Indigenous Issues estimates there are more than 370 million Indigenous people spread across 70 countries worldwide.

In considering the diversity of Indigenous people, an official definition of 'indigenous' has not been adopted by any United Nations (UN) system or body. According to the UN, the most fruitful approach is to identify, rather than define, Indigenous people. This is based on the fundamental criterion of self-identification as underlined in several human rights documents.

Australia's Indigenous people are two distinct cultural groups made up of Aboriginal and Torres Strait Islander people. But there is great diversity within these two broadly described groups exemplified by more than 250 different language groups spread across the nation.

Indigenous Business Australia (IBA) uses the primary term of Aboriginal and Torres Strait Islander people to refer to customers, in line with the *Aboriginal and Torres Strait Islander Act 2005* (ATSI Act), which acknowledges the distinct cultural differences and diversity across Australia. In recognition of the societal shifts occurring in Australia, IBA has adopted the secondary term of First Nations.

Legal framework

IBA is established under the ATSI Act and is a corporate Commonwealth entity for the purposes of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). IBA is accountable to the Australian Parliament through the Minister for Indigenous Australians.

About this report

As the accountable authority of IBA, the Board presents the IBA Annual Report 2023–24, as required under section 46 of the PGPA Act.

The plan is consistent with the obligations in IBA's enabling legislation, the ATSI Act.

The Board is responsible for preparing the annual report and presenting it to the Minister for Indigenous Australians, Senator the Hon. Malarndirri McCarthy, in accordance with Section 46 of the PGPA Act, Division 3A of the *Public Governance, Performance and Accountability Rule 2014* and Section 189 of the ATSI Act.

Disclaimer

Throughout this report any reference to the term IBA Group refers to IBA and its subsidiaries. Any reference to IBA, for the benefit of the reader, relates to IBA as the standalone Corporate Commonwealth Entity.

Front cover image and photos of the weaving work throughout were created by IBA staff under the guidance of Nadine Foley, Culture Weave.

The design of our brand was inspired by artwork from Gamilaraay/Gomeroi artist Penny Evans.

Edited by Neat Copy – a Supply Nation certified business.

Designed by Dreamtime Creative – a Supply Nation registered business.


IBA has taken all reasonable steps to ensure this publication's content is sensitive and considerate of Aboriginal and Torres Strait Islander people. Throughout this document the term 'Indigenous' refers to Aboriginal and Torres Strait Islander people.

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For more information, visit iba.gov.au or call 1800 107 107.





IBA acknowledges the continuing connection of Aboriginal and Torres Strait Islander people to their law, land, waters, community, and culture. We pay our respects to those who have paved the way for change. We acknowledge those who continue to lead from a place of strength, resilience and courage. We look to the future with hope while keeping our eyes on the present. We honour those who are no longer with us – it is on their shoulders we stand.

Acronyms

ABS	Australian Bureau of Statistics
ASFI	Australian Sustainable Finance Institute
ATSI Act	<i>Aboriginal and Torres Strait Islander Act 2005</i>
BOQ	Bank of Queensland
CEO	Chief Executive Officer
CITO	Chief Information and Technology Officer
CSIRO	Commonwealth Scientific and Industrial Research Organisation
EFA	Export Finance Australia
EPBC Act	<i>Environment Protection and Biodiversity Conservation Act 1999</i>
ESG	Environmental, social, and governance
HLR	Home loan rate
IBA	Indigenous Business Australia
IBAAM	Indigenous Business Australian Asset Management Pty Ltd
IPF	Indigenous Prosperity Funds
IPP	Indigenous Procurement Policy
I-REIT	Indigenous Real Estate Investment Trust
NATSIHA	National Aboriginal and Torres Strait Islander Housing Association
NBY	Nyamba Buru Yawuru Limited
NIAA	National Indigenous Australians Agency
PBS	Portfolio Budget Statements
PGPA Act	<i>Public Governance, Performance and Accountability Act 2013</i>
PGPA Rule	Public Governance, Performance and Accountability Rule 2014
PM&C	Department of the Prime Minister and Cabinet
SEG	Social Enterprise Grant
UN	United Nations



About the artwork

'We coiled our colours into the weave, representing our many stories, creating circles that cannot be broken. The weaving artwork featured throughout our report was created by IBA staff and facilitated by Whadjuk/ Ballardong artist Nadine Foley.

Individual pieces were created by each person, using a technique from Nadine's grandmother which was passed down through generations to her.

Our woven circles of fibers were then joined together into a collaborative art piece, representing the bigger picture of who we are at IBA, as community members, family and advocates for First Nations people. The story this piece holds is much more than the beautiful weaving you see, it shares the work of many hands, lived experiences, spiritual connections and emotions from the individuals that created this.'





Australian Government
Indigenous Business Australia

iba.gov.au

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1800 107 107



8 October 2024

Senator the Hon. Malarndirri McCarthy
Minister for Indigenous Australians
Ngunnawal Country
PO Box 6022
Parliament House
CANBERRA ACT 2600

Dear Minister

INDIGENOUS BUSINESS AUSTRALIA ANNUAL REPORT 2023-24

On behalf of the Board of Indigenous Business Australia (IBA), I am pleased to submit our Annual Report for the financial year ended 30 June 2024.

The Board is responsible for preparing the Annual Report and presenting it to you in accordance with Section 46 of the Public Governance, Performance and Accountability Act 2013, Division 3A of the Public Governance, Performance and Accountability Rule 2014 and Section 189 of the Aboriginal and Torres Strait Islander Act 2005.

The report includes IBA's annual performance statements and audited financial statements, which were approved in accordance with a resolution of the Board on 8 October 2024.

I commend this report to you as a record of our achievements and compliance.

Yours sincerely

Eddie Fry
Chairperson
Indigenous Business Australia

IBA
INDIGENOUS
BUSINESS
AUSTRALIA

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**INDIGENOUS
BUSINESS
AUSTRALIA**

Message from the Chair



On behalf of the IBA Board of Directors, I am pleased to submit our annual report for the financial year ended 30 June 2024.

The Board is responsible for preparing the annual report and presenting it to the Minister for Indigenous Australians, Senator the Hon. Malarndirri McCarthy.

The report includes IBA's annual performance statements and audited financial statements, approved by the Board on 8 October 2024, in accordance with Section 46 of the PGPA Act, Division 3A of the Public Governance, Performance and Accountability Rule 2014 and Section 189 of the ATSI Act.

The last 12 months have been a challenging economic environment for all Australians, particularly for Aboriginal and Torres Strait Islander people experiencing social and economic marginalisation. IBA responded to these challenges by investing in improvements across our business that eased, where we could, the pressures experienced by customers in the last year. Continuing to walk with Aboriginal and Torres Strait Islander people, their families, businesses, and communities, we aim to achieve financial inclusion, economic empowerment, and long-term impact.

In August 2023, we launched IBA's Corporate Plan 2023–24 and Strategy Towards 2028 (Corporate Plan). The Corporate Plan outlines key priorities and activities that would progress delivery of our vision for a nation where Aboriginal and Torres Strait Islander people are economically independent and an integral part of the Australian economy. In this annual report, we share how we are tracking against our performance targets as set out in the Corporate Plan.

We have achieved a great deal this year, including:

- providing 3,829 Aboriginal and Torres Strait Islander people with access to networks, knowledge, and capability-building services such as financial literacy and finance readiness
- providing 2,681 Aboriginal and Torres Strait Islander people with an IBA product or the ability to access the economy through a job or procurement opportunity
- distributing over \$364.7 million through capital or capability development activities
- launching our shared equity home loan product in August 2023—42 customers were approved for shared equity this financial year
- continuing to offer natural disaster relief to our homes and business customers in need—and which we are continuing as needed.

The economic and social landscape we operate in rapidly changes. This particularly impacted Aboriginal and Torres Strait Islander people who already experience economic disparity.

We continue to respond to help balance the effects of high interest rates coupled with high inflation on our customers.

Technological advances, climate change, biodiversity loss, and more frequent natural disasters creates uncertainty and presents significant risks, as well as new opportunities. This year IBA developed its first environmental, social, and governance (ESG) strategy. Launching in August 2024, our ESG Strategy will facilitate access to finance and capital that allows Aboriginal and Torres Strait Islander people and communities to meaningfully participate in the changing economic and ESG landscape.

Collaborating with Aboriginal and Torres Strait Islander organisations and across government helped expand our impact through new partnerships. These partnerships unlocked more opportunities for Aboriginal and Torres Strait Islander people in regional and very remote locations. Collaborations with First Nations female-led enterprises saw strong outcomes for more than 560 women across Australia.

Our purpose sets out the requirement to advance the commercial and economic interests of Aboriginal and Torres Strait Islanders people and communities by accumulating and using a substantial capital and asset base for the benefit of Aboriginal and Torres Strait Islander peoples. Our investment portfolio has shown resilience. It has delivered five-year average returns of 6.8% to our Aboriginal and Torres Strait Islander co-investors. This steady growth has contributed to our consolidated total assets exceeding \$2.3 billion—a remarkable increase from \$1.7 billion just five years ago.

We continued to support the co-investor community of 69 organisations across Australia. There is great potential to expand the number of communities we assist in housing development. We are working with eligible Aboriginal and Torres Strait Islander communities to explore residential housing development on their land through:

- capability building
- project scoping and development
- providing finance where appropriate.

Performance bonds are one of several products offered by IBA to Indigenous businesses. This year, the IBA Performance Bond Trust hit a significant milestone—since its inception in 2018, it has issued over 500 performance bonds valued at almost \$60 million, and has supported contracts valued at over \$1 billion.

This year we launched our new digital platform, myIBA, which is designed to enhance the way we interact with customers. myIBA gives customers a seamless and personalised experience, allowing them to access their account information anytime, anywhere, across any device. There are many benefits from this initiative, including:

- more efficient service delivery
- enhanced customer experience
- stronger protection of customer data and privacy with data encryption and multi-factor authentication.

In April, we released our third impact report on the experiences of home ownership by single carers and single parent families. This third report in our series of groundbreaking studies is looking at the impact of IBA's activities from the perspective of Aboriginal and Torres Strait Islander people. Indigenous single carer and single parent families care for 44% of Aboriginal and Torres Strait Islander children. They represent one in five IBA home loan customers. Home ownership supports the determination of single carers to create a better future for their families.

We welcome the Government's 2024–25 Budget decision to 'enhance Indigenous Business Australia's ability to leverage their capital, enabling greater investment in Indigenous housing, communities and businesses'.¹ Delivering on this commitment would provide:

- more home loans resulting in safe, stable, and suitable housing for Aboriginal and Torres Strait Islander families
- more business finance resulting in secure employment, training and skills, and more job opportunities for Aboriginal and Torres Strait Islander business owners and job seekers
- more investment opportunities with Aboriginal and Torres Strait Islander people resulting in steady revenue, financial security and empowerment, and more job opportunities for Aboriginal and Torres Strait Islander communities

IBA's strong systems and governance, technically and culturally capable workforce, and commercial focus make IBA a trusted partner delivering a positive impact in the lives of many.

I respectfully applaud the strength and resilience of my fellow Aboriginal and Torres Strait Islander people, and IBA will continue to be led by the aspirations of our customers and stakeholders in driving financial inclusion and economic empowerment. IBA remains committed to supporting Aboriginal and Torres Strait Islander people, families, businesses and communities to realise economic self-determination.

Finally, I would like to acknowledge the departure of Kirsty Moore as CEO, a position she held since 2021. In the interim, Leo Bator has been appointed as Acting CEO as IBA undertakes the process to recruit a new CEO.

The Board of Directors is proud of IBA's achievements, and those of our customers, and we look forward to driving greater outcomes in the future.

Mr Edward (Eddie) Fry

Chair of the IBA Board

¹ Federal Budget 2024–2025, Budget Paper No. 1 (page 34), available at: www.budget.gov.au/content/bp1/download/bp1_2024–25.pdf

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Performers at the 2024 NAIDOC
Ball and awards ceremony in
Meanjin, Brisbane.
—





PART 01:

Overview of our purpose and key activities

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Our purpose

IBA is established under the ATSI Act to enable Aboriginal and Torres Strait Islander people to engage with economic and wealth-building activities when they choose. We continue our original intent to engage in commercial activities and to promote and encourage Aboriginal and Torres Strait Islander self-management and self-sufficiency.

The ATSI Act specifically sets out IBA's purpose:

- To assist and enhance Aboriginal and Torres Strait Islander self-management and economic self-sufficiency.
- To advance the commercial and economic interests of Aboriginal persons and Torres Strait Islanders by accumulating and using a substantial capital asset for the benefit of Aboriginal and Torres Strait Islander peoples².

² *Aboriginal and Torres Strait Islander Act 2005* (Cth), section 146 (Purposes of Indigenous Business Australia).

Key activities

We work with Aboriginal and Torres Strait Islander people, organisations, and communities to establish their own economic security, create jobs, and grow wealth.

We play a critical role in enabling Aboriginal and Torres Strait Islander people to achieve economic self-determination through:

- home ownership
- business financing and commercial activities
- investment and asset management activities
- partnerships.

Figure 1: Key activities leading to economic self-determination



HOUSING

- Capability and skills workshops
- Home loans
- Shared equity
- Natural disaster and state of emergency support
- Low introductory rates for low-and medium-income applicants
- No establishment fees
- Lower deposits
- Longer loan terms
- No early payment fees
- No requirements for lenders' mortgage insurance



BUSINESS

- Capability and skills workshops
- Access to resources, referrals, business support, and industry experts
- Business loans, start-up finance package, producer offset loan, equipment finance, invoice finance, and performance bonds
- Natural disaster and state of emergency support
- Sector development: Strong Women Strong Business and Accelerate with IBA



INVESTMENTS

- Investment capability workshops
- Equity co-investments to enhance commercial opportunities
- Residential development with Aboriginal and Torres Strait Islander organisations
- Investment in assets and funds to generate money back to communities



PARTNERSHIPS

- Partnerships with Aboriginal and Torres Strait Islander businesses to co-design and deliver capability-building programs
- Partnerships with the financial services sector, including like-minded banks to help customers transition to and access the benefits of mainstream finance
- Partnerships with government agencies serving Aboriginal and Torres Strait Islander people
- Event sponsorships

Outcome 1 and corresponding performance measures

IBA is accountable to the Australian Parliament through the National Indigenous Australians Agency (NIAA) and the Minister for Indigenous Australians, Senator the Hon. Malarndirri McCarthy.

Our expected outputs, efficiency, and effectiveness, and corresponding key performance indicators, are described in the annual Department of the Prime Minister and Cabinet Portfolio Budget Statements (PM&C), which is based on IBA delivering one outcome (referred to as Outcome 1):

"Improved wealth acquisition to support the economic independence of Aboriginal and Torres Strait Islander people through commercial enterprise, asset acquisition, construction and access to concessional home and business loans."

As part of our Corporate Plan, we are transitioning to a comprehensive suite of nine performance measures that demonstrate how we deliver against this outcome.

Collectively these measures, as outlined in detail in our Corporate Plan, align with the Commonwealth Performance Framework formed under the PGPA Act. They help us to maintain a basis for assessment over time and position IBA to maximise opportunities to achieve our purpose.

Performance measures 1, 2, 3 and 7 are explained in detail in the Annual Performance Statement of Preparation (page 62), as they are measures that are listed in the PBS. The remaining performance measures are under development and are expected to be added to the PBS in future years. Refer to Appendix C for the statement of changes.

This annual report presents information on how well IBA delivered its Outcome 1 for the 2023–24 reporting period, as measured against these nine performance measures.



—
IBA home loan customer Amy and her family.
—

The nine performance measures are as follows:

- 1** Total annual number of Aboriginal and Torres Strait Islander people provided with access to capability building, knowledge and networks directly by IBA and indirectly through partnerships.
- 2** Total annual number of Aboriginal and Torres Strait Islander people provided with an IBA product or the opportunity to access the economy through a job or procurement opportunity.
- 3** Total annual sum of capital and capability development support distributed by IBA specifically for the benefit of Aboriginal and Torres Strait Islander people.
- 4** Annual reported levels of resilience and financial wellbeing.
- 5** Social and financial impact and returns to Aboriginal and Torres Strait Islander people, organisations and businesses.
- 6** Launch ESG Strategy and establish a baseline measure and target.
- 7** Total proportion of Aboriginal and Torres Strait Islander first home buyers.
- 8** Average conversion rate from enquiry into a home, business or investment outcome.
- 9** Total rate of efficiency of IBA in achieving its purpose.



—
**IBA staff out and about
at events and community
celebrations around
the country.**
—





PART 02:

Policy environment and our priorities

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IBA constantly strives to remain agile and adaptive to changes in government policy, market conditions, and political and economic cycles.

As a Corporate Commonwealth Entity, IBA must adapt to evolve with legislation and policies set by the Australian Government such as the:

- Commonwealth Risk Management Policy
- Australian Public Service (APS) Net Zero policy
- *Modern Slavery Act 2018*
- Unfair Contract Terms Reform
- *Work Health and Safety Act 2011*.

We regularly review and adjust our policies and procedures to continue to meet the high standards of corporate governance expected by the Australian Government and the community. We have a control framework to ensure compliance with all relevant legislation.

A key priority for IBA is alignment with the National Agreement on Closing the Gap (National Agreement), which outlines 17 socio-economic outcome areas that have an impact on life outcomes for Aboriginal and Torres Strait Islander people.

Outcome 9 in the Commonwealth's 2024 Closing the Gap Implementation Plan says:

'The Commonwealth remains committed to working with states and territories and Aboriginal and Torres Strait Islander people to ensure safe and secure housing that is accessible, aligned with people's priorities and needs, and includes access to a range of essential services including digital technology.'

IBA recognises that securing appropriate, affordable housing aligned with the priorities and needs of Aboriginal and Torres Strait Islander people is key to prosperity, economic independence and building intergenerational wealth.

Outcomes 6, 7 and 8 relate to further education and economic development. The Commonwealth's 2024 Closing the Gap Implementation Plan describes the path forward, including:

'...a sharp focus on implementing agreed reforms to the higher education, vocational education, and training and employment sectors that will support increased economic participation and economic development by First Nations people. Partnership and policy frameworks will continue to evolve over 2024 to consider additional reform actions and initiatives to ensure First Nations people have access to culturally safe, appropriate and fit for purpose education, training and employment programs and the tailored supports they need to participate in well-paid and secure jobs, including through improved outcomes for Indigenous youth.'

Owning a home or starting, growing, or buying a business are powerful pathways to prosperity. They unlock opportunities for economic independence and empowerment.

Our contribution to the National Agreement on Closing the Gap

We have reviewed the National Agreement's objectives and outcomes against our 2028 strategy and performance framework. We did this to:

- help government, staff, customers, and partners understand how IBA contributes to the National Agreement
- help us to identify how and where we can contribute to overcoming 'the entrenched inequality faced by too many Aboriginal and Torres Strait Islander people so that their life outcomes are equal to all Australians'.³

We acknowledge the National Agreement 'is a commitment from all Parties to set out a future where policy making that impacts on the lives of Aboriginal and Torres Strait Islander people is done in full and genuine partnership'.⁴

To align and contribute to this statement, we deliver relevant products and support to Aboriginal and Torres Strait Islander people. Access to capital is critical for First Nations self-determination and achieving systemwide change.

Our impact reports demonstrate how our activities directly and indirectly address many of the disparities identified in the National Agreement, including those relating to housing, economic participation, education, employment, safety, health, and wellbeing.

The urgency of unmet demand has real consequences in the lives of First Nations people, especially when sociodemographic data shows:

- the population is growing
- there is a much higher proportion of younger people
- life expectancy rates are lower.

These outcomes factor into the ability to service a home loan, business finance or benefit from returns generated through investments in partnership with IBA:



POPULATION

The number of people identifying as Aboriginal and/or Torres Strait Islander **increased by 25.2% from 2016 to 2021**, reaching 812,728.



AGE

The median age for Aboriginal and Torres Strait Islander people **increased from 21 years in 2011 to 24 years in 2021**.³



LIFE EXPECTANCY

The life expectancy gap between Aboriginal and Torres Strait Islander males and non-First Nations **males was 8.8 years**. The life expectancy gap between Aboriginal and Torres Strait Islander females and non-First Nations **females was 8.1 years**.

³ closingthegap.gov.au/national-agreement/national-agreement-closing-the-gap/3-objective-and-outcomes

⁴ closingthegap.gov.au/national-agreement/national-agreement-closing-the-gap/4-new-approach

Table 1: Our contribution to the National Agreement Priority Reforms

Priority reform area	Outcome	How IBA contributes
<p>1. Formal partnerships and shared decision-making</p> <p>Place-based partnerships are partnerships based in a specific region. They are between government and Aboriginal and Torres Strait Islander representatives, and others by agreement, from those specific areas.</p>	<p>Outcome 8: Strong economic participation and development of Aboriginal and Torres Strait Islander people and communities.</p>	<ul style="list-style-type: none"> • \$675,600 directly to five First Nations partners to deliver business capability programs. 1. Same Way Nation—business development program. 2. Wunun Consultancy—business development in NT. 3. The Cultural Intelligence Project—business development program in the Kimberley WA. 4. 2 Rivers—monthly business development program in regional and remote NSW. 5. Indigiearth—monthly business development program in regional and remote NSW. • Partnership with Department of Industry, Tourism and Trade (NT Government)—collaboration to design and deliver the NT Aboriginal Tourism Business Accelerator program.
<p>2. Building the community-controlled sector</p> <p>There is a strong and sustainable Aboriginal and Torres Strait Islander community-controlled sector delivering high-quality services to meet the needs of Aboriginal and Torres Strait Islander people across the country.</p>	<p>Outcome 8: Strong economic participation and development of Aboriginal and Torres Strait Islander people and communities.</p> <p>Outcome 9: Aboriginal and Torres Strait Islander people secure appropriate, affordable housing that is aligned with their priorities and need.</p>	<ul style="list-style-type: none"> • Memorandum of understanding (MoU) with the Northern Territory Indigenous Business Network to support access to networks, capital, support, and capability development. • MoU with Monash University to support Indigenous business leadership through a Master's degree. • MoU with National Australia Bank Ltd (NAB) to explore the opportunities to support IBA customers or NAB First Nations customers that cannot obtain finance. • MoU with National Aboriginal and Torres Strait Islander Housing Association (NATSIHA) to collaborate and leverage assets, capabilities, and networks to enhance the housing offerings to Aboriginal and Torres Strait Islander people.

Priority reform area	Outcome	How IBA contributes
3. Transforming government organisations	<p>Governments, their organisations, and their institutions are accountable for Closing the Gap and are culturally safe and responsive to the needs of Aboriginal and Torres Strait Islander people, including through the services they fund.</p>	<ul style="list-style-type: none"> • Mandatory cultural awareness training for all staff. • Unconscious bias training for all staff. • \$3.8 million committed under IBA's corporate First Nations Procurement Policy. • Deliver actions from impact studies and evaluations. • MoU with Export Finance Australia (EFA) to share insights and trends and explore learning and development opportunities and potential financing collaborations.
4. Shared access to data and information at a regional level	<p>Aboriginal and Torres Strait Islander people have access to, and the capability to use, locally relevant data and information to set and monitor the implementation of their priorities and efforts to close the gap, and drive their own development.</p>	<ul style="list-style-type: none"> • Impact and financial wellbeing study—agreement with organisations across Shepparton, Western Sydney (Mt Druitt), the Torres Strait Islands, Karratha/Roeboorne, and Alice Springs to share information and relevant data at key points during the study, and assist with interpreting information and sharing location-relevant information at the end of the study through a location-specific snapshot. • Informing Treasury's approach to the Australian Centre for Evaluation.

Case study 1: Prison to Entrepreneurship pilot

In an Australian first, IBA partnered with St Heliers Correctional Centre (NSW), Blackrock Industries, and i2i Global to develop and deliver the Prison to Entrepreneurship pilot program in March 2024.

This innovative program takes a strengths-based approach, recognising the hidden entrepreneurial potential of Aboriginal and Torres Strait Islander people in prison. It draws on their aspirations to create a better economic future for themselves, their family, and community.

The pilot was delivered at St Heliers' Correctional Centre, a men's minimum-security facility in NSW. Twelve First Nations men participated in six workshops to develop their knowledge and skills on how to start a business.

Aboriginal and Torres Strait Islander people are overrepresented in both the out-of-home care system and the criminal justice system due to a range of factors including systemic bias and racism.

The National Agreement includes specific targets to reduce the rate of Aboriginal and Torres Strait Islander adults being incarcerated and young people in detention. Programs like this contribute to addressing this specific Closing the Gap target.

Participants reported significant positive impacts from the program including expanding their knowledge of business, increasing their interest in business, and improving their outlook on life.

Participants are showing promising signs of taking up business opportunities, with the first participant to be released from prison having approached IBA about next steps for his business plan.

'This is the type of thing that will really close the gap.'

'...[f]eeling smarter, feeling worthy, empowered, [and it gave a] sense of worth and community, self-belief and leadership. And more importantly, you treated us as human beings.'

—
Feedback from workshop participants.
—

Alignment and contribution to broader government policy priorities

IBA's activities are also strongly aligned with a range of government priorities including Future Made in Australia, the national housing reforms, and achieving gender equality

Government priority	Alignment
Future Made in Australia	IBA's activities build economic self-sufficiency and resilience of First Nations businesses and organisations in priority sectors including business and manufacturing, housing and residential development, construction, mining, and mine restoration and rehabilitation.
Indigenous Procurement Policy (IPP)	<p>IBA's business finance products and services support First Nations businesses to bid for larger contracts under the IPP and similar state and territory-based policies.</p> <p>IBA has a strong focus on procurement from First Nations suppliers and we establish our own internal targets. In the last five years, IBA has spent \$26 million on First Nations businesses, representing almost 16% of IBA's overall procurement activity. In addition, IBA's subsidiaries spent over \$25 million.</p>
National housing reforms	<p>IBA's home ownership program was established in 1975 and is our longest standing program. Since inception, the program has written over 21,000 home loans, improving the lives of thousands of Aboriginal and Torres Strait Islander families, while contributing to the overall housing assistance framework in Australia.</p> <p>IBA's impact reports confirm that homeownership allows families to focus on other areas of their lives such as improving health, education, and employment.</p>
Women's economic empowerment and gender equality	<p>IBA has a strong focus on supporting First Nations women. We do this because First Nations women who are economically empowered and financially confident amplify impact by building economic independence for their families and communities, as well as themselves.</p> <p>One in five IBA home loan customers are single parents—most of these single parents are women.</p> <p>First Nations women are Australia's fastest growing business demographic. In 2018, IBA established the Strong Women Strong Business initiative to create space for First Nations businesswomen and aspiring entrepreneurs to share their experiences and support one another. In 2023–24, Strong Women Strong Business has:</p> <ul style="list-style-type: none"> grown its network to 2,691 First Nations women (up from 2,300 last year) rebuilt a mentor/mentee platform, now with a membership of 1,005 delivered a quarterly newsletter and eight 'Lunch 'n Learn' workshops delivered \$18,000 worth of sponsorships. <p>IBA continues to support Wiyi Yani U Thangani (Women's Voices) and, during the year, contributed to the Wiyi Yani U Thangani Institute for First Nations Gender Justice launch and made a submission to the Wiyi Yani U Thangani Framework for Action for First Nations Gender and Justice Equality.</p>
Developing Northern Australia	<p>A significant proportion of IBA's lending and investment portfolio is in Northern Australia:</p> <ul style="list-style-type: none"> 44% of the Business loan portfolio 69% of the overall Direct Investment portfolio 23% of the Housing portfolio <p>IBA has a significant physical presence in Northern Australia with offices in Cairns, Townsville, Darwin, Alice Springs, and Broome.</p> <p>IBA has an MoU with the NIAA, Indigenous Land and Sea Corporation, and the Northern Australia Infrastructure Facility to further support communities in Northern Australia.</p>

Customer impact and financial wellbeing

Our entity-wide performance framework measures and targets confirm:


- how many people engage with our products and services
- how much money is being distributed to meet the needs of the people we serve and our purpose
- the level of effectiveness in meeting our purpose and the overall impact created
- how efficient we are as an entity.

Impact measures strengthen and align our approach to performance with the enhanced Commonwealth Performance Framework and Treasury's Measuring What Matters framework. Doing so moves IBA past a reliance on input and output-focused performance measures. Instead, it focuses on showing the value created when public resources are:

- used well and in a responsible way
- linked to outcomes that improve the lives of Aboriginal and Torres Strait Islander people.

Our programs and service delivery must continue to create a net positive impact in the lives of Aboriginal and Torres Strait Islander people. Our purpose is not an end in itself. Financial inclusion and economic empowerment are ways we support Aboriginal and Torres Strait Islander people's financial wellbeing and contribute to overall wellbeing.



A person wearing blue jeans is walking on a path in the background. In the foreground, there is a large, rusted metal fire pit filled with a pile of green leaves. The scene is outdoors with a blurred background.

We believe in and support economic justice and self-determination as defined by our customers, and the importance of redefining what success means through their views and voices.





PART 03:

Progress towards our Corporate Plan 2023–24 and 2028 strategy

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We walk alongside Aboriginal and Torres Strait Islander people, their families, businesses, and communities to achieve financial inclusion and economic empowerment. Our purpose requires us to look after and grow the money under our management for the benefit of Aboriginal and Torres Strait Islander people.

Our Corporate Plan (including our 2028 strategy) takes lessons from the past to improve Aboriginal and Torres Strait Islander people's financial wellbeing and build prosperity. Using the concept of a journey, our plan honours the cycles and changes experienced by customers. It centres on maximising the impact of our activities on wellbeing through what we do and how we do it.

Our approach is about structural excellence. Keeping customers at the heart of what we do coupled with strong change management means we:

- build on past achievements
- respond in a timely and appropriate way
- manage the impacts of external and internal factors.

Under our 2028 strategy we plan to grow IBA's net assets to \$2.5 billion by 2028 so that we can support more than 10,000 Aboriginal and Torres Strait Islander people. In the first year of our 2028 strategy, net assets have grown to \$2.3 billion, and we supported 2,681 Aboriginal and Torres Strait Islander people with an IBA product or the opportunity to access the economy through a job or procurement opportunity.

The new strategy has four overarching goals: Choice, Inclusion, Prosperity, and Excellence. We know that investing in these areas ensures we continue to achieve positive economic, social, and cultural impacts for our customers.

Support more than 10,000 Aboriginal and Torres Strait Islander people by 2028



Grow IBA's net assets to \$2.5 billion by 2028



Figure 2: Our 2028 strategic goals



Choice: Progress towards Goal 1

The intended outcome of Goal 1 is that Aboriginal and Torres Strait Islander people have the skills and freedom to choose how and when to access capital, knowledge and networks. Non-discriminatory and equitable practices and products that remove barriers and build capability happen when we:

- invest in growing the number of Aboriginal and Torres Strait Islander people and organisations who access safe, secure, and relevant financial services and products
- increase the total capital distributed to Aboriginal and Torres Strait Islander people.

We exceeded all three of our targets for this goal during 2023–24.

	Measure	Our 2023–24 target	Performance Result
1	Total annual number of Aboriginal and Torres Strait Islander people provided with access to capability building, knowledge and networks directly by IBA and indirectly through partnerships.	1,350	Exceeded 3,829
2	Total annual number of Aboriginal and Torres Strait Islander people provided with an IBA product or the opportunity to access the economy through a job or procurement opportunity.	2,000	Exceeded 2,681
3	Total annual sum of capital and capability development support distributed by IBA specifically for the benefit of Aboriginal and Torres Strait Islander people.	\$275 million	Exceeded \$364.7 million

Below is a summary of the key activities and achievements in progressing this goal in 2023–24.

Strategic approach	Activities and achievements
<p>1.1 Co-design and deliver financial products and services that respond to the home and business ownership aspirations of Aboriginal and Torres Strait Islander people</p>	<p>\$300 million total capital distributed through Homes and Business</p> <p>95 people supported with business start-up packages</p> <p>1,104 families supported with home ownership</p> <p>169 home loan customers transitioned to a commercial bank</p>
<p>1.2 Offer options and personalised support that builds knowledge, skills, and capability to set our customers up for financial success</p>	<p>External business supports—112 First Nations businesses engaged to deliver 187 supports</p> <p>8 participants attended NT Tourism Accelerator</p> <p>1,018 participants attended business skills workshops</p> <p>1,786 participants attended homes workshops</p>
<p>1.3 Expand our footprint and work with community-led networks to build connections, share information and ideas, and generate new business opportunities</p>	<p>myIBA launched, enhancing customer's online experience</p> <p>3,304 calls, emails and website enquiries through the business customer contact centre</p> <p>Supported Indigenous Chambers of Commerce across Australia with sponsorships totalling \$80,000 in value. This supported member engagement, business awards, networking events, and conferences</p> <p>Four of our offices were re-located to Darwin, Alice Springs, Canberra and Adelaide</p> <p>62 articles sharing customer stories and social channels</p>

Inclusion: Progress towards Goal 2

The depth and breadth of First Nations people's ability to participate in and engage with the economy increases when IBA:

- prioritises building the capability of Aboriginal and Torres Strait Islander people to maximise the reach and impact of economic opportunities
- increases rates of economic and financial wellbeing reported by Aboriginal and Torres Strait Islander people.

We achieved one, and partially achieved two of our targets for this goal during 2023–24.

	Measure	Our 2023–24 target	Performance result
4	Annual reported levels of resilience and financial wellbeing	Establish baseline	Achieved A methodology for measuring financial wellbeing was developed in 2023–24 and a target will be piloted, tested, and validated in 2024–25
5	Social and financial impact and returns to Aboriginal and Torres Strait Islander people, organisations and businesses	Deliver comprehensive impact study	Partially achieved* 2023 Impact Report launched in April 2024, positive impact reported
6	Launch ESG Strategy and establish a baseline measure and target	Launch ESG Strategy	Partially achieved* ESG Strategy developed in 2023–24

*Partially achieved result is greater than 75% of the performance measure.

Below is a summary of the key activities and achievements in progressing this goal in 2023–24.

