banyan house

Annual Report 2017-2018

The Forster Foundation for Drug Rehabilitation Incorporated.
Trading as Banyan House

Phone: (08) 8942 7400
Fax: (08) 8947 1093
Email: admin@banyanhouse.org.au
Web: www.banyanhouse.org.au

16 Beaton Road, Berrimah, NT 0828
PO Box 312 Berrimah NT 0829

ABN 22 212 785 773

Acknowledgements

The Forster Foundation would like to acknowledge the Australian Government Department of Health for their financial support under the Non-Government Organisation Treatment Grants Program and the Substance Misuse Service Delivery Grant; as well as the Northern Territory Government Department of Health for their financial support under the Alcohol and Other Drugs Residential Rehabilitation Project.

We also wish to acknowledge the invaluable input from individual Board Members and specifically all the staff of Banyan House for their dedication and hard work towards providing the services and delivering the various programs to our residents.

Banyan House

Our Vision

To lead the way in rehabilitation - developing emotionally strong, healthy individuals, families and communities free from the effects of substance misuse.

Our Mission

To understand and reduce the harm to people, families and communities caused by substance misuse and any co-occurring mental health disorders.

Our Values

Community
: Encompassing collaboration, participation and fellowship with others.

Respect
: Prejudice free consideration of the rights, values and beliefs of all people.

Transparency
: Openness in relation to the decisions affecting others and any limitations on such decisions.

Self-Improvement
: To be the best we can be.

Contents:

Forster Foundation Board Members 2016-17 5
Staff Members 2016-17 6
Chair's Report 7
CEO's Report 8
Clinical Services 9
Business/HR Manager's Report 13
Audited Financials 14

Forster Foundation Board Members 2016-17

Chairperson	A/Prof Robert Parker
Deputy Chairperson	Jennifer Upton
Treasurer	Sarah Brightwell
Secretary	Simon Moss
Public Officer	Peter Boyce
Ordinary Board Member	Dr Philip Ventry
Ordinary Board Member	Ms Ekaterina Katras
Ordinary Board Member	Vacant

Staff Members 2016-17

Chief Executive Officer	Philip Blunt (Chris Franck Resigned January 2018)
Clinical Services Manager	Leon Gailitis
Finance Manager (position made redundant)	Clem Barratt (Until June 2018)
Business/HR Manager	Trudy Allpike
Administration	Karyn Britza
Book Keeping	Book Keeping Services NT Pty Ltd
Therapeutic Community Case Manager	Neil Gray
Therapeutic Community Case Manager	Daniel Pate
Therapeutic Community Case Manager	Codie Steen (Tiffany Blake until June 2018)
Intake and Assessment Officer	Rose Dos Reis
Therapeutic Community Support Worker	Candice Gompelman
Therapeutic Community Support Worker	Dorian Goodall
Therapeutic Community Support Worker	Mark Roberts
Therapeutic Community Support Worker Nights part time	Ian Briggs
Therapeutic Community Support Worker Nights part time	Domi Kabangu
Casual Therapeutic Community Support Worker	Yolanda Nkabinde
Casual Therapeutic Community Support Worker	Donna Radatti
Casual Therapeutic Community Support Worker	Sandy Greenoff
Casual Therapeutic Community Support Worker	Michael Aldenhoven

Chair's Report

It is my pleasure to welcome you to the Forster Foundation Annual Report for 2018.

The Foundation has been progressing very well with its therapeutic and organisational agenda under Phil Blunt, his executive team and the dedicated clinicians who assist the residents with their rehabilitation.
Occupancy rates have reflected this success despite evolving challenges such as the No Smoking Policy developed for the Foundation.

I and the Foundation have been very well supported by the Board over 2018. I wish to pay particular tribute to Sarah Brightwell and Simon Moss who have significantly contributed to the Board but will be finishing their service at this AGM.

Otherwise, I wish again to pay tribute to the Foundation executive team, clinicians and residents who make such an important contribution to the ongoing success of Banyan House as a vital and resilient resource for effective rehabilitation for individuals suffering from the heavy burden of substance abuse and dependence. I wish the Foundation every continuing success for 2019.

Kind Regards

A/Prof Rob Parker

Chairperson

CEO's Report

It is my great pleasure to welcome you to the Forster Foundation for Drug Rehabilitation Inc. Annual Report.

