Board Boot Camp for Aboriginal Community Controlled Organisations



WA Dept of Communities

PRESENTERS: **Jahna Cedar** – Consultant, trainer, facilitator

Jon Staley - Community Directors

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Acknowledgement of Country



First languages interactive map:
https://gambay.com.au/

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What we'll explore today

Morning tea	10.20 – 10.40am
Lunch	12.15 - 1.00pm
Afternoon tea	2.20 – 2.40pm

Five questions will guide the day

1 What does good ACCO governance look like?

Purpose · Community control · Culture · accountability

2 Who holds responsibility and authority?

Members · board · CEO · staff · Community · Cultural authority

3 What does being a director ask of me?

Legal duties · judgement · conflicts · collective responsibility

4 What does the board need to know?

Strategy · board papers · finances · performance · risk

5 How do we make good decisions together?

Ask good questions · hear different views · balance competing considerations · decide collectively

Throughout the day we'll use the fictional **Red Sands Aboriginal Community Corporation** to put these ideas into practice.

Meet Red Sands Aboriginal Corporation

Structure: Aboriginal and Torres Strait Islander corporation registered under the CATSI Act and regulated by ORIC.

Red Sands is a regional WA Aboriginal Community Controlled Organisation that has been serving its Community for more than 20 years.

It employs around 35 staff and delivers family support, youth programs, community wellbeing and outreach services.

The organisation is governed by a seven-member board and led by Renee, the CEO, who has been in the role for three years.

A healthy organisation that is growing and changing

New funding and service opportunities bring choices about:

- Community needs
- Culture
- People
- Finances
- Risk
- Capacity

Throughout today, we'll step into the shoes of the Red Sands board and work through some of the decisions they are facing.

A little about us



Jahna Cedar OAM

Consultant, Trainer, Facilitator

- 25 + years community leadership
- Former CEO
- Experienced board director/chair
- Blak Angel investor
- Keynote speaker



Jon Staley

Trainer, Community Directors

- 25 + years community leadership
- 10 + secondary/vocational teacher (Inc. Northland Sec Coll)
- Founder Youthworx (non-profit social enterprise)
- Filmmaker/writer
- Community board member

What's the story

INTRO
Breakout

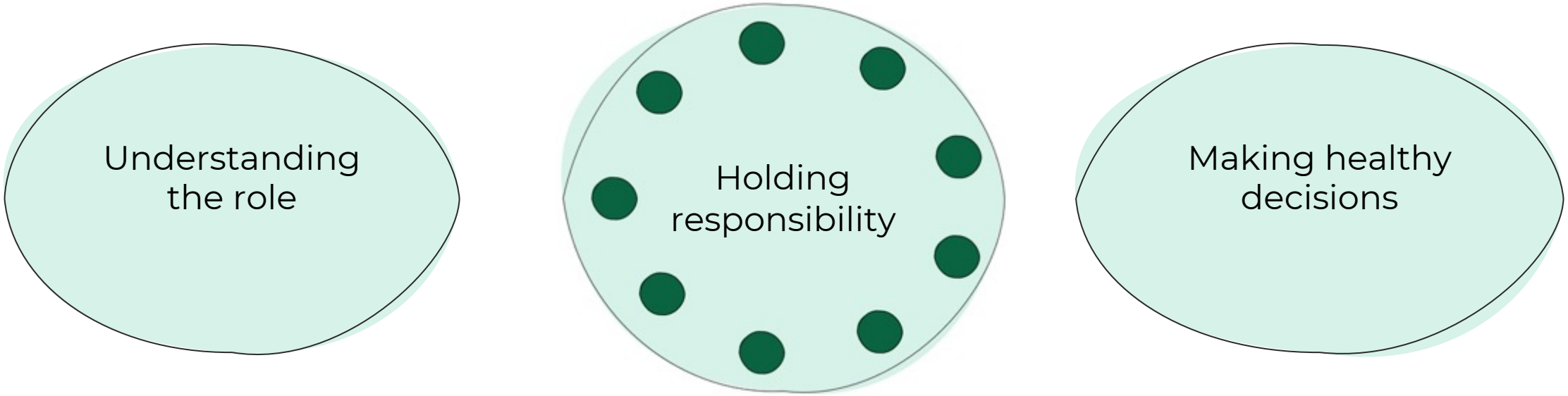
In small groups

BREAKOUT



- Name, mob, where you're from …
- Any board/committee/ACCO, experience
- What brings you here?
- Something you're excited about!

Governing in community



Governance

What is it?

‘Governance is how an Aboriginal Community Controlled Organisation holds its purpose, Culture, people and resources in trust for Community.

It is the way members, the board and management work together to make accountable decisions, protect Community control and strengthen the organisation for future generations.’

Different roles. Shared responsibility. One purpose

What does a good ACCO board decision need to consider?

- Does it serve **Community**?
- Have the **right voices** been heard?
- Does it align with our **purpose, values and Culture**?
- Is it **informed, fair and accountable**?
- Is it **legal** and **ethical?**
- Does it protect **Community control**?
- Will it strengthen the organisation **now and into the future**?

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Governance and Culture

Cultural authority

Comes from Country, Community, Kinship, knowledge, relationships and recognised standing.

It does not come from holding a board position.

Cultural responsibility

The responsibility to recognise, respect and respond appropriately to Cultural authority, protocols, knowledge and relationships.

Workplace (organisational) culture

How people behave, relate and work together within an organisation.

It shows up in how people communicate, make decisions, exercise authority and handle disagreement.

Good governance recognises the difference between these forms of Culture and understands where they intersect.

BREAKOUT

Org/board decisions

Red Sands Aboriginal Community Corporation had been approached by another organisation about working together to deliver a new youth program. The board had discussed the proposal over two meetings. Everyone agreed that supporting young people was important, but directors had different views about whether this particular partnership was right for Red Sands. After a lengthy and robust discussion, the board decided not to proceed with the partnership at this time. Leah, a relatively new director, had strongly supported the proposal.

A few days later, Leah was at a local Community event when someone she knew asked what had happened.

Leah said: “Look, I wanted us to go ahead with it. I thought it was a great opportunity for our young people. But a couple of the directors were really against it. Aunty June and Michael kept saying it was too risky and that the other organisation hadn't built enough trust with Community. I reckon they were being too cautious. We might have just missed a really good opportunity.”

That evening, at a local community basketball game Leah’s conversation had travelled.

Some were saying that the Red Sands board doesn't listen to Community. Others were saying that some directors were against the youth program because they don't want Red Sands taking any risks.

One Community member asked:

“What's going on with the board? Why would they knock back something our young people need?”

DISCUSS

1. Was this a healthy way for Leah to handle the situation.
2. What board/committee governance principles are at stake?
3. How could Leah have handled the conversation differently while still listening and being accountable to Community?
4. Have you seen/experienced a situation like this?

Board solidarity
Respectful debate, united decisions

Healthy **boards** value different perspectives and encourage respectful and robust discussion and debate before making decisions.