Strategic approach	Activities and achievements
<p>2.1 Develop and deliver innovative finance solutions that address challenges relating to housing affordability, economic uncertainty, and more frequent natural disasters</p>	<p>Launched shared equity with 42 approvals to 30 June 2024</p> <p>Delivered natural disaster relief grants to 113 home loan customers and 18 business finance customers</p>
<p>2.2 Pioneer new lending and investment initiatives targeting Aboriginal and Torres Strait Islander women (such as blended finance and social impact investing)</p>	<p>Social Enterprise Partnerships—building financial security valued at \$2.7 million.</p> <p>The Strong Women Strong Business initiative creates a space for First Nations businesswomen and aspiring entrepreneurs to share their business journey, grow and support one another</p>
<p>2.3 Lead the development of a First Nations Financial Inclusion and Wellbeing Action Plan in partnership with Aboriginal and Torres Strait Islander people and the broader financial services and banking sector</p>	<p>Undertook research fieldwork for the 2024 Impact and Financial Wellbeing Study.</p> <p>Australian Sustainable Financial Institute membership, NAB and Insurance Association Group partnership</p>

Case study 2: Single parent and single carer impact report highlights

Home ownership is a critical tool that provides safety, stability and a sense of pride. Importantly, it gives people the ability to build intergenerational wealth over time.

Economic and market conditions confirm there are simply not enough houses to meet growing demand. Meanwhile, the cost of buying continues to increase. For people who experience social and economic marginalisation, the indicators of their overall wellbeing are clearer. Safety, for example, is a major indicator.

The lack of suitable housing and opportunity to take part in the economy increases their exposure and risk. This includes instability and potentially volatile and violent situations. Home ownership provides a greater sense of safety, stability, and security.

Just over one in five IBA home loan customers are single families. The message is spreading: if you are an Aboriginal or Torres Strait Islander person who is also a single carer or single parent, you can own your own home.

In 2023–24, IBA launched the Impact Report 2023: An insight into the intergenerational impact of home ownership as described by Aboriginal and Torres Strait Islander single carer and single parent families.⁵ The impact barometer shows that IBA's home ownership program has a positive impact on the lives of single parents and single carers.

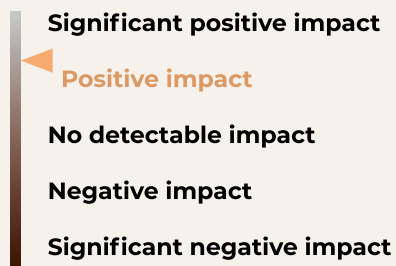


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Renarta, proud homeowner. Pictured with her grandchildren.
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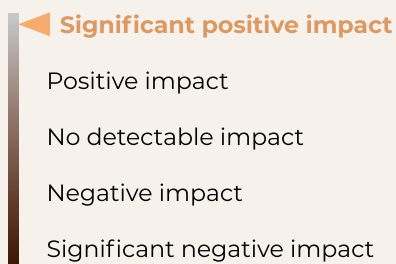
⁵ <https://iba.gov.au/wp-content/uploads/2024/04/IBA-Impact-Report-2023.pdf>

Figure 3: Impact of home ownership reported by single parents and single carers

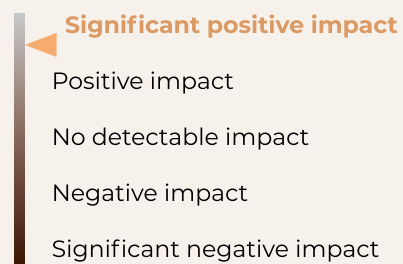
2022–23 Single families home ownership impact barometer*



2020 Home ownership impact barometer



2021–22 Home ownership impact barometer



* Please note the methodology for the single families home ownership impact barometer compares how well single carer homeowners report they are managing the challenges associated with raising a child/children against a comparable group of single carers who are looking to purchase a home, to determine the impact of owning a home.

Prosperity: Progress towards Goal 3

The intended outcome for Goal 3 is for Aboriginal and Torres Strait Islander people to have greater ownership and control of their financial and economic interests to build wealth and prosperity over time. Self-determined First Nations' home, business and asset ownership and community wealth generation happens when:

- IBA invests with Aboriginal and Torres Strait Islander people to grow their wealth
- customers sensibly look after and grow the capital and asset base under IBA's management.

We achieved our targets for this goal during 2023–24.

	Measure	Our 2023–24 target	Performance result
7	Total proportion of Aboriginal and Torres Strait Islander first home buyers	80%	Exceeded 88%
8	Average conversion rate from enquiry into a home, business or investment outcome	Establish baseline	Achieved A methodology for measuring conversion was developed in 2023–24. This will be piloted in 2024–25

Below is a summary of the key activities and achievements in progressing this goal in 2023–24.

Strategic approach	Activities and achievements
<p>3.1 Engage and collaborate with businesses and communities to invest in sustainable commercial ventures that reach new markets and diversify and grow the First Nations economy</p>	<p>19 large transactions of business finance approvals to 17 customers each over \$1 million, valued at \$50.8 million.</p> <p>Performance bonds milestone \$65.7 million over 6 years</p> <p>\$48 million invested by Aboriginal and Torres Strait Islander organisations in partnership with Indigenous Prosperity Funds (IPF), Indigenous Real Estate Investment Trust (I-REIT) and Direct Investments</p> <p>15 new co-investors, invested in this financial year</p>
<p>3.2 Establish new partnerships that channel finance to First Nations-led projects and commercial enterprises</p>	<p>MoU with NAB</p> <p>MoU with EFA</p> <p>Reviewed partnerships and sponsorships strategies</p>
<p>3.3 Build trusted and mutually beneficial relationships with Aboriginal and Torres Strait Islander communities to activate land and water resources, create commercial and economic opportunities (such as residential development), and generate strong returns</p>	<p>Residential housing development initiative</p> <p>12-month rolling on return on equity for First Nations investors at 10.6%</p>

Excellence: Progress towards Goal 4

Goal 4 aims for IBA to support Aboriginal and Torres Strait Islander people through excellent service, improved coordination and efficiency, and cross-sector partnerships.

Operational excellence enables First Nations people's commercial and economic interests to advance when IBA:

- adopts an agile business model that expects and responds to financial, economic and political challenges and opportunities, simplifies customer offer, and focuses on sustainable funding
- invests in staff technical development and growth, maximises collaboration through adopting technology and focuses on staff engagement and empowerment.

We achieved our target for this goal during 2023–24.

	Measure	Our 2023–24 target	Performance Result
9	Total rate of efficiency of IBA in achieving its purpose	Establish baseline	Achieved A methodology for measuring efficiency was developed in 2023–24. This will be piloted in 2024–25

Below is a summary of the key activities and achievements in progressing this goal in 2023–24.

Strategic approach	Activities and achievements
4.1 Manage and grow our asset base and strengthen our funding model	<p>Net assets grown to \$2.3 billion</p> <p>Established internal treasury function and began work on cost efficiency</p>
4.2 Simplify and modernise our processes and systems and bolster our workforce to continue to deliver a timely, high-quality, and culturally safe customer experience	<p>Established project gateway and commencing process optimisation</p> <p>Chief Information and Technology Officer leading work on cyber security maturity and technology uplift including bedding down the core banking system</p> <p>Launch of learning and development strategy and Indigenous employment strategy</p>
4.3 Continue to adopt best practice governance, strategic planning, and risk management approaches to remain agile and responsive to changing conditions	<p>Rollout of and communications about the 2028 strategy, including stakeholder engagement program and presentations at conferences</p> <p>Provided evidence and a detailed submission for the Inquiry into economic self-determination and opportunities for First Nations Australians</p> <p>New risk management policy and framework training: two internal workshops held with 148 people attending</p> <p>Delivered our internal audit program and commenced a governance review</p>

Responding to challenges and uncertainty

Progressing our goals and driving impact through an evidence-based approach

To achieve long-term impact and drive financial wellbeing for our customers, IBA must respond to changing economic conditions and navigate the broader policy context. To do this, our Strategy & Impact team and Principal Economist work closely with the Executive, Board, committees, and all levels of the organisation to ensure a robust, evidence-based, approach to the way we design and deliver our products and services and provide strategic policy advice.

Key factors that impacted our customers and operating environment in 2023–24

Significant challenges from global environmental, socioeconomic, and political shocks have continued to affect Australia. The nature of the shocks, their scale, and frequency make patterns of international, domestic, regional, and local production more uncertain. These challenges have also affected Aboriginal and Torres Strait Islander people and communities.

The rapidly changing and volatile climate is disrupting ecosystems globally, as well as human patterns of production. This is resulting in a steady stream of supply shocks for different markets internationally, particularly in agriculture, but also in manufacturing and other flow-on industries. Increasingly less predictable weather patterns are testing the resilience of economic and governance systems globally in the way businesses produce, consumers consume, and governments respond.

Australians experienced cost of living challenges for much of 2023–24. Global volatility spurred high inflation during 2022 and 2023, cementing into the everyday prices of essentials such as groceries, energy, and housing. These factors hit low-income households the hardest, who spend a much bigger share of their income on these essentials. This includes IBA's customer base—Aboriginal and Torres Strait Islander families who, on average, earn less than non-First Nations families.

Some other key factors that impacted our customers and operating environment in 2023–24 include:

- geopolitical and environmental risks, particularly for our trade-exposed customers, impacting business opportunities
- supply chain difficulties, particularly construction businesses (representing one-fifth of IBA's finance portfolio)
- climate-related weather events and disasters which continued to affect communities across Australia
- a return to strong property price growth and rental growth which was one of the leading factors driving inflation in 2023–24—this had direct impacts on potential IBA customers seeking to purchase a home
- housing supply being too low for demand, and a balance in supply and demand is unlikely to happen soon
- weak consumer sentiment and economic activity for much of 2023–24
- unemployment and underemployment picking up slightly, yet both remain at historically low levels—the strong labour market conditions created difficulties for small businesses, including some of IBA's business customers, to find suitable staff

IBA regularly reviews and adjusts products and policies in response to changes in the economy. We listen to our customers, insights and incorporate them into our decision-making.

This evidence-based approach enables IBA to achieve financial inclusion, economic empowerment, and long-term impact.

Table 2: Responding to challenges

Challenge	Response to changes in a complex operating environment
<p>High property prices and low property supply</p>	<p>The housing market has been challenging for all Australians, because property prices rose to historically high levels in 2023–24, with dwelling prices reaching around 11 times the median income, and the supply of housing is not keeping pace with demand.</p> <p>First Nations people experience additional housing challenges including socioeconomic disadvantage, discrimination in the private rental market, difficulty accessing mainstream financial services, and geographic location (households living in remote areas) and overcrowded conditions.</p> <p>IBA continued to work with customers to help them navigate obstacles to affordable and suitable housing. In 2023–24, IBA supported the highest number of customers into home ownership than any time over the last five years.</p>
<p>Climate change</p>	<p>Increasingly less predictable weather patterns are testing the resilience of economic and governance systems globally in the way businesses produce, consumers consume, and governments respond.</p> <p>IBA provides natural disaster relief to support customers in need, and we should expect more of such requests. We anticipate requests for hardship relief may also increase in coming years.</p>
<p>Technology</p>	<p>Adjusting to customer expectations, privacy concerns, and high-profile data breaches meant financial service providers felt growing pressure to innovate and stay on top of new technology. IBA kept a strong focus on cyber security, data governance and management, and digital transformation. We continued our digital transformation by launching the myIBA online customer portal.</p>

Challenge	Response to changes in a complex operating environment
<p>Geographic location of customers</p>	<p>More than 60% of Aboriginal and Torres Strait Islander people live outside Australia's capital cities (compared with 30% of the wider community). Aboriginal and Torres Strait Islander people living in regional and remote areas are more likely to face barriers to getting the financial services and support they need. These areas also have more extreme weather events such as bushfires, floods, and cyclones. IBA provided natural disaster support to customers living in regional and remote Australia experiencing extreme weather.</p> <p>For customers in cities, growing rental and housing prices kept impacting housing security, savings, and ability to enter the market. Our regional network of offices helped and met local needs, particularly in Northern Australia.</p>
<p>Regulatory requirements</p>	<p>IBA remains informed of and prepared to respond to the impact of current and proposed reforms across government.</p> <p>We informed government partners including NIAA and Treasury with analysis and policy advice on matters related to First Nations financial and economic empowerment and prosperity. This will be important to give voice to our customers' experiences and the way we offer financial services in a more coordinated and culturally capable way.</p> <p>We continue to work with the Government to expand the level of capital we can supply to Aboriginal and Torres Strait Islander people.</p>
<p>Effective change management</p>	<p>As we began implementing our strategy towards 2028, we continued to equip our people with the right tools, systems, and training to manage change. We educated staff, stakeholders, and customers on how our strategy relates to our performance measures and key activities.</p> <p>Our approach aimed to respond to current and forecasted demand for IBA's products and services in a way that:</p> <ul style="list-style-type: none"> • meets the expectations of Aboriginal and Torres Strait Islander people who engage with us • guides our staff to deliver culturally safe and technically sound solutions.

Figure 4: Geographic spread of active housing loan portfolio as at 30 June 2024.

This heat map displays the intensity of IBA's Housing Solutions activity across Australia. The red areas depict a higher concentration of activity.

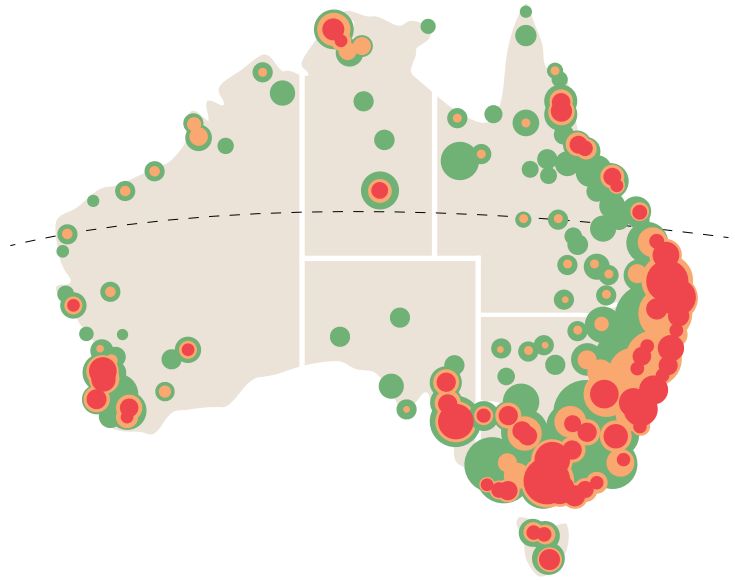


Figure 5: Geographic spread of approved business finance customers as at 30 June 2024.

This heat map displays the intensity of IBA's Business Solutions activity across Australia. The red areas depict a higher concentration of activity.

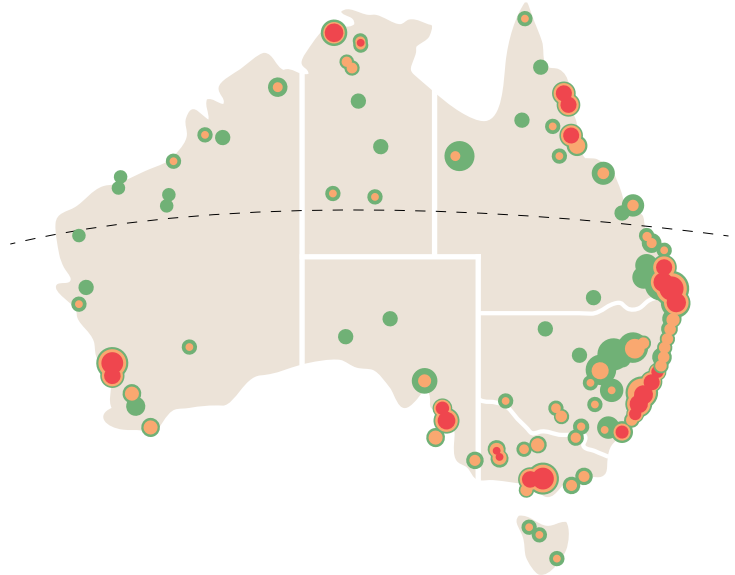
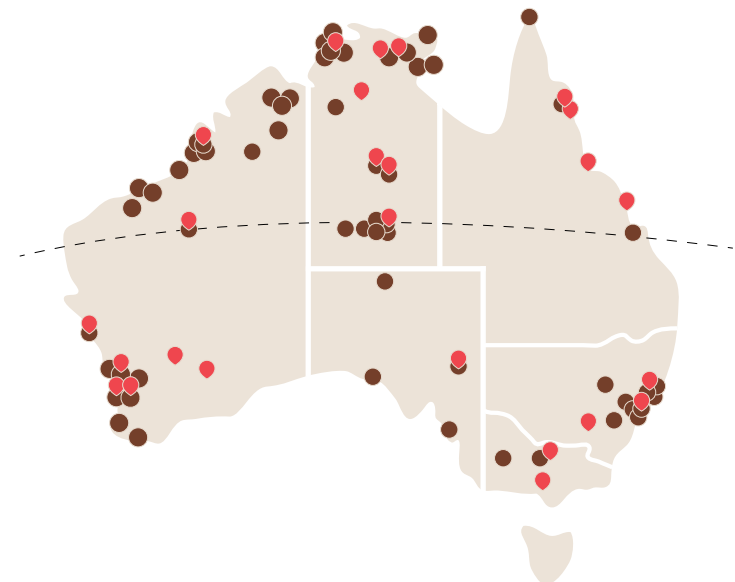


Figure 6: Geographic spread of investment and asset management activity as at 30 June 2024.

Brown represents the spread of Aboriginal and Torres Strait Islander organisations co-investing with IBA in the 2023–24 financial year.

Red represents assets within the Investments and Asset Management division portfolio in the 2023–24 financial year.



Pathways to prosperity

We support First Nations communities to achieve their economic aspirations through pathways into home ownership and business ownership, and opportunities for co-investment.

These pathways expand Aboriginal and Torres Strait Islander economic self-sufficiency and independence, and enhance wellbeing through greater financial inclusion and economic empowerment. Achieving these outcomes and impacts will ensure IBA meets its 2028 long-term strategic goals.

Pathway 1: Home ownership

The latest Australian Bureau of Statistics (ABS) Census showed the number of First Nations homeowners tripled between 2001 and 2021 to reach 145,100. Despite this, the home ownership rate for Aboriginal and Torres Strait Islander people was 41%, compared with 67% for the rest of Australia. It remains decades away from parity.

Aboriginal and Torres Strait Islander people have a deep connection to place. Whether that place is Country or a home, the value of home ownership is undeniable. We continued to work with customers to help them navigate obstacles to accessing affordable and suitable housing. Those obstacles are often the result of historical, social, economic, and systemic factors, which disproportionately impact Aboriginal and Torres Strait Islander people, families, and communities.

Cost of living challenges and elevated interest rates made it harder for families to enter home ownership, including through IBA. The return to rapid dwelling price growth means housing affordability continues to be a pressing issue for Aboriginal and Torres Strait Islander people and reiterates the importance of IBA facilitating home ownership.

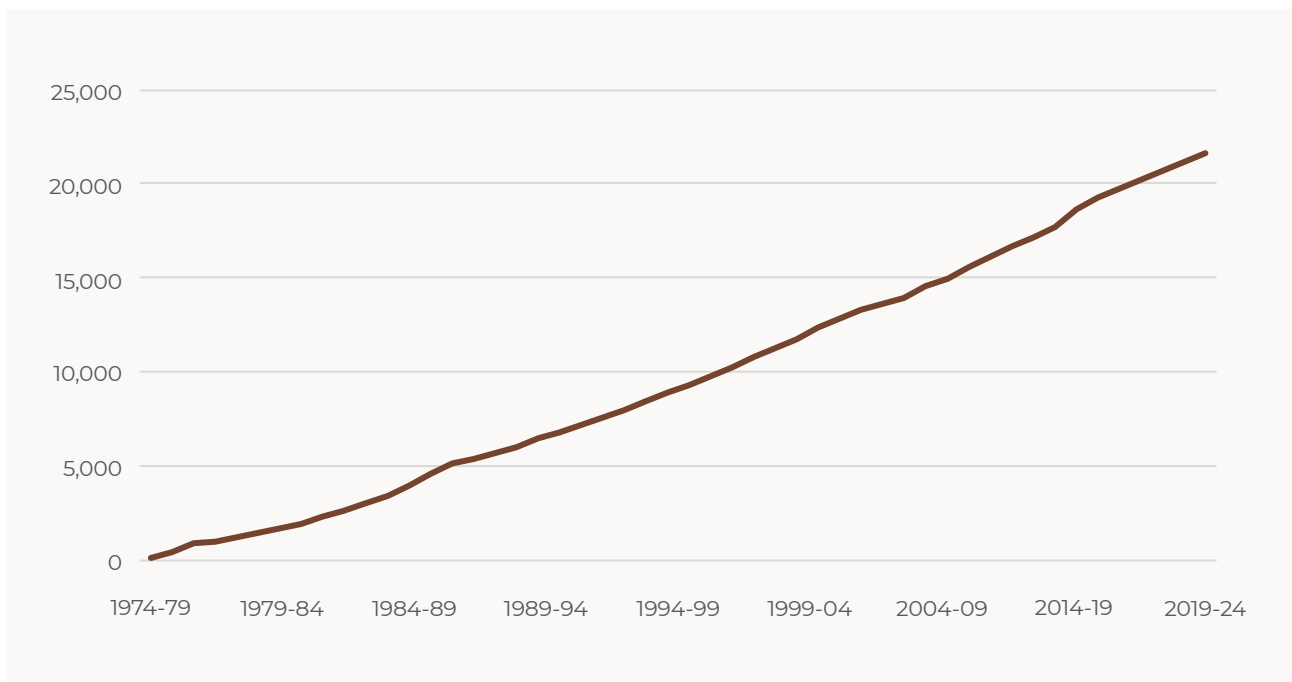
‘If you want it enough, keep going...I’m, so glad and lucky to be a homeowner, it has definitely changed my life.’ – Narelle



IBA's response, key actions, and achievements: Facilitating home ownership in 2023–24

- Reached 4,826 customer loan accounts in our current home lending portfolio, of which 84% were ahead of or meeting their home loan repayments.
- Provided home loans to 480 First Nations families, supporting 1,104 people into home ownership.
- Pre-approved an additional 128 new customers with a loan, enabling them to start looking for a home.
- Supported 88% first home buyers.
- Provided 42 families with IBA's Shared Equity product.
- Welcomed eight existing homeowners to refinance with IBA on a lower home loan rate, for families doing it tough on higher commercial lending rates.
- Educated 1,786 First Nations people preparing for their home ownership journey with access to workshops to develop their capability and skills.
- Provided 406 families with financial hardship support.
- Provided 113 families with natural disaster support.
- Transitioned 169 families who were ready to refinance with a commercial lender.
- Approved \$226 million in home loans to First Nations families.

Figure 7: Cumulative numbers of home loans over life of the program*



* Cumulative in five year increments, except for current financial year

As a Corporate Commonwealth Entity, IBA can support Aboriginal and Torres Strait Islander families into home ownership through tailored lending arrangements and offerings, including:

- low home loan deposit amounts
- low starting interest rates
- shared equity
- refinancing existing and eligible homeowners
- skill development for home ownership success.

IBA offers low deposit rates for its customers based on income level, with no requirement for customers to take on lender's mortgage insurance. A First Nations household with an income up to \$83,487 per year is only required to have a minimum deposit of \$1,500.

Managing interest rates is critical to supporting our customers into home ownership. On 30 June 2023 IBA's interest rates started as low as 2.54% for low-income households.

Over 2023–24, IBA raised the variable home loan rate (HLR) just once, in November 2023, from 6.14% to 6.49%. This is the highest level since 1 July 2012 and reflects the increase in interest rates through much of 2022–23, in line with the Reserve Bank of Australia's upward movement in the cash rate.

Around 35% of IBA home loan customers are on the HLR, while around 65% are on the lower rates:

- 2052 customers are on 2.54%
- 687 customers are on 3.54%
- 419 customers are on 4.54%, and
- 1668 customers are on HLR

We have raised rates for HLR customers more gradually than commercial lenders to prevent big hikes to their

repayments, insulating IBA home loan customers from what is happening with the broader housing market. It is a sensible approach given:

- customers are facing large
- cost-of-living increases
- Aboriginal and Torres Strait Islander
- households earn between \$9,000 and \$13,000 less than non-First Nations households

In 2023–24, IBA introduced its shared equity product, designed to increase customers' purchasing power and make it easier for some to get into the housing market.

IBA supported around 42 households using IBA Shared Equity (around 9% of customers). While take-up was less than anticipated, it grew rapidly at the end of 2023–24 as customers became more familiar with the product. We anticipate this product will expand our ability to support more Aboriginal and Torres Strait Islander families into home ownership given:

- the rapid increase in prices over recent years
- the growing comfort potential customers have with the product.

IBA's Shared Equity will assist with this aim. Not everyone will find that a shared equity arrangement is suitable for their needs. IBA's Shared Equity allow us to support customers we may not have previously been able to assist because their income was too low to afford a suitable home in their chosen location, due to continued increases in house prices.

We initiated changes in our home lending program in 2023–24 to support existing First Nations homeowners facing mortgage stress to refinance with IBA from a commercial lender. Our goal was to ensure the current market conditions did not lead to First Nations families losing their homes. The goal aligns with IBA's legislation. To enable the transition, we offered refinancing customers our lower stepper rates based on their income and circumstances, taking those customers out of mortgage stress.

We developed skills for home ownership success workshops, providing access to knowledge, information, skills and networks to 1,786 Aboriginal and Torres Strait Islander people. Through 107 online and face-to-face workshops on financial education and capacity building, participants learnt about:

- how to get ready to apply for a home loan
- the responsibilities of home ownership
- budgeting towards goals.

For Aboriginal and Torres Strait Islander families who did secure home ownership, the measurable social and cultural impacts included:

- a sense of pride
- control in life
- better quality of living
- ability to dream bigger for the future
- confidence in their financial future
- greater motivation at work.



—
**Kim, Trevor,
and their
family in
front of their
forever home.**
—

Pathway 2: Business ownership and economic participation

The size of the First Nations business sector has grown rapidly over recent years. The change is matched by an awareness of how dynamic and capable Aboriginal and Torres Strait Islander entrepreneurs are. Policymakers, businesses and the wider community are taking note of the rapid growth and the diversity of industries that First Nations entrepreneurs are operating within.

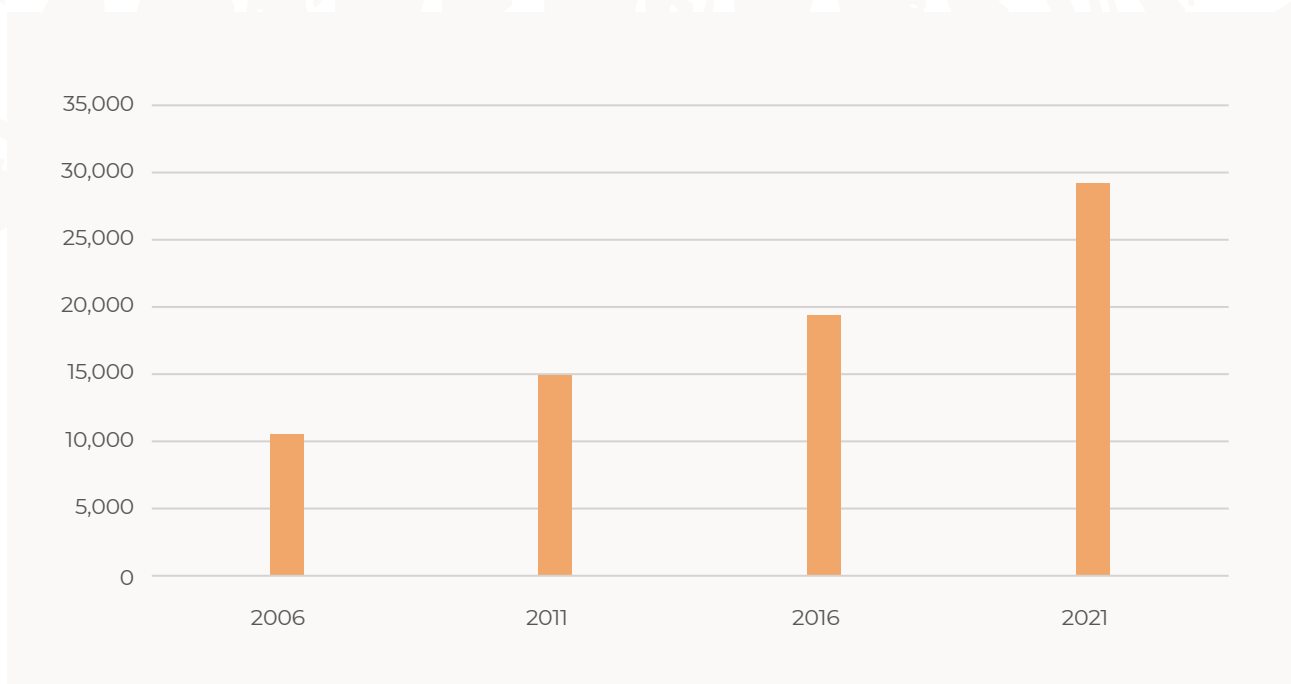
IBA's Pathways Through Business report estimates there were likely around 29,200 First Nations business owner managers operating in Australia in 2021. That represents a more than 50% increase compared with the estimate for 2016.

Supporting these businesses plays a big role in improving Aboriginal and Torres Strait Islander:

- employment outcomes
- financial independence
- self-determination
- resilience
- intergenerational wealth.

Supporting these businesses is a critical pillar in achieving our purpose of enhancing Aboriginal and Torres Strait Islander self-management and economic self-sufficiency.

Figure 8: Estimate of the number of Aboriginal and Torres Strait Islander business owner managers, 2006–21*



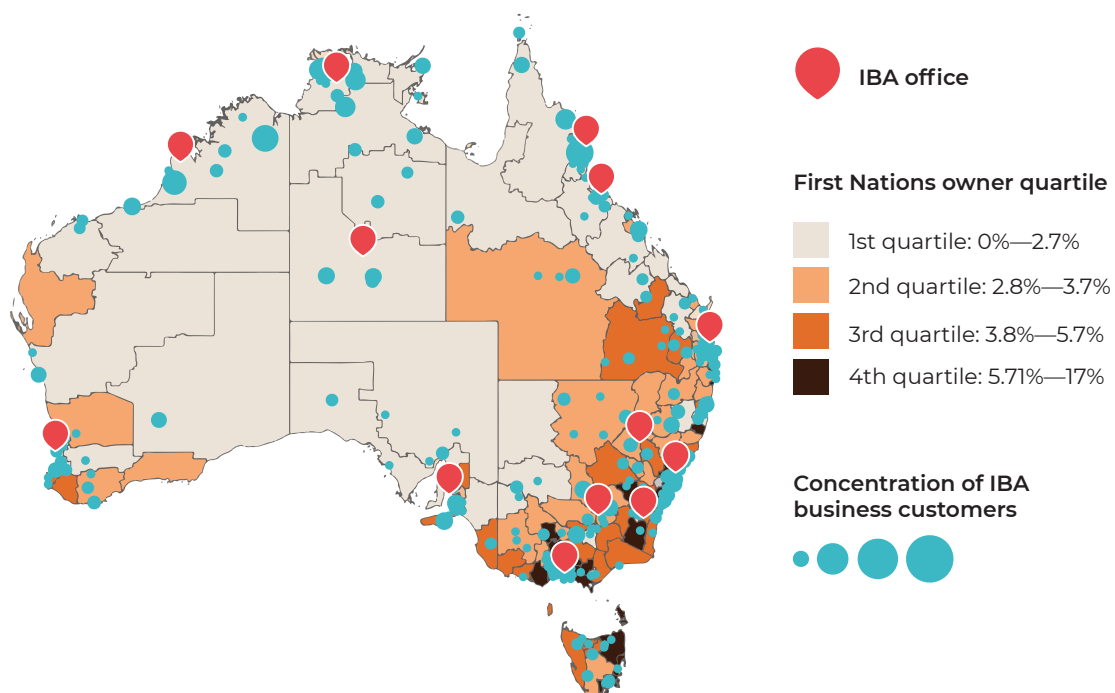
*ABS data and IBA analysis

The rate of Aboriginal and Torres Strait Islander business ownership was estimated at 4.4% in the 2021 Census as at the 2021 Census, up from 3.3% in 2006. The estimate suggests Aboriginal and Torres Strait Islander business owner managers are growing faster than the pace of population growth. It shows more members of the community are embracing a life in business.

Aboriginal and Torres Strait Islander business owners are located across Australia (Figure 9).

- The highest concentrations of First Nations owned businesses are across the eastern states of New South Wales, Queensland, and Victoria.
- Above-average rates of business representation are reported in regional New South Wales, and regional Victoria and Tasmania.
- The representation of First Nations businesses also coincides with IBA office locations.

Figure 9: First Nations business ownership rate by geography as a share of the 15+ population, IBA Business finance customers and IBA offices*



*ABS data and IBA analysis

Challenges for business customers in 2023–24

The rate of First Nations business ownership has grown quickly, however, it remains around 4% below the national rate of business ownership.