This year has seen some tremendous results at Banyan House along with some challenges.
My appointment came about in March 2018 with the resignation for Chris Franck, who took on a new role in Queensland. Leon Gailitis was appointed by Chris to the Clinical Service Manages position in November 2017. Prior to this the position had been vacant for some time. Leon has been working with the staff to ensure a contemporary Therapeutic Community model is employed throughout the resident program. Trudy Allpike has been appointed the Business/HR Manager, bringing her wealth of experience to the organization.

One week after my arrival we were greeted by Cyclone Marcus. The staff and residents put the cyclone procedure in place and waited out the cyclone. Soon after Marcus passed I was able to visit Banyan House and found the residents and staff out working to clean up the damage. Being new to Banyan House, I was overwhelmed by how hard the residents and staff worked to have the house back to normal.
Most of the damage was to our fence from fallen trees along with damaged shade sails, the buildings were relatively untouched. Working with one of the local hire company's we had a Generator onsite, our electrician dropped everything to connect Banyan House and had us up and running within 24 hours. This powered the whole of Banyan House until the power was restored.

Immediately after the cyclone I met with the Health Department and secured funding to repair roofing, install a generator and upgrade the resident's rooms.

January 2018, accreditation was obtained with IHCA Quality Management System – ISO 9001:2015, continuing our commitment to quality systems at Banyan House.
We also saw accreditation through IHCA for accreditation to the Therapeutic Communities/Residential Rehabilitation Service Standards.

There are always challenges for Banyan House. These challengers are met and overcome by our very talented and dedicated staff, who are focused on the very best outcomes for the residents. I would like to thank the staff for tireless efforts in assisting our residents on their wellness journey.

Finally, I would like to thank the Board for the support they have given supporting the team at Banyan House

Philip Blunt
CEO

Clinical Services

During this financial year the clinical program has undergone some significant challenges and changes.

- Mid reporting period we saw a number of key clinical personnel resign from Banyan House. We took the opportunity to restructure the clinical staff, resulting in a relatively stable team.
- We have transitioned to become a non-smoking facility, which has both improved the health of our residents, but has had a limiting effect on total number of referrals.
- The program has also re-aligned more strongly with Therapeutic Community principles by embedding the residents into our processes such as interviewing staff, program development and offering behavioral feedback to peers. We also now have two Banyan House past residents employed on the staff team.
- We no longer have a 12 week limit to the program. Resident's progress through the phases of the program based upon meeting individual program goals and expectations. These are assessed by the resident themselves, their peers and the staff team. This provides a more holistic view of the individual and their place in the community, encouraging change as the primary goal as opposed to time.

Linkages and partnerships have been a feature of the year with agreements now in place with Tristar medical group for a visiting GP service and Windana drug and alcohol recovery Inc. for a staff exchange program to commence in 2019. We maintain links with YWCA, who provide swimming and boot camp for our residents. Strengthening ties with Alcoholics Anonymous and Narcotics Anonymous who provide regular guest speakers. Narcotics Anonymous have been providing guest speaker presentations via Skype, which allows them to include speakers from across Australia and even the USA, which has been warmly received by our residents. Banyan House are also active in AOD policy discussions and ongoing research projects.

A program highlight for the year was the involvement of four of our residents with the SECRETS dance company. Our residents acted as advisors to the dancers to help them create a powerful and realistic portrayal of a life of methamphetamine use performed to NT high school students.

Our programs included:

- Facilitated work skills programs
- Aftercare Program following SMART Recovery principles
- Co-managed Residential AOD Withdrawal
- Integrated Therapy for comorbid mental illness
- On-site counselling and facilitated access to external counselling/psychology services
- Group Therapy and psych educational groups
- Visiting GP service
- Clinical Assessments
- Family inclusive practice with family support
- Legal and Court Reports
- Relapse prevention program
- Yoga
- Boot Camp/ Swimming

The high number of people presenting with methamphetamine as the principle drug of choice is a major concern. Clinically, these residents require extended withdrawal, are more likely to have experienced symptoms of a mental illness, and have medical issues that require attention. To adapt the TC program for this change, we are adopting the Matrix program. This is an evidence-based program for methamphetamine treatment.