Once the board has made a decision, it becomes the board's **collective decision** not an individual director's decision. Directors may have held different views during the discussion, but they share responsibility for the decision and for communicating it in a way that protects trust in the organisation.

The organisation is legally recognised as **one body**. This means the board acts collectively in the **best interests** of the **organisation** and the **Community** it serves.

Leah – version 2

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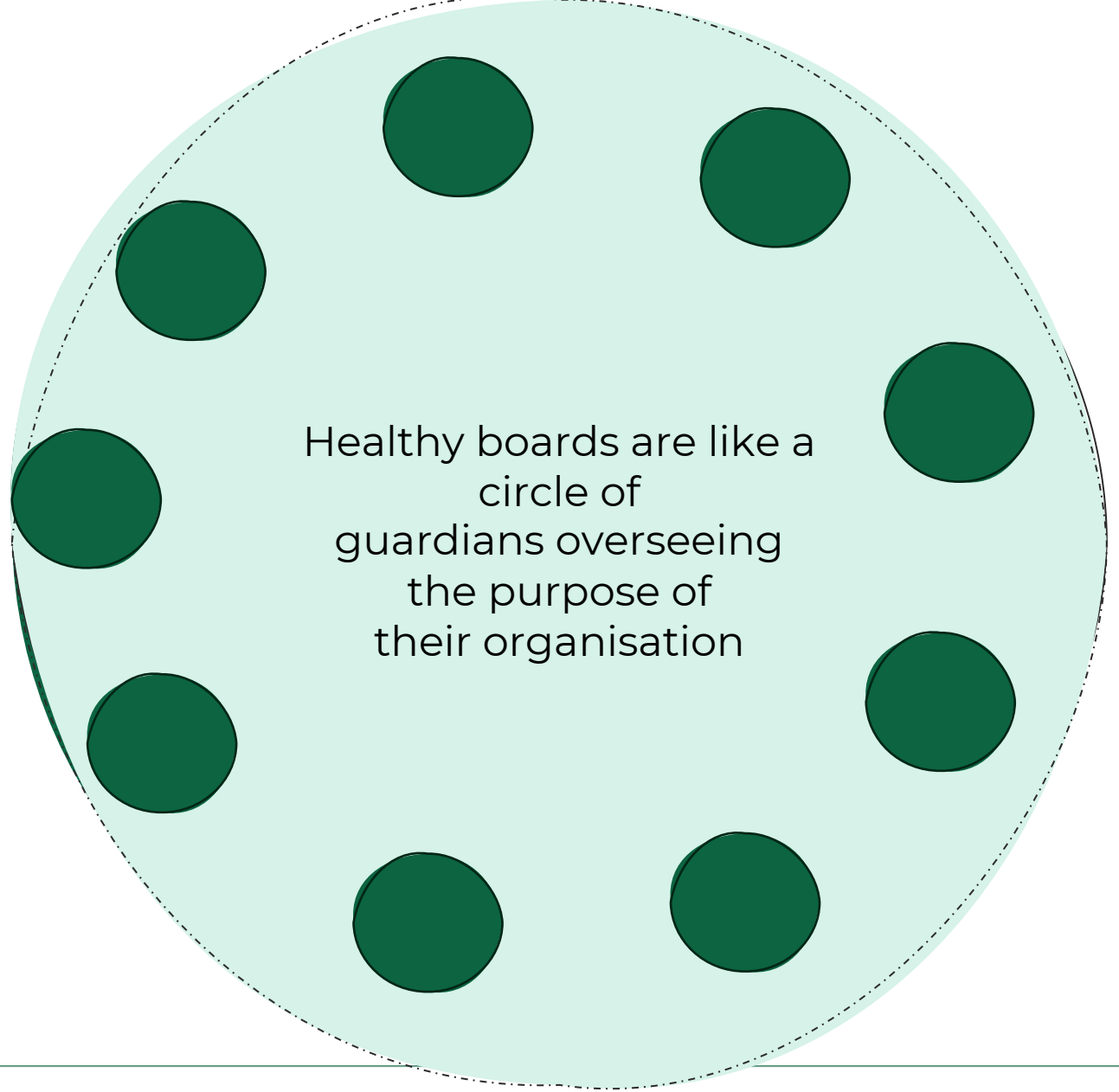
Leah said: **“Yeah, we had a really good discussion about it and there were a few different views around the table which is healthy. In the end, the board decided not to go ahead at this stage. I know some people will be disappointed, but we needed to weigh up the opportunity alongside the cultural, relationship and organisational risks. We made the decision together, and we stand by it. But that doesn’t mean the conversation stops there. Tell me what you’re hearing.”**

Leah listened as the Community member explained why they thought the partnership could have made a difference for local young people. She asked a couple of questions to better understand their concerns and said she would make sure the feedback was passed on through the right channels at Red Sands.

1. How is this response different?
2. What does Leah’s communication protect this time?
3. How should Leah handle what she hears in response?

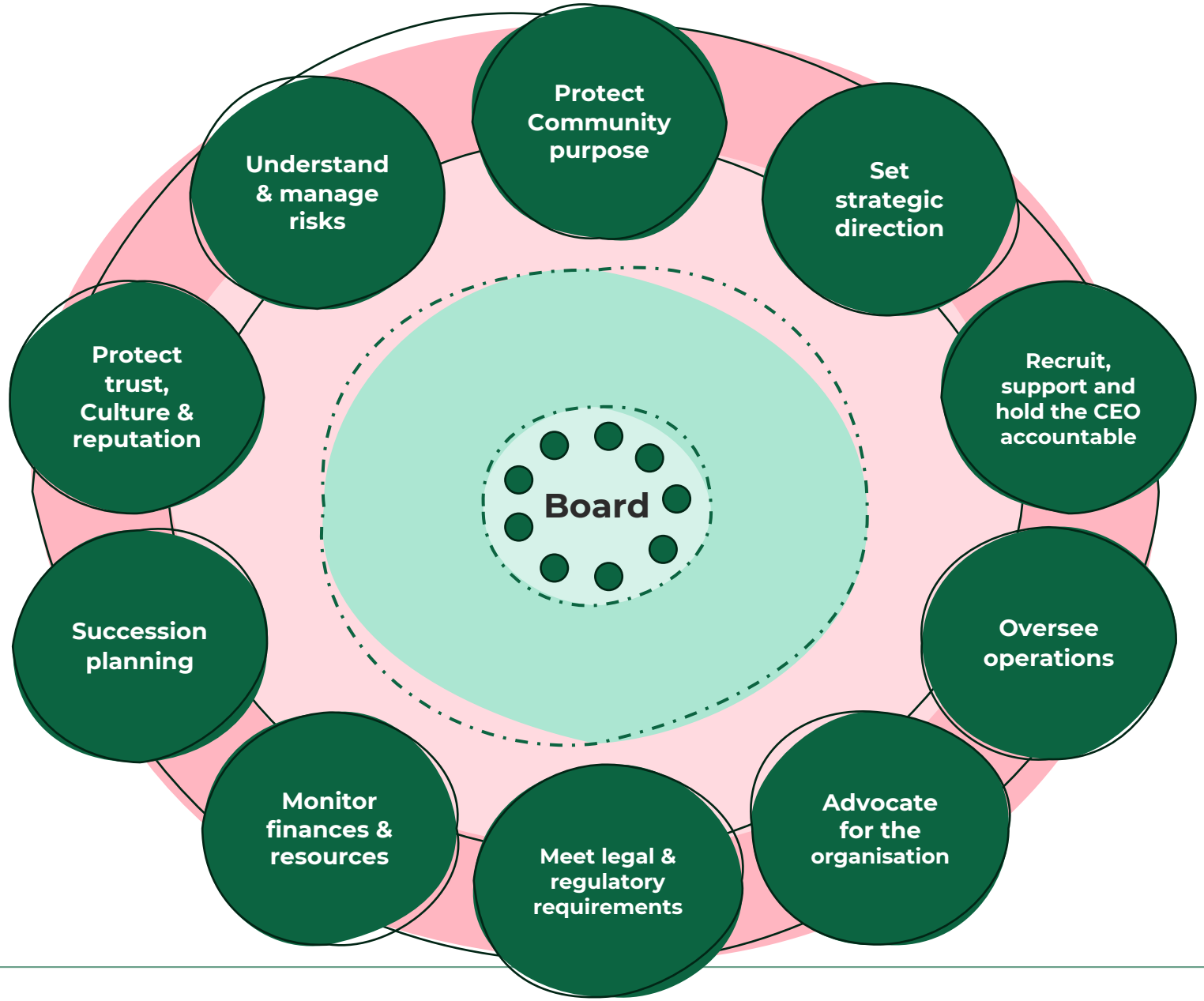
The quality of governance is reflected not only in the decisions a board makes, but in how they are made and how they travel through the relationships and communities around the organisation.