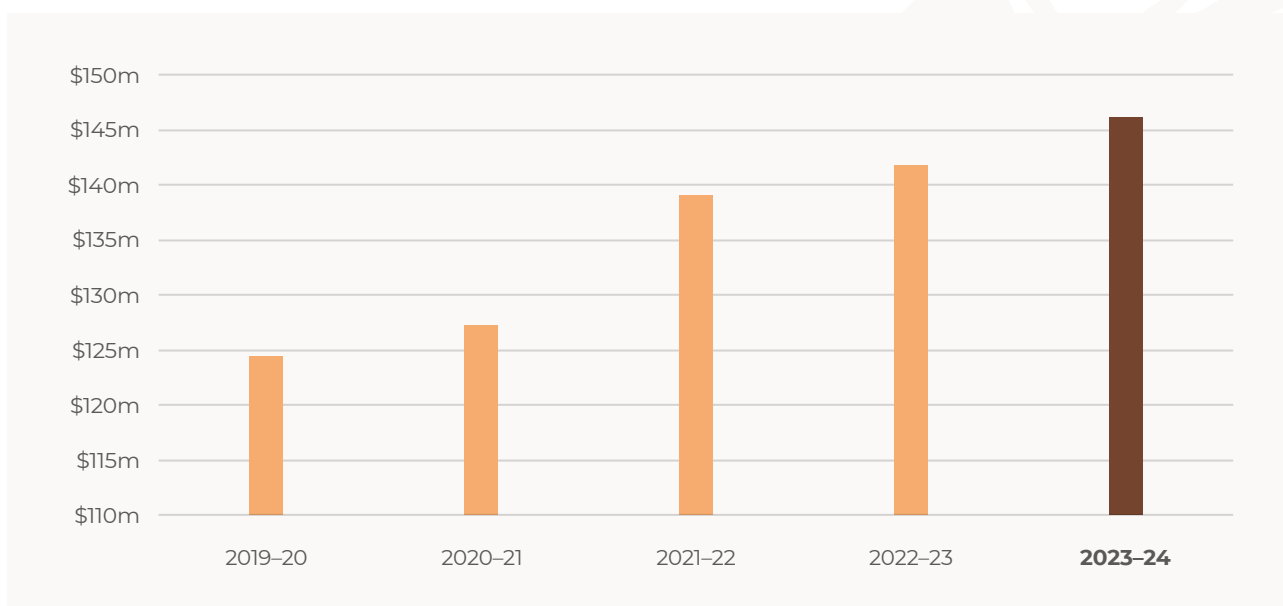
Long-term challenges remain for many entrepreneurial Aboriginal and Torres Strait Islander people to access business ownership opportunities, including from historical economic and social exclusion and restrictions on the ability for many First Nations communities to experience their economic self-determination.

Economic circumstances in 2023–24 affected First Nations businesses in different ways, including from inflation, wages growth, high interest rates, supply chain disruptions, climate change and natural disasters, and worker shortages. Navigating business ownership in a high-cost environment required greater focus and attention to the needs of customers and the sector more broadly.

IBA response, key actions and achievements:

- Unlocked opportunities for business ownership in 2023–24.
- Provided 177 business loans to unique customers.
- Gave 187 entrepreneurs access to external business support such as marketing and accounting.
- Provided 32 commercial and business secured loans.
- Provided 95 start-up finance packages.
- Provided 5 producer offset loans.
- Provided 19 equipment finance leases.
- Provided 26 invoice finance and performance bonds.
- Supported 18 businesses with natural disaster and state of emergency assistance.
- Helped 1,018 people with education to prepare them for their business journey with access to workshops that developed their capability and skills, resources, referrals, business support and industry experts.
- Set up the pilot Prison to Entrepreneurship program, delivering business workshop training to 12 incarcerated Aboriginal and Torres Strait Islander men with entrepreneurial capabilities.

Figure 10: Business lending portfolio



Across all available products and services, we supported, financed, and connected with 1,984 First Nations businesses. The survival rate of the businesses we worked with was:

- 85% for businesses with 0 to 4 employees (target for the year: 62.4%)
- 88% for businesses with 5 to 19 employees (target for the year: 67.9%)
- 100% for businesses with 20 to 199 employees (target for the year: 76.8%).

The results reveal that IBA's customers have a higher business survival rate than comparably-sized non-First Nations businesses (whose survival rates form the targets).

Of the customers we engaged with, 83% were satisfied with their experience and support provided.

We delivered natural disaster assistance in the form of 18 grants valued at \$90,000 to business loan customers impacted by natural disasters around Australia.

Our relatively low business lending interest rate gave customers affordable and competitive finance products that were well-priced for risk and could support capital asset growth.

As economic conditions changed and opportunities emerged, we ensured customers kept developing skills for business success. We helped create 673 jobs through our partnerships with First Nations businesses.

We provided access to knowledge, information, skills and networks to 1,018 Aboriginal and Torres Strait Islander business owners. Through 101 online and face-to-face workshops aimed at improving financial education and capacity building workshops, participants learnt about:

- starting a business or thinking about it
- planning and managing business finances
- business obligations and finance 101
- marketing fundamentals.

In a joint initiative with NIAA, we continued to provide performance bonds to increase capacity for competition for Aboriginal and Torres Strait Islander businesses. In the six years to 2024, we have:

- issued 576 bonds to a total of \$65.7 million in support of construction and civils works contracts valued at over \$1 billion.
- maintained low security requirements, in turn making higher-value contracts more accessible to Aboriginal and Torres Strait Islander business customers.

We incurred only one bad debt of \$7,000. This very low level of bad debt was in part due to our analysis and recognition of Aboriginal and Torres Strait Islander entrepreneurs' strong management and leadership abilities to not only compete for but win high-value contracts.

In 2023–24, we implemented a few key initiatives that drove business growth. These initiatives expanded our capability to meet the evolving needs and challenges facing First Nations businesses:

- policy changes to support more mature businesses.
- changes to our pricing policy.
- streamlining lending processes.

Our priority over the last five years was to support First Nations start-ups as that was the space for most growth. As the number of First Nations businesses continued to expand and were becoming self-sustaining, the Pathways Through Business report showed a gap in support for more mature First Nations businesses.

Mature and larger First Nations businesses are significant employers of Aboriginal and Torres Strait Islander people. In response to growing demand, we made critical changes to our policy settings with NIAA so we could support more mature businesses (from 20% to up to 50% of new customers). This did not reduce the focus on early-stage and pre-bank businesses. Rather, this recognised that support gaps were emerging for mature and larger First Nations businesses, limiting their ability to grow.

Many supports for First Nations businesses were centred around growing the capability of early-stage businesses. These supports will remain. However, we will work with partners and the sector to find ways to expand capacity building support for mature First Nations businesses.

IBA initiated a range of changes to our business lending pricing policy to better reflect portfolio risks. We introduced a pricing arrangement where new customers will be offered an interest rate based on their risk rating. These changes ensure we take an active approach to managing portfolio risks.

IBA initiated a range of critical process improvements to the assessment processes for business lending. These changes saved a lot of time for staff and enhanced the customer experience.

These enhancements supported IBA to achieve and exceed our business targets.

Table 3: Number of customers financed by product

Product	2019–20	2020–21	2021–22	2022–23	2023–24
Business loans⁶	215	283	209	122	127
Invoice financing	12	4	9	6	7
Performance bonds	12	6	13	15	19
Producer offset	7	6	6	4	5
Asset/finance leases	35	17	13	13	19
Total customers financed⁷	249	316	250	160	177

⁶ Includes business relief loan grant package and startup loan grant package.

⁷ Some customers utilise multiple IBA products, so total will not equal sum of customers financed across products.

Case study 3: Tourism Accelerator with the Northern Territory Government

With the support of the Northern Territory Government and Tourism NT, IBA delivered the Tourism Accelerator program to support sustainable businesses, providing:

- formal training
- practical skills
- respected advisors, mentors, and network introductions.

The program included yarning circles, workshops on 'The Messy Middle', Cultural IP, business models and, on day three, participants attended the Tourism Towards 2030 Conference.

The Tourism Accelerator aimed to create support mechanisms for remote businesses and bridge inequities in the sector.

'Block One was an inspiring start to our six-month journey, blending passion, learning, and cultural insights. A promising glimpse into the transformative journey ahead. The future of Aboriginal tourism in the NT is bright,' reflected Jade Reiche, IBA Manager, Sector Development.

—
Participants of the Tourism Accelerator with the Northern Territory Government (Larrakia Country)
—



Pathway 3: Investments and Asset Management

Our investment approach is to engage and collaborate with Aboriginal and Torres Strait Islander organisations and communities to identify and invest in sustainable economic opportunities and support wealth building. Our investment program builds capability and confidence in investing, through co-investment in medium and larger scale commercial ventures, ultimately providing financial returns and sources of revenue for these organisations and communities.

IBA's response, key actions, and achievements: Facilitating investment opportunities in 2023–24

In 2023–24 we provided:

- education for customers preparing for their investment journey with access to capability workshops
- access to capital so that First Nations organisations could co-invest in operating businesses in a range of sectors and generate financial returns, employment, training and supply chain benefits
- specialised management of funds including our IPF and I-REIT
- residential development capability assistance for Aboriginal and Torres Strait Islander organisations.

We continued to grow the financial and social returns in partnership with Aboriginal and Torres Strait Islander organisations. During 2023–24 we:

- continued to support the community of 69 co-investors
- increased the total value of co-investments to \$278.9 million
- procured \$2.6 million of goods and services from First Nations civil contracting, native foods, art and design, retail, plumbing and electrical services
- supported 92 Aboriginal and Torres Strait Islander people being employed through our investment subsidiaries
- supported more than \$4 million in income paid to Aboriginal and Torres Strait Islander employees, with many having significant career development opportunities.

Challenges for investments and asset management for 2023–24

While we provided meaningful opportunities with Aboriginal and Torres Strait Islander people to accumulate wealth, develop their capacity to participate in Australia's economy, create jobs, increase training and skills development and supply goods and services, it was not without its challenges.

The key challenges in 2023–24 were:

- ongoing volatility in global financial markets
- inflation and cost pressures, which impacted returns and offset higher revenues
- impacts of labour force shortages
- supply chain issues affecting profitability and availability of goods and services.



Direct investments

Our direct investment model aims to identify and invest in opportunities for sustainable economic development alongside partner organisations.

These investments:

- grow wealth
- create jobs, training and procurement
- support partner organisations' capability in governance and management
- generate cultural and social impacts for Aboriginal and Torres Strait Islander communities.

We also aim to unlock the potential of Aboriginal and Torres Strait Islander land assets by providing access to new opportunities. IBA currently has partnerships with 14 Aboriginal and Torres Strait Islander organisations across 12 direct investments.

When the time is right, we seek to sell our interest to our partners, supporting self-management and self-sufficiency for Aboriginal and Torres Strait Islander people, businesses and communities.

Our residential development initiative helped 13 First Nations organisations move towards using their land to increase housing supply through:

- targeted capability and strategy assistance
- potential funding support for development
- concept development, project planning and execution.

Yamatji Fresh Produce Pty Ltd is a joint venture between Yamatji Enterprises Ltd, IBA and capability partner 4Ways Fresh Produce.

Case study 4: Making it real—IBA’s investment in Nyamba Buru Yawuru Limited

A vision to reality is what Nyamba Buru Yawuru Limited (NBY) created with their aim to establish a quality rental housing portfolio in Rubibi (Broome).

The Yawuru people are the Traditional Owners of the lands and waters in and around Rubibi in the Kimberley region of Western Australia. They worked with IBA to progress the development of their residential estate to support the needs of the region and generate long-term income for the Yawuru community.

NBY’s Birragun Buru Estate was first developed in 2014. Through debt financing arrangements from IBA investments, NBY were able to develop Stage 2 of their estate, activating their land to construct 15 dwellings.

The 2- and 3-bedroom homes are occupied as workers, accommodation for businesses that provide important community services or who bring economic development to the region.

NBY has been able to increase their property development portfolio to provide sustainable income via the rental returns of the properties, while addressing housing needs in their community.

To add to the project benefits, the two-stage development was completed ahead of schedule and in-line with budget—that’s an investment worth celebrating!

—
One of the newly constructed homes in Rubibi (Broome).
—



Commercial real estate: I-REIT

The I-REIT is a diversified portfolio of commercial Australian properties providing competitive investment returns for IBA and First Nations co-investors. The I-REIT is one way we advance the commercial and economic interests of Aboriginal and Torres Strait Islander people by accumulating and using a substantial capital asset for the benefit of Aboriginal and Torres Strait Islander peoples.

Asset acquisition and investment in commercial property enables us to partner with Aboriginal and Torres Strait Islander co-investors to share in the income and capital growth from assets with local strategic or community significance.

The I-REIT maintains a high occupancy of more than 95.5%. Long leases underpin the I-REIT and, in the face of more challenging economic conditions, it delivered a 12-month total return of 4.5% in 2023–24, mainly driven by income.

Money management: Growth and Income funds

The IPF comprise the Growth and Income funds. The IPF provides Aboriginal and Torres Strait Islander organisations with a way to invest alongside IBA in an actively managed and diversified investment portfolio. It is another way we advance the commercial and economic interests of Aboriginal and Torres Strait Islander people by accumulating and using a substantial capital asset for the benefit of Aboriginal and Torres Strait Islander peoples.

The funds provide exposure to various asset classes such as Australian and international shares, bonds, property and cash. Investment options like these may be inaccessible without IBA.

Over the 12 months to 30 June 2024, the IPF returned:

- 12.8% through the Growth Fund
- 6.6% through the Income Fund.

The IPF's manager, IBA Asset Management Pty Ltd (IBAAM), actively monitors and adjusts asset allocations to:

- mitigate risk from ongoing volatility
- take advantage of future opportunities.

Shared decision-making and economic development in partnership with subsidiaries

We have subsidiaries (see Audited Financial Report) that give eligible organisations access to commercial investment opportunities, consistent with our purpose. We go beyond just investing or managing funds. We connect co-investors with management expertise, entity governance and commercial capability development. This helps our partners succeed. We work with co-investment partners so our subsidiaries have strong governance and oversight in place.



Managing capital to meet demand

Our operations were mainly financed by:

- self-generated revenue from interest on home and business loans
- returns from investment portfolios
- funding from government.

Our Board approves our budget and performance measures. They are then included in the Commonwealth PBS and Portfolio Additional Estimates statements process in the PM&C portfolio.

To expand our impact and deliver more outcomes, we receive annual appropriations and capital injections from government.

The income base of the IBA group, to deliver our purpose, is made up of Commonwealth grants and appropriation revenue and self-generated income.

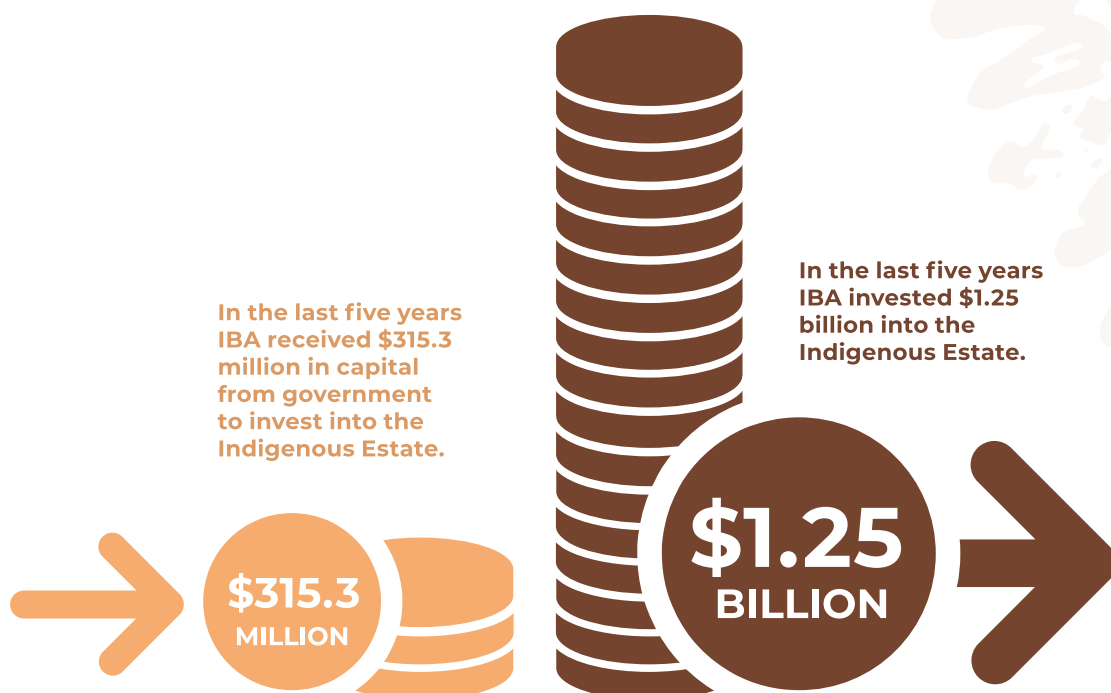
In 2023–24, IBA received:

- \$27.5 million in grant receipts
- \$22.9 million in Commonwealth capital injections
- \$9.4 million in appropriations
- \$340.2 million from self-generated revenue (mostly interest earnings, dividends from investments, rental receipts from investment properties and subsidiaries' customer contracts).

We were able to distribute more money for the benefit of Aboriginal and Torres Strait Islander people due to:

- recycling our capital and profits from housing and business loan portfolios and investments
- additional funding from government.

Figure 11: Capital received from government vs value of total money and support distributed in line with IBA's purpose



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The Galambany Staff Network provides support to all Aboriginal and Torres Strait Islander staff within IBA and works collaboratively to promote cultural awareness and capability.
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PART 04:

Performance and sustainability report

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Partnerships and collaboration: leveraging cross-sector and government capability	79

Performance framework, rationale, and impact

Our performance framework aligns with the Commonwealth Performance Framework formed under the PGPA Act. It measures how we delivered on our intended results and tells us if we achieved our purpose. This is our first year of transitioning to our 2028 strategy and performance measures.

Our budget and performance are managed through the PBS process in collaboration with PM&C. Our purpose, planned outcomes, performance measures and targets are set out in the PBS and further described in our Corporate Plan. For our Business Solutions program, a funding agreement with NIAA supplements our budget and performance framework.

The change to an entity-wide performance framework incorporated our existing 20 performance measures. This gives a refined set of nine entity-wide measures that reflect a set of methods and targets considering:

- the dynamic operating environment
- how performance measures and other initiatives relate
- how we will deploy our resources to have a positive impact on the lives of Aboriginal and Torres Strait Islander people.

The transition to our entity-level performance framework is a chance to keep program-level data and trend analysis consistent over time. It produces a holistic view of IBA's contribution and delivers a better mix of quantitative and qualitative measures. This includes:

- four output measures
- four effectiveness measures
- one efficiency measure.

We also completed a performance measure assurance program to confirm that the consolidated set of performance measures would promote and provide further evidence of a fuller picture of:

- our contribution to achieving our legislated purpose and to the National Agreement
- impact across economic, social and cultural wellbeing of customers.

Figure 12: Our impact thesis explained



*Outcome 1 relates to IBA's outcomes and planned performance in the Prime Minister and Cabinet Portfolio Budget Statements 2024–25.

Annual performance statement of preparation

These annual performance statements are prepared to comply with subsection 39(1) (a) of the PGPA Act and any other legislation that applies to the preparation of IBA's annual performance statements.

This report presents a full picture of the performance measures, initiatives and influences affecting delivery as forecasted and set out in IBA's 2023–24 Corporate Plan and reporting period. In the opinion of the accountable authority the annual performance statements:

- accurately present the entity's performance in the reporting period
- comply with subsection 39(2) of the PGPA Act and section 16F of the PGPA Rule.

Figure 12 on the previous page illustrates:

- the link between our purpose, as set out in the ATSI Act
- the links between our single portfolio outcome and related performance measures as presented in our 2023–24 Corporate Plan and PBS performance measures section.

Our performance measures and associated targets track how we delivered against our outcome, activities and overall strategy through:

- the quantum of services and products delivered for customers (outputs)
- how well those outputs were delivered (quality and efficiency)
- what the benefits have been (outcomes and impacts).

In the 2023–24 Corporate Plan, IBA moved to reporting at an entity level. However, inputs and source data are still maintained and analysed at a program level. This presented the chance to enhance reporting in 2023–24 to include program-level results that support the transition to the new entity-level performance measures and maintain a basis for assessment over time.

The annual performance statement provides an accurate assessment of IBA's delivery against the measures that were established in the Corporate Plan.

Rationale for changes in performance measures

To maximise the impact on Aboriginal and Torres Strait Islander people's wellbeing, we reviewed our strategic direction, operating environment, and changes in customer needs, which revealed how we could:

- improve stakeholders' confidence in the data we used to make decisions
- track performance over time
- improve target setting, calculations and methodologies as required
- change strategic direction as needed.

Our nine performance measures create a strategic vision for IBA that stretches to 2028. These performance measures will continue to move us closer to long-term change and positive impact.

In this Annual Performance Statement, we are reporting on four of the nine performance measures (1, 2, 3, and 7).

For five of the performance measures (4, 5, 6, 8, and 9), IBA is in the process of establishing a sound methodology and reliable data sources.

As outlined in the Corporate Plan, IBA will continue to refine these measures as we establish and pilot each measure and methodology to incorporate in future PBSs.

Performance measure scorecard and trends analysis

Each year IBA is required to submit to the Department of Finance:

- our expected results (what we forecast actual performance will be, based on what we know at the time)
- our target result (what we anticipate the actual result will be)
- our actual result.

We make every effort to ensure our expected and target results are SMART (specific, measurable, achievable, realistic and timely).

The 2023–24 annual performance statements include the results of the measurement and assessment of IBA's performance in the reporting period in achieving its purposes (section 16F(2) item 2 of the PGPA Rule).

The results:

- present IBA's first year of reporting against four PBS measures
- highlight the progress and results of our planning, budgeting, and reporting process
- are underpinned by our transition to an entity-wide performance framework
- explain the planning context, interdependencies, and how IBA deployed its available resources to have a positive impact on the lives of Aboriginal and Torres Strait Islander people.

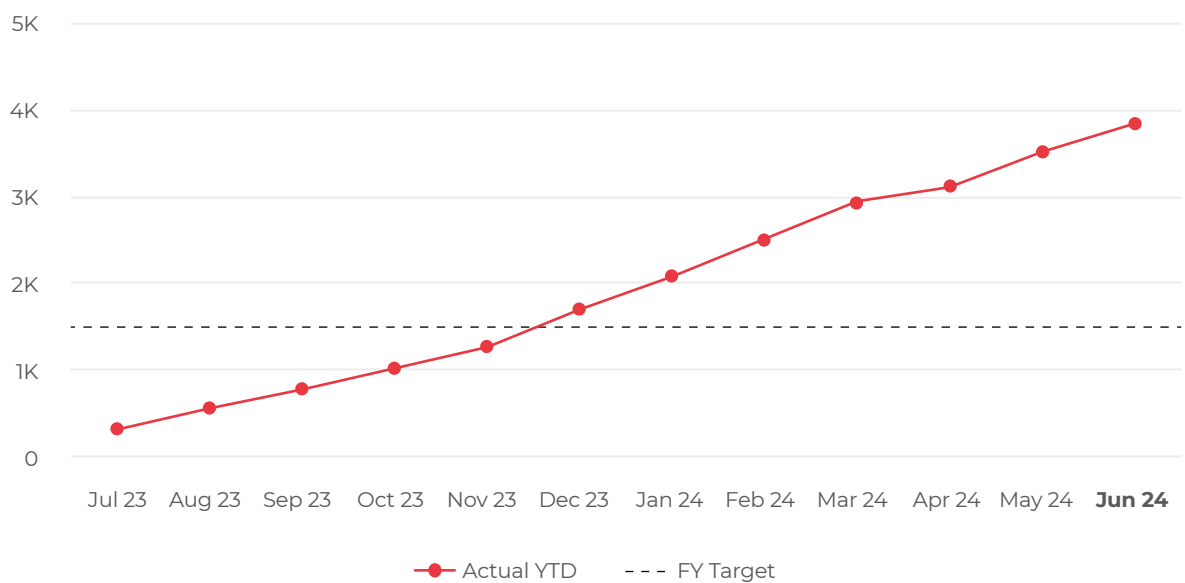
Table 4: Performance measures scorecard 2023–24

Performance measure		Expected result	Actual result	Result against target
1	Total annual number of Aboriginal and Torres Strait Islander people provided with access to capability building, knowledge and networks directly by IBA and indirectly through partnerships	1,350	3,829	Achieved
2	Total annual number of Aboriginal and Torres Strait Islander people provided with an IBA product or the opportunity to access the economy through a job or procurement opportunity	2,000	2,681	Achieved
3	Total annual sum of capital and capability development support distributed by IBA specifically for the benefit of Aboriginal and Torres Strait Islander people	\$275 million	\$364.7 million	Achieved
7	Total proportion of Aboriginal and Torres Strait Islander first home buyers	80%	88%	Achieved

*PBS measures only

Performance and trend analysis

Figure 13: M1 Total annual number of Aboriginal and Torres Strait Islander people provided with access to capability building, knowledge and networks directly by IBA and indirectly through partnerships.



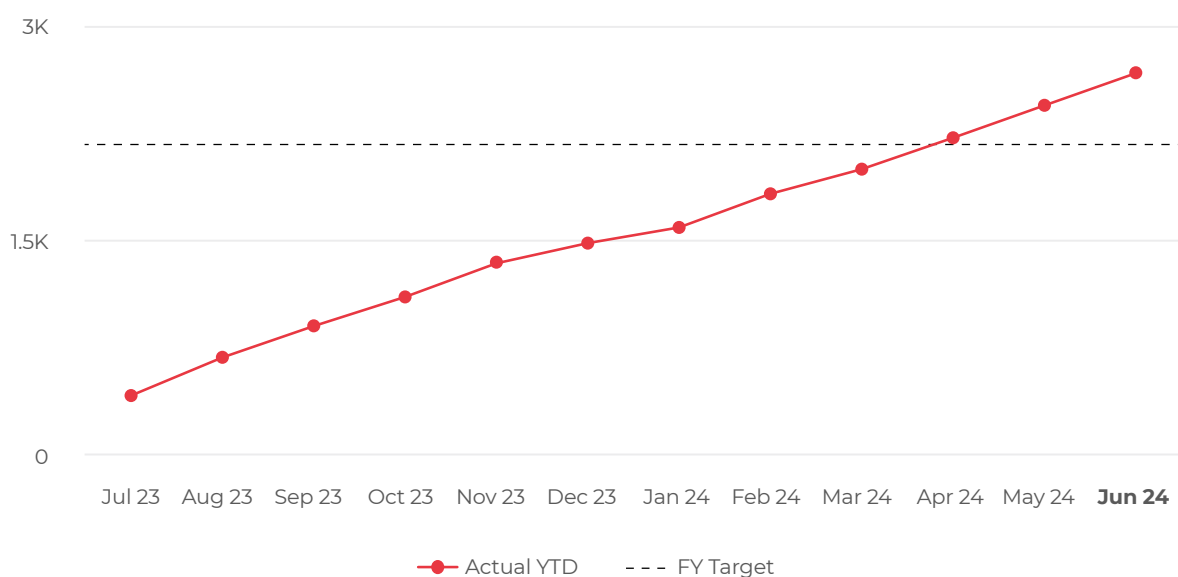
Housing workshops

Year	Results
2023-24	1,786
2022-23	1,334
2021-22	565
2020-21	300
2019-20	N/A

Business workshops

Year	Results
2023-24	1,018
2022-23	590
2021-22	702
2020-21	502
2019-20	N/A

Figure 14: M2 Total annual number of Aboriginal and Torres Strait Islander people provided with an IBA product or the opportunity to access the economy through a home, job or procurement opportunity.



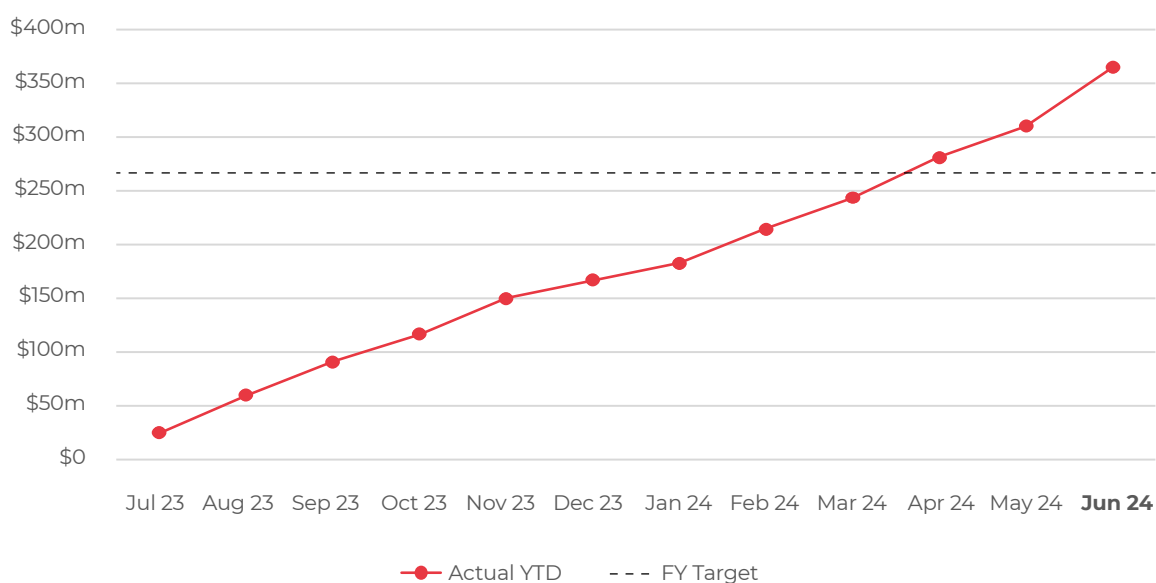
Approved customers into home ownership

Year	Results
2023-24	480
2022-23	465
2021-22	461
2020-21	448
2019-20	454

Approved business finance customers

Year	Results
2023-24	177
2022-23	160
2021-22	250
2020-21	N/A
2019-20	N/A

Figure 15: M3 Total annual sum of capital and capability development support approved and/or distributed by IBA specifically for the benefit of Aboriginal and Torres Strait Islander people.



Housing loan approval value

Year	Results
2023-24	\$ 226,451,707.00
2022-23	\$ 205,991,840.38
2021-22	\$ 193,022,222.50
2020-21	\$ 167,409,220.00
2019-20	\$ 165,594,452.66

Business finance approval value

Year	Results
2023-24	\$ 73,411,617.00
2022-23	\$ 58,188,753.00
2021-22	\$ 68,009,030.50
2020-21	\$ 52,417,245.27
2019-20	\$ 59,932,818.44

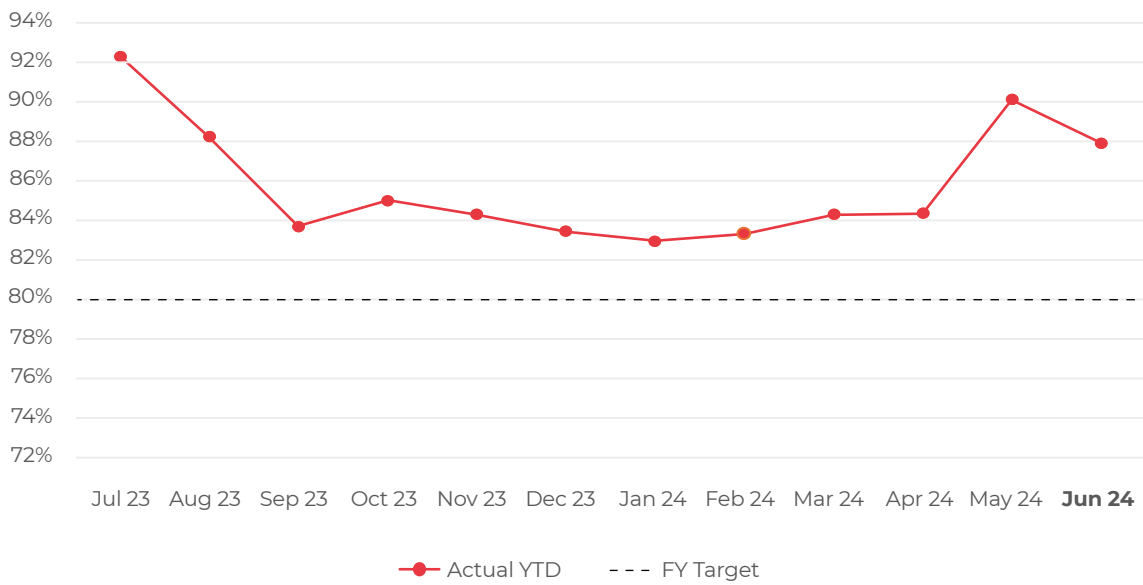
Subsidiary procurement

Year	Results
2023-24	\$ 2,600,000.00
2022-23	\$ 8,000,000.00
2021-22	\$ 6,700,000.00
2020-21	\$ 4,400,000.00
2019-20	\$ 3,900,000.00

IBA procurement

Year	Results
2023-24	\$ 6,407,997.00
2022-23	\$ 5,500,000.00
2021-22	\$ 4,200,000.00
2020-21	\$ 5,200,000.00
2019-20	\$ 4,700,000.00

Figure 16: M7 Total proportion of Aboriginal and Torres Strait Islander first home buyers.



Percentage of approved customer who are first home buyers

Year	Results
2023-24	88.0%
2022-23	92.0%
2021-22	95.0%
2020-21	95.8%
2019-20	95.2%

Performance Measure 1

Total annual number of Aboriginal and Torres Strait Islander people provided with access to capability building, knowledge and networks directly by IBA and indirectly through partnerships.

<p>Measure type and data source/s:</p>	<p>Type: Output/quantitative</p> <p>Data: Sourced internally via IBA controlled and managed systems.</p> <p>PBS performance measure. The period of data used to measure our performance is the current reporting period where data is available on a month-by-month basis to avoid bias in the results.</p> <p>Aggregating existing program data to entity-wide measures and target.</p> <p>2023–24 Corporate Plan p. 34, 2023–24 PBS p. 150</p>
<p>2023–24 target and result</p>	<p>Target: 1,350</p> <p>Result: 3,829 (achieved)</p>
<p>Analysis</p>	<p>This measure supports Aboriginal and Torres Strait Islander people with the access to financial literacy, business skills, knowledge, and networks that will support business growth and economic empowerment. We exceeded the annual target (1,350) by 2,479. This was measured directly and indirectly with the following outputs:</p> <ul style="list-style-type: none"> • To support our 1,786 customers during economic challenges and house soaring prices, a significant number of housing workshops were conducted on various topics. • Delivery of over 1,018 business workshops, building further capability for our customers during an economically challenging period. • Investments assisted 31 investors by undertaking face-to-face workshops. • 133 First Nations people attended network or sponsoring events. • IBA's special initiatives supported 301 First Nations people into further capability building. <p>A Social Enterprise Grant (SEG) was delivered by IBA on behalf of PM&C. The objective of the activity was to support First Nations female entrepreneurs to innovate and solve social issues facing their communities and/or improve the economic security of First Nations women. IBA assisted over 560 women and girls in capacity building support through a series of services, products, or employment training opportunities. This was an 18-month contract that commenced in October 2022 and finished in June 2024.</p>

Performance Measure 2

Total annual number of Aboriginal and Torres Strait Islander people provided with an IBA product or the opportunity to access the economy through a job or procurement opportunity.