We continued to offer the SMART Program as part of our aftercare. This is also open to the general public meeting at the CDU, Darwin Waterfront. Five of our staff members trained as facilitators this year and the meetings operate on Thursday evenings.

We have had a contracted on-site counsellor who has been able to provide additional support for clients beyond the TC program, improving our ability to manage residents with more complex presentations. We have also used the counselling/psychology services at Catholic Care, Amity Community Services, Danila Dilba Strong Steps and Wise Mind psychology to enhance our ability to respond to mental health concerns. In the first half of the year we were fortunate enough to have Masters Social work and Psychology students on placement, which will recommence in 2019.

Data Summary:

This year we have had 289 closed episodes of treatment including assessment only episodes. The source of our referrals has been:

- 119 self-referrals
- 91 through lawyers/ corrective services
- 46 other Health/Community services
- 26 from family or other loved ones
- 3 from other agencies.

The high proportion, in comparison to other services, of referrals from lawyers/corrections, does present us with challenges to maintaining a positive recovery culture. The staff do a remarkable job of encouraging a positive culture when the balance is skewed.

Our most common age group to present to our service are 25-29y.o, closely followed by the 30-34 age group.

As can be seen from the data table below, our total numbers of closed episodes has been lower than the previous financial year potentially due to three main factors:

1. Staffing challenges early in the financial year
2. The implementation of a no tobacco policy
3. A new policy was introduced - not to assess clients who do not meet our admission criteria at referral. (Rather than assessing all clients that are referred. This avoids the misallocation of resources and clients do not have to tell their whole story to a stranger, as admission will not proceed).

	2016/17	2016/17 %	**2017/18**	**2017/18 %**
Closed Episodes of Care	367		**289**	
Treatment Types				
Assessment Only	233		**176**	
Rehabilitation	104		**89**	
Withdrawal Management	28		**24**	
Other	2		**0**	
Assessment to treatment ratio		45%		**51%**
Demographics				
Male	248		**202**	
Female	119		**87**	
Other	0		**0**	

Aboriginal/Torres Strait Islander	136	37%	**110**	**38%**
Principle Drug of Concern				
Methamphetamine	158	43%	**139**	**48%**
Alcohol	97	26%	**79**	**27%**
Cannabis	94	26%	**57**	**20%**
Opioids	14	3%	**10**	**3%**
Benzodiazepines	2	<1%	**2**	**<1%**
Other	2	<1%	**2**	**<1%**

It has been a privilege to work with such a dedicated team in an organization with integrity and the respect of the Northern Territory community. Working with people actively working at positive change for themselves and their loved ones is an honour for which I am always grateful.

Leon Gailitis
Clinical Services Manager

Business/HR Manager's Report

We have seen a busy year and have made some significant changes to the systems and processes at Banyan House.

At the beginning of 2018 we implemented the online version of MYOB and appointed Book Keeping Services NT Pty Ltd.

We have been working through our Quality Management program (LOGIQC) to update the systems in place at Banyan House.

CentreLink have worked with us, we can now access residents CentreLink information online. The outreach officer is also attending onsite fortnightly, reducing the number of off site visits required by resident, easing the resident's journey.

Trudy Allpike
Business/HR Manager

Audited Financials

THE FORSTER FOUNDATION FOR DRUG REHABILITATION INCORPORATED

General Purpose Financial Statements

ABN 22 212 785 773

Financial Report - 30 June 2018

The Forster Foundation for Drug Rehabilitation Incorporated

ABN: 22 212 785 773

General Purpose Financial Report For The Year Ended

30 June 2018

The Forster Foundation for Drug Rehabilitation Incorporated

ABN: 22 212 785 773

General Purpose Financial Report For The Year Ended 30 June 2018

CONTENTS **Page**

Management Committee Report	1
Auditor's Independence Declaration	2
Statement of Profit or Loss and Other Comprehensive Income	3
Statement of Financial Position	4
Statement of Changes in Equity	5
Statement of Cash Flows	6
Notes to the Financial Report	7
Declaration by Members of the Management Committee	18
Independent Auditor's Report	19

The Forster Foundation for Drug Rehabilitation Incorporated

ABN: 22 212 785 773

FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

MANAGEMENT COMMITTEE REPORT

Your Committee Members submit the financial report of the Forster Foundation for Drug Rehabilitation Incorporated for the financial year ended 30 June 2018.