The role of the ACCO board



What do ACCO boards do?

How well does your board understand and carry these responsibilities together?



Morning Break

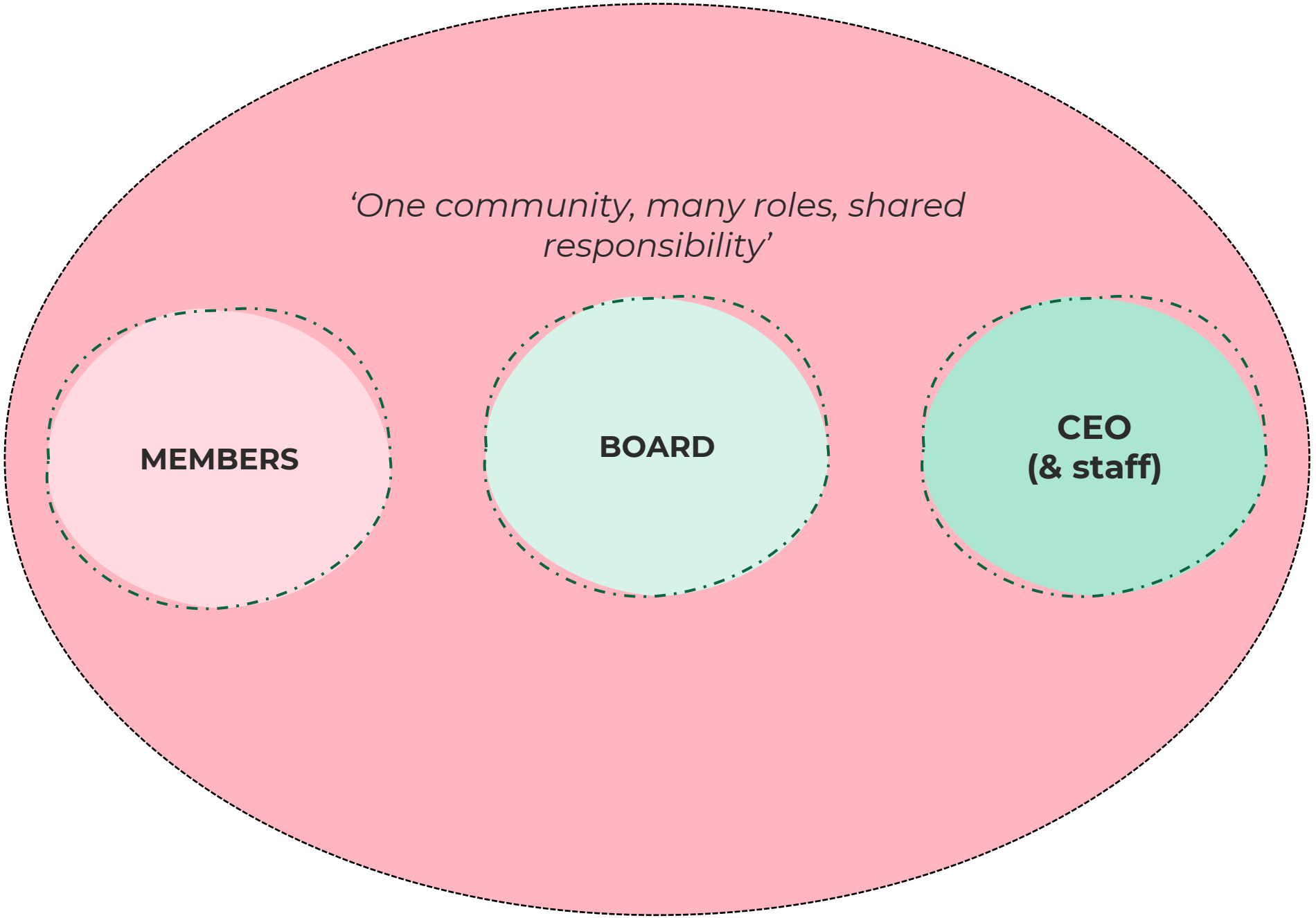
Grab a cuppa



Understanding roles

Community governance ecosystem

Who does what?



Different roles. Different authority.

In an ACCO, organisational authority and Cultural authority are connected, but they are not the same thing.

ORGANISATIONAL AUTHORITY

Comes from your role in the organisation

Members • Board • CEO • Staff

Helps define who can make decisions, take action and be held accountable.

CULTURAL AUTHORITY

Comes from Culture, Country, knowledge, relationships and Community

It does not automatically come with an organisational title.

How it is recognised and exercised will differ between Communities and organisations.

Good governance understands both, and knows when the right people need to be involved.

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One community, many roles

In an ACCO, people may hold many different roles and relationships.

A person might be...

- Community member
- Director or Chair
- CEO or staff member
- Member of the corporation
- Elder or cultural knowledge holder
- Family or kin
- Service user
- Representative of another organisation

The challenge isn't leaving those relationships at the door.

It is being clear about the role you are in and what comes with it.

1. **What role am I in here?**
2. **What responsibility comes with that role?**
3. **Where does authority sit?**

One person. Different hats. Different responsibilities.