<p>Measure type and data source/s:</p>	<p>Type: Output/quantitative.</p> <p>Data: Data sourced internally via IBA controlled and managed systems and externally via third parties—subsidiaries, partners, and business customers.</p> <p>PBS performance measure. The period of data used to measure our performance is the current reporting period where data is available on a month-by-month basis, to avoid bias in the results. Aggregating existing program data to entity-wide measure and target.</p> <p>2023–24 Corporate Plan p. 35–36, 2023–24 PBS p.150</p>
<p>2023–24 Target and results</p>	<p>Target: 2,000</p> <p>Result: 2,681 (achieved)</p>
<p>Analysis</p>	<p>This measure provides evidence that IBA is meeting its purpose by responding to market demand and contributing to economic self-determination. It focuses on product delivery relating to financing, jobs, procurement, and partnerships.</p> <p>IBA exceeded the annual target (2,000) by 681. This was made up of the sum of products delivered across IBA.</p> <p>Business:</p> <ul style="list-style-type: none"> • Business approved 177 customers with a business finance facility, which was an increase from the previous year’s 160. • 673 First Nations people were employed as a result of our business finance facilities. • 187 external support customers were assisted, with capability support in growing or stabilising their business. <p>Housing:</p> <ul style="list-style-type: none"> • Housing Solutions approved 480 customers with a home loan, which was a slight increase from last year at 465. • 624 First Nations people were housed via our home loans. • 169 First Nations home customers transitioned or were supported into mainstream lending. <p>Investments:</p> <ul style="list-style-type: none"> • Investments approved 15 new co-investors. <p>Other:</p> <ul style="list-style-type: none"> • 64 First Nations employees were employed by IBA, and 92 employees were employed through our subsidiaries. • IBA directly procured from 151 First Nations suppliers and 38 First Nations suppliers via our subsidiaries. • 11 First Nations people benefited from formal partnerships.

Performance Measure 3

Total annual sum of capital and capability development support distributed by IBA specifically for the benefit of Aboriginal and Torres Strait Islander people.

<p>Measure type and data source/s:</p>	<p>Type: Output/quantitative.</p> <p>Data: Data sourced internally via IBA controlled and managed systems and externally via third parties where applicable. PBS performance measure.</p> <p>The period of data used to measure our performance is the current reporting period where data is available on a month-by-month basis, to avoid bias in the results. Aggregating existing program data to entity-wide measures and target.</p> <p>2023–24 Corporate Plan p. 37–38, 2023–24 PBS p. 150</p>
<p>2023–24 target and results</p>	<p>Target: \$275 million</p> <p>Result: \$364.7 million (achieved)</p>
<p>Analysis</p>	<p>We continued to support Aboriginal and Torres Strait Islander people through economic empowerment by providing or distributing capital to support capability development and growth.</p> <p>IBA exceeded the target (\$275 million) by 33%.</p> <ul style="list-style-type: none"> • Due to the national increase in home loan prices, our home loans were \$226 million for 2023–24. • Business Finance approved \$73.4 million, exceeding the annual input target of \$49.7 million. • \$53.1 million of co-investment contribution and capital distributed by IBA also exceeded the annual input target of \$18 million by 195%. • \$6.4 million was expended to First Nations businesses through IBA corporate procurement: 73% above the annual input target of \$3.7 million. • \$2.5 million was distributed to First Nations subsidiary procurement—159% above the annual input target of \$1 million. • \$2 million was committed to provide First Nations businesses with external support. • \$675,600 was distributed through our partnerships with First Nations organisations.

Performance Measure 7

Total proportion of Aboriginal and Torres Strait Islander first home buyers (year to date).

<p>Measure type and data source/s:</p>	<p>Type: Effectiveness/qualitative.</p> <p>Data: Data sourced internally via IBA controlled and managed systems and externally via third parties where applicable. PBS performance measure.</p> <p>The period of data used to measure our performance is the current reporting period where data is available on a month-by-month basis, to avoid bias in the results.</p> <p>2023–24 Corporate Plan p. 42, 2023–24 PBS p. 150</p>
<p>2023–24 target and result</p>	<p>Target: 80%</p> <p>Result: 88% (achieved)</p>
<p>Analysis</p>	<p>By owning their own home, Aboriginal and Torres Strait Islander families have access to secure and stable housing and build critical intergenerational wealth. Often, our customers are not just first home buyers but are also the first in their family to ever own a home. This is a catalyst for a greater social impact through economic participation and intergenerational wealth building. This year, we assisted 422 first home buyers (88% of total approvals) into home ownership.</p>

Sustainability report

Our ESG Strategy

The wellbeing of customers and the prosperity of the communities we work with are key to IBA having a positive impact on the lives of Aboriginal and Torres Strait Islander people and delivering on our purpose and activities.

Connection to Country, culture, and community are inherent to First Nations values, worldviews and genealogy, providing a blueprint for sustainable development. We remain committed to understanding the economic, social, and cultural impacts of our activities.

However, technological advances, climate change, biodiversity loss, and more frequent natural disasters create uncertainty and risk to both IBA and customers. We must continue to evolve our approach to incorporate environmental and intergenerational aspects into our approach to impact.

During the reporting period, IBA developed its first ESG Strategy⁸ and will launch it in August 2024. The strategy focuses on bringing ESG into IBA's decision-making, performance, and risk frameworks, progressing towards a holistic and integrated view and approach of ESG and impact.

The objective of our ESG Strategy is to embed and uphold the rights of Aboriginal and Torres Strait Islander people, culture and Country through environmental stewardship, responsible risk management, and values-based governance practices that align with First Nations ways of knowing, being, and doing.

Figure 17: Relationship between ESG, impact, and wellbeing



We will integrate ESG considerations into our decision-making, performance, and risk frameworks, progressing towards a holistic and integrated view and approach of ESG and impact.

Environmental performance

Under section 516A of the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act), we are required to describe our:

- environmental performance
- contribution to economically sustainable development.

We commit to the principles of ecologically sustainable development as outlined in section 3A of the EPBC Act.

We consider climate risk and the impact of our activities on the environment across our operational practices and in the delivery of our services, where we can. Our main impact on the environment from our operations arose from our corporate administration, travel, and property management (tables 7 and 8).

Climate risk forms part of our Risk Management Framework. We offer a Natural Disaster Relief Grant program for Housing and Business customers impacted by natural disasters. We are also progressively integrating climate risk considerations into decision-making frameworks.

The Investments and Asset Management team considers climate risk. Across all new investments, climate risk is part of the due diligence process. The depth of the assessment varies with the asset considered. For existing investments, we do not impose reporting requirements on environmental performance if they are not already obligated to do so.

IBA's subsidiary, IBAAM, has an ESG policy that incorporates environmental performance across its investment portfolio and to consultants hired by IBAAM⁹. This includes:

- carbon emissions and energy usage
- waste and resource management
- water conservation
- biodiversity and habitat preservation.

The IBAAM Board reviews the policy annually to consider industry developments and stakeholder expectations.

The Australian Sustainable Finance Institute (ASFI) has established a First Nations Reference Group to guide our efforts for the four focus areas mentioned above and across our other work programs. IBA is proud to be a member of the ASFI First Nations Reference Group, connecting our work to industry and sector leaders to drive system-level changes in the financial system and economic self-determination.

9 <https://www.ibafunds.com.au/about/>

Table 5: IBA's impact on the environment

Energy	IBA's four major tenancies (Canberra, Sydney, Perth and Brisbane) are in buildings with 3.5- to 5-star energy ratings. The Canberra building is certified as a 5-star, Green Star Building and registered with the Green Building Council of Australia. These buildings use energy efficient technology, including sensor lighting and T5 fluorescent lighting tubes.
Water	Where possible, IBA tenancies use water efficient fixtures such as motion sensor taps, urinals and dual flush toilets.
Waste	<p>IBA is committed to sustainability and waste reduction. We have reduced landfill-bound waste by:</p> <ul style="list-style-type: none"> • ensuring separation of waste types where possible—recyclables are collected separate to nonrecyclables • using recycling programs for printer cartridges, wastepaper/cardboard waste, batteries and mobile phones • focusing on paperless work with appropriate technology and record management systems, such as multi-function printers that enable deletion of unwanted documents in job queues • engaging a provider who can measure future wastepaper generation, enabling analysis of paper waste generation and reductions year to year.

Table 6: Digital signing tool environmental savings

In late May 2024, IBA implemented a digital signing tool—DocuSign—in phased roll-out. We plan to have it implemented for all possible contracts by the end of September 2024. Estimated data collected over a one-month period (in the table below—from DocuSign) indicates that digital signing will increase IBA's environmental savings.

444 lb of carbon emissions reduced
557 gal of water conserved
189 lb of wood saved
30 lb of waste eliminated

Table 7: Greenhouse gas emissions inventory (location-based approach)

Emission Source	Scope 1 t CO ₂ -e	Scope 2 t CO ₂ -e	Scope 3 t CO ₂ -e	Total t CO ₂ -e
Electricity (Location Based Approach)	N/A	141.484	18.220	159.703
Natural Gas	0.000	N/A	0.000	0.000
Solid Waste*	N/A	N/A	0.000	0.000
Refrigerants*†	0.000	N/A	N/A	0.000
Fleet and Other Vehicles	0.000	N/A	0.000	0.000
Domestic Commercial Flights	N/A	N/A	434.787	434.787
Domestic Hire Car*	N/A	N/A	0.000	0.000
Domestic Travel Accommodation*	N/A	N/A	30.480	30.480
Other Energy	0.000	N/A	0.000	0.000
Total t CO₂-e	0.000	141.484	483.487	624.970

Note: emissions relate to electricity usage using the location-based accounting method. CO₂-e = Carbon Dioxide Equivalent.

* indicates emission sources collected for the first time in 2023–24. The quality of data is expected to improve over time as emissions reporting matures.

† indicates optional emission source for 2023–24 emissions reporting.

Table 8: Greenhouse gas emissions inventory (market-based approach)

Emission Source	Scope 2 t CO ₂ -e	Scope 3 t CO ₂ -e	Total t CO ₂ -e	Percentage of electricity use
Electricity (Location Based Approach)	141.484	18.220	159.703	100.00%
Market-based electricity emissions	111.500	13.765	125.266	66.24%
Total renewable electricity	-	-	-	33.76%
Mandatory renewables¹⁰	-	-	-	18.72%
Voluntary renewables¹¹	-	-	-	15.04%

Note: the table above presents emissions related to electricity usage using both the location-based and the market-based accounting methods. CO₂-e = Carbon Dioxide Equivalent.

Caveats on greenhouse gas emissions data collection:

- Solid waste data was not available at the time of the report and amendments to data may be required in future reports. The quality of data is expected to improve over time as emissions reporting matures.
- Emissions from hire cars for 2023–24 have been sourced from third party providers and may be incomplete. The quality of data is expected to improve over time as emissions reporting matures.

¹⁰ Mandatory renewables are the portion of electricity consumed from the grid that is generated by renewable sources. This includes the renewable power percentage.

¹¹ Voluntary renewables reflect the eligible carbon credit units surrendered by the entity. This may include purchased large-scale generation certificates, power purchasing agreements, GreenPower and the jurisdictional renewable power percentage (ACT only).

Social performance

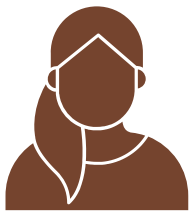
IBA contributes to a range of positive social outcomes, and supports First Nations prosperity and wellbeing, through our Homes, Business, and Investment programs. But social matters also include human rights, cyber security and privacy, and other social based matters that we rely on or impact.

As a corporate Commonwealth entity and a provider of financial services, we comply with a range of laws and regulations. Many of these requirements tie into our approach to ESG, including the *Privacy Act 1988*, *Public Interest Disclosure Act 2013*, *Anti-Money Laundering and Counter Terrorism Financing Act 2006*, and the Commonwealth Risk Management Policy.

During 2023–24, we submitted our fourth Modern Slavery Statement and updated and revised our Modern Slavery Risk and Reporting Procedure. We remained focused on cyber security, data governance and management and continued our digital transformation. We also piloted innovative finance solutions to support women's economic empowerment.

Figure 18: Results of the Social Enterprise Partnerships program

SOCIAL ENTERPRISE GRANT SUCCESS



23

female-led First Nations social enterprises



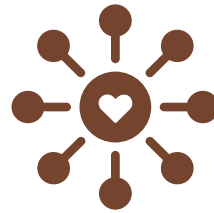
560

program participants



28

partnerships



1,266

extended reach to community



\$2.7M

funding delivered




\$95k

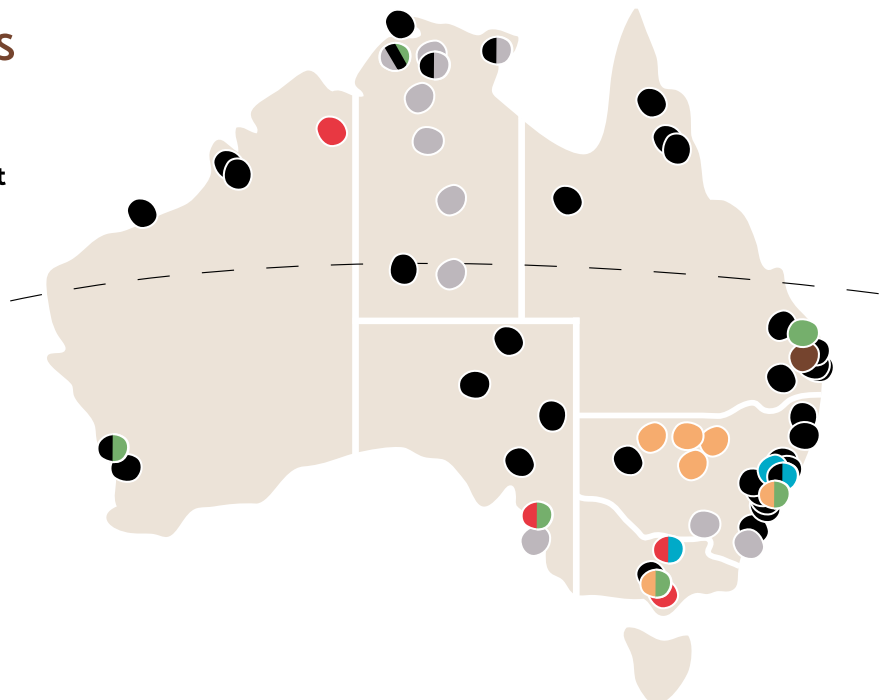
average value delivered

RE MOTENESS OF PARTNERSHIPS



OUR PARTNERSHIP THEMES AND LOCATIONS*

-  **35%** Business development
-  **19%** Financial literacy
-  **16%** Wellbeing programs
-  **8%** Employment pathways
-  **8%** Upskilling / training
-  **8%** Building networks
-  **6%** Digital literacy



*percentage is by value

Case study 5: Social Enterprise Partnerships

In partnership with PM&C, IBA delivered \$2.7 million in funding through the SEG program.

The funding was distributed through partnerships to social enterprises led by Aboriginal and Torres Strait Islander women, with outcomes specifically focusing on women, girls and sisters. Since January 2023, IBA established and worked with 23 First Nations female-led social enterprises over 16 months.

The partnerships transformed the small businesses involved and the communities they supported, delivering a range of programs, which included supporting First Nations women and girls to:

- prepare for employment
- start or grow their businesses.

Key focus areas for the SEG also included business development, financial literacy, wellbeing, and upskilling and training. This positively resulted in:

- \$2.7 million in funding delivered through 28 partnerships with 23 Aboriginal and Torres Strait Islander social enterprises
- 560 First Nations female participants in the programs
- 21% of programs being delivered in very remote locations, and 14% delivered in remote locations across Australia.

Participants overwhelmingly stated that these programs supported their confidence in taking the next step in their journey and empowered them to make decisions. One of the 28 funded programs provided support and resources for First Nations women and girls confronted with the impact of lateral violence.

Woolwonga and Kukatj woman, Lateesha Jeffrey, was raised on Larrakia and Yolngu countries, and has firsthand experience and knowledge about the devastating impact of lateral violence on First Nations people and communities. Building on her own resilience, Lateesha created the Lateral Empowerment program through her business, Wave of Change Consultancy.

From Tennant Creek to Groote Eylandt to Galiwin'ku, Lateesha and her team worked with women and girls from 14 different remote locations across the Northern Territory. Participants learnt reflective tools to cut through the dark sides of lateral violence and inspire and uplift one another.

—
Lateesha delivered the 'Lateral Empowerment' program through her business, Wave of Change Consultancy.
—



Partnerships and collaboration: leveraging cross-sector and government capability

The journey of Aboriginal and Torres Strait Islander people, organisations, and communities toward economic independence, self-management, and self-sufficiency is wide and varied. Having access to the right resources at the right time relies on IBA looking after and growing the money under management.

Our role is to walk with Aboriginal and Torres Strait Islander people on their journey to economic inclusion and greater financial wellbeing by providing:

- choice of relevant products
- access to opportunities.

We partner and collaborate with First Nations businesses, community organisations, across government and the financial services. This helps us to deliver products and services that responded to demand and the needs identified by Aboriginal and Torres Strait Islander people.

In 2023–24, we:

- revised our Purposeful Partnerships Framework to ensure it was relevant and fit for purpose in the context of our corporate strategy and customer success
- assisted First Nations entrepreneurs and businesses to spark leadership in business
- developed businesses' online capabilities
- created new opportunities for collaboration across various sectors
- established a whole-of-organisation partnerships strategy
- finalised delivery of the SEG program in partnership with PM&C.

In this financial year, we entered into 11 new partnerships. That takes our total investment in our partnerships to \$675,600 as at 30 June 2024.¹²

Of the new partnerships:

- six focus on service delivery
- five are strategic partnerships to leverage partners' resources or capital to achieve greater outcomes and impact for First Nations Australians
- five had a national focus
- six are placed based (Queensland, Northern Territory, Victoria, and New South Wales).

¹² Excludes the Northern Territory Government's contribution of \$64,987 to the NT Aboriginal Tourism Accelerator program.



Partners we collaborate and cooperate with

Partnership arrangement	Link to key activity	Purpose
Department of Industry, Tourism and Trade (Northern Territory)	Cross-government partnership (Business)	Support Aboriginal and Torres Strait Islander tourism businesses in the NT with access to capability building and networks and build sustainable thriving businesses.
Same Way Nation Pty Ltd	Partnership (Business)	Support Aboriginal and Torres Strait Islander creatives with access to capability building.
Wunun Consultancy Pty Ltd	Partnership (Business)	Support Aboriginal and Torres Strait Islander businesses in the NT with access to a capability building program.
The Cultural Intelligence Project Pty Ltd	Partnership (Business)	Support Aboriginal businesses in the Kimberley, Western Australia with access to business development programs.
NATSIHA	MoU (Housing)	Collaborate and leverage assets, capabilities, and networks to enhance the housing offerings to Aboriginal and Torres Strait Islander people.
NAB	MoU (Business)	To explore opportunities to support IBA customers or NAB First Nations customers who cannot obtain finance.

Partnership arrangement	Link to key activity	Purpose
2 Rivers Pty Ltd	Partnership (Business)	Access for Aboriginal creative businesses in regional New South Wales to a business development program.
Indigiearth	Partnership (Business)	Access for Aboriginal bushfoods and botanical businesses in regional New South Wales to a business development program.
Monash University	MoU (Business)	Support the Masters of Indigenous Business Leadership through subject matter expertise and thought leadership.
NTIBN	MoU (Business)	Provide Aboriginal and Torres Strait businesses in the Northern Territory with access to networks, capital, support, and capability development.
EFA	MoU (Business)	Explore the potential to collaborate between IBA and EFA with respect to providing business finance products to First Nations-owned businesses in the export market.



PART 05:

People, governance, and risk report

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People: workforce profile and diversity

IBA values and embeds the skills, perspectives, and experiences of Aboriginal and Torres Strait Islander people at all levels of our business –because we know that doing this will lead to greater success in achieving our purpose. We also uplift the capability of non-First Nations staff to develop the skills required to be culturally competent practitioners.

Galambany Staff Network

Network engages meaningfully with the CEO and Executive to ensure that Aboriginal and Torres Strait Islander perspectives are embedded throughout all levels of the business.

The word Galambany (pronounced 'Jul-um-baa-ni') was gifted to the network from the United Ngunnawal Elders Council and means 'we including you'.

Within the network sits the Galambany Advisory Committee (GAC), which comprises nominated network representatives and regional champions. The GAC acts as a central contact for the wider IBA to create a structured, culturally sound approach to:

- supporting staff to take a culturally informed approach to day-to-day work with IBA customers, staff and Executive
- ensuring policy, programs, and service delivery reflect and are appropriate to the needs of Aboriginal and Torres Strait Islander peoples
- minimising cultural load while maintaining organisational activity.

In June 2024, the network gathered at Murrook Cultural Centre on Worimi Country (Port Stephens, New South Wales) for their annual conference, with the theme 'Fuelling the Fire'.

Workforce capability: Culturally proficient and technically sound

Workforce capability was a key focus in our 2023–24 Corporate Plan. Throughout the reporting period, IBA's activities towards this focus were many.

Our workforce reflected the communities we serve, with 64 employees identifying as Aboriginal and/or Torres Strait Islander. Our retention rate of First Nations staff was 90%.

Of our 235 staff, 66% delivered financial products and services to customers. The remaining 34% provided support with key skills including finance, people and culture, external and government relations, legal and risk, policy and evaluation, cybersecurity, and ICT.

We equipped our people with the systems, tools and workplace to make empowered decisions, appointing a CITO to drive the change needed to deliver the uplift in digital capability and diversity of skills.

We progressed the development of our Indigenous employment strategy with a focus on four key areas:

1. Attracting and recruiting a talented First Nations workforce. This area aims to support the development of a strong, sustainable First Nations workforce across all IBA levels.
2. Creating inclusive and respectful workplaces for our First Nations workforce. This area aims to establish culturally safe work practices that provide First Nations employees with a supportive and safe work environment.
3. Supporting the career mobility and growth of our First Nations workforce. This area aims to create a workplace where First Nations employees are empowered to pursue their career aspirations and receive support as they advance.
4. Amplifying the cultural knowledge and technical skills of our workforce capabilities. This area aims to cultivate a workforce that combines cultural proficiency and technical competency, maximising the diverse strengths of our team.

We also:

- participated as a member of the Australian Public Service Commission's Affirmative Measures Indigenous Recruitment Project
- supported the Galambany Staff Network to host their annual staff conference and progress their strategy, including making a Reconciliation Action Plan
- continued a 10-year partnership with Career Trackers Indigenous Internship Program to create career pathways for Aboriginal and Torres Strait Islander university students.

The Career Trackers program offers a structured internship program which aligns students with paid, professional opportunities relevant to their career aspirations. During the reporting period, IBA supported:

- seven Career Trackers interns
- four returning interns.

Five interns were offered casual employment during their studies. One transitioned from intern to graduate and now holds an ongoing position at IBA.



—
Our Galambany Staff Network has been proudly operating for 10 years. The network met this year to progress their strategy and further develop key goals.
—

Insights with the interns: We care to be aware

Written by Zena Powell, communications intern at IBA.

What is cultural awareness?

Cultural awareness is the ability to be aware and sensitive to different cultures through understanding the differences, similarities, language, teachings, values, attitudes, knowledge, and systems. It is the ability to learn and display empathy through being open and respectful to all cultures and communities.

At IBA we encourage continual learning and development especially when it comes to culture. On 13 February, I and many others in our Sydney office attended cultural awareness training, one of many held through various office locations. The training was facilitated by the wonderfully warm Paul Sinclair from Mirri Mirri.

Mirri Mirri is an Indigenous organisation that provides cultural education for all types of organisations and industries. Mirri means 'Star' in Kamilaroi language and interestingly 'Dog' in Wiradjuri which definitely made my Mum laugh when I told her. The name highlights how there are different meanings for words and although we are one culture, we make up over 250 languages and communities. We all have different teachings, lores, protocols, meanings, and stories. We may all be mob, but we are all different and unique.

Cultural awareness is crucial not only for learning and development but for reconciliation. It allows us to understand the impact, effects and nature of culture. The training allowed staff to reflect on what has been, what could've been and what it is now for Aboriginal and Torres Strait Islander people.

Sydney's cultural awareness training was especially impactful since it was the same day of the Anniversary of the Apology to Australia's Indigenous Peoples. This day marks the 2008 National Apology to the Stolen Generations.

Paul utilised the anniversary of the National Apology as a talking point and had the staff reflect on significant places here on Gadigal Land that contributed to the Stolen Generations and mob, such as Central Station Platform 1, Big E hotel, Bidura and many others.

Cultural awareness creates impact and allows us to learn and be informed not only for our customers but for our community and ourselves.

When we have open conversations and share in safe spaces, and acknowledge unconscious biases, we are encouraged to learn. When we learn, we learn to be better.

Cultural awareness is a continuous learning process and journey. It isn't a one-off or to tick a box. It is a lifelong journey of acceptance, sharing and continued learning.

Our customers are different and unique and come from a variety of backgrounds and communities. By being aware, we learn to care. That's why IBA staff have access to cultural learning continually. To continue learning and reconciliation.

Thank you, Paul, for your amazing work and for making this training an insightful and enjoyable experience.





Staff in our Sydney Office (Gadigal Country) came together with Paul Sinclair from Mirri Mirri for a unique cultural awareness workshop.

Employee wellbeing

We are committed to safe and sustainable workplace practices, with a focus on:

- fostering a culture of mental and physical wellbeing
- maintaining workplaces where staff feel mentally and physically safe and valued for their contributions.

In 2023–24:

- we developed, implemented, tracked and reported psychosocial risks and hazards via our Psychosocial Risk Register
- IBA's employee assistance provider continued giving confidential services to employees and family members experiencing professional or personal challenges affecting their mental or physical wellbeing
- staff took part in First Nations art workshops facilitated by cultural practitioners
- we introduced a regular wellbeing news bulletin to educate and support workers across a range of mental health impacts
- the Health and Safety Committee and Workplace Consultative Committee worked together to consult on key issues affecting the workplace, including psychosocial hazard management
- we continued to encourage the IBA workforce to access COVID-19 and flu vaccinations to help combat health challenges and support a safe return to the workplace
- we updated our Code of Conduct and related procedures to foster a safe and inclusive workplace
- we continued flexible working practices so staff could maintain work-life balance.

The diversity of skills and backgrounds of our people inform a safe workplan. We embrace diversity and the value it has for the work we do and how we do it. Our workforce comprises a mix of diverse intersecting identities, including:

- Aboriginal and Torres Strait Islander people
- people identifying as LGBTIQ+
- people from non-English speaking backgrounds
- people with caring responsibilities
- people with disability
- mature age people.

Our workforce profile remained relatively stable. Notable changes include:

- a steady representation of Aboriginal and Torres Strait Islander people at 25.94%
- a steady representation of women at 61%
- staffing numbers increasing at locations, reflecting our changing customer base and demand.

In 2023–24 we celebrated our commitment to diversity and inclusion through:

- staff trivia and a wear it orange morning tea to celebrate Harmony Week
- fostering a positive LGBTIQ+ culture by providing awareness training with a cultural lens
- raising awareness for Cerebral Palsy and physical health by participating in STEPtember
- participating in gender equity reporting for the Workplace Gender Equality Agency
- recruitment panel diversity—promoting representation of First Nations, age, position, department and tenure
- membership with Diversity Council Australia
- cultural volunteer leave for all employees
- cultural awareness training for all employees, including unconscious bias training, Walking in Two Worlds and conducting a meaningful acknowledgement
- activities throughout the year that celebrated the diversity of IBA such as RUOK Day, Wear it Yellow for Children's Ground, and SAFETea morning tea.

Outlook: strengthening our capability to meet current and future demand

In 2024–25, we are well placed to continue supporting staff to feel valued and culturally safe. We are investing in staff with development and relevant initiatives, including aligning recruitment approaches with workforce plans and implementing our:

- Indigenous employment strategy
- Learning and Development Action Plan
- strategies for a positive work culture and to improve employee experience at all stages of employment, including providing mental health first aid and trauma informed practices.

We continued to draw on staff feedback to inform how we can support all the above. Key events planned include:

- psychosocial training and development
- mental health training
- unconscious bias training
- training on people management, managing a team for wellbeing and coaching conversations
- respectful workplace training
- pronouns and identifiers training
- integrity and empathy in the workplace training.

—
Quandamooka artist, Delvene Cockatoo Collins (right) shares her culture and deep connection to Country through her stunning art work, homewares and fashion pieces.
—



Table 9: Ongoing employees as at 30 June 2024

	Man/male			Woman/female			Non-binary/prefers not to answer/uses different term			Total
	Full time	Part time	Total Male	Full time	Part time	Total Female	Full time	Part time	Total non-binary	
NSW	19	1	20	21	5	26	–	–	–	46
Qld	29		29	44	6	50	–	–	–	79
SA	2		2	7		7	–	–	–	9
Tas	–		–	–		–	–	–	–	–
Vic	10		10	10		10	–	–	–	20
WA	6		6	14	1	15	–	–	–	21
ACT	10		10	19	3	22	–	–	–	32
NT	2		2	5		5	–	–	–	7
External Territories	–	–	–	–	–	–	–	–	–	–
Overseas	–	–	–	–	–	–	–	–	–	–
Total	78	1	79	120	15	135	–	–	–	214

Table 10: Non-ongoing employees as at 30 June 2024

	Man/male			Woman/female			Non-binary/prefers not to answer/uses different term			Total
	Full time	Part time	Total Male	Full time	Part time	Total Female	Full time	Part time	Total non-binary	
NSW	1	2 ¹³	3	3	1 ¹³	4	–	–	–	7
Qld	2	1 ¹⁴	3	5	0	5	–	–	–	8
SA	1		1	–	1	1	–	–	–	2
Tas	–		–	–		–	–	–	–	–
Vic	1		1	–		–	–	–	–	1
WA	0	0	0	1	–	1	–	–	–	1
ACT	0	1 ¹⁴	1		1 ¹³	1	–	–	–	2
NT	–		–	–	–	–	–	–	–	
External Territories	–	–	–	–	–	–	–	–	–	–
Overseas	–	–	–	–	–	–	–	–	–	–
Total	5	4	9	9	3	12				21

13 Includes 1 casual university intern

14 Casual employee

Table 11: Staff numbers by classification as at 30 June 2024

Classification	Number of people
CEO	1
ED/CFO/CITO/GC	6
DIR	5
IBA 7	39
IBA 6	40
IBA 5	72
IBA 4	48
IBA 3	19
IBA 2	1
IBA 1	4
Total	235

Governance and risk

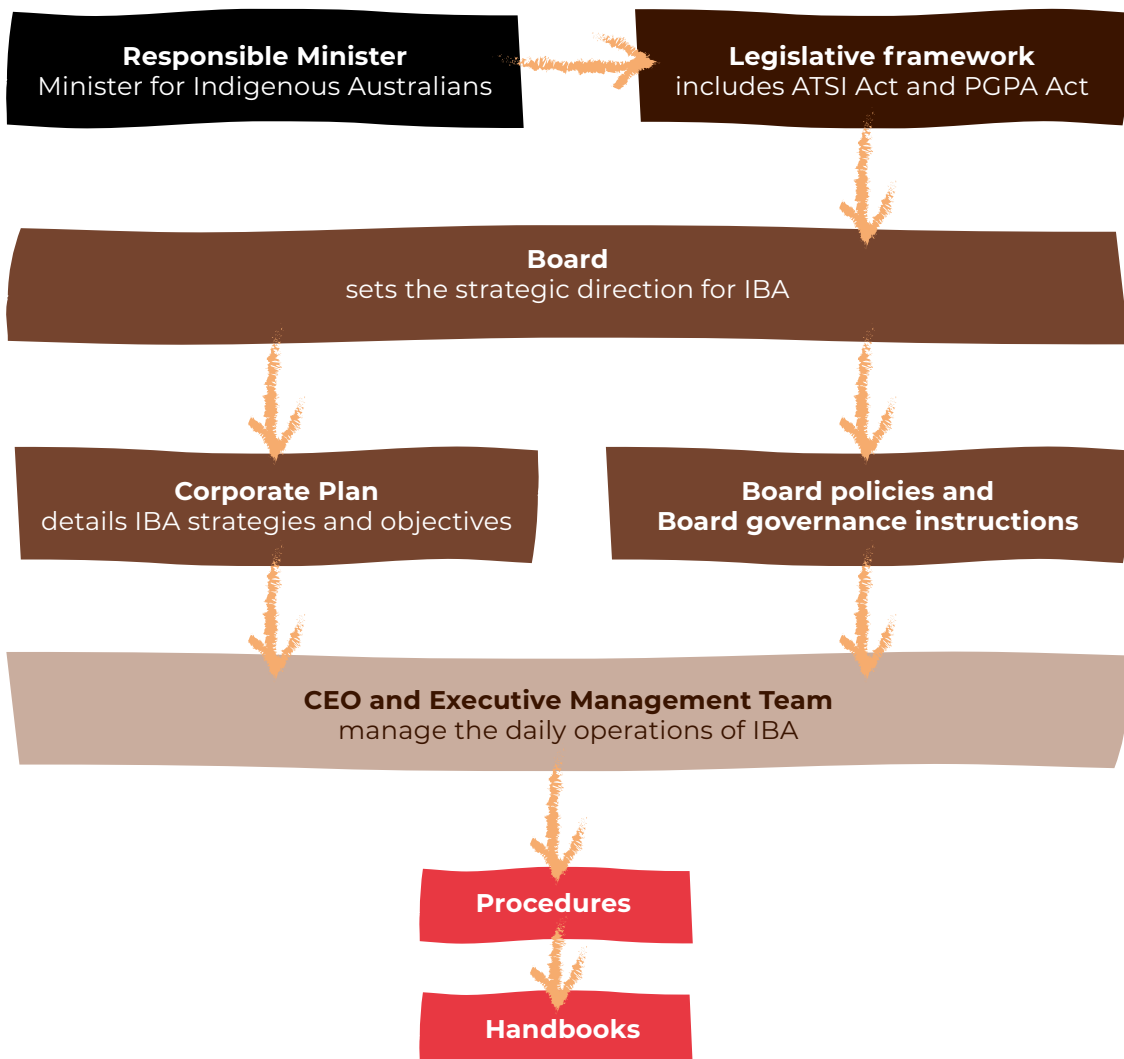
The IBA corporate governance framework (Figure 19) is designed so IBA meets its objectives while being transparent, accountable, and efficient.

