

2024



Supply Nation

Annual
Report



Acknowledgement of Country

Supply Nation acknowledges the Traditional Owners of Country throughout Australia, from where we live, work and visit.

We acknowledge the continuing connection of Aboriginal and Torres Strait Islander peoples to land, sky, waters and Community, and pay our respects to Elders, past and present.

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Co-Chair message

We welcome Supply Nation's Annual Report for 2023-24.

Supply Nation is registered with the Australian Charities and Not-for-profit Commission (ACNC) and has a unique role in supporting and growing Indigenous-owned businesses through the promotion of supplier diversity and procurement.

Supply Nation's Board currently has eight members, with two Co-Chairs, drawn from wide professional backgrounds. The Board is committed to seeing the organisation, and the suppliers and members it works with, succeed and grow.

In 2023-24, the Board underwent several changes, with three new Board members appointed; Scott Wharton stepping down as Co-Chair but remaining a Director; and Penny Bingham-Hall being appointed to the Co-Chair role. Long serving Director and Co-Chair, Michelle Deshong, retired from the Board at the end of the year to pursue other interests.

Anne Templeman-Jones, Damien Barnes and Aaron Fa'Aoso joined the Board, bringing diverse skills and a wealth of experience. Damien was subsequently appointed Co-Chair after Michelle's retirement from the Board. We also appointed a new Chief Executive Officer, Kate Russell. The Board has been pleased to see experienced professionals with diverse backgrounds join Supply Nation giving it additional capability to tackle new challenges and better service the Indigenous business sector.

In collaboration with the CEO and Leadership Team, the Board developed a new strategic plan that builds on our achievements in the past 15 years, and ensures Supply Nation remains fit for purpose now, for the future growth of the sector, and adequately meets the demands of an ever-changing and complex business environment.

The Board also decided to honour our longest serving member and Co-Founder Michael McLeod as he retired from his position in September 2024 to focus on his new passion – the Message Stick Foundation to support Indigenous youth. The Board voted unanimously to appoint Michael as Supply Nation's inaugural Patron.

We take this opportunity, on behalf of all Board members, to thank Supply Nation's suppliers, members, collaborators and supporters for their efforts throughout the year.

We also thank Supply Nation's CEO, Leadership Team and all employees for their outstanding achievements, some of which are documented here in the Annual Report.

To our fellow Board members, we thank you for your collegiate approach and significant time and effort throughout the year supporting the Indigenous business sector.



Penny Bingham-Hall
Co-Chair and Director
Supply Nation



Damien Barnes
Co-Chair and Director
Supply Nation

CEO message

In our 15th anniversary year, it gives me great pride to present Supply Nation's Annual Report for 2024.

It has been a tough year for many following the the Voice referendum result in late 2023, along with demanding economic conditions and cost of living pressures. Despite these challenges, we have seen Aboriginal and Torres Strait Islander-owned businesses continue to thrive.

In the 2023-24 reporting year, Supply Nation enabled \$4.6 billion in procurement spend between our members and suppliers. This exceeded an already strong figure of \$ 4.1 billion in the previous year. Member and supplier numbers continue to grow steadily, and we have implemented strategies to ensure continued high quality of service and value-add. We have surpassed 5,000 verified suppliers on our national Indigenous Business Direct database. It is pleasing to see that approximately a third of these businesses are owned or led by women.

Supporting the growth of the Indigenous economy requires a strong focus on building capability and skills capacity. Supply Nation's training programs for suppliers and members are key cornerstones of our service portfolio.

As CEO, I take great pride in Supply Nation's diverse workforce and our values that promote inclusion, equity and the highest standards of ethical behaviour. The health and well-being of our employees is paramount. During the year, we examined ways to improve our provision of safe workplaces for our employees and ongoing and practical learning and development opportunities.

Our Export Nation program, which supports Indigenous businesses looking to internationalise their operations and develop exporting opportunities, made significant progress through strong connections to First Nations organisations in New Zealand, Canada and the United States. Supply Nation has built strong national partnerships to improve our services and resources where the interconnectivity of supplier diversity and business growth will add value to all participants.

Partnerships with corporate, government and community organisations go beyond procurement spend – they create added value, capability and opportunities for the Indigenous business sector.