Management Committee Members

The names of Management Committee Members throughout the year and at the date of this report are:

A/Prof Robert Parker	Chairperson
Ms Jen Upton	Deputy Chairperson
Ms Sarah Brightwell	Treasurer
Mr Peter Boyce	Public Officer
Prof Simon Moss	Secretary
Dr Philip Ventry	Ordinary Board
Ms Ekaterina Katras	Ordinary Board

Management Committee Members have been in office since the start of the financial year to the date of this report unless otherwise stated.

Objectives

The objective of the Foundation is to provide treatment for people recovering from alcohol and drug addiction.

Strategy for achieving the objectives

The foundation's clinical practice has been subject to similar continuous improvement since inception. The Foundations' Management Committee and staff are committed to good clinical and corporate governance and practice, all focused on assisting client's effective progress through recovery.

Principal Activities

During the financial year the principal continuing activities of the Foundation were providing treatment for people recovering from drug and alcohol addiction.

Significant Changes

No significant change in the nature of these activities occurred during the year.

Operating Result

The operating loss for the year ending 30 June 2018 amounted to \$ (158,030). For the 2017 financial year, the Association reported an operating loss of \$ (29,694).

After Balance Date Events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results of those operations, or the state of affairs of the Association in future financial years.

R. P.

A/Prof Robert Parker

E. Katras

~~*Ms Sarah Brightwell*~~ Ekaterine Katras

Dated this 28th day of November 2018

Nexia
Edwards Marshall NT

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 60-40 OF THE AUSTRALIAN CHARTITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012

TO THE MEMBERS OF THE FORSTER FOUNDATION FOR DRUG REHABILITATION INCORPORATED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2018 there have been:

(i) No contraventions of the auditor independence requirements as set out in *Section 60-40* of the *Australian Charities Not-for-profits Commission Act 2012*, in relation to the audit, and

(ii) No contraventions of any applicable code of professional conduct in relation to the audit.

Nexia Edwards Marshall NT

Nexia Edwards Marshall NT
Chartered Accountants

Noel Clifford

Noel Clifford
Partner

Dated: 29 November 2018

Level 2
62 Cavenagh Street
Darwin NT 0800
GPO Box 3770
Darwin NT 0801
p +61 8 8981 5585
f +61 8 8981 5586
w nexiaemnt.com.au

The FORSTER FOUNDATION FOR DRUG REHABILITATION INCORPORATED
ABN: 22 212 785 773
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018	2017
		$	$
Income	2	1,638,254	1,721,498
Total Income		1,638,254	1,721,498
Expenses			
Employment expenses	3a	1,154,913	1,168,987
Accounting fee		39,180	
Insurance expenses		55,263	51,695
Vehicle expenses		43,460	41,839
General office expenses	3b	81,767	60,010
Repair and maintenance expense		76,808	67,677
Resident expense		87,528	114,170
Depreciation expense		101,343	103,826
Amortisation intangibles expense		21,822	12,026
Utitlities expense		72,417	80,018
ICT expense		38,292	50,900
Consultany expense		23,491	44
Total Expenditure		1,796,284	1,751,192
Net Operating Loss		**(158,030)**	**(29,694)**
		-	
Total Loss Attributable to Members of the Entity		**(158,030)**	**(29,694)**
Other Comprehensive Income			
Items that will not be reclassified subsequently tp profit or loss :			
Gain on revlauation of property		**-**	**639,460**
Total Other Comprehensive Income for the year		**-**	**639,460**
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO MEMBERS OF THE ENTITY		**(158,030)**	**609,766**

The accompanying notes form part of these financial statements.