Who takes the lead?

Red Sands is dealing with four different situations.

GROUP DISCUSSION

1 The broken-down bus

One of Red Sands' buses has broken down and needs a $4,500 repair. The youth team needs it for a program next week. The Operations Manager asks the CEO whether they need to wait for the next board meeting before approving the repair.

2 A new service opportunity

Red Sands has been encouraged to apply for $1.2 million in funding to deliver a new service in another Community. It could create 8–10 new jobs, but would also mean significant growth. The CEO has done some initial investigation and brings the opportunity to the board.

3 Community concerns

Several Community members approach a Red Sands director and say they are unhappy with how one of its programs is being delivered. They say staff aren't listening and ask her to "sort it out". She knows some of the people involved personally.

4 A cultural question

Red Sands is developing a new youth program. Questions are raised about whether some proposed activities are culturally appropriate and who should guide how they are delivered locally. The CEO asks the board how they should proceed.

DISCUSS:

- Who needs to be involved, and why?
- Where does responsibility or authority sit?
- What should the board do – and not do?

Scenario – Helping out

BREAKOUT

Red Sands is planning to upgrade its website and online Community information system.
At a recent board meeting, Daniel, one of the directors, mentioned that he knew a local business that did this kind of work and thought they would be worth considering. Renee, the CEO, explained that staff were developing the requirements and would soon seek several quotes.

A few days later, Daniel is at the Red Sands office for another meeting. As he is leaving, he sees Tahlia, the staff member coordinating the project, and stops for a chat.
Daniel says he has already spoken to his friend's business, hands Tahlia their business card and says they would be happy to come in next week to show her what they could do.

Tahlia pauses. "Thanks Daniel. I think Renee wanted us to go through the procurement process first."
Daniel replies:
"Oh, absolutely. I'm not saying you have to give them the job. Just meet with them. I've told them you'll give them a call. They're great."
Tahlia takes the card. Renee is in the office next door. Tahlia isn't sure what to do.

Discuss

1. What is making this situation awkward?
2. What would you do if you were Tahlia? (What would it be best for her to do?)
3. What could Daniel have done differently?
4. Have you ever seen or experienced a situation like this - what was the outcome?

Let’s unpack it

What is going on underneath the awkward moment?

1. **Who does Tahlia actually take direction from?**
2. **What authority does Daniel have as an individual director?**
3. **When does helpful board input become operational interference?**
4. **What else might be going on here?**

So what does this tell us about where the board’s role ends and management’s role begins?

How do ACCO boards and management work together?

Different roles. Shared responsibility. One purpose

How does your board build trust and a strong relationship with staff and management?

Board GOVERN

Without taking over management

Where does healthy governance end and healthy management begin?

'Noses in, hands out.'

Decide **who should take the lead** for each responsibility. There may be more than one right answer. If you think a responsibility is shared, discuss **who should lead and why**. Be prepared to explain your reasoning.

Responsibility	Members	Board	CEO	Staff	Shared
Elect directors	●	☐	☐	☐	☐
Recruit and appoint the CEO	☐	●	☐	☐	☐
Recruit staff	☐	☐	●	☐	☐
Develop the strategic plan	☐	☐	☐	☐	●
Approve the strategic plan	☐	●	☐	☐	☐
Approve the annual budget	☐	●	☐	☐	☐
Deliver services and community programs	☐	☐	☐	●	☐
Monitor organisational performance	☐	●	☐	☐	☐
Manage organisational risks	☐	☐	☐	☐	●
Represent the organisation at Community events	☐	☐	☐	☐	●
Build relationships with community and partners	☐	☐	☐	☐	●
Respond to a complaint from a client	☐	☐	☐	☐	●
Develop a new health program	☐	☐	☐	☐	●
Approve opening a new permanent clinic	☐	●	☐	☐	☐
Ensure the organisation remains true to its purpose	☐	●	☐	☐	☐
Monitor the CEO's performance	☐	●	☐	☐	☐

Board and management

Different roles. Working together.

BOARD GOVERNS

- Purpose and direction
- Strategy and priorities
- Major decisions
- CEO appointment, support and oversight
- Financial sustainability and risk
- Accountability

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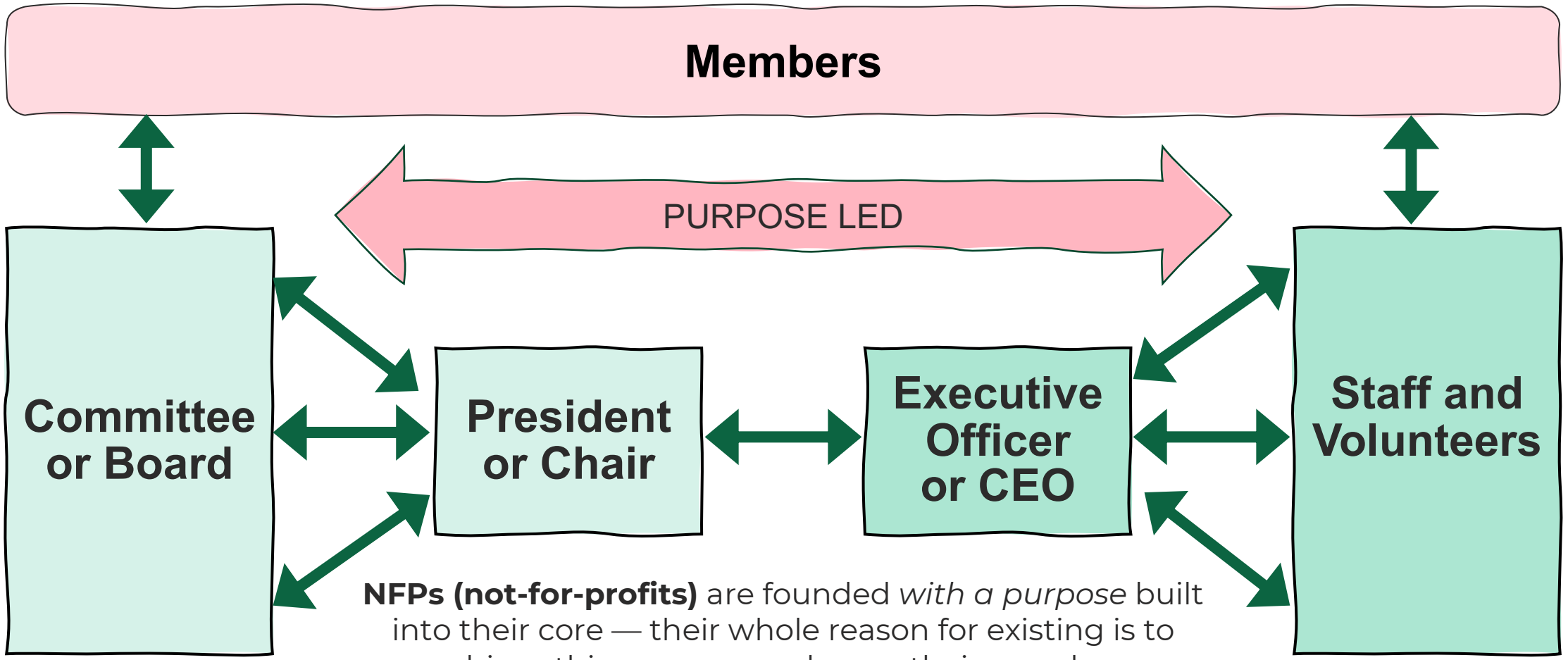
MANAGEMENT MANAGES

- People and programs
- Day-to-day decisions
- Resources and operations
- Implements strategy
- Provides information and advice
- Reports to the board

The board can ask, question, challenge and advise without taking over management's job.