This year, Supply Nation embarked on an ambitious program to update key policies and practices, including our information technology, cybersecurity, financial and administrative systems. This work was undertaken to ensure the organisation can meet future challenges and support continued growth, all while maintaining strong governance and data integrity.

We commenced a Quality Assurance program in pursuit of high standards and compliance, which will be completed in the coming year.

Trade events, including our flagship Connect Legacy event in Meanjin (Brisbane) this year, required significant time and resources from our Marketing and Events Team.

These connection points consistently deliver strong commercial outcomes for the sector, with both participation and interest continuing to grow. Connect 2024 saw 4,000 attendees pass through the doors across two spectacular days, with 210 suppliers exhibiting at the Indigenous Business Tradeshow.

Supply Nation is committed to extending our services and support to Aboriginal and Torres Strait Islander businesses across Australia. We have expanded our presence by reopening offices in Brisbane, Darwin, Perth and Melbourne. Supply Nation is now based in every state and territory except Tasmania. Our regional trade fairs presented deadly businesses with diverse offerings in Melbourne, Cairns and Perth.

We increased our emphasis on media, communications and marketing; developing content that showcased success stories between our members and suppliers, and raising mainstream awareness of the contributions made by Indigenous businesses to the economy.

CEO message

Supply Nation is widely considered Australia's peak body for supplier diversity. Our strengthened research strategy enhances our role as an advocate and thought leader, providing valuable insights to inform decision-making and policy development in the sector.

Our partner organisations provide us with expertise and resources to better assist our network of suppliers. In collaboration with CommBank, we developed an Indigenous Business Education Series to help business owners navigate and access financial products and business support. Working with McKinsey & Co, our 15-year Anniversary Research Report was released during Supplier Diversity September.

Supply Nation is just as relevant now as it was 15 years ago. Aboriginal and Torres Strait Islander businesses still face numerous challenges in developing a more equitable business environment. Our priority is to continue to deliver outcomes for our members and suppliers across Australia, which result in real, long-lasting, positive impact to them and the communities they serve.



Kate Russell
Chief Executive Officer
Supply Nation



“Supply Nation is the only organisation of its type in Australia, committed to supporting the growth of Indigenous-owned businesses through supplier diversity and procurement, thereby creating opportunities for economic empowerment and positive social impact.”

– Kate Russell, Supply Nation CEO

Supporting our suppliers

Supply Nation's work to support Registered and Certified Indigenous businesses remains a core priority and is fundamental to delivering on our purpose.

You can now search from over

5,000

Aboriginal and Torres
Strait Islander businesses on
Indigenous Business Direct

The number of suppliers listed on our Indigenous Business Direct database has exceeded 5,000 and continues to grow steadily. For the 2023-24 reporting year, the Supplier Services Team completed 997 new supplier approvals, with 736 businesses completing registration status and 261 businesses becoming certified. 5,054 audits were

conducted in response to changes in business structures or other commercial activities. We focused on increasing advocacy in the Indigenous business sector by:

- developing strong partnerships and collaborations with corporate organisations to support business growth. Initiatives with Google, Accenture and Amazon will bring real value to our network.
- establishing a Community Engagement Team to build stronger relationships with suppliers and develop clear strategies to share insights and support.
- increasing our attendance at events in metropolitan and regional centres to better understand current challenges for Indigenous businesses and provide development opportunities.
- supporting local Indigenous chambers of commerce and other entities devoted to mentoring, entrepreneurship, skills development and business growth.



Exhibitors and attendees networking at our annual flagship event Connect, Brisbane



For the 2023-24 reporting year, the Supplier Services Team completed 997 new approvals for Indigenous Business Direct.

Supporting our members

The number of Supply Nation members – corporate, government and not-for-profit organisations – continued to grow throughout 2023-24 to more than 800. This is an average increase of 25% per annum and demonstrates strong, continuing support of our vision and purpose.

Supply Nation now has over



corporate, government and not-for-profit organisations committed to supplier diversity

Our members represent diverse industries including construction; energy and resources; aviation, telecommunications; retail; agribusiness; tourism and hospitality; professional services; education and training; non-profit; media and communications; transport and logistics; health and medical; financial services; and creative industries. Local, state, territory and federal government departments are also well represented, along with chambers of commerce and marketing bodies.