Responsible minister

IBA is accountable to the Australian Parliament through NIAA and the Minister for Indigenous Australians. The responsible Minister for the reporting period was the Hon. Linda Burney MP, Minister for Indigenous Australians.

IBA was established under the ATSI Act, which sets out its purposes, functions, and powers. IBA is a Corporate Commonwealth Entity, and its Board is the accountable authority under the PGPA Act.

Figure 19: IBA governance framework



Ministerial Directions and Government Policy Orders

Under section 151 of the ATSI Act, the responsible minister can make general written directions to IBA. No such directions were made in 2023–24.

IBA must also comply with applicable government policies. No policy orders were issued to IBA under the PGPA Act in 2023–24.

IBA Board

IBA's Board oversees IBA's efficient and effective performance through:

- determining strategy and policy
- setting the risk appetite, tolerance levels and culture of the organisation
- reviewing CEO performance.

The Board informs the Minister of IBA's activities and significant decisions in accordance with the PGPA Act.

Appointments

In accordance with section 157 of the ATSI Act, the Minister appoints Board members—a Chair, Deputy Chair and seven other members.

As required by section 158 of the ATSI Act, the Minister consults IBA about potential appointees when there is, or is expected to be, a vacancy.

Members

Board members have extensive and varied expertise, particularly in:

- industry
- commerce and finance
- Aboriginal or Torres Strait Islander communities and enterprises.

There were six serving Board members as at 30 June 2024. All are non-executive directors.

- Four members identify as Aboriginal or Torres Strait Islander.
- Two members are non-First Nations people.
- Two members are female.

Internal governance

The CEO oversees IBA's day-to-day administration and is supported by the Executive, internal management committees, IBA employees, and consultants and contractors.

Our Executive team is made up of seven members, including the CEO. Their cultural backgrounds vary.

As at 30 June 2024:

- Five members were female.
- Two members were male.
- Two members identified as Aboriginal.

The organisational structure of IBA at 30 June 2024 is set out in Figure 20.

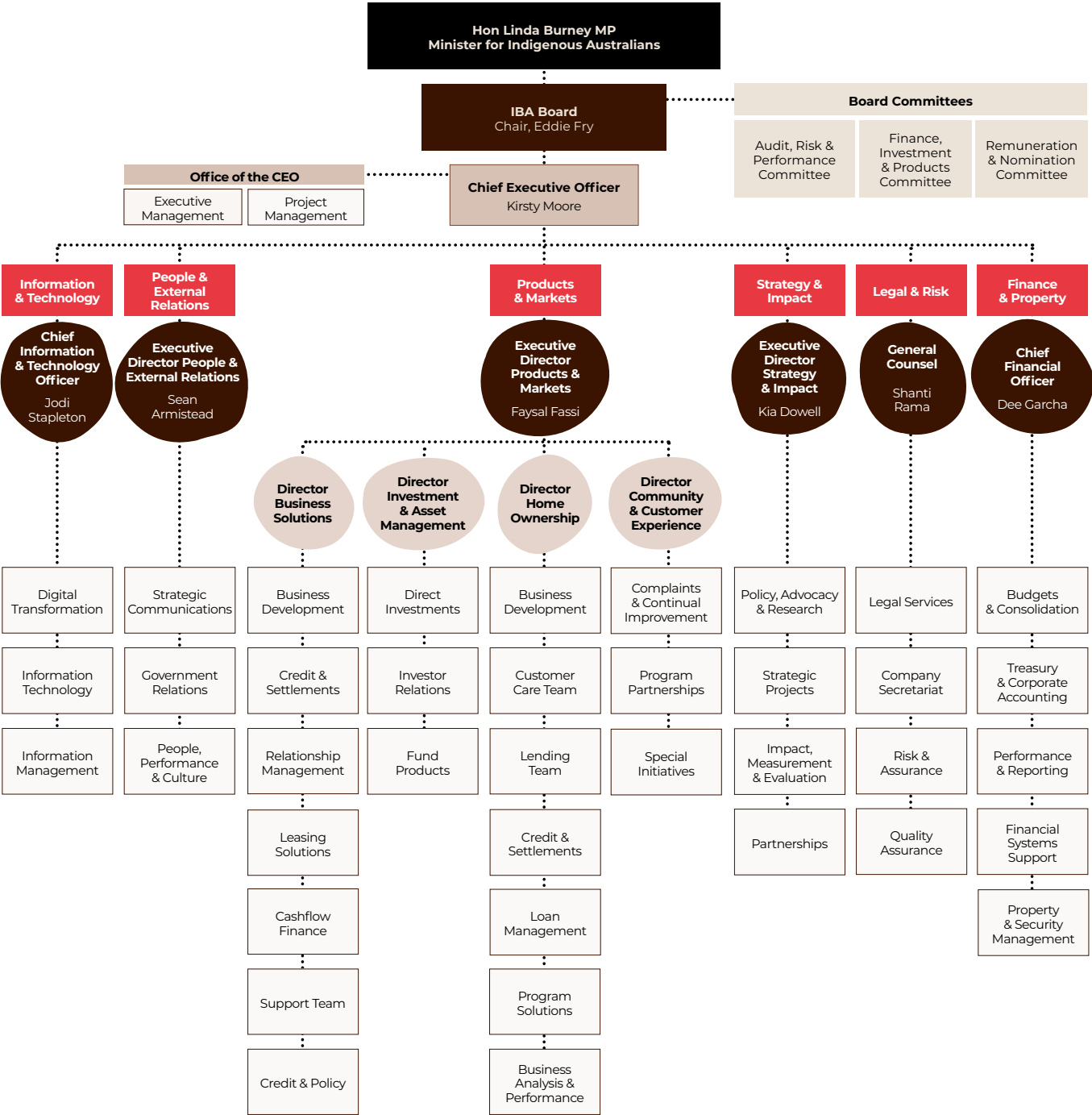
Indemnity and insurance

IBA and its subsidiaries' insurance cover, including directors' and officers' liability insurance, is provided through Comcover. Comcover is the Australian Government's self-managed fund.

Premiums paid for insurance for the reporting period equalled \$4.9 million.¹⁵

¹⁵ This value excludes GST.

Figure 20: IBA organisational chart as at 30 June 2024





Edward (Eddie) Fry

IBA CHAIR; REMUNERATION AND NOMINATION COMMITTEE CHAIR

- Dagoman man from the Katherine region, Northern Territory.
- Diploma in Business Management, University of South Australia; graduate of the International Lead and Zinc Study Group.
- Specialist in Indigenous and native title issues as Executive Director, Gimbulki Resources Ltd, a native title land access company; Chair of the Indigenous Advisory Board for Ventia Services Pty Ltd (formerly Broadspectrum/Transfield); Deputy Chair, Aboriginal Foundation of South Australia.
- Extensive experience in the Australian resource sector, including previous senior executive roles with Normandy Mining Ltd—establishing the company's Traditional Owner policy, managing international logistics and marketing of Normandy's base and strategic metal portfolio, and investor-relations analyst.
- Former director and consultant of TNG Ltd—an Australian resource company.
- Chair and consultant advisor of Todd River Resources Limited.



Anthony Ashby

IBA DEPUTY CHAIR; FINANCE INVESTMENT AND PRODUCTS COMMITTEE CHAIR; REMUNERATION AND NOMINATION COMMITTEE MEMBER

- Gamilaraay-Yuwaalaraay man from north-western New South Wales joined the board in 2012.
- Chartered accountant and registered company auditor.
- Director of the Hunter New England Central Coast Primary Health Network Ltd.
- Independent Chair of the National Centre of Indigenous Excellence committee.
- Ex-officio member of the Supply Nation Audit and Risk Committee.
- Has owned a public accounting practice with wife Vanessa since 2004, providing a mix of taxation, assurance, accounting and consultancy services.



Shirley McPherson

IBA DIRECTOR; AUDIT, RISK AND PERFORMANCE COMMITTEE MEMBER

- Yamatji and Nyoongar woman from the Perth and Murchison regions of Western Australia.
- Chartered accountant with experience in program delivery and business development at all levels of government.
- Chair of the Kaitijan Mia Aboriginal Foundation.
- Director, Western Australian Biodiversity Science Institute.
- Former group manager of Indigenous Strategy and Business with Leighton Contractors Pty Ltd; former consultant to the mining industry, negotiating land use agreements in Western Australia.
- Former member of the Australian Government delegation to the United Nations Permanent Forum on Indigenous Issues.



Richard Callaghan

IBA DIRECTOR; AUDIT, RISK AND PERFORMANCE COMMITTEE MEMBER

- Potaruwutj man whose Aboriginal family originate from the Padthaway region South Australia.
- Extensive experience within the Australian resource, community and business sector; specialist in business and heritage issues.
- Bachelor of Business Management from the University of SA and Graduate Diploma of Government (Fraud Investigation) Charles Sturt University.
- Founding Chairman and Director of the Yaran Group of businesses.
- Former member of the SA State Aboriginal Advisory Committee and the SA Industry Advisory Committee to the Premier.
- Independent non-executive director of several Aboriginal corporations and Chair of not-for-profit Rural Remote Mental Health Pty Ltd.
- Advisory Member of the Australian Government's First Nations Reference Group on Remote Jobs and Economic Development Program.
- Fellow of the SA Governor's Leadership Foundation; certified management consultant with the Australian Institute of Management Consultants; member of the Australian Institute of Company Directors.



Joshua Gilbert

IBA DIRECTOR; REMUNERATION AND NOMINATION COMMITTEE MEMBER ; FINANCE, INVESTMENT AND PRODUCTS COMMITTEE MEMBER

- Worimi man, farmer and academic, who shares the narration of First Nations identity via agricultural truths in modern contexts. His work seeks to connect traditional Aboriginal knowledge and history with what is happening today, translating past wisdom and learning to future opportunities. Josh combines the old and the new, weaving them together to develop new insights.
- Undertaking higher degree research at Charles Sturt University.
- Indigenous Co-chair of Reconciliation NSW.
- Recently recognised within the world's top 50 young gastronomers.
- Appointed to the Board as Director of Aboriginal Housing Office of NSW, KU Children's Services and Australian Conservation Foundation.
- Advisor to the Sustainable Table Fund; Centre for Public Impact Research Committee; Morris Family Foundation and CSIRO Agriculture and Food Advisory Group.
- Entrepreneur and business advisor, working predominantly in the Aboriginal cultural, agricultural and environmental spheres.
- Worked with many not-for-profits, businesses and the Government to develop, and bring people on a journey of, change.



Richard (Rick) Allert AO

IBA DIRECTOR; AUDIT, RISK AND PERFORMANCE COMMITTEE CHAIR; FINANCE, INVESTMENT AND PRODUCTS COMMITTEE MEMBER

- Chartered accountant with many years' experience in the corporate sector.
- Chair, Voyages Indigenous Tourism Australia Pty Ltd; Chair, Kakadu Tourism (GLC) Pty Ltd and Kakadu Tourism (GCH) Pty Ltd; Chair, Cavpower Pty Ltd (Group).
- 2011 recipient of Ernst & Young Champion of Entrepreneurship Award, Central Region, for outstanding entrepreneurial achievement and community contribution.
- Awarded a member of the Order of Australia (1997) particularly for work with the National Heart Foundation; a Centenary Medal (2003) for service to rail, business and taxation; Order of Australia (2008) for leadership in corporate social responsibility.



Claire Woodley

IBA DIRECTOR; FINANCE, INVESTMENT AND PRODUCTS COMMITTEE CHAIR; REMUNERATION AND NOMINATION COMMITTEE MEMBER

- General Manager, Bank of Queensland (BOQ) Business and BOQ Finance.
- Co-Chair of the BOQ First Nations Reconciliation Council (Reconciliation Action Plan Working Group).
- Tertiary qualifications in occupational therapy, psychology and project management; graduate, Australian Institute of Company Directors.
- Former General Manager, Business Banking Victoria, Commonwealth Bank of Australia.
- Experience in business banking, governance, risk management, strategic planning, policy development, business re-engineering, project and program management.



Vanessa Elliott

IBA DIRECTOR; AUDIT, RISK AND PERFORMANCE COMMITTEE MEMBER; REMUNERATION AND NOMINATION COMMITTEE MEMBER

- Jaru woman from the Kimberley region of Western Australia with cultural connections into the Central and Western Desert.
- Principal of Vanessa Elliott and Associates.
- Extensive experience in mining, energy and primary industries as Corporate Affairs, Government and Community Relations Lead with Newmont Asia Pacific and Woodside and as an independent consultant.
- Forest Products Commissioner WA; Adjunct Industry Fellow with the Sustainable Minerals Institute University of Queensland; Board member of Centre for Social Responsibility in Mining Advisory; Board member of Desert Knowledge Australia; Chair, Kent Street Public Independent School Board, Perth.
- Graduate Certificate of Business, University of Western Australia and Bachelor of Arts, Communications and Cultural Studies, Curtin University.



Rosemary Addis AM

IBA DIRECTOR; FINANCE, INVESTMENT PRODUCTS COMMITTEE MEMBER

- Internationally-recognised director and strategist in impact, sustainability and innovation.
- Global legal career including as an equity partner of Allens-Linklaters, Social Innovation Strategist for the Australian Government, member of the G8 Social Impact Investment Taskforce and Founding Chair of Impact Investing Australia (Market Builder of the Year 2018 and 2020).
- Enterprise Professor of impact, sustainability and innovation in the Faculty of Business and Economics at the University of Melbourne.
- Portfolio of Chair, Board and advisory roles including Managing Partner of Mondiale Impact; Chair of the Board of Advisors for investment firm Sweef Capital.
- Advised leading private sector organisations, governments and multi-laterals including the OECD, United Nations Development Programme, World Bank, Harvard Kennedy School and Oxford Said Business School and represented Australia on the G8 Social Investment Taskforce (2013–15).
- Inaugural Sorenson Global Impact Leader for lifetime contributions to impact; Member of the Order of Australia; Global Ambassador of the Global Steering Group on Impact Investment spanning 40+ countries (2020); ranked among top thought leaders by Women in Finance (2017) and Australia's 100 Women of Influence (2015).

Meetings

In 2023–24, the Board held:

- six scheduled meetings
- three out-of-session meetings.

Details of directors' attendance are below.

Board meeting attendance

Name	Position	Attendance
Mr Eddie Fry	Chair	9/9
Mr Anthony Ashby*	Deputy Chair	0/0
Mr Richard Allert AO	Director	9/9
Ms Claire Woodley	Director	8/9
Ms Shirley McPherson	Director	8/9
Ms Vanessa Elliott#	Director	3/3
Ms Rosemary Addis AM~	Director	4/4
Mr Richard Callaghan	Director	8/9
Mr Joshua Gilbert	Director	8/9

Term Cessations:

* Director Ashby ceased 11 July 2023.

Director Elliott was appointed 19 May 2023 to 13 August 2023 then again from 5 December 2023 to 4 March 2024.

~ Director Addis ceased 16 December 2023.

IBA Board vacancies

As at 30 June 2024, the Deputy Chair and two other Board positions were vacant.

Board charter and corporate governance practices

The Board charter includes:

- a code of conduct for directors
- rules and processes for dealing with conflicts of interest, gifts and benefits and related party transactions.

The Board charter is updated:

- in line with best practice in corporate governance
- in response to internal and external reviews and variations in the IBA operating environment.

The Board charter provides for a range of reviews to foster ongoing development and enhancement in the Board's performance. These include triennial assessments of the Board's performance overall and its individual members.

The Board's governance instructions, issued by the Board, continue the best practice corporate governance culture and standard in the Board Charter. IBA's CEO and employees must comply with these instructions, as well as:

- policies
- procedures
- authorisations and delegations
- other lawful and reasonable directions.

Committees assisting the Board

Three ongoing committees assist the Board in discharging its functions:

- Audit, Risk and Performance Committee
- Finance, Investment and Products Committee
- Remuneration and Nomination Committee.

The **Audit, Risk and Performance Committee** advised the Board on the appropriateness of IBA's:

- risk and compliance framework
- financial statements
- performance reporting responsibilities
- systems of internal control.

The committee also monitored actions against budget and key performance indicators.

Committee members:

- Richard Allert, Chair
- Two IBA Directors
- Maria Storti, independent member.

Ms Storti has been an independent member of the committee since September 2014. She is an experienced senior executive and was a partner in a professional services firm. She has held other senior management and consulting roles across the private and public sectors.

The Audit, Risk and Performance Committee Charter is at iba.gov.au/charter

Table 12: Details of Audit, Risk and Performance Committee members

Member name	Qualifications, knowledge, skills or experience (includes formal and informal as relevant)	Meetings attended/ total meetings	Remuneration
Richard Allert AO	Chartered accountant with many years, experience in the corporate sector.	8/8	\$17,376.03
Shirley McPherson	Chartered accountant with experience in program delivery and business development at all levels of government.	6/8	\$8,693.05
Maria Storti	Independent member since September 2014. Experienced senior executive who was a partner in a professional services firm and has held other senior management and consulting roles across the private and public sectors.	8/8	\$24,200
Vanessa Elliott	Experienced government and not-for-profit board director. More than 20 years' experience in strategic management, business, governance, economic development and community services.	2/2	\$1,229.25
Richard Callaghan	Extensive experience within the Australian resource, community and business sector; specialist in business and heritage issues. Bachelor of Business Management from the University of South Australia and Graduate Diploma of Government (Fraud Investigation) Charles Sturt University.	5/5	\$6,526.65

The **Remuneration and Nomination Committee** advised the Board on:

- CEO and Board appointments
- CEO performance and remuneration as required.

The committee was chaired by Edward Fry.

The **Finance, Investment and Products Committee** monitored and reviewed IBA's Housing Solutions, Business Solutions and Investments and Asset Management portfolios.

The committee:

- regularly reviewed IBA's financial policies
- provided advice and recommendations to the Board about major new business, products, investments and other financial transactions.

The committee was chaired by Claire Woodley.

Key management personnel has the same meaning as in AASB 124 Related Party Disclosures. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

Details of the remuneration of key management personnel for the reporting period are in Table 13 as at 30 June 2024.

Our Executive

KIRSTY MOORE

Chief Executive Officer

Kirsty joined IBA in 2018 after three years as a senior director with the Western Australian Government where she had responsibility for business development, low deposit home loans, shared equity and asset management of the \$14.5 billion Western Australian social housing asset portfolio. A graduate of the Australian Institute of Company Directors and Fellow of the Institute of Chartered Accountants, Kirsty has a strong background in technical accounting, corporate governance and commercial finance. Prior to joining the public sector, Kirsty worked for NAB and PricewaterhouseCoopers.

Kirsty managed the agency to increase alignment across areas, helping to develop and drive key strategies to find long-term funding solutions for IBA to ultimately benefit our customers and the communities we serve, and support the growth of the business.

DEE GARCHA

Chief Financial Officer

Dee joined IBA in 2022 and has almost 20 years' experience in financial management roles for high growth complex organisations, with high-level expertise across industries both locally and overseas.

Dee is originally from Scotland with Indian descent. She moved to Australia in 2010 and lives in Brisbane. She has a degree in Accounting & Finance and is also a member of the UK and Australia-NZ Institutes of Chartered Accountants and is a graduate of the Australian Institute of Company Directors.

As CFO, Dee is responsible for the financial management function of IBA, ensuring appropriate financial information is provided to its programs, Board and regulatory authorities in accordance with its governing legislation.

SHANTI RAMA

General Counsel, Legal Services

Shanti joined IBA in 2015 and has more than 15 years of experience as a commercial lawyer with roles in both private practice and in-house. She has practiced in the Northern Territory and New South Wales on a diverse range of significant transactions and major projects for clients including Aboriginal groups, statutory entities, and listed and private companies. Before moving to IBA, Shanti worked at the Northern Land Council, based in Darwin. Shanti has degrees in law and medical science and is a graduate of the Australian Institute of Company Directors. She has a strong determination to achieve outcomes for Aboriginal and Torres Strait Islander peoples.

As the head of Legal Services, Shanti is responsible for providing legal support and services to IBA and plays a key role in overseeing IBA's governance.

SEAN ARMISTEAD

Executive Director, People & External Relations

Sean's traditional lands are located at Padthaway in South Australia from the extended Potaruwutj family of the Tatiara region and has worked serving Indigenous communities around Australia over the past decade.

Sean joined IBA in June 2020. He is an experienced executive in corporate, community and not-for-profit sectors. He has managed and delivered nationally award-winning programs impacting communities throughout Australia in collaboration with federal and state governments resulting in the employment of more than 900 Aboriginal and Torres Strait Island people and tens of millions of dollars procured through Indigenous businesses.

His community engagement involved co-founding Career Trackers, and board membership across multiple foundations. Sean is a member of the alumni council at the University of Melbourne.

KIA DOWELL

Executive Director, Strategy & Impact

Kia is a Gija woman from Warmun Community (Turkey Creek) in the East Kimberley of Western Australia.

Kia joined IBA in October 2017 after 10 years as a business owner involved with strategic advisory and consulting, international sporting and events management. She holds her MBA in International Business, BSc in Business Management, is a graduate of the Australian Institute for Company Directors and Executive alumni of the Harvard Kennedy School for Business. Kia was a scholarship recipient of Chief Executive Women, the Roberta Sykes Foundation and the University of Texas – El Paso (UTEP) Division I college athlete. Her board and committee experience spans construction, tourism, mining, human rights, and Aboriginal cultural heritage and she is currently Chair of Gelganyem Limited.

Kia focuses on creating spaces for greater visibility of Aboriginal and Torres Strait Islander people and communities, minorities, women and young people. She believes in the power of storytelling to reshape the way we form our beliefs, how we value each other and our contribution to improve the world for the next generation.

As head of Strategy and Impact, Kia oversees the development, implementation and monitoring of IBA's strategic plan and corporate performance, research and evaluation, strategic policy and impact, including IBA's approach to ESG.

FAYSAL FASSI

Executive Director, Products & Markets

Faysal joined IBA in 2016 after 15 years in the small business and start-up space. He launched his first company when he was 25 and grew the business until it was acquired by a multinational company. He set-up and managed a tech business incubator backed by the World Bank before joining a telecom operator as their Customer Service Director. Faysal resumed his entrepreneurial career by co-founding several start-ups on four continents, one of them winning multiple awards in Europe.

Faysal holds a Master of Economy & Finance, is a graduate of the Australian Institute for Company Directors, and attended the Stanford Executive Program for Growing Companies.

As head of Products & Markets, Faysal leads the organisation service delivery, including home lending, business lending, investment and capability building offerings.

JODI STAPLETON

Chief Information & Technology Officer

Jodi joined IBA in 2023 and has more than 20 years of experience in technology and transformation. She has held senior roles within financial services in Canada and Australia. She has extensive experience in digital transformation, data and analytics, technology operations, cyber and risk management. Before joining IBA she worked within the mutual banking section as CTO at Newcastle Permanent, based in Newcastle.

Jodi has a Bachelor of Commerce, Master of Information Technology and is a graduate of the Australian Institute of Company Directors. She is passionate about financial equality and the environment and in her spare time you can find her cycling and enjoying Newcastle beaches.

As CITO, Jodi is responsible for providing technology and transformation delivery and support to IBA, aiming to ensure our customers and people are digitally enabled.

Remuneration of senior executives for the reporting period 2023–24

Senior executives mean the following officials of a Commonwealth entity who are not key management personnel:

- officials with classifications in Groups 9 to 11 of the table in Schedule 1 to the Public Service Classification Rules 2000
- officials with positions equivalent to officials covered by paragraph (a)
- officers of the Australian Defence Force with ranks equivalent to classifications covered by paragraph (a).

Table 13: Remuneration of key management personnel for the reporting period

Name	Position Title	Short-term benefits		Post-employment benefits	Superannuation Contributions	Other long-term benefits	Other Long-Term Benefits	Total Remunerations
		Base Salary	Bonuses					
Edward Fry	Board-Chair	\$82,609			\$12,722			\$95,331
Anthony Ashby	Board-Deputy Chair	\$3,275			\$504			\$3,779
Rick Allert	Board	\$41,305		\$23,888	\$10,040			\$75,233
Shirley McPherson	Board	\$41,305		\$8,693	\$7,549			\$57,547
Claire Woodley	Board	\$41,305		\$12,654	\$8,043			\$62,002
Vanessa Elliot	Board	\$16,178		\$1,229	\$2,681			\$20,088
Rosemary Addis	Board	\$20,154		\$3,177	\$3,593			\$26,924
Richard Callaghan	Board	\$41,305		\$6,527	\$7,366			\$55,198
Joshua Gilbert	Board	\$41,305		\$6,168	\$7,311			\$54,784
Kirsty Moore	Chief Executive Officer	\$390,140	\$46,200		\$27,500	\$9,136		\$472,976
Dee Garcha	Chief Financial Officer	\$279,846			\$27,500	\$6,523		\$313,869
Faysal Fassi	Executive Director, Products & Markets	\$269,243			\$38,700	\$6,283		\$314,226
Total		\$1,267,970	\$46,200	\$62,336	\$153,509	\$21,942		\$1,551,957

Table 14: Remuneration of senior executives for the reporting period

Remuneration Band	Number of other highly paid staff	Average base salary	Average bonuses	Average other benefits and allowances	Average super-annuation contributions	Average long service leave	Average termination benefits	Average total remuneration	Total remunerations
\$270,001 – \$295,000	1	\$246,566			\$2,2211	\$6,563			\$275,340
\$295,001 – \$320,000	3	\$268,691			\$30,774	\$6,071			\$30,5536

Table 15: Remuneration of other highly paid staff for the reporting period

Total remuneration bands	Number of other highly paid staff	Average base salary	Average bonuses	Average other benefits and allowances	Average super-annuation contributions	Average long service leave	Average termination benefits	Average total remuneration	Total remunerations
\$250,000 – \$270,000	3	\$219,328			\$29,934	\$5,091			\$254,353
\$295,001 – \$320,000	1	\$164,338			\$27,077			\$108,552	\$299,967

—
**Our 2024 Galambany Staff
Network Conference gathered
on beautiful Worimi Country
under the theme Fuelling
the Fire.**
—



Assessment of significant activities and changes

The following have been identified as significant activities and changes that affected the operation or structure of IBA during the reporting period:¹⁷

- Established the Project Management Gateway—a new way IBA staff will initiate ideas, and prioritise, manage and deliver major projects.
- Exceeded \$1 billion in contracts supported through the IBA Performance Bond product.
- Developed our first ESG Strategy
- Rolled out the new myIBA portal to our customers.
- Launched IBA Shared Equity:
 - The IBA Shared Equity product is a finance option provided in combination with an IBA Home Loan. With IBA Shared Equity, customers can get up to 35% of the property purchase price, and IBA will provide an IBA Home Loan for the balance (less the customer's deposit).
 - IBA does not jointly own the property under this arrangement. Instead, IBA will have a share in the property that is equivalent to the percentage of the property purchase price that was financed using the IBA Shared Equity product (up to 35%).
 - Instead of making repayments on the IBA Shared Equity contribution, like customers would with an IBA Home Loan, IBA's Shared Equity contribution amount increases and decreases in line with the property's value. Payment or buyout of IBA's equity is only required at the time the customer refinances or sells the property.
- Established an MoU between the Northern Territory Indigenous Business Network and IBA. The key objectives of the MoU include supporting Aboriginal and Torres Strait Islander businesses in the Northern Territory to achieve their goals and aspirations and providing access to capital and services.
- Established an MoU between NAB and IBA. This MoU provides for opportunities for financial education and training for Aboriginal and Torres Strait Islander business owners and guides the collaboration on the design and development of an Indigenous Business Guarantee. The guarantee will enable IBA and NAB to support more business customers to access capital through access to NAB's specialist bankers and commercial lending solutions. IBA and NAB will work together to provide businesses with access to commercial banking services and improve financial education and training for Aboriginal and Torres Strait Islander business owners.
- Launched our third annual Impact Report—focusing on intergenerational impacts of home ownership as reported by Aboriginal and Torres Strait Islander single carer and single parent families. The report found that First Nations single carer and single parent families care for 44% of Aboriginal and Torres Strait Islander children in Australia. 84% of those households are headed by a female. Just over 1 in 5 IBA home loans is with a single carer family.

Ethical behaviour and fraud control

Enterprise Agreement

Behaviour expected of all workers includes guidance on managing conflicts of interest and related party transactions. IBA's Enterprise Agreement requires that staff comply with these policies to be eligible for salary advancement.

Fraud control plan

IBA's fraud control plan aligns with section 10 of the PGPA Rule 2014 and is subject to regular review and Board approval.

¹⁷ Pursuant to rule 17BE(p) of the PGPA Rule 2014 (Cth).

Anti-corruption

IBA continues to strengthen and mature its integrity and anti-corruption systems and processes into its business operations.

Public interest disclosure

The *Public Interest Disclosure Act 2013* provides public officials with certain protections when they make disclosures about alleged wrongdoing in the Commonwealth public sector. The term 'public official' includes a wide range of people, including former staff and contractors. IBA has systems and processes in place to ensure workers can make public interest disclosures about IBA.

Internal audit

The Audit, Risk and Performance Committee oversaw the 2023–24 Strategic Internal Audit program which was delivered by an outsourced internal audit service provider.

Related entity transactions

IBA has a system of delegated powers to make decisions at the right organisational level on a range of transactions.

The Board Charter sets out IBA's decision-making processes for identifying and managing related party transactions, including conflicts of interest for IBA directors. It restricts IBA from entering into prohibited transactions, including providing loans or business support to:

- IBA directors, their spouses and dependent family members
- entities where directors hold a significant interest.

The Board Governance Instruction details the decision-making processes for key management personnel, including the Executive Management Team, on managing conflicts of interests.

Board members and the Executive Management Team provide annual declarations of interest.

In 2023–24, there were decisions made by the IBA Board regarding related entities captured by PGPA Rule 17BE(n), which are shown on page 163.

Compliance

IBA has a control framework to ensure compliance with all relevant legislation.

In 2023–24, there were no significant issues reported to the minister under section 19 of the PGPA Act regarding non-compliance with finance law.

Complaints handling

The IBA customer charter outlines IBA's commitment to quality service, including processes for complaints handling.

Where customers have concerns relating to IBA's service, decisions, or IBA-funded service providers, the complaint management process ensures they are:

- taken seriously
- dealt with promptly in a fair and transparent manner.

IBA maintains a detailed complaint register. Management regularly reviews the register.

Complaints rated as significant or higher are reported to the Audit, Risk and Performance Committee and the Board. This helps IBA to continuously refine its practices, flowing onto a better customer experience.

Consultancies

Consultants are distinguished from other contractors by the work they do. A consultant is an individual, a partnership or a corporation engaged to provide professional, independent and expert advice or services.

Section 178 of the ATSI Act enables IBA to engage consultants who have suitable qualifications and experience. Section 189(1)(b) requires IBA to list consultants in our annual report. IBA follows Department of Finance guidance to decide if an arrangement should be classified as a consultancy for this purpose.

Appendix D lists consultants engaged by IBA over the reporting period.

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Opposite page: Models walking the runway at 2024 Australian Fashion Week, showcasing First Nations fashion brand, Liandra, and the new collection 'Essence'.

Photo credit: Lexi Lahor.
—

External scrutiny

IBA is subject to scrutiny by:

- the Australian National Audit Office
- regulators such as the Commonwealth Ombudsman
- courts
- administrative tribunals
- parliamentary and ministerial oversight

IBA must comply with various legislation such as:

- *Public Governance, Performance and Accountability Act 2013 (Cth)*
- *Privacy Act 1988 (Cth)*
- *Freedom of Information Act 1982 (Cth)*
- *Public Interest Disclosure Act 2013 (Cth)*
- *Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth)*
- *Work Health and Safety Act 2011 (Cth)*
- *Environment Protection and Biodiversity Conservation Act 1999 (Cth)*
- *National Anti-Corruption Commission Act 2022 (Cth)*
- *Modern Slavery Act 2018 (Cth)*.

External audit, judicial decisions and reviews by external bodies

IBA's external auditor is the Auditor-General, through the Australian National Audit Office. Audits of IBA's financial statements are conducted in accordance with a strategy agreed between the Auditor-General and IBA.

There were no judicial or administrative tribunal decisions made during the reporting period that had a significant effect on IBA's operations in 2023–24.



Risk management framework

In adherence to the Commonwealth Risk Management Policy and section 16 of the PGPA Act, IBA reviewed and updated its suite of Risk Management documents, ensuring strong processes and systems are maintained.

We have internal controls and governance arrangements and assurance measures to manage risk efficiently and effectively across the organisation.

We proactively identify and assess risks (and opportunities) and investigate controls to reduce the likelihood of occurrences to an acceptable level.

In doing this, we can:

- avoid potential threats and minimise their impact should they eventuate
- ensure better accountability for IBA's actions
- improve performance and enhance delivery of services using innovative solutions
- achieve value for money
- maintain and enhance a positive risk culture.

Our approach to risk integrates risk management into significant activities and functions. To do this well, we must:

- engage with risk
- balance the opportunity to achieve great things with the need to understand and manage possible negative outcomes.

We closely and regularly monitor our operating environment as well as other internal and external factors. This allows us to respond in the right way, at the right time. We continue to:

- provide quarterly economic updates to IBA's Executive Committee, Audit, Risk and Performance Committee and Board of Directors
- monitor and track Board-approved risk tolerance indicators
- monitor our environment through regular Executive Committee strategy sprints
- engage with the Board specifically in targeted strategy discussions at least twice a year
- have fortnightly Executive Committee meetings to monitor and respond to changes in our operating environment.

Each challenge affects the dynamic, complex, and rapidly evolving environment we operate in. This influences our ability to respond to the needs of Aboriginal and Torres Strait Islander people—our main stakeholders.

Meeting the needs of Aboriginal and Torres Strait Islander people is a challenge across reputation, capital, and climate change risks. It involves managing the expectations of various stakeholders, including government, customers, and co-investment partners.

We aim to manage this in a responsible, timely, and culturally informed way. That is why we continue to regularly engage with stakeholders to:

- understand their expectations
- communicate IBA's plans and capabilities.