In smaller organisations, directors may sometimes help with operational work. Be clear which hat you are wearing and where authority sits.

Community (nfp) boards



NFPs (not-for-profits) are founded *with a purpose* built into their core — their whole reason for existing is to achieve this **purpose** and serve their members

Walking in good governance

When you become a director, you take on responsibilities that come with the role.

You bring your experience, relationships, knowledge and perspective with you.

But when you are acting as a director, you also have responsibilities to the organisation as a whole.

CARE

INTEGRITY

ACCOUNTABILITY

What does accepting a place on the board ask of you?


LUNCH

What does being a director ask of you?

Good governance shows up in what directors do, not just what they know.

Come prepared

Understand what you are being asked to decide.

Ask questions

Don't stay quiet because someone else knows more.

Act for the organisation

Consider the organisation as a whole, not just your own interests or relationships.

Speak up

Raise concerns and contribute your perspective.

Handle information carefully

Know what can be shared and what needs to remain confidential.

Know when to step back

Recognise when your interests or relationships create a conflict.

You don't need to know everything. You do need to take your responsibility seriously.

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Director responsibilities also sit within the law

The legal framework depends on how your organisation is incorporated.

For many Aboriginal and Torres Strait Islander corporations, director duties sit under the CATSI Act and ORIC. Other ACCOs may operate under associations or corporations legislation.

Act with care and diligence

Be prepared, informed and willing to ask questions.

Act in good faith and for a proper purpose

Put the organisation's interests ahead of personal interests.

Use your position and information appropriately

Don't use your role or confidential information for improper advantage.

Recognise and manage conflicts

Declare interests and follow the organisation's process.

Pay attention to financial health

Do not allow the corporation to trade while insolvent

You don't need to memorise the legislation. You do need to know which rules apply to your organisation and take your responsibilities seriously.

Where does legislated governance decision-making authority come from?

Three connected layers guide how an organisation is governed, makes decisions and acts.

1 The law

The legislation and regulatory framework the organisation operates under

Examples might include:

- Corporations Act
- Associations legislation
- Charities regulation
- Other relevant legislation

Sets the legal framework and obligations

2 Rule book or constitution

How this organisation is structured and governed

- Purpose and membership
- Board powers and responsibilities
- Meetings, voting and decisions
- How directors are appointed or elected

Usually changed by members through a special resolution

3 Policies and meeting rules

How the rules are put into everyday practice

- Code of conduct and conflicts
- Delegations and financial controls
- Standing orders and procedures

Usually approved and reviewed by the board

Policies must fit the constitution. **The constitution must fit the law.**

Different organsiational structures

Your organisation's constitution or rules sit within its legal structure.

Structure	Focus	Owners	Regulator
Unincorporated association	NFP	Individuals	None
Incorporated association	NFP	Members	State/territory government departments
Co-operative	NFP/Profit	Members	State/territory government departments
Company	Profit	Shareholders	ASIC
Company limited by guarantee	NFP	Members	ACNC / ASIC
Indigenous Corporation	NFP/Profit	Members/shareholders	ORIC
Statutory organisation	NFP	Parliament (state/federal)	Parliament

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What's in the rule book and how can it help us?

It provides the structure. People bring it to life through good judgement, trust and good governance.

It usually sets out

1. **Purpose and objects**
2. **Members and Community control**
3. **General meetings and AGMs**
4. **Board roles and eligibility**
5. **Board meetings and decisions**
6. **Conflicts and related parties**
7. **Money, records and reporting**
8. **Complaints and disputes**
9. **Changing the rule book**
10. **Winding up or transferring assets**

Rule book / constitution

The organisation's main governance document

- Who belongs
- Who decides
- How meetings work
- What must be recorded
- How issues are handled

A living reference point for good decisions

The rule book is not:

- **A strategic plan**
- **A policy manual**
- **A substitute for good relationships**
- **A guarantee that people will follow it**

What would you do?

GROUP DISCUSSION

Three moments at Red Sands. What responsibility is being tested?

1 “Everyone else seems comfortable…”

The Red Sands board receives its monthly financial report. Cash has fallen significantly since the previous report.

The Treasurer says, “It’s nothing to worry about. I’ve gone through it with Renee. We can move on.”

You don’t really understand why cash has fallen.

What do you do?

2 “My cousin could really help…”

Red Sands needs a contractor to undertake repair work at one of its facilities.

A director’s cousin owns a local business that does this work. The director thinks the business would do a great job and wants to make sure they have an opportunity to quote.

What does the director need to think about?

3 “Keep this between us…”

The board receives confidential information about possible changes to one of Red Sands’ programs.

A few days later, a family member says, “I’ve heard Red Sands might be changing the program. You’d know. What’s going on?”

What do you do?

What responsibility is being tested in each situation?

Relationships and conflicts of interest

Having relationships isn't the problem.

Directors bring family, Community, professional and other relationships with them. Sometimes those relationships can create a conflict between a director's responsibilities and another interest or relationship.

ACTUAL

A conflict exists now.

POTENTIAL

A conflict could arise.

PERCEIVED

Others could reasonably see a conflict, even if you believe you can remain impartial.

Recognise it → Declare it → Record it → Manage it

A conflict doesn't automatically mean someone has done something wrong. Good governance is about recognising it early and managing it openly.

You can delegate work.

You cannot delegate your responsibility as a director.

Ask questions • Stay informed • Speak up • Declare conflicts • Make decisions with care

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Good directors don't need to have all the answers.
They need to know when they need more information.

So what does good governance look like in practice?

Clear roles

Knowing where responsibility and authority sit.

Collective responsibility

Healthy debate, then standing behind board decisions.

Good judgement

Being informed, asking questions, speaking up and managing conflicts.

Community and Culture

Staying accountable to Community and recognising where Cultural authority sits.

Healthy decision making

What does the board need to balance?

Effective board meetings

Quick reflection

Think about the best board or committee meetings you've been part of.

What made them work?

Good meetings make it easier for good judgement to happen.

Purpose

Was the purpose clear?

Preparation

Were people prepared?

Focus

Was the discussion focused?

Participation

Were different views heard?

Decisions

Were decisions clear?

Follow-through

Did everyone know what happened next?