During the year, 108 new members joined Supply Nation from sectors including health, retail, energy, education and community services. Despite significant challenges in the business landscape, lingering impacts of the pandemic and disruptions in the global economy, our members continued to seek commercial collaboration with diverse Indigenous businesses and procurement spend remained high.

In 2023-24, \$4.6 billion of procurement spend was recorded, \$500 million higher than the previous year. A total of 284,864 contracts were awarded, with the largest valued at \$91 million.

Members with the greatest increase in procurement spend compared to 2021-22 were from the mining industry (increased from \$673 million to \$1.3 billion) and construction (increased from \$730 million to \$996 million). Other sectors with increased spend included facilities management, energy, and financial and insurance services.

Our Member Services Team prioritised the development of ongoing collaborations that leverage specific expertise within member organisations to enhance the skills and business acumen of suppliers. These included:

- our collaboration with CommBank, one of Supply Nation's founding members, which aims to build knowledge and capability of business owners in accessing capital and financial products to support business growth.
- signing a Memorandum of Understanding (MoU) with WeConnect and Social Traders to drive greater outcomes for the Indigenous economy, women-owned businesses and social enterprises across Australia.
- encouraging our members to look beyond procurement and their Reconciliation Action Plan (RAP) for meaningful engagement with Aboriginal and Torres Strait Islander businesses.



Supply Nation MoU signing with Social Traders and WECconnect International, Brisbane

You X CommBank



In 2023-24, \$4.6 billion of procurement spend was recorded, \$500 million higher than the previous year.

International programs

In 2023-24, Supply Nation continued to strengthen its support for Aboriginal and Torres Strait Islander businesses wishing to internationalise, identifying opportunities for export and facilitating access to global supply chains and overseas markets.

The International Programs Team prioritised the development of strong partnerships and information sharing with First Nations businesses and organisations from Canada, the United States and New Zealand, including:

- a partnership agreement with Amotai, the leading supplier diversity organisation for Māori and Pasifika businesses, which was agreed and signed in 2023.
- hosting international delegations from New Zealand and the United States to our Connect 2023 event held on Gadigal Land in Sydney.

A trade mission in October 2023 to the United States succeeded in developing unique perspectives on how Supply Nation could add value to broader endeavours and commercial partnerships between First Nations businesses.

Supply Nation delegates attended the National Minority Supplier Development Council (NMSDC) Conference in Baltimore, during which we signed a Memorandum of Understanding (MoU) with NMSDC.

The Australia-United States First Nations Trade Roundtable was held in the Australian Embassy in Washington resulting in bilateral commitments to foster First Nations trade. This was confirmed in a joint statement released by Australian Prime Minister, The Hon Anthony Albanese MP and United States President Joe Biden.

The visit also provided the opportunity to make an official visit to the Choctaw Nation in Oklahoma and meet several tribally-owned businesses. A Letter of Intent agreeing to pursue further cooperation with the Choctaw Nation was signed.

The October 2023 Asia-Pacific Cities Summit held in Brisbane, provided an opportunity for official

representation by Supply Nation to extend contacts and relationships with organisations looking to engage with Australian Indigenous-owned businesses.

Supply Nation supported the Australian British Chamber of Commerce to deliver a series of seminars on Indigenous procurement to their members across the country.

Our team coordinated collaboration and content between the Department of Foreign Affairs and Trade and the Australian Trade and Investment Commission (Austrade) to launch the first-ever report highlighting international Indigenous business success, *First Nations businesses succeeding internationally*. The report highlighted the significant contributions being made by Aboriginal and Torres Strait Islander businesses involved in exporting and international trade and tourism.

Austrade sponsored Supply Nation's Indigenous Exporter of the Year at the 2023 and 2024 Supplier Diversity Awards. This award showcases the entrepreneurship, innovation and business excellence of the Indigenous business sector in international markets.

We formalised partnerships with the Export Council of Australia and Austrade to strengthen our ability to assist Indigenous businesses to understand the journey to international markets.



The International Delegation Lounge at our annual flagship event Connect, Sydney



Supply Nation prioritises the development of strong partnerships and information sharing with First Nations businesses and international organisations.

Legacy: 15-year Anniversary Research Report

In 2024, Supply Nation proudly celebrated 15 years of support to Aboriginal and Torres Strait Islander-owned businesses and growing the Indigenous business sector.