We have a comprehensive approach to risk management. Our approach is central to our mission of enhancing the economic development opportunities of Aboriginal and Torres Strait Islander people across Australia.

Figure 21: Our approach to risk



Risk culture: IBA commits to embedding risk management in its culture, recognising that it is not possible to eliminate all risk. By accepting some degree of risk, and maintaining a low tolerance to those risks, IBA aims to maximise its impact, promote efficiencies, and foster innovation.



Risk acceptance: IBA is willing to accept higher levels of some types of risk when the opportunities outweigh the potential consequences. All IBA officers are responsible for appropriately engaging with and managing risk.



Risk oversight: The IBA Board, as the accountable authority, has effective risk oversight within IBA. This includes setting the organisation's risk appetite to understand what is acceptable risk-taking to achieve strategic priorities.



Risk Management Framework: The purpose of IBA's Risk Management Framework is to create and protect value by integrating risk management into our work and functions, including the activities set out in the corporate plan.



Guiding documents: Risk management at IBA is guided by three main documents: a Risk Management Policy and Framework, a Risk Management Guide, and a Risk Appetite Statement.



A proactive approach: IBA aims to promote and build a risk culture that encourages an open and proactive approach to managing risk. We recognise risk as both an opportunity and a threat. Risk is part of everyday conversations and engagement with risk should promote and encourage workers to look at new ways to improve processes.



PART 06:

Financial report

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Financial results

IBA's financial statements are presented on a consolidated basis including subsidiaries.

In 2023–24 IBA's consolidated surplus was \$76.1 million, compared to the previous year's \$78.9 million. While the surplus was relatively steady compared to the previous year, underlying drivers saw income increase by \$7.1 million and expenses increase by \$9.1 million.

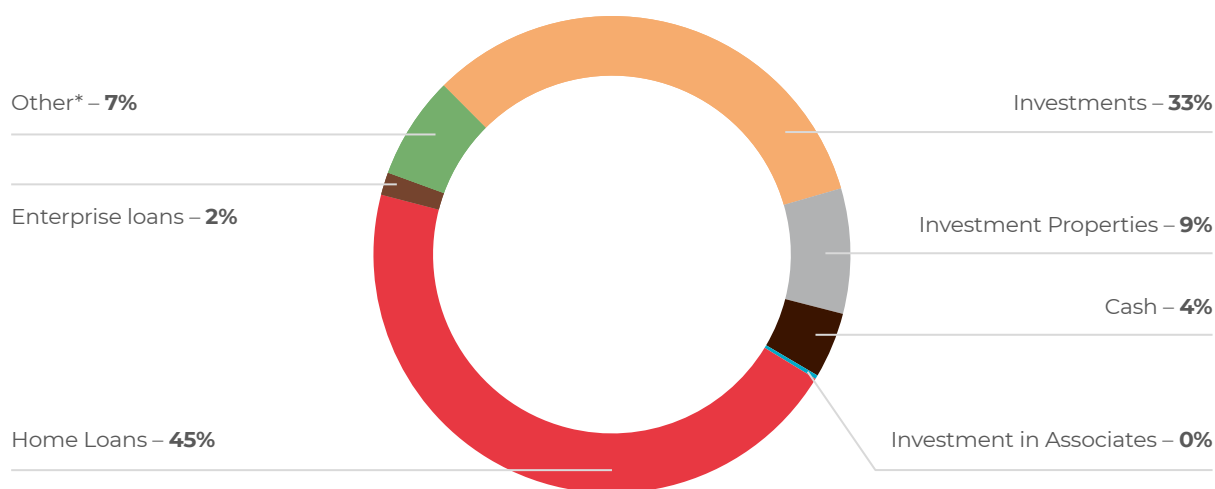
Total income increased from \$342.5 million to \$349.7 million. This was driven by the high interest-rate environment (increasing IBA's interest revenue) and dividend income from fund investments that was higher than anticipated.

These factors offset a decrease in revenue from the unwinding of concessional discounts (driven by a decline in repayments), and discharges on prior years where borrowers took advantage of a low interest-rate environment and financial inducements from commercial banks seeking greater market share.

Total expenses increased from \$263.4 million to \$272.5 million, primarily because of concessional loan expenses taken up on new loan issuance, and an increase in supplier expenses driven by the makegood provision for divestment of investments.

IBA's total consolidated assets were \$2.3 billion at 30 June 2024, an increase of \$122 million. This was primarily because the reduced repayments/discharges to the loan portfolio compared to prior years enabled an increase in loan receivables. IBA's net assets of \$2.2 billion were \$115 million higher than in 2022–23, driven by retained earnings, equity, appropriation from government, and a net increase in First Nations investor participation.

Figure 22: Consolidated total assets



*Includes business finance products such as performance bonds, invoice finance and asset leasing

Figure 23: IBA statutory and operating performance (\$m's)

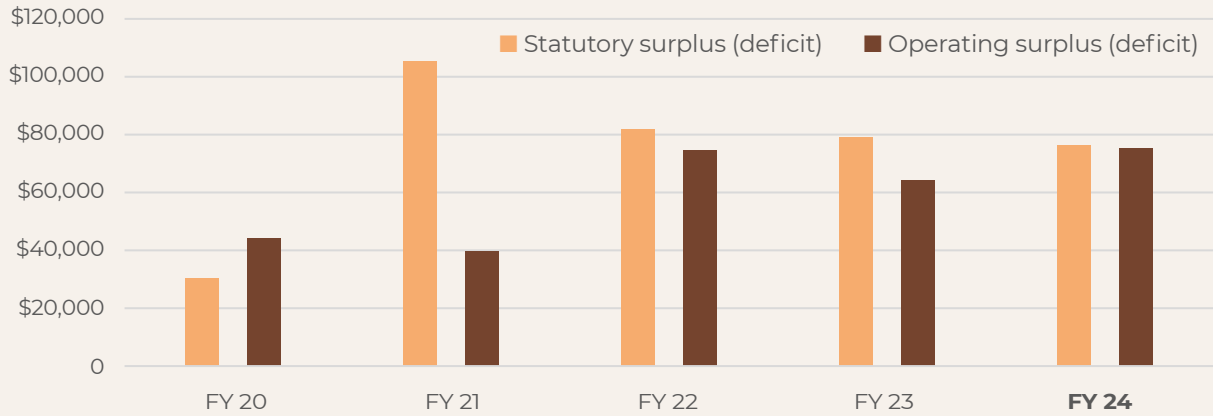


Figure 24: Net asset growth (\$m's)

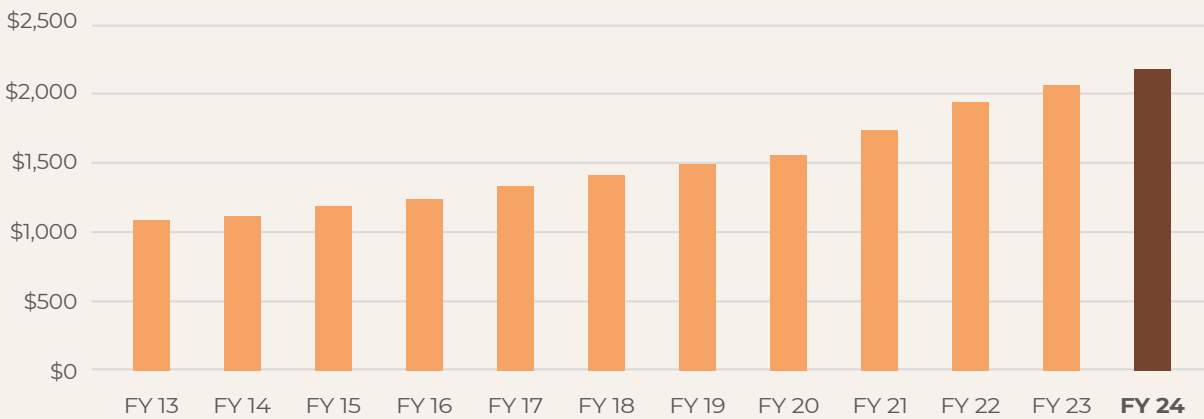
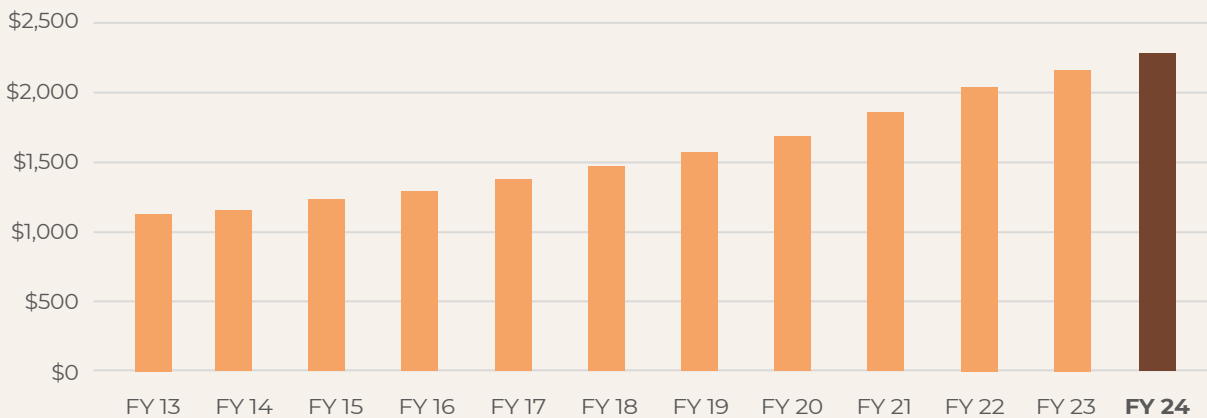


Figure 25: Gross asset growth (\$m's)



Legal and financial framework

IBA's financial statements must be read in the context of its enabling legislation, the ATSI Act, and the impact of Australian Accounting Standards, particularly in respect to the valuation of financial assets.

The ATSI Act requires that money in the New Housing Fund must be used only for housing loans, loans to enable the provision of housing, or grants to enable persons to obtain housing loans. It requires that all interest and repayments of those loans go back into the New Housing Fund.

Financial statements for the New Housing Fund are provided separately under Note 14 of the audited financial report.

- The Australian Accounting Standards require that IBA's financial assets be recorded at their fair value—loans relating to the housing and business loan portfolios are issued at concessional interest rates and a market valuation requires discounting the portfolio value to equate interest earned to market yield for comparable risk, including the impact of expected credit loss.
- The annual incremental discount is a non-cash item, recorded in the Statement of Comprehensive Income under both:
 - finance costs for discount at inception
 - unwinding of concessional discount, as the loan is repaid during its expected term to discharge.

For the investment portfolio, fair market valuation results in cyclical movements in property and business valuations recorded in the Statement of Comprehensive Income.

Outlook

IBA continues to monitor global and domestic economic conditions, particularly on inflation, interest rate risks and cost-of-living pressures. Developments in the economic environment impact IBA's asset valuations and operating results. To ensure continuing support for new and existing customers, IBA must balance prudent lending and investment practices. This requires preserving limited available capital so we can proactively respond to:

- unexpected changes, setbacks and deterioration in market conditions
- the risk of customer defaults due to rising cost-of-living pressures.

The total value of 2023–24 home loans increased this financial year. Loan advances exceeded repayments and discharges.

Overall demand for IBA's products continues to grow. As a mainly self-funded agency, resources and capital are finite. We need new and innovative funding solutions to keep pace with demand and sustain increased performance.

IBA launched a shared equity product this year which is starting to bridge the ever-widening gap between our customers' capacity to borrow and the state of the rising property market.

IBA continues to invest in improving customer support activities and our core business system. We are always looking to reduce the cost of services that support the Housing Solutions, Business Solutions and Investment and Asset Management programs.

IBA's net asset base is expected to continue its steady growth. By 30 June 2025, net assets are budgeted to increase to \$31.6 million, and total consolidated revenue is budgeted to be at \$332.2 million including:

- the unwinding of concessional discount
- grant receipts of \$27.5 million
- appropriations of \$9.6 million.

Figure 26: Capital deployed vs capital injection (\$m's)

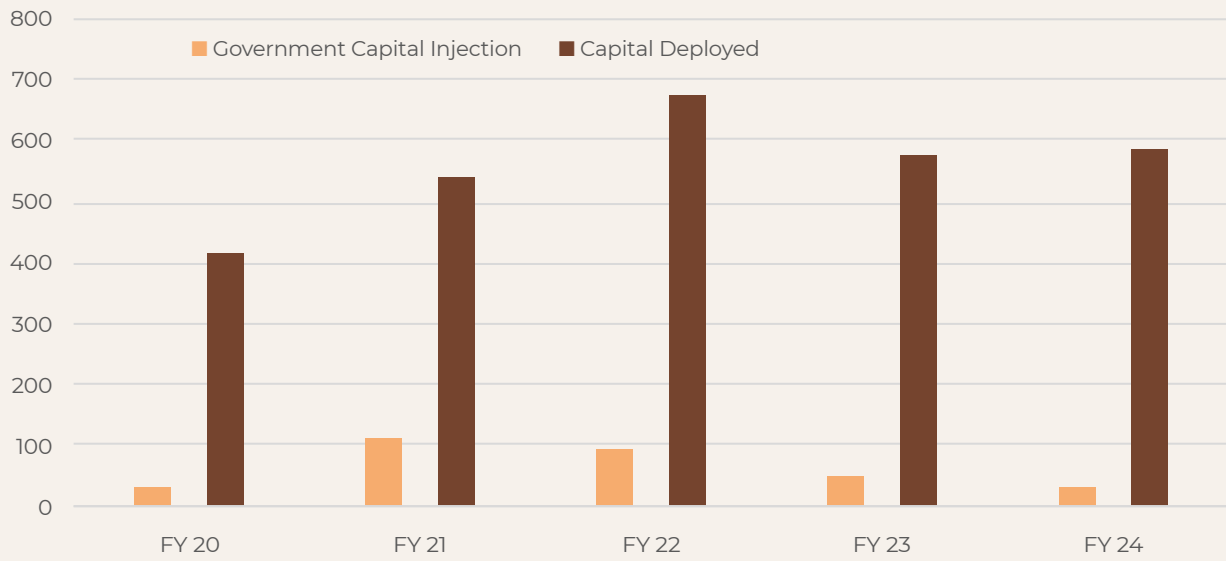
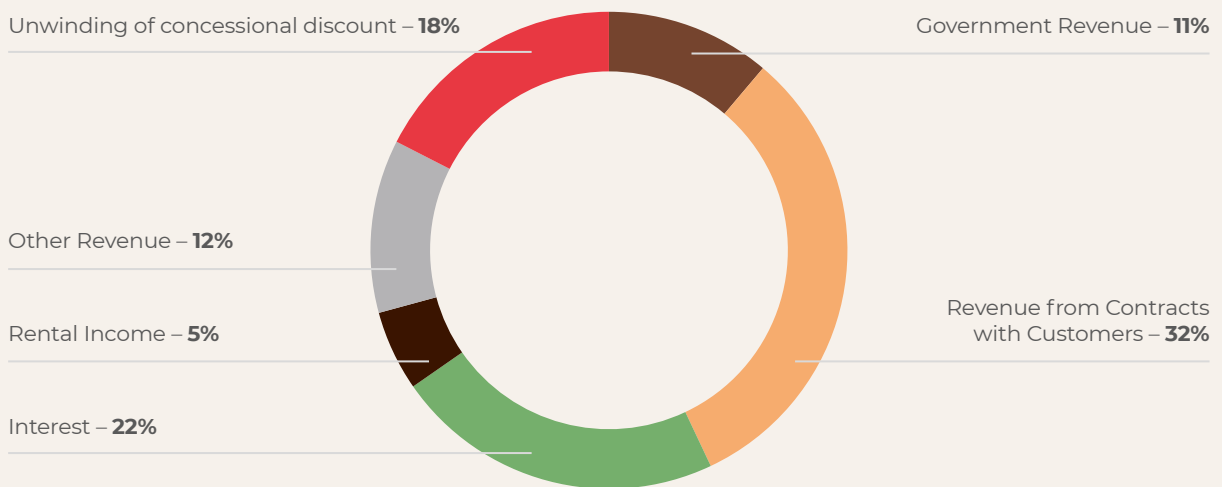


Figure 27: Consolidated income





Indigenous Business Australia and Controlled Entities

STATEMENT BY DIRECTORS, CHIEF EXECUTIVE AND CHIEF FINANCIAL OFFICER

In our opinion, the attached financial statements for the year ended 30 June 2024 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (Cth) (**PGPA Act**) and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that Indigenous Business Australia will be able to pay its debts as and when they fall due.

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

Eddie Fry
Chair
8 October 2024

Leo Bator
A/Chief Executive Officer
8 October 2024

Dee Garcha
Chief Financial Officer
8 October 2024



INDEPENDENT AUDITOR'S REPORT

To the Minister for Indigenous Australians

Opinion

In my opinion, the financial statements of Indigenous Business Australia and its subsidiaries (together the Consolidated Entity) for the year ended 30 June 2024:

- (a) comply with Australian Accounting Standards – Simplified Disclosures and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Consolidated Entity as at 30 June 2024 and its financial performance and cash flows for the year then ended.

The financial statements of the Consolidated Entity, which I have audited, comprise the following as at 30 June 2024 and for the year then ended:

- Statement by Directors, Chief Executive and Chief Financial Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement; and
- Notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Consolidated Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Directors' responsibility for the financial statements

As the Accountable Authority of the Consolidated Entity, the directors are responsible under the *Public Governance, Performance and Accountability Act 2013* (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Simplified Disclosures and the rules made under the Act. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the ability of the Consolidated Entity to continue as a going concern, taking into account whether the entity's operations will cease as a result of an administrative restructure or for any other reason. The directors are also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the assessment indicates that it is not appropriate.

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, 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 my 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 Consolidated Entity'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 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 Consolidated Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Consolidated Entity to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Consolidated Entity to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the Consolidated Entity audit. I remain solely responsible for my audit opinion.

I 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 I identify during my audit.

Australian National Audit Office



Colin Bienke
Audit Principal

Delegate of the Auditor-General

Canberra
8 October 2024

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2024

		Consolidated	Consolidated	Consolidated
		2024	2023	Original
NET COST OF SERVICES	Notes	\$'000	\$'000	budget
				\$'000
Expenses				
Employee benefits	2A	55,647	53,054	54,187
Supplier expenses	2B	115,919	114,509	98,921
Grants		8,111	8,041	9,876
Depreciation and amortisation	2C	9,499	9,240	7,673
Finance costs	2D	80,563	75,593	108,486
Write-down and impairment of assets	2E	2,372	2,507	5,233
Losses from asset sales		163	39	-
Other expenses		265	461	1,434
Total expenses		272,539	263,444	285,810
Own-source income				
Own-source revenue				
Revenue from contracts with customers	3A	110,971	113,820	90,851
Interest	3B	78,346	62,922	63,494
Unwinding of concessional discount	3C	61,423	77,806	78,500
Dividends		19,350	11,267	9,021
Rental income	3D	18,809	17,114	20,915
Other revenue	3E	31,679	36,677	29,280
Total own-source revenue		320,578	319,606	292,061
Gains				
Gains from sale of assets		709	2,351	-
Other gains	3F	18,948	11,212	-
Total gains		19,657	13,563	-
Total own-source revenue		340,235	333,169	292,061
Net contribution by / (cost of) services				
Revenue from Government	3G	9,420	9,361	9,420
Surplus before income tax on continuing operations		77,116	79,086	15,671
Income tax expense		993	178	-
Surplus after income tax on continuing operations		76,123	78,908	15,671
Surplus attributable to non-controlling interests		22,595	15,015	2,943
Surplus attributable to the Australian Government		53,528	63,893	12,728
Other comprehensive income				
Items not subject to subsequent reclassification to net cost of services				
Investments in associates and joint ventures at fair value through other comprehensive income		(832)	450	-
Total other comprehensive income / (loss) after income tax		(832)	450	-
Total comprehensive income		75,291	79,358	15,671
Total comprehensive income attributable to non-controlling interests		22,595	15,015	2,943
Total comprehensive income attributable to Australian Government		52,696	64,343	12,728

The above statement should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION

As at 30 June 2024

		Consolidated	Consolidated	Consolidated
	Notes	2024	2023	Original
		\$'000	\$'000	budget
				\$'000
Assets				
Cash and cash equivalents	5A	101,681	105,860	133,745
Trade and other receivables	5B	47,048	37,520	-
Loan receivables	5C	1,071,092	974,042	1,027,518
Equity accounted investments	5D	6,348	12,887	11,434
Other investments	5E	753,728	736,506	739,131
Deferred tax assets		706	651	415
Total financial assets		1,980,603	1,867,466	1,912,243
Land & Buildings	6A	55,999	50,739	40,444
Property, plant and equipment	6A	23,628	27,458	21,326
Investment properties	6C	194,294	189,005	185,634
Operating lease assets	6A	266	422	-
Intangible assets	6B	14,625	14,290	17,260
Inventories		3,896	4,061	3,981
Prepayments		2,991	1,473	1,620
Total non-financial assets		295,699	287,448	270,265
Assets held for sale	6D	9,263	8,798	-
Total assets		2,285,565	2,163,712	2,182,508
Liabilities				
Suppliers	7A	15,519	14,898	11,968
Tax liabilities		1,063	952	967
Other payables	7B	20,388	19,628	12,702
Total payables		36,970	35,478	25,637
Interest bearing liabilities	8	44,500	36,500	36,500
Leases	8	6,165	8,535	6,457
Total interest bearing liabilities		50,665	45,035	42,957
Employee provisions	9A	10,335	9,700	9,926
Other provisions	9B	9,435	10,697	8,564
Total provisions		19,770	20,397	18,490
Total liabilities		107,405	100,910	87,084
Net assets		2,178,160	2,062,802	2,095,424
Equity				
Contributed equity		1,322,318	1,299,484	1,307,852
Reserves		3,192	4,024	3,056
Retained earnings		590,359	537,974	556,482
Total parent entity interest		1,915,869	1,841,482	1,867,390
Contributed equity		225,318	201,440	219,111
Reserves		1,276	1,276	1,276
Retained earnings		35,697	18,604	7,647
Total non-controlling interests		262,291	221,320	228,034
Total equity		2,178,160	2,062,802	2,095,424

The above statement should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2024

	Consolidated 2024 \$'000	Consolidated 2023 \$'000	Consolidated Original budget \$'000
Notes			
CONTRIBUTED EQUITY			
Opening balance			
Balance carried forward from previous period	1,500,924	1,444,543	1,480,463
Transactions with owners			
Contributions by owners			
Equity injection - Appropriations	22,850	41,600	22,850
Equity injection - Non-controlling interests	23,861	14,781	23,650
Equity issue costs	1	-	-
Total transactions with owners	46,712	56,381	46,500
Closing balance as at 30 June	1,547,636	1,500,924	1,526,963
Less: Non-controlling Interests	(225,318)	(201,440)	(219,111)
Closing balance attributable to the Australian Government	1,322,318	1,299,484	1,307,852
RETAINED EARNINGS			
Opening balance			
Balance carried forward from previous period	556,578	492,610	560,997
Adjusted opening balance	556,578	492,610	560,997
Comprehensive income			
Surplus for the period	76,123	78,908	12,728
Other comprehensive income / (loss)	-	(518)	2,943
Total comprehensive income	76,123	78,390	15,671
Distributions / Dividends provided for or paid	(6,645)	(14,422)	(12,539)
Closing balance as at 30 June	626,056	556,578	564,129
Less: Non-controlling Interests	(35,697)	(18,604)	(7,647)
Closing balance attributable to the Australian Government	590,359	537,974	556,482
RESERVES			
Opening balance			
Balance carried forward from previous period	5,300	4,332	4,332
Comprehensive income			
Other comprehensive income / (loss)	(832)	968	-
Total comprehensive income	(832)	968	-
Closing balance as at 30 June	4,468	5,300	4,332
Less: Non-controlling Interests	(1,276)	(1,276)	(1,276)
Closing balance attributable to the Australian Government	3,192	4,024	3,056

STATEMENT OF CHANGES IN EQUITY (continued)

For the year ended 30 June 2024

	Consolidated	Consolidated	Consolidated
	2024	2023	Original
Notes	\$'000	\$'000	budget
	\$'000	\$'000	\$'000
TOTAL EQUITY			
Opening balance			
Balance carried forward from previous period	2,062,802	1,941,485	2,045,792
Adjusted opening balance	2,062,802	1,941,485	2,045,792
Comprehensive income			
Surplus for the period	76,123	78,908	15,671
Other comprehensive income / (loss)	(832)	450	-
Total comprehensive income	75,291	79,358	15,671
Transactions with owners			
Distributions to owners			
Returns on capital			
Distributions / Dividends provided for or paid	(6,645)	(14,422)	(12,539)
Contributions by owners			
Equity injection - Appropriations	22,850	41,600	22,850
Equity injection - Non-controlling interests	23,861	14,781	23,650
Equity issue costs	1	-	-
Total transactions with owners	40,067	41,959	33,961
Closing balance as at 30 June	2,178,160	2,062,802	2,095,424
Less: Non-controlling Interests	(262,291)	(221,320)	(228,034)
Closing balance attributable to the Australian Government	1,915,869	1,841,482	1,867,390

The above statement should be read in conjunction with the accompanying notes.

CASH FLOW STATEMENT

For the year ended 30 June 2024

	Consolidated	Consolidated	Consolidated
	2024	2023	Original
Notes	\$'000	\$'000	budget
			\$'000
Operating activities			
Cash received			
Receipts from Government	9,420	9,361	9,420
Grants	28,400	30,612	29,280
Sales of goods and rendering of services	112,139	114,929	85,772
Interest	78,072	62,681	63,494
Dividends	12,055	17,232	9,021
Other revenue	22,154	22,870	22,788
Total cash received	262,240	257,685	219,775
Cash used			
Employees	(54,741)	(52,217)	(53,938)
Suppliers	(113,261)	(117,827)	(100,701)
Borrowing costs	(3,050)	(1,877)	(703)
Other expenses	(6,219)	(6,945)	(9,876)
Total cash used	(177,271)	(178,866)	(165,218)
Net cash from operating activities	84,969	78,819	54,557
Investing Activities			
Cash received			
Proceeds from sales of property, plant and equipment	2,332	2,576	-
Investments redeemed	100,628	55,200	35,213
Other - repayment of loans receivable	353,370	364,563	289,100
Total cash received	456,330	422,339	324,313
Cash used			
Purchase of property, plant and equipment	(8,502)	(7,714)	(5,230)
Purchase of other non-financial assets, including intangible assets	(5,678)	(17,484)	(23,777)
Investments	(100,006)	(125,349)	-
Other - loans and advances made	(471,288)	(426,073)	(385,634)
Total cash used	(585,474)	(576,620)	(414,641)
Net cash used by investing activities	(129,144)	(154,281)	(90,328)
Financing Activities			
Cash received			
Contributed equity	46,713	56,381	46,500
New borrowing	8,000	-	-
Total cash received	54,713	56,381	46,500
Cash used			
Dividends paid	(9,037)	(14,646)	(12,539)
Principal repayments lease liability	(5,680)	(2,353)	(2,373)
Total cash used	(14,717)	(16,999)	(14,912)
Net cash from financing activities	39,996	39,382	31,588
Net (decrease) / increase in cash held	(4,179)	(36,080)	(4,183)
Cash and cash equivalents at the beginning of the year	105,860	141,940	137,928
Cash and cash equivalents at the end of the year	101,681	105,860	133,745

The above statement should be read in conjunction with the accompanying notes.

Note 1. Basis of preparation

1.1 Objectives of Indigenous Business Australia

Indigenous Business Australia ('IBA') is an Australian Government controlled entity which was established on 5 March 1990, when the *Aboriginal and Torres Strait Islander Commission Act 1989* came into operation. On 23 March 2005, this Act was repealed and replaced by the *Aboriginal and Torres Strait Islander Act 2005* ('the Act'). IBA's purpose, set out in section 147 of the Act, is as follows:

- 1
 - a. to engage in commercial activities;
 - b. to promote and encourage Aboriginal and Torres Strait Islander self-management and economic self-sufficiency.
 - c. such other functions as are conferred on it by this Act.

- 2 Without limiting by implication the meaning of commercial activities in paragraph 1(a), those activities include the performance of functions that:
 - a. The Minister has authorised IBA to perform as an agent of the Commonwealth; or
 - b. The Minister has delegated to IBA.

IBA is structured to meet one outcome: improved wealth acquisition to support the economic independence of Aboriginal and Torres Strait Islander peoples through commercial enterprise, asset acquisition, and access to concessional home and business loans.

The continued existence of IBA in its present form and with its present programs is dependent on Government policy and on continuing appropriations by Parliament for IBA's administration and programs. IBA is a not-for-profit entity and is a registered charity with the Australian Charities and Not for Profit Commission.

1.2 Basis of Preparation of the financial report

The financial statements of the parent entity (IBA) and its subsidiaries, together with IBA's share of the results of associates (the Group) are general purpose consolidated financial statements and are required by section 42 of the *Public Governance, Performance and Accountability Act 2013*.

The financial statements have been prepared in accordance with:

- a) *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015 ('FRR')*; and
- b) Australian Accounting Standards - Simplified Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB') that apply for the reporting period.

The financial statements of the Group have been prepared on an accrual basis and are in accordance with historical cost convention, except for certain assets and liabilities which have been recognised at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

The financial statements of the Group are presented in Australian dollars and values are rounded to the nearest thousand dollars unless otherwise specified.

Note 1. Basis of preparation (continued)

1.3 Changes in Australian Accounting Standards

IBA has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. None of the new or amended Accounting Standards and Interpretations materially affect IBA's accounting policies or any of the amounts recognised in the financial statements.

No accounting standard has been adopted earlier than the application date stated in the standard.

Furthermore, none of the Accounting Standards and Interpretations issued by the AASB but not yet mandatory have been adopted earlier than the application date stated in the standard. None of these Standards or Interpretations are expected to materially affect the financial statements upon application.

1.4 Financial risk management

The operating, investing and financing activities of the Group expose it to credit, liquidity and interest rate risks. The risks are defined as:

- Credit risk: the possibility that a debtor or borrower will not repay or will delay repayment of all or part of a loan.
- Interest rate risk: a risk that the value of a financial asset such as home and business loans would fluctuate in terms of fair value or future cash flows as a result changes in market interest rates.
- Liquidity risk: a risk that IBA may not have or may not be able to raise the funds to meet these obligations.

IBA is not exposed to currency risk or other price risk.

1.5 Transactions with the Government as owner

Equity injections

Amounts appropriated which are designated as 'equity injections' for a year are recognised directly as contributed equity in that year.

1.6 Events after the reporting date

Except for the following events, there are no other potential significant events that will affect the ongoing structure and financial activities of the Group after 30 June 2024.

On 6 May 2024, Ikara Wilpena Enterprises Pty Ltd has entered into a Business and Asset Sale Agreement with Discovery Parks Pty Ltd whereby the company will be selling the bulk of its operating assets to Discovery Parks Pty Ltd, subject to the satisfaction of several conditions precedent which need to be fulfilled prior to the sale occurring. Based on the progress made to date, IBA is targeting a 31 August 2024 date for satisfaction of outstanding conditions and a settlement date 30 days thereafter.

On 22 June 2023, a subsidiary of IBA, Darwin Hotel Holdings Pty Ltd atf Darwin Hotel Holdings Trust ("DHHT") entered into an agreement with Larrakia Development Corporation Pty Ltd atf Larrakia Development Trust for the sale of a 10% interest in the Darwin Hotel Partnership (taking DHHT's interest from 90% to 80%) for consideration of \$1,375,100. Settlement is subject to conditions precedent including consent by the partnership's debt financier, ANZ Banking Group.

Note 1. Basis of preparation (continued)

1.7 Taxation

As at reporting date, IBA is exempt from all forms of taxation except the goods and services tax ('GST'). IBA became exempt from fringe benefits tax ('FBT') on 1 January 2020.

Revenues, expenses, and assets and liabilities are recognised net of GST except:

- where the amount of GST incurred is not recovered from the Australian Taxation Office ('ATO')
- for receivables and payables.

These exemptions apply to the parent entity but not to the entities under IBA's control. Incorporated entities under IBA's control are subject to taxation and adopt the liability method of tax-effect accounting, whereby the income tax expense is based on the profit from ordinary activities adjusted for any permanent differences.

Note 1. Basis of preparation (continued)

1.8 Explanation of major variances between the actual amounts presented in the financial statements and the corresponding original budget amounts

The table below provides commentary for significant variances between the Group's original budget estimates, as published in the 2023-2024 Portfolio Budget Statements, and the actual expenses, own-source revenue, assets and liabilities for the year.

Affected line item	Variance reporting
--------------------	--------------------

Statement of Comprehensive Income

Supplier expenses	The unfavourable variance on 'Supplier expenses' is predominantly due to the budget assumption around Tennant Creek assets as the sale of these assets was expected to be completed by Dec 2023 therefore, the budget was set for the first six months. However, the sale did not go as the indigenous partner withdrew the approval to forgo their rights to the option and sale to the third party.
Finance costs	Finance costs represent the concessional loan discount taken up on advance of home and business loans, modification gains or losses resulting from structural changes, loss allowances for changes in credit risk assumptions, and interest expense. Lower loan advances than expected resulted in a favourable variance in concessional loan discount at inception. Longer survival rates modelled for loans resulted in an unfavourable variance in modification gains/losses Changes to the credit risk assumptions, including the adoption of forward credit risk premium curve, produced a favourable variance to the loss allowance.
Revenue from contracts with customers	The unfavourable variance on 'Revenue for contracts with customers' is predominantly due to the budget assumption around Tennant Creek assets as the sale of these assets was expected to be completed by Dec 2023 therefore, the budget was set for the first six months. However, the sale did not go as the indigenous partner withdrew the approval to forgo their rights to the option and sale to the third party.
Interest	Interest revenue is greater than expected due to the higher interest rates on term deposits and home loans.
Unwinding of concessional discount	Unfavourable compared to budget due to lower-than-expected loan repayments and discharges, resulting in less than expected unwinding of concessional loan discount.
Dividends	Favourable variance to budget due to the performance of IBA's managed funds.
Other gains	Primarily reflects the mark to market increase of investments, held by the Indigenous Prosperity Funds. Mark to market movements are not budgeted.