Some governance language/terms your ACCO may use

People and roles:
- members
- directors
- executive
- board
- committee
- chair

Meeting preparation:
- agenda
- briefing papers
- rules or constitution

Making decisions:
- quorum
- majority
- motion
- amendment
- resolution

Recording and participation:
- minutes
- apologies
- general meetings
- in camera

Institute of Community Directors Australia | Glossary of board terms

Good meetings need good teams that work well together

How can our structures support good governance?

Someone to run the meeting **(CHAIRPERSON DEPUTY CHAIRPERSON)**

Someone to organise the meeting **(SECRETARY)**

Someone to explain the finances **(TREASURER)**

Someone to make judgements on what's before them **(COMMITTEE)**

A set of meeting rules **(STANDING ORDERS)**

A clear board agenda

A simple structure helps the board spend time on the work that matters most.

1. Formalities	Welcome · apologies · conflicts · minutes	**10 min**
2. Consent agenda	Routine reports and noting items approved together	**5 min**
3. Matters for decision	Recommendations requiring a clear board decision	**45 min**
4. Matters for discussion	Issues needing exploration, input or direction	**40 min**
5. Matters for noting	Information papers and updates not requiring debate	**10 min**
6. Actions and close	Confirm resolutions, actions, communication and next steps	**10 min**

The logic

1	**Start quickly**	move through formalities and routine items
2	**Decide while fresh**	put important decisions early, not at the end
3	**Discuss deliberately**	use time for strategy, risk and judgement
4	**Finish clearly**	confirm what was decided, who acts, and what can be shared

Board question: are we using agenda time for governance, or just getting through reports?

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Using a consent agenda well

A consent agenda saves time by approving routine, non-controversial items together.

Good candidates

- **Previous minutes**
- **Routine committee reports**
- **Information-only updates**
- **Previously discussed decisions**
- **Routine correspondence**

Do not bury

- **Financial reports needing scrutiny**
- **Audit or risk matters**
- **Major strategic decisions**
- **Conflicts of interest**
- **Items where a director wants discussion**

How it works

1. Papers are sent in advance.
2. Chair asks if any item should be removed for discussion.
3. Remaining items are approved together.
4. Removed items move to the normal agenda.
5. Minutes clearly record what was approved.

https://communitydirectors.com.au/help-sheets/how-consent-agendas-can-streamline-board-decision-making

Flow of a healthy board decision

Good decisions need care before, during and after the meeting.

Before

- Clear recommendation
- Relevant information
- Risks and options
- Conflicts identified

During

- Questions and challenge
- Different views heard
- Judgement applied
- Decision made

After

- Resolution recorded
- Responsibilities clear
- Communication agreed
- Follow-up monitored

Minutes

Record what was decided and why, not a transcript of everything everyone said.

A healthy decision is clear enough for people to act on and transparent enough to revisit later.

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Knowing what you need to know

Good governance doesn't mean knowing everything. It means knowing what you need to know, what questions to ask and when you need more information.

Where are we going?

Purpose, strategy and priorities

How are we going?

Progress, performance and finances

What needs our attention?

Risks, changes and emerging issues

The board's job is not to know every detail. It is to have enough line of sight to govern well.

So what gives the board that line of sight?

The board's line of sight

The documents and reports that come to the board should help connect purpose to what is actually happening.



Board papers are not just paperwork.

They help directors connect the organisation's purpose and strategy with performance, finances, risks and the decisions in front of them.

Good information helps the board ask better questions and make better decisions.

What does the board need to know?

GROUP DISCUSSION

Not everything is the board's job to manage. But some things the board still needs to know about.

1. Staff roster

Renee (CEO) changes the staff roster for the youth program.

2. Program performance

A major funded program is significantly behind its agreed targets.

3. Cash position

Cash reserves have fallen noticeably over three months.

4. New laptop

A staff member needs a replacement laptop.

5. Community concerns

Several serious Community concerns have been raised about how a program is being delivered.

6. Growth opportunity

Work on the possible $1.2m new service opportunity is progressing.

If the board does need to know, what does it actually need to know?

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What rises to board level?

A useful way to decide what the board needs visibility of.

Purpose & strategy

Could this affect where we are going or what we are here to achieve?

Performance & finances

Is something materially off track? What will be the financial implications of our decisions?

Risk & responsibility

Could this create significant financial, legal, cultural, safety or reputational risk?

Decisions & accountability

Does the board need to decide, approve, oversee or hold someone accountable?

The board needs enough information to govern well, without trying to manage everything.

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Would you be ready to decide?

BREAKOUT

RED SANDS ABORIGINAL COMMUNITY CORPORATION

Agenda item 6.2

New service opportunity

Red Sands has been offered $1.2 million over three years to establish and deliver a new family support service in another Community approximately 90 minutes away where there is a lack of culturally safe services.

The service responds to an identified gap and would involve recruiting approximately 8–10 new staff. Initial discussions with the funding body and several local stakeholders have been positive.

Management believes the opportunity aligns with Red Sands' purpose, would extend services to families currently experiencing limited access to support, and could strengthen Red Sands' regional presence.

The funding body requires confirmation within six weeks that Red Sands intends to proceed. If accepted, service establishment would commence within four months.

Management recommendation **That the Board approve Red Sands accepting the funding offer and proceeding with establishment of the new service.**

Before you vote...

Would you be ready to make this decision?

DISCUSS

In your breakout discuss what sort of things the board would like to have more information about before making this decision. Come back with at least 6 possible questions for further enquiry.

Good board decisions start with good questions.

Does it fit where Red Sands is going?

The funding offer looks promising. Now test it against the organisation's direction.

RED SANDS • CURRENT STRATEGIC PRIORITIES

Strengthen existing family and youth services	Build quality and consistency in the services Community already relies on.
Improve access for surrounding Communities	Reach people who experience barriers to accessing support.
Develop local employment pathways	Create opportunities for local people to work, learn and grow.
Strengthen long-term organisational sustainability	Grow in ways Red Sands can support and sustain.

Test the opportunity

Where does the new service fit?

What would you want to test before calling it a strategic fit?

An opportunity can be worthwhile without necessarily being the right opportunity for your organisation.

What does the board need to understand about the money?

Financial health

Can we meet our obligations and keep operating?

Budget

Are we tracking to plan? What is materially different?

Cash

Do we have enough cash available when we need it?

Commitments

Is any money restricted, committed or tied to particular programs?

Decisions

Can we afford this decision and what will we need to contribute?

Change

What happens if costs rise, funding changes or delivery takes longer?

You don’t need to be an accountant. You do need to understand enough to ask good questions.

Red Sands board meeting

How are we travelling at the moment financially?

Renee, CEO

“We’re in a pretty solid position. We currently have $720,000 in the bank.”

Chair

“That’s reassuring. It gives us a pretty healthy buffer if something unexpected comes up.”

What would you want to know about these numbers?

E.G Cash in the bank is a starting point, not the whole financial story.

Financials
Three reports. Three different questions.