The Legacy report analyses the contribution Supply Nation has made to the growth and achievements of supplier diversity in Australia. It provides a view on 'where to from here?' for Indigenous procurement through analysis of broader global and business trends.

In 2008, a submission was made to the House of Representatives Standing Committee on Aboriginal and Torres Strait Islander Affairs – Inquiry into Developing Indigenous Enterprises. The submission recommended that a supplier diversity initiative based on a United States model be established in Australia. In 2009, the Australian Indigenous Minority Supplier Council (AIMSC), later known as Supply Nation, was established.

In its first year of operation, Supply Nation facilitated \$300,000 of procurement spend with 13 Indigenous businesses. The Indigenous Business Direct database now lists more than 5,000 verified Indigenous businesses, and in 2023 procurement spend from members (corporate, government, non-profit organisations) totalled \$4.6 billion.

Key findings included:

- between 2009 to 2023, Supply Nation facilitated more than \$20 billion in procurement spend between corporate, government and not-for-profit members and verified Indigenous businesses.
- between 2009 and 2024, the number of Indigenous suppliers grew at 41% per annum.
- between 2009 and 2024, the number of members grew at 25% per annum.



Partnerships and projects

This page outlines some of the key projects and partnerships that Supply Nation has undertaken in the last year to drive growth and capability in the Indigenous economy.

CommBank	In January 2024, Supply Nation and the Commonwealth Bank announced a new initiative – the Indigenous Business Education Series – to support Aboriginal and Torres Strait Islander businesses with practical commercial insights that increases efficient access to capital and business support services to grow their operations.
McKinsey & Company	Supply Nation worked with McKinsey & Company on <i>Legacy – Supply Nation’s 15-year Anniversary Report</i> . This report looked at the growth of the sector during the last 15 years and the trends that could affect the business landscape in the next decade.
University of Queensland (UQ)	In collaboration with UQ, Supply Nation undertook research to understand the contours and patterns of the Indigenous business sector. <i>The geographies of Indigenous business in Australia: An analysis of scale, industry and remoteness</i> report not only looked at the number of businesses, but where and how they operate, and how this affects their social and economic outcomes.
Australian National University (ANU)	ANU concluded a three-year study into understanding what drives Indigenous business, and factors that support sustainable business with Indigenous-friendly workplace environments. This was in partnership with the National Indigenous Australians Agency (NIAA), Indigenous Business Australia (IBA) and Supply Nation. The published <i>Research and Policy Brief No. 3, Indigenous employment in the Indigenous business sector</i> , examined why Indigenous-owned businesses hire a much larger proportion of Indigenous employees compared to non-Indigenous-owned businesses.
Department of Foreign Affairs and Trade (DFAT) and the Australian Trade and Investment Commission (Austrade)	Supply Nation collaborated with DFAT and Austrade on a landmark report, <i>First Nations businesses succeeding internationally</i> , examining the experiences of Aboriginal and Torres Strait Islander businesses involved in exporting.
Sector research	Supply Nation published the Research Report, <i>State of Indigenous Business: An analysis of procurement spending patterns with Indigenous businesses 2023-2024</i> . The sixth in this series, the Report provides valuable insights into the current state of the sector, highlighting the significant contribution of supplier diversity to the growth and success of the Indigenous business sector.

Australian Indigenous Minority Supplier Office Limited (trading as "Supply Nation")

ABN 50 134 720 362

General Purpose Financial Report

For the year ended 30 June 2024

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2024

	Note	2024 \$	2023 \$
REVENUE AND OTHER INCOME			
Government grants		2,698,804	2,273,625
Event income		1,387,780	32,853
Membership income		6,908,387	6,113,848
Other income	4	1,254,968	662,175
Service fee income		166,079	246,324
TOTAL REVENUE AND OTHER INCOME		12,416,018	9,328,825
EXPENSES			
Personnel expenses	5	(6,424,878)	(5,202,912)
Equipment expense		(70,857)	(51,043)
Event management expense		(2,320,724)	(74,504)
Marketing expense		(617,656)	(429,820)
Travel expense		(706,588)	(230,817)
Depreciation expense		(301,279)	(285,506)
Administration expense		(771,573)	(660,010)
Accounting and audit fees		(127,169)	(124,725)
Other professional fees		(48,259)	(204,910)
Information technology costs		(593,998)	(378,772)
Program delivery expense		(254,526)	(268,862)
PROFIT FROM OPERATIONS		178,511	1,416,944
Net finance income		807,904	128,894
PROFIT BEFORE INCOME TAX		986,415	1,545,838
Income tax expense		-	-
PROFIT FOR THE YEAR		986,415	1,545,838
Other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME		986,415	1,545,838