Statement of Financial Position

Cash and cash equivalents	Reduction in cash in comparison to budget reflects cash management initiatives to invest idle cash into longer term investments generating better returns.
Loan receivables & Trade and other receivables	Greater than budget due to the significant decline in loan discharges due to higher interest rate environment coupled with high cost of living is encouraging borrowers to stay with IBA for longer. Budget also includes trade and other receivables.
Other investments	Investments are above budget due to cash management initiatives to invest into longer term investments generating better returns. The increase over budget also reflects mark to market valuation increases to Indigenous Prosperity Funds.
Land & buildings and Investment properties	Greater than budget due to acquisition of a property in Shepperton, VIC, and take-up of a right-of-use asset upon entering a new lease and leasehold improvements.
Interest bearing liabilities	Interest bearing liabilities are above budget due to external loan facility associated with the settlement of Shepperton office asset.

Note 1. Basis of preparation (continued)

Statement of Cash Flow

Loans and advances made	Significant activity within the invoice financing business generated far greater cashflow movement than budgeted.
Investments purchased	Investments exceeded budget as cash management initiatives were undertaken to invest idle cash at better rates of return.
Repayment of loans receivable	Whilst home loan repayments were significantly lower than prior year (as conditions for refinancing with commercial banks slowed), the increase over budget is attributable to greater activity within our invoice financing business which generated far greater volume than expected due to portfolio turning over within 30 days.

Note 2. Expenses

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Note 2A: Employee benefits		
Wages and salaries	43,348	41,456
Superannuation:		-
Defined contribution plans	5,760	4,990
Defined benefit plans	380	394
Leave entitlements	3,451	3,451
Other entitlements	2,708	2,763
Total employee benefits	55,647	53,054
Note 2B: Supplier expenses		
Audit Fees	604	589
Cost of goods sold	66,073	65,025
Consultants	3,518	6,664
Insurance	4,846	5,404
Investment property management expenses	13,475	9,111
IT expenses	6,890	5,865
Legal expenses	932	1,358
Office related expenses	3,034	3,534
Travel expenses	2,636	2,805
Other suppliers	12,600	12,817
Operating lease rentals - external entities	790	769
Workers compensation expenses	521	568
Total supplier expenses	115,919	114,509
Note 2C: Depreciation and amortisation		
Depreciation		
Property, plant and equipment	3,138	3,146
Leasehold improvements	1,796	2,006
Depreciation right of use assets	2,477	2,488
Total depreciation	7,411	7,640
Amortisation		
Intangible non-financial assets	2,088	1,600
Total amortisation	2,088	1,600
Total depreciation and amortisation	9,499	9,240
Note 2D: Finance costs		
Concessional loan discount recognised	77,913	74,101
Interest expense and finance lease charges	2,650	1,492
Total finance costs	80,563	75,593

Accounting Policy: Concessional loan discount recognised

Concessional loan assets are recognised at the market-based value of the loan reduced by a concessional discount. The concessional loan discount is immediately recognised as an expense. Refer Note 5C.

Note 2. Expenses (continued)

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Note 2E: Write-down and impairment of assets		
Asset write-down and impairments		
Write-down of non-financial assets	816	55
Impairments on loans - Reversal of over provisioned	(1,626)	686
Valuation decrements on financial assets held at Fair Value Through P&L ("FVTPL")	159	185
Change in value of investment properties	3,023	1,581
Total write-down and impairment of assets	2,372	2,507

Note 3. Income

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Note 3A: Revenue from contracts with customers		
Sale of goods	110,381	112,655
Rendering of services	590	1,165
Total sale of goods and rendering of services	110,971	113,820

All revenue from the sale of goods or rendering of services is recognised at the point in time that the goods are delivered or upon completion of services.

Note 3B: Interest		
Loans	54,762	46,682
Deposits	23,584	16,240
Total interest	78,346	62,922

Note 3C: Unwinding of concessional loan discount		
Interest calculated using the effective interest method	113,729	122,428
Interest charged to borrowers	(52,306)	(44,622)
Total unwinding of concessional loan discount	61,423	77,806

Note 3D: Rental Income		
Operating lease		
Investment properties	16,228	14,606
Plant & equipment	2,581	2,508
Total rental income	18,809	17,114

The undiscounted contracted lease payments receivable in future periods is disclosed below. This lease disclosure should be read in conjunction with the accompanying notes 4 and 6A.

Maturity analysis of operating lease receivables		
Within one year	22,570	19,731
One to two years	18,804	15,059
Two to three years	17,455	12,698
Three to four years	14,898	11,359
Four to five years	12,579	11,158
More than five years	63,636	81,149
Total undiscounted lease payments receivable	149,942	151,154

Note 3E: Other revenue		
Grant income	29,794	32,171
Insurance recoveries	-	1,810
Other	1,885	2,696
Total other income	31,679	36,677

All grant income is subject to performance obligations and is recognised over time. All grants are received in advance of the completion of performance obligations.

Note 3. Income (continued)

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Note 3F: Other gains		
Change in fair value of non-financial assets	8,945	-
Change in fair value of financial assets	10,003	11,212
Total other gains	18,948	11,212
Note 3G: Revenue from Government		
Department of Prime Minister and Cabinet		
Corporate Commonwealth Entity payment item	9,420	9,361
Total revenue from Government	9,420	9,361

Accounting Policy: Revenue and Income

Revenue from contracts with customers

A contract with a customer is only eligible for recognition under the following conditions:

- a) the parties to the contract have approved the contract, and are committed to perform their respective obligations;
- b) the rights of each party to the contract can be identified as well as the payment terms for the goods and services to be transferred;
- c) the contract has commercial substance, and
- d) it is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

If these conditions exist, revenue shall be recognised when a performance obligation is satisfied through the transfer of a promised good or service to a customer. When a performance obligation is satisfied, revenue shall be recognised to the total of the transaction price that has been allocated to that performance obligation. An entity shall recognise revenue when (or as) the entity satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

Interest and Dividends

Interest revenue from loans and deposits is recognised using the effective interest method as set out in AASB 9: Financial Instruments.

Dividend and distribution income is recognised when it is declared.

Revenues from Government

Funding received or receivable from non-corporate Commonwealth entities (appropriated to the non-corporate Commonwealth entity as a corporate Commonwealth entity payment item for payment of this entity) is recognised in accordance with the revenue accounting policy as identified unless the funding is in the nature of an equity injection or a loan.

IBA currently receives two forms of appropriations from the Department of Prime Minister and Cabinet:

- Appropriation Act (No. 1)
- Appropriation Act (No. 2)

Consistent with prior recognition criteria, amounts received under Appropriation Act (No. 1) are recognised as revenue on receipt, whilst amounts received under Appropriation Act (No. 2) are recognised as equity upon receipt as it is designated as such and to be used for the provision of housing loans only (refer to Note 1.5).

Note 3. Income (continued)

Grant Income

Amounts received as government grants under contract that are subject to sufficiently specific performance obligations are recognised as revenue in accordance with *AASB 15: Revenue from Contracts with Customers* over the period in which the underlying performance obligations are achieved, as a required condition of the grant.

IBA receives or has received grants under contract with the National Indigenous Australians Agency and Department of Prime Minister and Cabinet. As specified under the contract, the grants are required to be utilised in the achievement of performance obligations, or Key Performance Indicators (KPIs) over the contractual period, examples being specific dollar value of loans, number of business supports, and number of Indigenous businesses and customers financed.

Where applicable, the KPIs are achieved over the contractual term, and as such, IBA has employed the input method as the means for measuring progress for each KPI satisfied, allowing revenue to be recognised over the same period. The input method has been deemed to be the most appropriate method, given the resources used in achieving the KPIs is better able to be calculated, given the absence of items such as units produced or delivered, which are features of the output method.

Where grants are received that are not subject to performance obligations, where the grant received is considered non-reciprocal, or when the Group has obtained control of the contribution, an amount equal to the grant received is recognised immediately on receipt in accordance with *AASB 1058: Income of Not-for-Profit Entities*.

Rental Income

Rent revenue derived from investment properties is recognised on a straight-line basis over the lease term, net of any incentives.

Sale of Assets

Gains from the disposal of non-current assets are recognised when control of the asset has passed to the buyer.

Unwinding of concessional loan discount

Under *AASB 9: Financial Instruments*, IBA's concessional loans are subsequently measured at amortised cost. The concessional loan discount expensed at initial recognition of the loan asset is unwound over the expected life of the loan. The difference between the income from the effective interest rate and the interest charged to the borrower's loan account results in the progressive unwinding of the concessional loan discount. Refer Note 5C.

Note 4. Fair Value Measurements

Note 4A: Fair Value Measurements, Valuation Techniques and Inputs Used

Fair value measurements at the end of the reporting period by hierarchy for assets and liabilities

	Fair value measurements at the end of reporting period		Category	Valuation	Inputs
	2024	2023			
	\$'000	\$'000	Level	Technique(s)	Used
Financial assets					
Loan receivables - Home	1,035,975	941,404	Level 2	Cashflows discounted at the risk adjusted market rate of interest	Market derived inputs, projected rates of default, projected losses given default
Loan receivables - Business	35,117	32,638	Level 2	Cashflows discounted at the risk adjusted market rate of interest	Market derived inputs, projected rates of default, projected losses given default
Bonds and fund investments	380,144	333,154	Level 1	Fund quoted market values	Fund quoted market values
<u>Designated at fair value through other comprehensive income</u>					
Investments in associates and joint ventures	6,348	12,887	Level 2	Future earnings discounted at risk adjusted market rates	Earnings forecast, rates of return on capital
Total financial assets	1,457,584	1,320,083			
Non-financial assets					
Land & Buildings	55,999	50,739	Level 2	Market approach using recently observed market data for similar properties and discounted earnings method	Market approach using recently observed market data for similar properties and discounted earnings method
Investment Property	194,294	189,005	Level 2	Market approach using recently observed market data for similar properties and discounted earnings method	Market sales data, future earnings and market capitalisation rate
Operating lease assets	266	422	Level 2	Market approach using recently observed market data for similar plant and equipment and discounted earnings method	Market sales data, future earnings and market capitalisation rate
Property, Plant & Equipment	23,628	27,458	Level 2	Market approach using recently observed market data for similar property, plant & equipment and discounted earnings method	Market sales data, future earnings and market capitalisation rate
Assets held for sale	9,263	8,798	Level 2	Market approach using recently observed market data for similar property, plant & equipment and discounted earnings method	Market sales data, future earnings and market capitalisation rate
Total non-financial assets	283,450	276,422			

Note 4B: Level 1 and Level 2 Transfers for Recurring Fair Value Measurements

There are no transfers between Level 1 and Level 2 for assets measured at fair value on a recurring basis during the reporting period.

Note 4C: Reconciliation for Recurring Level 3 Fair Value Measurements

There are no recurring Level 3 assets measured at fair value during the reporting period.

Note 5. Financial Assets

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Note 5A: Cash and cash equivalents		
Parent		
Home Loan Capital	1,606	9,296
New Housing Fund	18,853	9,848
Subsidiaries	34,645	43,612
Other cash held	46,577	43,104
Total cash and cash equivalents	101,681	105,860
Note 5B: Trade and other receivables		
Goods and services receivables		
Trade receivables from customer contracts	18,093	15,600
Accrued trade receivables from customer contracts	4,465	6,880
Finance lease receivable	10,425	7,662
Sundry debtors	151	747
Total receivables for goods and services	33,134	30,889
Payment is usually made within 30 days.		
Other receivables		
Accrued distribution receivable	13,914	6,631
Total other receivables	13,914	6,631
Total trade and other receivables	47,048	37,520
Credit terms for goods and services were within 30 days.		

Note 5. Financial Assets (continued)

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Note 5C: Loan receivables		
Reconciliation of movements of loans receivable		
Loans - Home Ownership Program		
Opening carrying value	941,404	874,345
Add: Net loans movement at cost	116,276	64,387
Add/(less): Movement in carrying discount at amortised cost		
Discount on new loans measured at fair value at inception (or value of new loans measured at FVTPL)	(73,849)	(68,781)
Wind back of discount (or movement in discount of loans on remeasurement at FVTPL)	52,555	70,472
Net movement in carrying discount	(21,294)	1,691
Add/(less): Movement in provision for expected credit losses	(411)	981
Closing carrying value	1,035,975	941,404
Loans - Business Development and Assistance Program		
Opening carrying value	32,638	36,502
Add: Net loans movement at cost	(2,052)	(6,559)
Add/(less): Movement in carrying discount at amortised cost		
Discount on new loans measured at fair value at inception (or value of new loans measured at FVTPL)	(3,468)	(5,205)
Wind back of discount (or movement in discount of loans on remeasurement at FVTPL)	8,272	7,334
Net movement in carrying discount	4,804	2,129
Add/(less): Movement in provision for expected credit losses	(273)	566
Closing carrying value	35,117	32,638
Total home and business loans	1,071,092	974,042
Total loan receivables expected to be settled in:		
No more than 12 months	330,170	281,178
More than 12 months	740,922	692,864
Total loan receivables	1,071,092	974,042
Reconciliation of carrying value of loans		
Loans - Home Ownership Program (as shown above)		
Nominal value	1,337,735	1,221,459
Less: Carrying discount on concessional loans at amortised cost	(293,030)	(271,736)
Less: Provision for expected credit losses	(8,730)	(8,319)
Carrying value	1,035,975	941,404
Loans - Business Development and Assistance Program (as shown above)		
Nominal value	64,105	66,157
Less: Carrying discount on concessional loans at amortised costs	(21,147)	(25,951)
Less: Provision for expected credit losses	(7,841)	(7,568)
Carrying value	35,117	32,638
Total home and business loans	1,071,092	974,042

Note 5. Financial Assets (continued)

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Note 5C: Loan receivables		
Reconciliation of movement provision for expected credit losses		
Loans - Home Ownership Program		
Opening balance	8,319	9,300
Movement in provision	411	(981)
Closing balance	8,730	8,319
Loans - Business Development and Assistance Program		
Opening balance	7,568	8,134
Movement in provision	273	(566)
Closing balance	7,841	7,568
Total provision for expected credit losses	16,571	15,887

Loans are made under the Home Ownership Program in accordance with the Minister's direction each year. The loans are for periods up to 45 years. Security is generally required in the form of the mortgage over the residential property. Principal is repaid in full at maturity. Interest rates were variable. Effective interest rates are measured at amortised cost using the effective interest method less impairment. Loans are amortised over their estimated useful lives.

Loans made under the Business Development and Assistance Program were made under the Jobs, Land and Economy Programme, directed by the Department of Prime Minister and Cabinet for periods up to 7 years. Security is generally required in the form of a personal guarantee and / or security against assets. Principal is repaid in full at maturity. Interest rates were variable. Effective interest rates are measured at amortised cost using the effective interest method less impairment. Loans are amortised over their estimated useful lives.

Significant accounting judgements and estimates

In the process of applying the accounting policies, the Group has made the following judgement that has the potential to have significant impact on the amounts recorded in the financial statements.

The valuation of loan receivables is impacted by the credit risk adjustment to the discount rate ('credit risk premium') over the market rate. The credit risk premium is determined by assessing the probability of default and projected losses given default, to determine expected credit losses.

The sensitivity analysis presented in the table below shows the impact of changes in expected credit losses due to changes to the credit risk premium on the carrying value of loan receivable.

Assumptions	Carrying value		Credit Risk Premium	Change in assumptions	Change in carrying value \$'000	
	2024	2023				
	\$'000		2024			
Housing loans	1,035,975		3.0% reducing to 2.0% over the medium term.	3.40%	1.36%/-1.36%	-90,941/+104,919
Business loans	35,117		25% reducing to 15% over the medium term.	28.75%	1.36%/-1.36%	-847/+913

The credit risk premium incorporates macroeconomic factors that may impact upon the credit risks for the portfolio and therefore affect default loss rates in the future. The change in credit risk is reflected through adjusting the default loss rates from historical settings and using the adjusted rate to determine changes in expected credit losses.

Note 5. Financial Assets (continued)

The basis of other key judgements and estimation uncertainty applied by management are consistent with those that were applied and disclosed in the annual financial report for the year ended 30 June 2024.

Accounting Policy: Financial instruments

Recognition of financial instruments

Financial instruments are recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial instrument is initially recognised at fair value and is adjusted for (in the case of instruments not carried at FVTPL) transaction costs that are incremental and directly attributable to the acquisition or issuance of the financial instrument. Transaction costs relating to financial instruments carried at FVTPL are expensed in the Statement of Comprehensive Income.

Derecognition of financial instruments

Financial assets are derecognised from the Statement of Financial Position when the rights to cash flows have expired and the Group has transferred the financial asset such that it has transferred substantially all the risks and rewards of ownership of the financial asset. Financial liabilities are derecognised from the Statement of Financial Position when the Group's obligation has been discharged, cancelled or has expired.

Classification

Financial assets are classified based on the business model within which the asset is held and on the basis of the financial asset's contractual cash flow characteristics.

Subsequent measurement

A financial asset is subsequently measured at amortised cost using the effective interest method if the following conditions are met:

- i. the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows;
- ii. the contractual terms of the financial asset give rise on specified dates to cash flows consisting solely of payments of principal and interest ('SPPI').

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset.

A financial asset is subsequently measured at fair value through other comprehensive income ('FVOCI') if the financial asset is held within a business model with multiple objectives: both to sell financial assets and to hold financial assets in order to collect contractual cashflows which pass the SPPI test.

Fair value through profit or loss

Financial assets that do not meet the criteria to be measured at amortised cost or FVOCI are measured at FVTPL, with all changes in fair value recognised in investment income as part of other operating income and charges.

Assessment of business model and SPPI test

The Group determines the business model at the level that reflects how groups of financial assets are managed. In determining the business model, all relevant evidence that is available at the date of the assessment is used. The Group exercises judgement to determine the appropriate level at which to assess its business models and its intention with respect to its financial assets. Key considerations for the SPPI assessment include the timing of the contractual cash flows and the interest component, where interest primarily reflects the time value of money and credit risk of the principal outstanding.

Note 5. Financial Assets (continued)

Categorisation and valuation of the Group's financial assets

Fair value through other comprehensive income ("FVTOCI")

- Investments in associates, joint ventures and other related business undertakings, including loans to such entities, are classified as FVTOCI. These investments are fair-valued as at reporting date and distribution income received from them is recognised as a dividend. Valuation is based on market inputs and supported by an independent valuation once every three years. The methodology adopted in relation to valuation by the directors uses techniques consistent with those of the most recent independent valuation.

Fair value through profit & loss ("FVTPL")

- Investments in subsidiaries are held at FVTPL as at reporting date and distribution income received from them is recognised as a dividend.
- Convertible redeemable bonds are held at FVTPL since cashflows associated with the bonds do not meet the SPPI test and are fair valued at reporting date based on market inputs.

Amortised cost

- Business and home loans are issued at lower than market rates. They are fair-valued at inception against market interest rates benchmarked on commercial bank rates. The quantum of interest rate differential determines the variance of the fair value from the face value of the loans. The loans are subsequently measured at amortised cost using the effective interest method and the discount recognised at inception is progressively unwound through the expected life of the loan.
- Trade and other receivables are recognised at transaction value and held at amortised cost.
- Deposits with banks with an original maturity greater than three months are held at amortised cost.

Cash is recognised at its nominal amount. Cash and cash equivalents include cash on hand and demand deposits in bank accounts with an original maturity of three months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

When measuring fair value, the Group is required to maximise the use of observable inputs. The Group uses inputs from Level 2 of the fair value hierarchy: inputs other than quoted price that are observable either directly or indirectly.

Financial liabilities

Financial liabilities including borrowings, are initially measured at fair value net of transaction costs. These liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis. Financial liabilities are recognised and derecognised upon trade date.

Supplier other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods and services have been received, regardless of whether they have been invoiced.

Interest bearing loans and borrowings

Loans are classified under other financial liabilities and the carrying amount is calculated based on the balance yet to be repaid. Interest is expensed as it accrues using the effective interest method.

Note 5. Financial Assets (continued)

Impairment of financial instruments

Expected credit losses ('ECL')

The ECL requirements apply to financial assets measured at amortised cost and FVOCI, lease receivables, amounts receivable from contracts with customers, loan commitments, certain letters of credit and financial guarantee contracts. The calculation of ECL requires judgement and the choice of inputs, estimates and assumptions. IBA's calculation of the ECL includes forward-looking or macro-economic information ('FLI'). Where ECL is modelled collectively for portfolios of exposures, it is modelled as the product of the probability of default ('PD'), the loss given default ('LGD') and the exposure of default ('EAD').

Concessional loan assets

Concessional loan assets are recognised at the market-based value of the loan reduced by a concessional discount. The concessional loan discount is the difference between the face value of the loan after adjusting for accrued interest and capitalisation of transaction costs and the loan's fair value. In line with RMG 115: Accounting for Concessional Loans, the undiscounted value of the loan asset is recognised in full and the discount component of the concessional loan is immediately recognised as an expense in the Statement of Comprehensive Income (i.e. Concessional loan discount, Note 2D). Interest income is subsequently determined using a credit-adjusted effective interest rate ('EIR').

The credit-adjusted EIR is the EIR adjusted for expected credit losses on initial recognition. The ECL is measured as the product of the lifetime PD, LGD and EAD adjusted for FLI. For concessional loan assets, the Group exercises judgement based on the behavioural, rather than contractual characteristics of the facility type.

Subsequent unwind of the discount

Under AASB 9: *Financial Instruments*, IBA's concessional loans are subsequently measured at amortised cost. The concessional loan discount expensed at initial recognition of the loan asset is unwound over the expected life of the loan. The difference between the income from the effective interest rate and the interest charged to the borrower's loan account results in the progressive unwinding of the concessional loan discount (i.e. unwinding of concessional loan discount, Note 3C).

Indicators of impairment occurring subsequent to recognition

If there is objective evidence that events occurring subsequent to recognition of a loan asset held at amortised cost have affected expected cash flows, an impairment is recognised as the difference between the carrying value of the loan and the discounted value of management's best estimate of future cash repayments and proceeds from any security held (discounted at the loan's original effective interest rate). The impairment loss is recognised in the Statement of Comprehensive Income (i.e. impairment of loans / valuation decrements in financial assets held at FVTPL, Note 2E). Objective indicators of impairment include: significant financial difficulties of the debtor, probability that a debtor will enter bankruptcy, and default or significant delay in payments. Given the characteristics of the concessional loan assets, that are subject to continuous ECL's assessment.

Accounting Policy: Financial guarantee contracts

Financial guarantee contracts are treated as a financial instrument within the scope of AASB 9: *Financial Instruments*. As such they are not classified as a provision or contingent liability within the scope of AASB 137: *Provisions, Contingent Liabilities and Contingent Assets*.

Accounting Policy: Acquisition of assets

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange, and liabilities undertaken. Financial assets are initially measured at their fair value plus transaction costs where appropriate.

Assets acquired at no cost or for nominal consideration are initially recognised as assets and revenue at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor's accounts immediately prior to the restructuring.

Note 5. Financial Assets (continued)

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Note 5D: Investments in associates and joint ventures		
Investments in associates and joint ventures	10,948	12,887
Transfer to Asset held for sale	(4,600)	-
Total investments in associates and joint ventures at fair value through other comprehensive income	6,348	12,887
Investments in associates and joint ventures that are expected to be recovered in:		
No more than 12 months	-	1,803
More than 12 months	6,348	11,084
Total investments in associates and joint ventures at fair value through other comprehensive income	6,348	12,887
Details of investments:	2024	2023
Name	%	%
IBA Yamatji Land Holding Trust*	50	50
MiHaven Social Impact Property Fund No 1^	35	35
Noongar Property Trust	26	26
Port Hedland Investment Trust (Marlba Maya ATF)#	-	70
Yamatji Fresh Produce Pty Ltd	25	25

* IBA shares joint control over the IBA Yamatji Holding Trust with Yamatji Enterprises PL. Neither party is able to demonstrate control, as the power to make decisions and influence returns require unanimous consent. Furthermore, there is no casting vote for either party, but an independent dispute resolution process. Accordingly, the investment in this entity is considered a joint venture.

^ MiHaven Social Impact Property Fund No 1, is an associate of IBA, engaged an external transaction agent to facilitate an on-market public Expressions of Interest campaign for the sale of the MiHaven Living Property Portfolio, comprised of 3 properties (of which IBA is invested in two). The EOI closed 1 May 2024 and several expressions of interest were received. Negotiations with various potential buyers are ongoing.

Notwithstanding IBA owning 70% of the units in this Trust, IBA does not consolidate this entity as it is unable to demonstrate control. The power to make decisions and influence returns requires approval by the trustee (Marlba Maya Pty Ltd) which is jointly held with the Port Hedland Aboriginal Corporation.

Accounting for investments in associates and joint ventures

An associate is an entity over which the Group is in a position to exercise significant influence through participation in the financial and operating policy decisions of the investee, but which is not a subsidiary or a jointly controlled entity.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. A joint venturer is a party to a joint venture that has joint control of that joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group's investments in associates and joint ventures are classified as financial instruments measured at fair value through other comprehensive income in line with *AASB 9: Financial Instruments*. These investments are fair-valued as at reporting date and distribution income received from them is recognised as a dividend.

Note 5. Financial Assets (continued)

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Note 5E: Other investments		
Term Deposits	373,584	403,352
Other - bonds, managed funds and interest in business undertakings	380,144	333,154
Total other investments	753,728	736,506
Investments expected to be recovered in:		
No more than 12 months	373,584	403,652
More than 12 months	380,144	332,854
Total other investments	753,728	736,506

Note 6. Non-Financial Assets

Note 6A: Reconciliation of the opening and closing balances of Land & Building, Plant and Equipment & Operating Lease Assets

	Consolidated 2024					
	Land & Building	Leasehold Improvements	Sub-Total	Plant & Equip-ment	Operating Lease Assets	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening Balance						
Gross book value	47,500	24,433	71,933	50,639	6,431	129,003
Accumulated depreciation and impairment	(9,600)	(11,594)	(21,194)	(23,181)	(6,009)	(50,384)
Total as at 1 July	37,900	12,839	50,739	27,458	422	78,619
Additions						
By purchase	-	472	472	2,589	-	3,061
Right of Use Asset	3,090	-	3,090	-	-	3,090
Change in fair value of non-financial assets	6,144	4,773	10,917	(2,481)	-	8,436
Depreciation expense	(2,477)	(1,796)	(4,273)	(3,057)	(81)	(7,411)
Disposals - cost	(1,514)	-	(1,514)	-	(552)	(2,066)
Disposals - accumulated depreciation	350	-	350	-	477	827
Transfer to Asset held for sale - cost	(2,550)	(4,886)	(7,436)	(2,625)	-	(10,061)
Transfer to Asset held for sale - acc. depreciation	2,493	1,161	3,654	1,744	-	5,398
Total as at 30 June	43,436	12,563	55,999	23,628	266	79,893
Net book value as at 30 June represented by:						
Gross book value	55,153	22,610	77,763	27,225	5,879	110,866
Accumulated depreciation and impairment	(11,717)	(10,047)	(21,764)	(3,597)	(5,613)	(30,973)
Total as at 30 June	43,436	12,563	55,999	23,628	266	79,893

Land & Buildings total value as at 30 June 2024 includes right of use assets totalling \$5,731,720 (2023: \$6,257,310).

The value of land included in land & buildings at 30 June 2024 is approximately \$1,800,000 (2023: \$1,800,000).

Plant & Equipment total value as at 30 June 2024 includes cultural & heritage assets totalling \$95,531 (2023: \$95,531).

Accounting Policy: Leases

A distinction is made between finance leases and operating leases. Finance leases transfer from the lessor to the lessee substantially all the risks and rewards incidental to ownership of leased assets. An operating lease is a lease that is not a finance lease.

Lessee accounting

All the leases to which the Group is party as a lessee are operating leases. Leased Right of Use ('ROU') assets are capitalised at the commencement date of the lease and comprise of the initial lease liability amount, initial direct costs incurred when entering into the lease less any lease incentives received. These assets are accounted for as separate asset classes to corresponding assets owned outright but included in the same column as where the corresponding underlying assets would be presented if they were owned.

Lessor accounting: operating leases

Rental income from operating leases is recognised in the Statement of Comprehensive Income on a straight-line basis over the term of the lease. Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in the Statement of Comprehensive Income over the lease term on the same basis as the lease income. Lease incentives granted by the Group are recognised as a reduction of rental income over the lease term.

Lessor accounting: finance leases

Leases where the Group has transferred substantially all the risks and rewards incidental to ownership of the leased assets to the lessees are classified as finance leases. The leased asset is recognised as a finance lease. The finance lease receivable is equal to the minimum lease payments receivable over the course of the lease, discounted at the interest rate implicit in the lease. The interest rate implicit in the lease is the discount rate that, at the inception of the lease, causes the present value of (A) the minimum lease payments and (B) the unguaranteed residual value to be equal to the sum of (C) the fair value of the leased asset and (D) any initial direct costs of the lessor. The difference between the undiscounted receivable and discounted receivable is recognised as unearned finance income.

Each lease payment received is allocated proportionally against the finance lease receivable and the unearned income. The finance income is recognised in the Statement of Comprehensive Income on a basis that reflects a constant periodic rate of return on the net investment in the finance lease receivable.

Note 6. Non-Financial Assets (continued)

Lessor accounting: finance leases (continued)

Initial direct costs incurred by the Group in negotiating and arranging finance leases are added to finance lease receivables and recognised as an expense in the Statement of Comprehensive Income over the lease term on the same basis as the lease income.

Contingent rents are recognised as income in the Statement of Comprehensive Income when earned.

Accounting Policy: Property, plant and equipment

Leased Right of Use ('ROU') Assets

Leased ROU assets are capitalised at the commencement date of the lease and comprise of the initial lease liability amount, initial direct costs incurred when entering the lease less any lease incentives received. These assets are accounted for by Commonwealth lessees as separate asset classes to corresponding assets owned outright but included in the same column as where the corresponding underlying assets would be presented if they were owned.

On initial adoption of AASB 16: Leases the Group has adjusted the leased ROU assets at the date of initial application by the amount of any provision for onerous leases recognised immediately before the date of initial application. Following initial application, an impairment review is undertaken for any leased ROU asset that shows indicators of impairment and an impairment loss is recognised against any leased ROU asset that is impaired. Leased ROU assets continue to be measured at cost after initial recognition.

Depreciation

A depreciable asset is an asset deemed to have a limited useful life.

Depreciable property, plant and equipment assets are written off to their estimated residual values over their estimated useful lives using the straight-line method of depreciation in all cases. Depreciation rates (estimated useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

Depreciable asset class	Estimated useful life (FY24)	Estimated useful life (FY23)
Leasehold improvements including leased ROU assets	Lease term	Lease term
Buildings	50 years	50 years
Other property, plant and equipment	3-5 years	3-5 years

Land is not a depreciable asset.

Impairment

Property, plant and equipment assets with high value and long estimated useful lives are assessed for impairment on an annual basis. Where indications of impairment exist, the asset's recoverable amount is estimated, and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further economic benefits are expected from its use or disposal.

Note 6. Non-Financial Assets (continued)

Note 6B: Reconciliation of the opening and closing balances of Intangibles

	Consolidated 2024			Total \$'000
	Computer Software \$'000	Goodwill \$'000	Other Intangibles \$'000	
Opening Balance				
Gross book value	15,251	3,270	2,398	20,919
Accumulated depreciation and impairment	(6,510)	-	(119)	(6,629)
Total as at 1 July	8,741	3,270	2,279	14,290
Additions				
By purchase	-	-	2,617	2,617
Large Scale Generation Certificates fair value	-	-	(194)	(194)
Amortisation expense	(2,088)	-	-	(2,088)
Total as at 30 June	6,653	3,270	4,702	14,625
Net book value as at 30 June represented by:				
Gross book value	15,252	3,270	4,802	23,324
Accumulated depreciation and impairment	(8,599)	-	(100)	(8,699)
Total as at 30 June	6,653	3,270	4,702	14,625

Accounting Policy: Goodwill

Goodwill arises on a business combination where the acquirer transfers a consideration in excess of the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree. In line with *AASB 3: Business Combinations*, when the Group is the acquirer in a business combination, it recognises goodwill as an asset representing the excess of consideration paid over net assets acquired. Goodwill is not amortised. The Group assesses its goodwill for impairment on an annual basis or when there are indicators of impairment.

Accounting Policy: Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance. Intangible assets are amortised on a straight-line basis over their estimated useful lives. Internally-generated software assets, which have useful lives of five years, comprise the majority of the Group's intangible assets.

Note 6. Non-Financial Assets (continued)

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Note 6C: Investment properties		
Gross book value	189,005	185,583
Disposals	(190)	-
Acquisition	8,502	5,003
Net gain / (loss) from fair value adjustments	(3,023)	(1,581)
Total as at 30 June	194,294	189,005

Investment properties were revalued during the year in accordance with the revaluation policy stated below.

Accounting Policy: Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which is based on active market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset at the balance sheet date. Gains or losses from change in the fair values of investment properties are recognised in profit or loss in the year in which they arise.

When measuring fair value, the Group is required to maximise the use of observable inputs. The Group uses inputs from Level 2 of the fair value hierarchy: inputs other than quoted price that are observable either directly or indirectly. The Group uses a market-based valuation technique incorporating recently observed market data for similar properties and future earnings discounted at market capitalisation rates. The Group uses independent qualified valuers to value major properties annually and all other properties at least once every three years.

Investment properties are tested for impairment based on market selling price.

Where an investment property is acquired at no cost or for nominal cost, its cost is deemed to be its fair value as at the date of acquisition.

Investment properties are derecognised either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on disposal of an investment property is recognised in profit or loss in the year of disposal.

Significant accounting judgements and estimates

In the process of applying the accounting policies, the Group has made the following judgement that has the potential to have significant impact on the amounts recorded in the financial statements:

- The fair value of investment properties and other non-financial investments, are based on market inputs, backed by periodic external valuations and where applicable by detailed cash flow forecasts.

The basis of other key judgements and estimation uncertainty applied by management are consistent with those that were applied and disclosed in the annual financial report for the year ended 30 June 2024.