No single financial report tells the whole story.

Profit & loss

How are we performing?

Income and expenses over a period. Are we tracking as expected?

Balance sheet

Where are we financially right now?

What do we own and owe? What is our overall financial position?

Cash flow

What is happening to our cash?

Where is cash coming from and going? Will it be there when we need it?

So when Renee says, “We’ve got $720,000 in the bank” … what else does the board need to know?

Red Sands: quarterly profit & loss

Quarter ended 30 September 2026 | $000

	Budget	Actual	Variance
Income			
Government grants	445	460	+15
Service & program income	100	105	+5
Other income	45	45	-
Total income	**590**	**610**	**+20**
Expenses			
Salaries & on-costs	350	355	(5)
Program delivery	100	105	(5)
Occupancy & utilities	40	42	(2)
Administration	35	38	(3)
Depreciation	25	25	-
Other expenses	15	10	+5
Total expenses	**565**	**575**	**(10)**
Surplus for the quarter	**25**	**35**	**+10**

What would you notice?

- Are we broadly tracking to budget?
- What explains the main variances?
- Is the surplus what we expected?
- Is there anything here the board should ask more about?

The P&L tells us about financial performance over a period. It does not tell us how much cash is available.

Red Sands: financial position and cash

At 30 September 2026 | $000

Balance sheet

	Actual
Current assets	
Cash at bank	720
Receivables	110
Prepayments	25
Total current assets	**855**
Non-current assets	
Property & equipment (net)	410
Vehicles (net)	145
Total non-current assets	**555**
Total assets	**1,410**
Current liabilities	
Trade & other payables	100
Employee provisions	115
Funding received in advance	310
Total current liabilities	**525**
Non-current liabilities	
Employee provisions	45
Lease liability	55
Total non-current liabilities	**100**
Total liabilities	**625**
Net assets	**785**

Cash flow for the quarter

	Actual
Opening cash balance	650
Cash received	
Grants & funding	520
Service & program receipts	105
Other receipts	40
Total cash received	**665**
Cash paid	
Employees	(350)
Programs & suppliers	(105)
Occupancy & administration	(80)
Other operating payments	(20)
Asset purchases	(25)
Lease repayments	(15)
Total cash paid	**(595)**
Net increase in cash	**70**
Closing cash balance	**720**

The reports agree: cash at bank is $720,000. But is all of it really available?

So how much is actually available (unaccounted for)?

$720,000 cash at bank less:

$310,000

Funding received in advance for programs and activities still to be delivered.

+

$215,000

Other current liabilities
Payables $100k + employee provisions $115k

=

$195,000

Cash remaining after current liabilities accounted for

What has changed about how you read the $720,000 bank balance?

Cash in the bank does not automatically mean cash available to spend.

Arvo Break

Grab a cuppa



Back to the new service: now look at the money

Management's updated financial advice

The $1.2 million funding will cover most of the direct costs of establishing and delivering the service over three years.

Red Sands would need to contribute approximately $120,000 from its own reserves over the three years to cover establishment costs and some additional corporate and support costs not fully funded by the grant.

Red Sands currently has sufficient reserves to make this contribution, but those reserves also provide a buffer against funding changes, unexpected costs and other organisational pressures and the current liquidity is quite tight.

What has changed?

What would you want to understand before deciding whether to use reserves for this opportunity?

Having reserves does not automatically mean the money is available to spend.

And then there is capacity...

Renee brings the board some further information:

Workforce

Red Sands already has several vacancies and some managers are carrying additional responsibilities.

Housing

Recruiting into the area is difficult and suitable housing for new staff is limited.

Time

If Red Sands accepts the offer, the new service needs to be established within four months.

Community

Initial stakeholder discussions are positive, but Red Sands has not yet completed its own Community engagement in the area.

What are you thinking now?

What risks are beginning to emerge?

Seeing and managing risk

Risk is not a reason to automatically say no. It is something the board needs to understand and manage.

1

What could go wrong?

2

How likely is it?

3

What would the consequences be?

4

What can we do to reduce the risk?

5

If it happens, how will we respond?

For Red Sands:

financial • workforce • service delivery • Community & Culture • reputation • compliance

The board's job is not to eliminate all risk. It is to make informed decisions about which risks are acceptable and how they will be managed.

The board decision

BREAKOUT

Should Red Sands accept the $1.2 million funding offer?

THE OPPORTUNITY

$1.2m over 3 years for a family support service in another Community, 90 minutes away, where culturally safe services are limited.

FINANCIAL POSITION

$720k cash at bank; $310k funding received in advance and $215k other current liabilities. $195k remains after these liabilities, not necessarily free cash.

RESERVES & FUNDING

Grant covers most direct costs. Red Sands must contribute about $120k over 3 years from reserves. Liquidity is tight and reserves protect against uncertainty.

COMMUNITY & CULTURE

Early stakeholder discussions are positive, but Red Sands has not completed its own Community engagement in the new location.

PEOPLE & DELIVERY

8–10 staff to recruit. Existing vacancies, stretched managers and limited housing may affect delivery.

TIME & RISK

Funder needs an answer within 6 weeks. Service must be established within 4 months. Consider financial, cultural, workforce and reputational risks.