Statement of Financial Position

As at 30 June 2024

	Note	2024 \$	2023 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	5,378,378	9,010,258
Prepayments		867,943	1,257,961
Other receivables	7	183,490	168,060
Accrued revenue		12,438	6,755
Other financial assets		3,109,405	-
TOTAL CURRENT ASSETS		9,551,654	10,443,034
NON-CURRENT ASSETS			
Property, plant and equipment	8	63,661	54,950
Investments - financial assets	9	4,483,850	2,023,728
Right-of-use asset	8	126,737	302,785
TOTAL NON-CURRENT ASSETS		4,674,248	2,381,463
TOTAL ASSETS		14,225,902	12,824,497
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	898,585	795,701
Goods and services tax payable		88,211	76,800
Employee benefits	11	316,447	337,420
Deferred income	12	4,153,962	3,610,568
Lease liabilities	13	136,070	277,273
TOTAL CURRENT LIABILITIES		5,593,275	5,097,762
NON-CURRENT LIABILITIES			
Employee benefits	11	62,011	72,916
Lease liabilities	13	30,963	100,581
TOTAL NON-CURRENT LIABILITIES		92,974	173,497
TOTAL LIABILITIES		5,686,249	5,271,259
NET ASSETS		8,539,653	7,553,238
EQUITY			
Retained surplus		8,539,653	7,553,238
TOTAL EQUITY		8,539,653	7,553,238



Independent Auditor's Report

To the Directors of Australian Indigenous Minority Supplier Office Limited

Opinion

We have audited the **Financial Report** of *Australian Indigenous Minority Supplier Office Limited (the Company)*.

In our opinion, the accompanying Financial Report of *Australian Indigenous Minority Supplier Office Limited* as at and for the year ended 30 June 2024, is prepared, in all material respects, in accordance with *Division 60 of the Australian Charities and Not-for-Profits Commission (ACNC) Act 2012, including:*

- Giving a true and fair view of the Company's financial position as at 30 June 2024, and of its financial performance for the year ended on that date; and
- Complying with *Australian Accounting Standards- Simplified Disclosures Framework and Division 60 of the Australian Charities and Not-for-profits Commissions Regulations 2013*.

The **Financial Report:**

- Statement of financial position as at 30 June 2024
- Statement of profit or loss and other comprehensive income, Statement of changes in equity, and Statement of cash flows for the year then ended
- Notes, including material accounting policies
- Directors' Declaration.



Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Company in accordance with the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the *Financial Report* in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Other Information

Other Information is financial and non-financial information in Australian Indigenous Minority Supplier Office Limited's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

The Other information we obtained prior to the date of this Auditor's Report was the Director's Report. Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- the preparation and fair presentation of the Financial Report in accordance with Australian Accounting Standards- Simplified Disclosures Framework and the ACNC.
- the preparation and fair presentation of the Financial Report in accordance with *Section 24(2) of the Charitable Fundraising (NSW) Act 1991 and Regulations* and with *Section 15(1) and 15(2) of the WA Charitable Collections Act 1946 and Regulations*.
- implementing necessary internal control to enable the preparation of [Financial Statements that are/a Financial Report that is free from material misstatement, whether due to fraud or error
- assessing the Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.



Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole are free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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 Report.

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

Opinion pursuant to the Charitable Fundraising Act (NSW) 1991

In our opinion:

- i. The Financial Report gives a true and fair view of the Company's financial result of fundraising appeal activities for the financial year ended 30 June 2024;
- ii. The Financial Report has been properly drawn up, and the associated records have been properly kept for the period from 1 July 2023 to 30 June 2024, in accordance with the Charitable Fundraising Act (NSW) 1991 and Regulations;
- iii. Money received as a result of fundraising appeal activities conducted during the period from 1 July 2023 to 30 June 2024 has been properly accounted for and applied in accordance with the Charitable Fundraising Act (NSW) 1991 and Regulations; and
- iv. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due

KPMG

Warwick Shanks
Partner
Sydney
20 December 2024



Supply Nation