Note 6. Non-Financial Assets (continued)

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Note 6D: Assets held for sale		
Gross book value	9,263	8,798
Total as at 30 June	9,263	8,798

On 6 May 2024, Ikara Wilpena Enterprises Pty Ltd has entered into a Business and Asset Sale Agreement with Discovery Parks Pty Ltd whereby the company will be selling the bulk of its operating assets to Discovery Parks Pty Ltd, subject to the satisfaction of several conditions precedent which need to be fulfilled prior to the sale occurring. Based on the progress made to date, we are targeting a 31 August 2024 date for satisfaction of outstanding conditions and a settlement date 30 days thereafter.

MiHaven Social Impact Property Fund No 1, is an associate of IBA, engaged an external transaction agent to facilitate an on-market public Expressions of Interest campaign for the sale of the MiHaven Living Property Portfolio, comprised of 3 properties (of which IBA is invested in two). The EOI closed 1 May 2024 and several expressions of interest were received. Negotiations with various potential buyers are ongoing.

Under AASB 5: *Non-current Assets Held for Sale and Discontinued Operations* assets relating to the Ikara Wilpena Enterprise Pty Ltd and MiHaven Social Impact Property Fund No 1 totalling \$9,263,155 have been reclassified to Assets Held for Sale.

Note 7. Payables

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Note 7A: Suppliers		
Trade creditors	1,755	1,270
Accrued liabilities	7,983	8,277
Other creditors	5,781	5,351
Total suppliers	15,519	14,898

Settlement to trade creditors is usually made within 30 days.

Note 7B: Other payables

Salaries and wages	1,519	1,332
Superannuation	359	273
Unearned income from contracts with customers	12,539	13,945
Payable to ATO	455	348
Security Deposits Held	5,516	3,730
Total other payables	20,388	19,628
Total other payables expected to be settled in:		
No more than 12 months	10,897	14,478
More than 12 months	9,491	5,150
Total other payables	20,388	19,628

Unearned revenue from contracts with customers are subject to refund if performance obligations are not met.

Note 8. Interest bearing liabilities

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Note 8: Interest bearing liabilities		
Secured loan facilities	44,500	36,500
Unsecured loan facility - Lease contract	6,165	8,535
Total loans	50,665	45,035
Maturity schedule		
Less than one year	-	25,000
In one to five years	50,665	20,035
Total loans	50,665	45,035

The secured loan facilities relate to amounts borrowed against investment properties. The facilities comprise the Darwin Hotel Partnership's 50% share of an Australian and New Zealand Banking Group Ltd ('ANZ') facility for \$11.5 million, and a Westpac Banking Corporation ('WBC') facility provided to the Indigenous Real Estate Investment Trust ('IREIT') for \$33.0 million, which is fully drawn and expires on 30 June 2027.

Note 9. Provisions

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Note 9A: Employee provisions		
Leave entitlements	10,335	9,700
Total employee provisions	10,335	9,700

Accounting Policy: Employee benefits

Liabilities for short term benefits (as defined in *AASB 119: Employee Benefits*) and termination benefits due within 12 months of balance date are measured at their nominal amounts.

The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits are measured as the net total of the present value of the defined benefit obligation at the end of the reporting period, less the fair value at the end of the reporting period of plan assets (if any) out of which the obligations are to be settled directly.

Leave

The liability for employee benefits includes provision for annual leave and long service leave. No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of the Group is estimated to be less than the annual entitlement for sick leave.

Leave liabilities are calculated on the basis of employee remuneration at the estimated salary rates that applied at the time the leave is taken, including employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

Amounts received under the Parental Leave Payments Scheme not yet paid to employees are presented on a gross basis as both cash received and corresponding liability.

The liability for long service leave has been determined by reference to the Australian Government shorthand method.

Separation and redundancy

Provision is made for separation and redundancy benefit payments. The Group recognises a provision for termination when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations.

Superannuation

Staff of the Group are members of the Commonwealth Superannuation Scheme ('CSS'), Public Sector Superannuation Scheme ('PSS'), the PSS accumulation plan ('PSSap') or other scheme they nominate.

The CSS and PSS are defined benefit schemes for the Australian Government. The PSSap is a defined contribution scheme.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance's schedules and notes.

IBA makes employer contributions to the employee superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the Government. The Group accounts for the contributions as if they were contributions to defined contribution plans.

The liability for superannuation recognised at year end represents outstanding contributions for the final fortnight of the year.

Note 9. Provisions (continued)

	Consolidated					
	2024			2023		
	Restoration obligations	Distribution/ other provisions	Total	Restoration obligations	Distribution/ other provisions	Total
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Note 9B: Other provisions						
Opening balance as at 1 July	1,692	9,005	10,697	1,582	9,847	11,429
Additional provisions made	4,678	5,857	10,535	149	12,620	12,769
Amount used	(1,735)	(10,062)	(11,797)	(39)	(13,462)	(13,501)
Total as at 30 June	4,635	4,800	9,435	1,692	9,005	10,697

IBA currently has eight (2023: ten) lease agreements for leasing premises with provisions requiring restoration to their original condition at the conclusion of the lease. These costs are included in the value of leasehold improvements with a corresponding provision for make good recognised. Restoration obligations include \$4.0m for the divestment of investments.

Accounting Policy: 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 an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligation as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligation may be small. Where the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to any provision is recognised in the Statement of Comprehensive Income net of any reimbursement.

Note 10. Contingent liabilities and assets

	Consolidated					
	Indemnities		Claims for damages or costs		Total	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Contingent assets						
Opening balance as at 1 July	146	-	-	-	146	-
New	105	146	-	-	105	146
Assets recognised	13	-	-	-	13	-
Expired	(159)	-	-	-	(159)	-
Total as at 30 June	105	146	-	-	105	146
Contingent liabilities						
Opening balance as at 1 July	22,033	20,672	-	-	22,033	20,672
New	20,569	12,291	-	-	20,569	12,291
Obligations expired	(7,737)	(10,930)	-	-	(7,737)	(10,930)
Total as at 30 June	34,865	22,033	-	-	34,865	22,033
Net balance as at 30 June	(34,760)	(21,887)	-	-	(34,760)	(21,887)

Quantifiable contingencies

Claims for damages/costs (contingent asset)

The claims for damages or costs at 30 June 2024 relate to loans within the Indigenous Home Ownership program. There are no other contingent assets as at 30 June 2024.

Guarantees and indemnities

Guarantee and indemnity undertakings were made only to satisfy normal commercial funding conditions imposed by financiers and, at balance date, there are no grounds to believe that a liability will arise. IBA has a contingent liability valued at \$34.9m underwriting performance bonds issued by Performance Bond Trust to Indigenous suppliers as at 30 June 2024.

IBA has provided a Westpac bank guarantee for \$700,000 to Metcash Ltd, providing financial assurance in the supply of food and grocery items on deferred payment arrangement between Metcash Ltd and an IGA branded supermarket operated by the Tennant Food Barn Partnership, in Tennant Creek, Northern Territory.

Unquantifiable contingencies

IBA has no significant unquantifiable contingencies as at 30 June 2024 or 2023.

Accounting Policy: Contingent assets and liabilities

A contingent asset is a possible asset 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. Contingent assets are not recognised but are disclosed where an inflow of economic benefits is probable.

A contingent liability is disclosed where the existence of an obligation will only be confirmed by future events, or where the amount of the obligation cannot be measured with reasonable reliability. Contingent liabilities are not recognised in the Statement of Financial Position.

Note 11. Key management personnel remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity. The entity has determined the key management personnel to be the Directors, Chief Executive Officer, Chief Financial Officer, and the Executive Director: Products & Markets, including personnel acting in those roles from time to time. Key management personnel remuneration is reported in the table below:

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Key management personnel expenses for the reporting period		
Short-term employee benefits		
Salary and other allowances	1,263	1,301
Bonuses	46	44
Annual leave	67	65
Total short-term employee benefits	1,376	1,410
Post-employment benefits		
Superannuation	154	163
Total post-employment benefits	154	163
Other long-term employee benefits		
Long-service leave	22	21
Total other long-term employee benefits	22	21
Total senior executive remuneration expenses	1,552	1,594

The total number of key management personnel included in the above table is 12 (2022-23: 12).

Note 12. Related party disclosure

Related Party Relationships

IBA is an Australian Government controlled Entity. IBA's related parties are persons or their close family members who have significant influence over IBA or are Key Management Personnel of IBA and include entities which are associates or Joint Ventures of IBA or an IBA subsidiary, or entities which are controlled by persons who are related parties of IBA.

IBA transacts with other Australian Government controlled entities consistent with normal day to day business operations provided under normal terms and conditions, including the payment of workers compensation, insurance premiums, legal, and audit services.

A number of Directors of IBA hold or have held positions in other companies or government related entities.

IBA Director Richard Allert is the Chair and Director of Voyages Indigenous Tourism Australia Pty Ltd (a wholly owned subsidiary of ILSC) and Chair and Director of Kakadu Tourism (GCH) Pty Ltd and Kakadu Tourism (GLC) Pty Ltd (majority owned subsidiaries of IBA). IBA Director Vanessa Elliott is a Director of Desert Knowledge Australia.

Related Party Transactions

The Board has determined to disclose all transactions with entities which have common directors with IBA even where such transactions may not technically represent a related party transaction as defined in *AASB 124: Related Party Disclosures*.

Through the related party process for FY 2023/24 IBA (Business Solutions) identified Wunan Foundation Inc (ABN 61577218799). Wunan Foundation have been in receipt of Business Loans since 2016 with the closing balance as at 30 June 2024 totalling \$1,563,444.33.

In March 2024, IBA paid \$1,348 for an employee to attend the Impact Investing Conference which was hosted by the Impact Investment Summit Asia Pacific. IBA Director Rosemary Addis is an Ambassador for the Impact Investment Summit Asia Pacific.

Transactions with entities which have common directors with IBA;

Entity	Nature of the transaction	2024 \$'000	2023 \$'000
Voyages Indigenous Tourism Australia	Voyages lease plant and equipment through IBA Leasing		
	Payments received from Voyages	171	163
Desert Knowledge Australia	IBA leases office space from Desert Knowledge in Alice Springs.		
	Payments made to Desert Knowledge	12	44

Note 13. Financial instruments

		Consolidated 2024 \$'000	Consolidated 2023 \$'000
Note 13A: Categories of financial instruments			
	Notes		
Financial assets at amortised cost			
Cash and cash equivalents	5A	101,681	105,860
Loan Receivables - Home Ownership Program	5C	1,035,975	941,404
Loans - Business Development and Assistance Program	5C	35,117	32,638
Goods and services receivable	5B	33,134	30,889
Other receivables	5B	13,914	6,631
Term Deposits	5E	373,584	403,352
Total financial assets at amortised cost		1,593,405	1,520,774
Investments in equity instruments at fair value through other comprehensive income (designated)			
Investments in associates	5D	10,948	12,887
Investments in equity instruments at fair value through other comprehensive income (designated)		10,948	12,887
Financial assets at fair value through profit or loss			
Other - bonds, managed funds and interest in business undertakings	5E	380,144	333,154
Financial assets at fair value through profit or loss		380,144	333,154
Total financial assets		1,984,497	1,866,815
Financial liabilities at amortised cost			
Suppliers	7A	15,519	14,898
Other payables	7B	20,388	19,628
Loans	8	50,665	45,035
Total financial liabilities at amortised cost		86,572	79,561
Total financial liabilities		86,572	79,561

Note 13. Financial instruments (continued)

		Consolidated 2024 \$'000	Consolidated 2023 \$'000
Note 13B: Net Gains or Losses on Financial Assets			
	Notes		
Financial assets at amortised cost			
Interest revenue		78,240	62,782
Impairment on loans - Reversal of over provisioned	2E	1,626	(686)
Net gain on financial assets at amortised cost		79,866	62,096
Investments in equity instruments at fair value through other comprehensive income (designated)			
Interest revenue		103	62
Profit / (loss) recognised in equity		(832)	968
Net (loss) - Investments in equity instruments at fair value through other comprehensive income (designated)		(729)	1,030
Financial assets at fair value through profit or loss			
Change in fair value	2E , 3F	9,844	11,027
Interest revenue		3	78
Dividend revenue		19,350	11,267
Net gain - assets held at fair value through profit or loss		29,197	22,372
Net gain on financial assets		108,334	85,498
Note 13C: Net Gains or Losses on Financial Liabilities			
Financial liabilities - at amortised cost			
Interest expense	2D	2,650	1,492
Net gains on financial assets at amortised cost		2,650	1,492
Net losses from financial liabilities		2,650	1,492

Note 14. New housing fund

The "New Housing Fund" was established under the Aboriginal and Torres Strait Islander Act 2005 (ATSIC Act) as defined in Section 181A. Section 181A (2) & (3) sets out its composition and purpose, including that money held in the "New Housing Fund" may only be applied to make housing loans. Section 189 (2) of the ATSIC Act requires specific information on the "New Housing Fund's" operations and financial position, as disclosed below. This information has been included in the preceding statement and notes:

New Housing Fund

Statement of Comprehensive Income

For the year ended 30 June 2024

	Notes	2024 \$'000	2023 \$'000
Expenses			
Write-down and impairment of assets	14A	590	(816)
Concessional loan discount recognised		61,895	54,133
Supplier expenses		349	738
Total expenses		62,834	54,055
Less: own-source income			
Revenue			
Interest	14B	38,156	32,130
Unwinding of concessional loan discount		33,600	43,894
Other income		1,414	1,016
Total revenue		73,170	77,040
Net contribution by services		10,336	22,985

Note 14. New housing fund (continued)

New Housing Fund
Statement of Financial Position
As at 30 June 2024

	Notes	2024 \$'000	2023 \$'000
Assets			
Financial Assets			
Cash	14C	11,432	9,848
Receivables	14D	674,047	593,462
Term deposits		75,000	150,000
Other		7,579	4,419
Total financial assets		768,058	757,729
Total assets		768,058	757,729
Liabilities			
Payables		-	7
Total liabilities		-	7
Net assets		768,058	757,722
Equity			
Parent entity interest			
Contributed equity		429,397	429,397
Accumulated surplus		338,661	328,325
Total parent entity interest		768,058	757,722
Total equity		768,058	757,722

The above statement should be read with the accompanying notes.

Note 14. New housing fund (continued)

New Housing Fund

Cash flow statement

For the year ended 30 June 2024

	Notes	2024 \$'000	2023 \$'000
Operating activities			
Cash received			
Interest		33,172	23,681
Total cash received		33,172	23,681
Cash used			
Suppliers		531	900
Total cash used		531	900
Net cash from operating activities	14E	32,641	22,781
Investing activities			
Cash received			
Repayments of loans		66,173	100,849
Investments redeemed		75,000	30,000
Total cash received		141,173	130,849
Cash used			
Loans made		172,230	157,243
Total cash used		172,230	157,243
Net cashflows from investing activities		(31,057)	(26,394)
Net increase or (decrease) in cash held		1,584	(3,613)
Cash at beginning of the year		9,848	13,461
Cash at the end of the year		11,432	9,848

The above statement should be read with the accompanying notes.

Note 14. New housing fund (continued)

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Note 14A: Write-down and impairment of other assets		
Impairment of assets	590	(816)
Total write-down and impairment of assets	590	(816)
Note 14B: Interest revenue		
Interest on bank account	5,972	6,250
Interest on housing loans	32,184	25,880
Total interest revenue	38,156	32,130
Note 14C: Cash		
Cash at bank and on hand	2,273	1,396
Cash at agent	9,159	8,452
Total cash	11,432	9,848
Note 14D: Receivables		
Loan receivables	674,047	593,462
Other debtors	-	-
Total receivables	674,047	593,462
New Housing Fund only		
(a) Reconciliations of movements of loans receivable held at fair value through profit and loss / amortised cost		
Carrying value of loans receivable held at amortised cost at 1 July 2023	593,462	540,866
Net loans movement at cost	109,470	67,118
Net movement in carrying discount measured at amortised cost	(28,295)	(15,338)
Impairment movement through profit and loss	(590)	816
At fair value/cost closing balance	674,047	593,462
New Housing Fund loans (net) expected to be recovered		
Current loans receivable	207,779	170,528
Non-current loans receivable	466,268	422,934
Total receivables	674,047	593,462
Note 14E: Cash flow reconciliation		
Net contribution by services	10,336	22,985
Total write-down and impairment of assets	590	(816)
Concessional loan discount recognised	61,895	54,133
Unwinding of concessional loan discount	(33,600)	(43,894)
(Increase) in receivables	(6,580)	(9,627)
Net cash from operating activities	32,641	22,781

The above statement should be read with the accompanying notes.

Note 15. Parent entity – Indigenous Business Australia

	2024 \$'000	2023 \$'000
Note 15A: Parent Entity - Statement of Comprehensive Income		
Profit after income tax on continuing operations	56,657	54,931
Other comprehensive income/(loss)	7,520	(1,102)
Total comprehensive income	64,177	53,829
Note 15B: Parent Entity - Statement of Financial Position		
Current assets	431,380	375,219
Non-current assets	1,479,253	1,449,267
Total assets	1,910,633	1,824,486
Current liabilities	30,147	31,618
Non-current liabilities	8,285	7,694
Total liabilities	38,432	39,312
Net assets	1,872,201	1,785,174
Note 15C: Parent Entity - Statement of Equity		
Retained earnings	590,319	526,142
Contributed Equity	1,281,882	1,259,032
Total equity	1,872,201	1,785,174

Note 15. Parent entity – Indigenous Business Australia (continued)

Note 15D: Parent Entity - Statement of IBA's holding in subsidiaries

Name	Country of incorporation	2024 %	2023 %
CDC Nominees (TCTP) Pty Limited *	Australia	100	100
Crocodile Hotel Pty Limited	Australia	100	100
Darwin Hotel Holdings Pty Limited *	Australia	100	100
Darwin Hotel Holdings Trust	Australia	100	100
Darwin Hotel Partnership	Australia	90	90
Dominican Indigenous Education Trust	Australia	100	100
Fitzroy Lodge Investments Pty Limited	Australia	-	100
Gagudju Lodge Cooinda Trust	Australia	52	52
Ikara Wilpena Enterprises Pty Limited	Australia	91	89
Ikara Wilpena Holdings Trust	Australia	91	89
IBA Asset Management Pty Limited	Australia	100	100
IBA Northam Solar Pty Limited*	Australia	100	100
IBA Northam Solar Trust	Australia	100	100
IBA Retail Asset Management Pty Limited	Australia	100	100
IBA Retail Property Trust	Australia	100	100
IBA Tourism Asset Management Pty Limited*~	Australia	-	100
IBA Wilpena Solar Pty Ltd	Australia	100	100
IBA Wilpena Solar Trust	Australia	100	100
Indigenous Economic Development Trust^	Australia	-	-
Indigenous Prosperity Fund - Growth Fund	Australia	43	48
Indigenous Prosperity Fund - Income Fund	Australia	43	43
Indigenous Real Estate Investment Trust	Australia	47	47
IREIT Sub Trust	Australia	47	47
Kakadu Tourism (GCH) Pty Limited	Australia	100	100
Kakadu Tourism (GLC) Pty Limited	Australia	100	52
Marlba Maya Pty Ltd #	Australia	-	50
Northam Solar Partnership	Australia	95	95
Performance Bonds Trust	Australia	100	100
Port Hedland Investment Trust #	Australia	-	70
Tennant Creek Enterprises Pty Limited *	Australia	100	100
Tennant Creek Enterprises Trust *	Australia	100	100
Tennant Food Barn Partnership	Australia	50	50
Tennant Creek Land Holding Trust	Australia	50	50
Tjapukai Aboriginal Cultural Park Partnership*	Australia	100	100
Tjapukai Pty Limited *~	Australia	-	100
Wilpena Pound Aerodrome Services Pty Limited	Australia	91	89

*Non-trading

^This is a discretionary trust whose beneficiaries are indigenous Australians. Whilst IBA does not hold units in the trust, as trustee all decisions are made by IBA demonstrating control.

#Remaining interest was sold by IBA to external parties on 19 August 2023.

~ These entities were deregistered in the current financial year.

All trading entities mentioned in the list are tax resident as per s295(3A)(a).

Accounting for investments in controlled entities

The consolidated financial statements comprise the financial statements of the parent entity (IBA) and its subsidiaries, together with IBA's share of the results of associates (the Group). Subsidiaries are entities that IBA controls. The financial statements of the controlled entities are prepared for the period 1 July 2023 to 30 June 2024 using accounting policies consistent with those of the Group. The effects of transactions and balances between the entities, including any unrealised profits or losses, have been eliminated in full.

A subsidiary is an entity under the Group's control including trusts where IBA is a beneficiary and where IBA controls the trustee. The results of subsidiaries are consolidated from the date on which control over the operating and financial policies is obtained and cease to be consolidated from the date on which control is transferred. IBA controls an entity when it is exposed to, or has the rights to, variable returns from its involvement with the entity or has the ability to affect those returns through its power over the entity.





PART 07:

Appendices

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Appendix A: Compliance index

This annual report has been prepared in accordance with the requirements of:

- subsection 35(1) of the PGPA Act
- subsection 16E(2) of the PGPA Rule 2014.

The table details the requirements met by the IBA Corporate Plan and the page reference(s) for each requirement.

PGPA Rule Reference	Part of Report	Description	Requirement
17BE(a)	Page 8	Details of the legislation establishing the body	Mandatory
17BE(b)(i)	Page 8	A summary of the objects and functions of the entity as set out in legislation	Mandatory
17BE(b)(ii)	Page 8-9	The purposes of the entity as included in the entity's corporate plan for the reporting period	Mandatory
17BE(c)	Page 2, 10, and 93	The names of the persons holding the position of responsible Minister or responsible Ministers during the reporting period, and the titles of those responsible Ministers	Mandatory
17BE(d)	Page 94 Not applicable	Directions given to the entity by the Minister under an Act or instrument during the reporting period	If applicable, mandatory
17BE(e)	Page 94 Not applicable	Any government policy order that applied in relation to the entity during the reporting period under section 22 of the Act	If applicable, mandatory
17BE(f)	Page 94 Not applicable	Particulars of non-compliance with: (a) a direction given to the entity by the Minister under an Act or instrument during the reporting period; or (b) a government policy order that applied in relation to the entity during the reporting period under section 22 of the Act	If applicable, mandatory
17BE(g)	Page 60, 62-63	Annual performance statements in accordance with paragraph 39(1)(b) of the Act and section 16F of the rule	Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
17BE(h),17BE(i)	Not applicable	A statement of significant issues reported to the Minister under paragraph 19(1)(e) of the Act that relates to non-compliance with finance law and action taken to remedy non-compliance	If applicable, mandatory
17BE(j)	Page 93 -104	Information on the accountable authority, or each member of the accountable authority, of the entity during the reporting period	Mandatory
17BE(k)	Page 95 and 164-165	Outline of the organisational structure of the entity (including any subsidiaries of the entity)	Mandatory
17BE(ka)	Page 90-91	Statistics on the entity's employees on an ongoing and non-ongoing basis, including the following: (a) statistics on full-time employees; (b) statistics on part-time employees; (c) statistics on gender; (d) statistics on staff location	Mandatory
17BE(l)	Page 47	Outline of the location (whether or not in Australia) of major activities or facilities of the entity	Mandatory
17BE(m)	Page 93, 101-102	Information relating to the main corporate governance practices used by the entity during the reporting period	Mandatory
17BE(n),17BE(o)	Page 108-109 and 123-165	For transactions with a related Commonwealth entity or related company where the value of the transaction, or if there is more than one transaction, the aggregate of those transactions, is more than \$10,000 (inclusive of GST): (a) the decision-making process undertaken by the accountable authority to approve the entity paying for a good or service from, or providing a grant to, the related Commonwealth entity or related company; and (b) the value of the transaction, or if there is more than one transaction, the number of transactions and the aggregate of value of the transactions	If applicable, mandatory
17BE(p)	Page 108	Any significant activities and changes that affected the operation or structure of the entity during the reporting period	If applicable, mandatory
17BE(q)	Page 110	Particulars of judicial decisions or decisions of administrative tribunals that may have a significant effect on the operations of the entity	If applicable, mandatory
17BE(r)	Page 110	Particulars of any reports on the entity given by: (a) the Auditor-General (other than a report under section 43 of the Act); or (b) a Parliamentary Committee; or (c) the Commonwealth Ombudsman; or (d) the Office of the Australian Information Commissioner	If applicable, mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
17BE(s)	Not applicable	An explanation of information not obtained from a subsidiary of the entity and the effect of not having the information on the annual report	If applicable, mandatory
17BE(t)	Page 94	Details of any indemnity that applied during the reporting period to the accountable authority, any member of the accountable authority or officer of the entity against a liability (including premiums paid, or agreed to be paid, for insurance against the authority, member or officer's liability for legal costs)	If applicable, mandatory
17BE(taa)	Page 96-102	The following information about the audit committee for the entity: (a) a direct electronic address of the charter determining the functions of the audit committee; (b) the name of each member of the audit committee; (c) the qualifications, knowledge skills or experience of each member of the audit committee; (d) information about each member's attendance at meetings of the audit committee; (e) the remuneration of each member of the audit committee	Mandatory
17BE(ta)	Page 105-107	Information about executive remuneration	Mandatory
17BF	Disclosure requirements for government business enterprises Not applicable - IBA is not a Government Business Enterprise		
17BF(1)(a)(i)	Not applicable	An assessment of significant changes in the entity's overall financial structure and financial conditions	If applicable, mandatory
17BF(1)(a)(ii)	Page 16, 38-53, 116-119	An assessment of any events or risks that could cause financial information that is reported not to be indicative of future operations or financial conditions	If applicable, mandatory
17BF(1)(b)	Not applicable	Information on dividends paid or recommended	If applicable, mandatory
17BF(1)(c)	Not applicable	Details of any community service obligations the government business enterprise has including: (a) an outline of actions taken to fulfil those obligations; and (b) an assessment of the cost of fulfilling those obligations	If applicable, mandatory
17BF(2)	Not applicable	A statement regarding the exclusion of information on the grounds that the information is commercially sensitive and would be likely to result in unreasonable commercial prejudice to the government business enterprise	If applicable, mandatory

Other relevant legislation:

PGPA Rule Reference	Part of Report	Description	Requirement
Not applicable	Appendix A: Page 173	Compliance index PGPA Rule 17BE(u)	
Not applicable	Page 94	Any direction given by the Minister under ATSI Act section 151, Consultants engaged ATSI Act, sub-section 189(2)(b)	
Not applicable	Page 118 160-163	New Housing Fund financial statements ATSI Act, sub-section 189(3)	
Not applicable	Page 84-85	Work health and safety Work Health and Safety Act 2011, Schedule 2, Part 4	
Not applicable	Page 73-75	Ecologically sustainable development and environmental performance Environment Protection and Biodiversity Conservation Act 1999, section 516A	
Not applicable	Page 94	Information Publication Scheme statement Freedom of Information Act 1982, Part II	

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The best thing about owning his own business is the ‘flexibility to spend time with family’, says Arrernte man Reuben Mack, the owner of Mack Construction NT.
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Appendix B: Active subsidiaries

CDC Nominees (TCTP) Pty Limited *

Crocodile Hotel Pty Ltd

Darwin Hotel Holdings Pty Limited *

Darwin Hotel Holdings Trust

Darwin Hotel Partnership

Dominican Indigenous Education Trust

Fitzroy Lodge Investments Pty Limited

Gagadju Lodge Coinda Trust

Ikara Wilpena Enterprises Pty Limited

Ikara Wilpena Holdings Trust

IBA Asset Management Pty Limited

IBA Northam Solar Pty Limited *

IBA Northam Solar Trust

IBA Retail Asset Management Pty Limited

IBA Retail Property Trust

IBA Wilpena Solar Pty Ltd

IBA Wilpena Solar Trust

Indigenous Economic Development Trust ^

Indigenous Prosperity Fund – Growth Fund

Indigenous Prosperity Fund – Income Fund

Indigenous Real Estate Investment Trust

I-REIT Sub Trust

Kakadu Tourism (GCH) Pty Limited

Kakadu Tourism (GLC) Pty Limited

Marlba Maya Pty Ltd #

Northam Solar Partnership

Performance Bonds Trust

Port Hedland Investment Trust #

Tennant Creek Enterprises Pty Limited *

Tennant Creek Enterprises Trust *

Tennant Food Barn Partnership

Tennant Creek Land Holding Trust

Tjapukai Aboriginal Cultural Park Partnership *

Wilpena Pound Aerodrome Services Pty Limited

* Non-trading

^ This is a discretionary trust whose beneficiaries are First Nations Australians. While IBA does not hold units in the trust, as trustee all decisions are made by IBA demonstrating control.

Notwithstanding IBA owning 70% of the units in this Trust, IBA does not consolidate this entity as it is unable to demonstrate control. The power to make decisions and influence returns requires approval by the trustee (Marlba Maya Pty Ltd) which is jointly held with the Port Hedland Aboriginal Corporation.

Appendix C: Changes to performance measures and rationale

Our nine performance measures create a strategic vision for IBA that stretches to 2028. These performance measures will continue to move us closer to long-term change and positive impact.

In this Annual Performance Statement, we are reporting on four of the nine performance measures (1,2,3, and 7).

For five of the performance measures (4,5,6,8, and 9), IBA is in the process of establishing a sound methodology and reliable data sources.

As outlined in the Corporate Plan, IBA will continue to refine these measures as we establish and pilot each measure and methodology to incorporate in future PBSs.

The table below outlines the performance measures IBA did not report on for this Annual Performance Statement, and the rationale for this change.

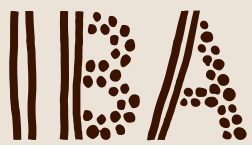
Relevant performance Information, from IBA's Corporate Plan 2023–24 and 2023–24 PBS	Changes made since Corporate Plan 2023–24	Rationale for changes
PM04 Annual reported levels of resilience and financial wellbeing	Removed. The measure is under development. In the current state there would be no result to derive, analyse or explain in the annual performance statement.	Methodology for this measure is under review to strengthen reliable and verifiable information sources.
PM05 Social and financial impact and returns to Aboriginal and Torres Strait Islander people, organisations and businesses	Removed. The measure is under development. In the current state there would be no result to derive, analyse or explain in the annual performance statement.	Methodology for this measure is under review to strengthen reliable and verifiable information sources.
PM06 ESG rating	Removed. The measure is under development. In the current state there would be no result to derive, analyse or explain in the annual performance statement.	Methodology for this measure is under review to strengthen reliable and verifiable information sources.
PM08 Average conversion rate from enquiry into a home, business or investment outcome	Removed. The measure is under development. In the current state there would be no result to derive, analyse or explain in the annual performance statement.	Methodology for this measure is under review to strengthen reliable and verifiable information sources.
PM09 Total rate of efficiency of IBA in achieving its purpose	Removed. The measure is under development. In the current state there would be no result to derive, analyse or explain in the annual performance statement.	Methodology for this measure is under review to strengthen reliable and verifiable information sources.

Appendix D: List of consultants

247 Tech Solutions Pty Ltd	Elysian Consulting Pty Ltd	Liandra Gaykamangu trading as Lundu Consultancy*	Queen Street Partners Pty Ltd
ACIL Allen Consultancy	Empower Digital*	Lonergan Research	RBB NT Pty Ltd t/as Q S Services
Allambo Pty Ltd*	Engelhard Consulting	Mardijbalina Art*	Rodeo Holdings PL trading as Earthspace
AMK Law Pty Ltd*	Enterprise Learning Projects*	Maxima Group Training	Sarah Hyland t/as Together Business Australia*
Arnold Bloch Leibler	Ernst & Young	MCB McBurney & Partners Pty Ltd	Savannah Leigh Geisler*
Ashurst Risk Advisory Pty Ltd	Evander Strategy	Metropolis Agency Pty Ltd	Servantes Group Pty Ltd*
Australian National University	Fiftyfive5 Pty Ltd	Metropolitan Local Aboriginal Lands Council	Solifi Pty Ltd
Banubanu Pty Ltd*	Grant Thornton Australia	Minter Ellison Lawyers	StartUp Creative Pty Ltd*
BDO Group Holdings Limited	Hale Tass Business Solutions*	Nac OpEx Pty Ltd	TAG Asset Consulting Group Pty Ltd
Blackhall & Pearl Board Services Pty Ltd	Henry Thomson	National Training Pty Ltd	Tanyah Nasir Consulting*
Board Room Pty Ltd	Hood Sweeney Pty Ltd	Norlap Creative*	Technology One Limited
BT Automation Pty Ltd	hopgoodGanim Lawyers	Northern Cape Island Enterprises Pty Ltd*	Teratek Pty Ltd
Capgemini Australia Pty Ltd	HR Spectrum Pty Ltd	Nyern*	The National Finance Institute
Clear Vision Consulting	Indigenous Professional Services*	O'Connor Marsden and Associates Pty Ltd	The Trustee for WMS Discretionary Trust T/A WMS Solutions
Cobalt Consulting Services Pty Limited	Infosys Technologies Limited	Opteon Property Group Australia	Tourism Tap Pty Ltd*
Colliers International (NSW) Pty Limited	Innovation culture	ORIMA Research Pty Ltd	Tridant Pty Ltd
Colliers International Holdings (Australia) Ltd	JANA Investment Advisers Pty Ltd	Patrick Roberts Pty Ltd	Triskele Labs Global Pty
Complete Business Solutions (QLD) Pty Ltd*	Jones Lang LaSalle (QLD) Pty Ltd	Paul Johnstone Gallery	Unearth Risk Pty Ltd*
Crafted Solutions Pty Ltd	Justified Services Pty Ltd T/as Justified Services	Penelope Dodd	Urbanxchange Pty Ltd
Culture Weave*	Kakadu Tiny Tots Pty Ltd*	Pollination Capital Partners Pty Limited	Waveney Yasso*
Dalla Costa Pty Limited	Kimberley Birds Pty Ltd*	PriceWaterhouse Coopers (PWC)	We Create Print Deliver*
Digital61 Pty Ltd	King & Wood Mallesons	Pricewaterhouse Coopers Indigenous Consulting Pty Ltd*	Wendy Davidson Enterprises
Dilli Wollo Connectors Pty Ltd*	KML Business Solutions Pty Ltd*		WV Technologies Pty Ltd*
Elena MBW (Holdings) Pty Ltd*	Kowa Collaboration*		Yaye*
	Kristal Kinsela Consulting Pty Ltd*		
	KSM Advisory		

Note: * Indicates Aboriginal or Torres Strait Islander Business





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BUSINESS
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