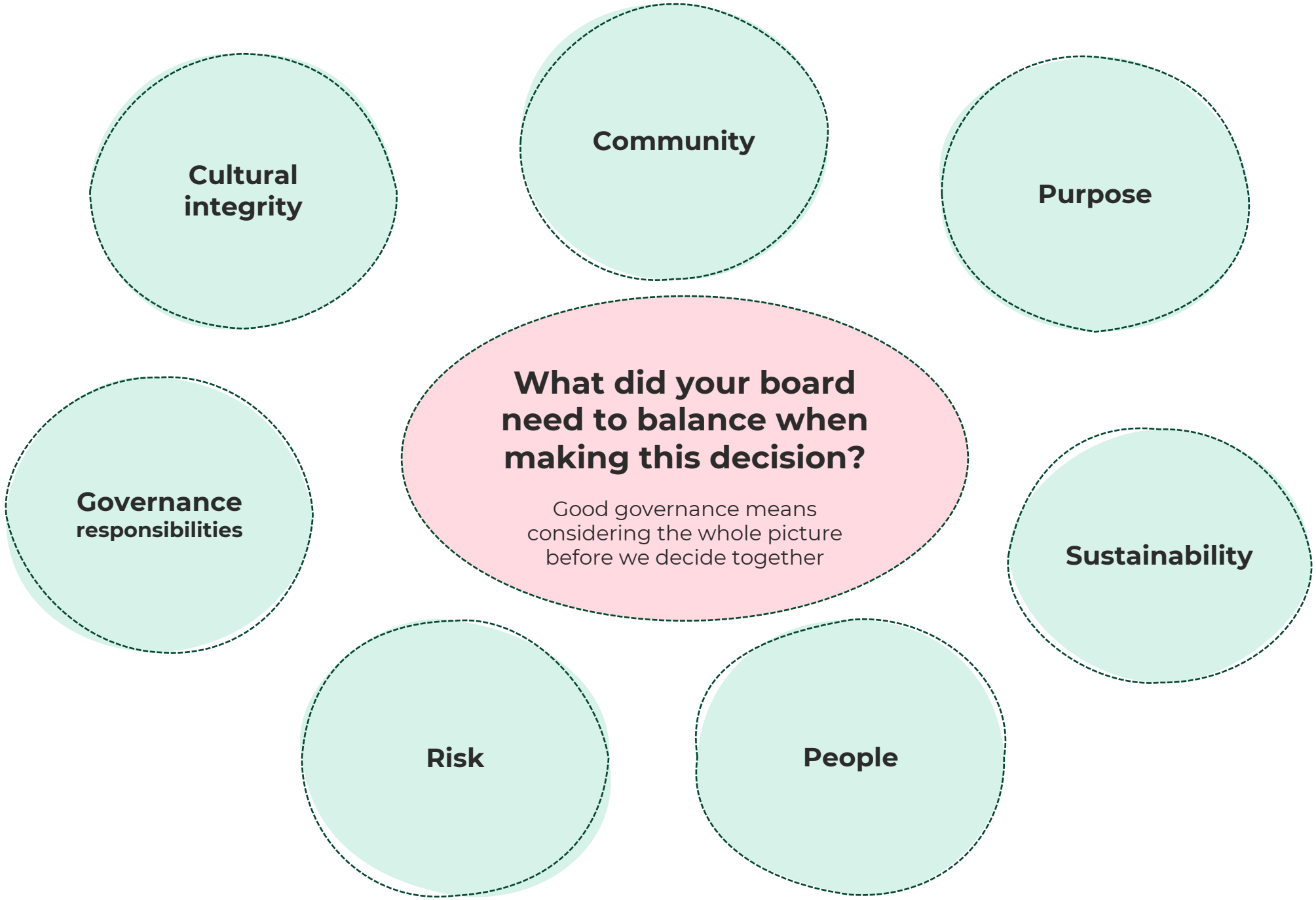
YOUR BOARD DISCUSSION

1 Does this fit Red Sands' purpose, and what matters most for Community?

2 What concerns or information gaps must the board address before deciding?

3 Approve, approve with conditions, defer or decline? Explain your reasoning.

Choose a Chair. Be ready to share your board's position and the key reason for it.


Cultural integrity
Community
Purpose
Governance responsibilities
What did your board need to balance when making this decision?
Good governance means considering the whole picture before we decide together
Sustainability
Risk
People

Governance consideration	Questions the board might ask
Purpose	Does this help us fulfil why the organisation exists?
Community	Who benefits? Who is affected? Who else needs to be heard?
Strategic fit	Does this support our strategy, or could it start reshaping our direction?
Sustainability	What will this mean for our finances, reserves, capacity and long-term sustainability?
People and capacity	Do we have the people, skills and time to do this well?
Risk and opportunity	What could happen if we proceed? What could happen if we don't?
Governance responsibilities	Is this consistent with our constitution, policies and legal duties?
Cultural integrity	Have we considered Cultural authority, protocols, relationships and responsibilities appropriately?

Policies, documents, and resources that support effective and ethical governance

Good policies support **Ethics**

Board governance

- Board charter
- Code of conduct
- Conflicts of interest policy and register
- Delegations
- Board calendar / annual work plan

People and relationships

- Staff and volunteer policies
- Complaints and grievance processes
- Cultural safety protocols
- Community / stakeholder engagement approaches

Money and resources

- Financial delegations
- Procurement policy
- Reserves policy
- Investment policy
- Funding agreements and acquittal requirements

Risk and accountability

- Risk register
- Risk management policy
- Insurance
- WHS policies
- Privacy and data policies

Cultural practice

- Cultural protocols
- Indigenous Cultural and Intellectual Property approaches
- Artist agreements and commissioning processes
- Copyright and intellectual property policies

Does your organisation have these policies? If not, find templates at https://www.communitydirectors.com.au/tools-resources/policy-bank

Red Sands: 12 months later

The organisation has kept moving. The board needs to think ahead too.

A year on...

Red Sands has continued to grow. Two long-serving directors have indicated they will finish at the next AGM.

Several younger Community members have expressed interest in getting involved, but say they do not really understand what being on the board involves or how to prepare for the role.

The AGM is six months away.

What should the board be doing now?

Rather than waiting until the AGM?

What would help future directors step into the role with confidence?

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Where not-for-profits go for help

Board renewal is ongoing governance

Succession is more than filling an empty seat.

Look ahead

Know when terms are ending, where gaps may emerge and what the board will need next.

Create pathways

Help interested Community members learn about governance before asking them to nominate.

Share knowledge

Plan handovers, induction and mentoring so organisational knowledge is not lost.

Balance renewal + continuity

Bring in new perspectives while keeping enough experience and relationships around the table.

A strong board does not just govern today. It helps prepare the organisation and its future leaders for tomorrow.

Good governance in practice

A few ideas to take back to your board.

Clear roles

Know where responsibility and authority sit, and when different people need to be involved.

Good information

Know what you need to know, ask questions and seek more information when you need it.

Good decisions

Use purpose, strategy, finances, risk, Community and Culture to guide judgement.

Collective responsibility

Discuss well, decide together and stay accountable to the organisation and Community.

Different roles. Shared responsibility. One purpose.

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Where not-for-profits go for help

Top 10 tips for new ACCO board members

Looking after your organisation, staying connected to Community and making good decisions together

1. **Remember who you're there for**
   Keep purpose and Community at the centre.
2. **Know your role**
   Govern and oversee; let staff manage operations.
3. **Ask questions**
   You don't need all the answers.
4. **Know your legal duties**
   Understand the rule book and your responsibilities.
5. **Declare conflicts early**
   Be open about family and Community connections.
6. **Understand the money**
   Bank balance doesn't equal spare cash.
7. **Listen to Community**
   Respect cultural authority and board boundaries.
8. **Speak up, then stand together**
   Debate respectfully; support collective decisions.
9. **Think beyond today**
   Consider strategy, risks and sustainability.
10. **Keep learning**
    Prepare, participate and seek advice.

You don't have to know everything. Turn up, pay attention, ask questions and act in the organisation's best interests.

Time management for board members 101

- Ask for information early
- Use your calendar wisely
- Think twice before volunteering for additional responsibilities
- Keep your board papers organised
- Do the work before the meeting
- Keep on top of emails

Building confidence

- You have been elected or appointed to the board because of the skills, understanding, expertise and/or experience you bring.
- No-one expects you to know everything straight away and no-one expects you to be an expert in everything ever.
- Know your own strengths and limits.
- It’s your right and responsibility to request more information or more time to consider a decision if you don’t feel comfortable making it.
- You won’t make everyone happy all the time. That’s normal and ok.

Reflections
&
next steps

In-house training - Feedback



https://www.surveymonkey.com/r/2026in-house