THE FORSTER FOUNDATION FOR DRUG REHABILITATION INCORPORATED
ABN: 22 212 785 773
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018

	Note	2018	2017
		$	$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	1,454,410	1,244,650
Trade receivables and other debtors	5	25,293	107,341
Other current assets	6	22,462	4,812
TOTAL CURRENT ASSETS		**1,502,165**	**1,356,803**
NON-CURRENT ASSETS			
Financial assets			
Property, plant and equipment	7	4,464,777	4,566,120
Intangible assets	8	20,326	35,549
TOTAL NON-CURRENT ASSETS		**4,485,103**	**4,601,669**
TOTAL ASSETS		**5,987,268**	**5,958,472**
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	310,370	84,432
Employee provisions	10	18,943	46,423
TOTAL CURRENT LIABILITIES		**329,313**	**130,855**
NON-CURRENT LIABILITIES			
Employee provisions	10	-	11,632
TOTAL NON-CURRENT LIABILITIES		**-**	**11,632**
TOTAL LIABILITIES		**329,313**	**142,487**
NET ASSETS		**5,657,955**	**5,815,985**
MEMBER'S FUNDS			
Retained surplus		5,018,495	5,176,525
Revaluation reserve	11	639,460	639,460
MEMBERS' FUNDS		**5,657,955**	**5,815,985**

The accompanying notes form part of these financial statements.

THE FORSTER FOUNDATION FOR DRUG REHABILITATION INCORPORATED
ABN: 22 212 785 773
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2018

	Note	Retained Surplus	Revaluation Reserve	Total Members' Funds
		$	$	$
Balance at 1 July 2016		5,206,219	-	5,206,219
Comprehensive income :				
Loss for the year attributable to members of the entity		(29,694)	-	(29,694)
Other comprehensive income for the year		-	639,460	639,460
Total comprehensive income attributable to members of the entity		(29,694)	639,460	609,766
Transfer from (to) Reserves	11	-	-	-
Balance at 30 June 2017		5,176,525	639,460	5,815,985
Balance at 1 July 2017		5,176,525	639,460	5,815,985
Comprehensive income :				
Loss for the year attributable to members of the entity		(158,030)	-	**(158,030)**
Other comprehensive income for the year		-	-	-
Total comprehensive income attributable to members of the entity		(158,030)	-	(158,030)
Transfer from (to) Reserves	11	-	-	-
Balance at 30 June 2018		5,018,495	639,460	5,657,955

The accompanying notes form part of these financial statements.

THE FORSTER FOUNDATION FOR DRUG REHABILITATION INCORPORATED
ABN: 22 212 785 773
STATEMENT OF CASH FLOWS FOR YEAR ENDED 30 JUNE 2018

	Note	2018 $	2017 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from grants		326,999	178,606
Receipts from customers		239,142	177,485
Payments to suppliers and employees		(364,652)	(277,354)
Interest received		14,871	20,979
Net cash provided operating activities	15	216,360	99,716
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		-	-
Purchase of property, plant and equipment		-	(78,614)
Purchase of intangible assets		(6,600)	(25,498)
Net cash (used in) investing activities		(6,600)	(104,112)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net cash provided by/(used in) financing activities		-	-
Net (decrease) in cash held		209,760	(4,396)
Cash on hand at beginning of financial year		1,244,650	1,249,046
Cash on hand at end of financial year	4	1,454,410	1,244,650

The accompanying notes form part of these financial statements.

The financial statements cover The Forster Foundation For Drug Rehabilitation as an individual entity, incorporated and domiciled in the Northern Territory, Australia. The Forster Foundation For Drug Rehabilitation Incorporated operates pursuant to the Associations Act Northern Territory and Australian Charities and Not-for-Profits Commission (ACNC) Act 2012.

The financial statements were authorised for issue on__________ November 2018 by the Management Committee Members.

Note 1 Summary of Significant Accounting Policies

Basis of Preparation

The Forster Foundation For Drug Rehabilitation applies Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: *Application of Tiers of Australian Accounting Standards*.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB), the Northern Territory Associations and *ACNC Act 2012*. The Corporation is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

(a) Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Div. 50 of the *Income Tax Assessment Act 1997*.

(b) Inventories on hand

Inventories held for sale are measured at the lower of cost and net realisable value. Costs are assigned on the basis of weighted average costs.

Inventories acquired at no cost or for nominal consideration are measured at the current replacement cost as at the date of acquisition.
The Association held no inventories as at 30 June 2018 (2017 : Nil)

(c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated, less, where applicable, accumulated depreciation and impairment losses.

Prescribed Assets
Prescribed Assets are assets purchased by Association funding from government grants.

Freehold Property
Land and buildings are shown at their fair value based on periodic valuations by external independent valuers, less subsequent depreciation for buildings.

Increases in the carrying amount arising on revaluation of Land and Buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in profit or loss.

Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Freehold Land and Buildings that have been contributed at no cost, or for nominal cost, are initially recognised and measured at the fair value of the asset at the date it is acquired.

Property Improvements
Property improvements are measured on the cost basis less accumulated depreciation and any impairment losses.

Plant and equipment
Plant and equipment are measured on the cost basis less depreciation and any impairment losses.

The carrying amount of property, plant and equipment is reviewed annually by Committee Members, to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount, is assessed on the basis, of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

In the event the carrying amount of property plant and equipment is greater than the recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1 (f) for details of impairment).

Note 1 Summary of Significant Accounting Policies (Cont.)

(c) Property, Plant and Equipment (Cont.)

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is available for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Buildings	2- 5%
Plant and equipment	15-30%
Motor vehicles	20-40%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing net proceeds with the carrying amount. These gains and losses are recognised in profit or loss when the item is derecognised. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

(d) Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the Association, are classified as finance leases.

Finance leases are capitalised by recognising an asset and a liability at the lower of the amount equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(e) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Corporation commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted). Financial instruments are initially measured at fair value plus transactions costs except where instrument is classified 'at fair value through profit or loss' in which case transaction cost are recognised immediately as expenses in profit or loss.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the *effective interest method*.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

(i) Financial assets at fair value through profit or loss

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

Note 1 Summary of Significant Accounting Policies (Cont.)

(e) Financial Instruments (Cont.)

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Association's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iv) Available-for-sale investments

Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any remeasurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are not expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

(v) Financial Liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

At the end of each reporting period, the Association assesses whether there is objective that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence or impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s),

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified into profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the Association recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability, which is extinguished or transferred to another party, and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(f) Impairment of Non Financial Assets

At the end of each reporting period, the entity assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an individual asset, the Association estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued asset is identified, this is debited against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives

THE FORSTER FOUNDATION FOR DRUG REHABILITATION INCORPORATED
ABN: 22 212 785 773
NOTES TO THE FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2018

Note 1 Summary of Significant Accounting Policies (Cont.)

(g) Employee Provisions

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee provisions have been measured at the amounts expected to be paid when liability is settled.

Contributions are made by the Association to employees' superannuation funds and are charged as an expense when incurred.

Short-term employee benefits

Provision is made for the Association's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Association's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

The Association classifies employees' long service leave and annual leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the Association's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefits expense.

The Association's obligations for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the Association does not have an unconditional right to defer settlement for at least twelve months after the reporting date, in which case the obligations are presented as current liabilities.

The Association, based on past experience regarding levels of service reached by employees, records long service leave entitlements once an employee reaches 5 years of service with the Association.

Retirement benefit obligations

Defined contribution superannuation benefits

All employees of the Association receive defined contribution superannuation entitlements, for which the Association pays the fixed superannuation guarantee contribution (currently 9.5% of the employee's ordinary average salary) to the employee's superannuation fund of choice. All contributions in respect of employees' defined contribution entitlements are recognised as an expense when they become payable. The Association's obligation with respect to employees' defined contribution entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the Association's statement of financial position.

(h) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(i) Trade Receivables and Other Debtors

Trade receivables and other debtors include amounts due from customers for goods and services performed in the ordinary course of business and from Members as well as amounts receivable from donors. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

(j) Revenue and Other Income

Non-reciprocal grant revenue is recognised profit or loss when the Association obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the Association and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the Association incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

The Association receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss and other comprehensive income.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the rendering of a service and the sale of goods is recognised upon the delivery of the service to the customers.

All revenue is stated net of the amount of goods and services tax.

Note 1 Summary of Significant Accounting Policies (Cont.)

(k) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(l) Intangibles

Software is initially recognised at cost. It has a finite life and is carried at cost less any accumulated amortisation and impairment losses. Software has an estimated useful life of between one and three years. It is assessed annually for impairment.

(m) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Where the Association retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period is presented in addition to the minimum comparative financial statements.

(n) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Association during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(o) Provisions

Provisions are recognised when the Association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(p) Critical Accounting Estimates and Judgements

The Committee evaluates estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Association.

Key Estimates

(i) Impairment - General

The Association assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the Association that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

(q) Economic dependence

The Association is dependent on Commonwealth and NT Government grants for the majority of its revenue to operate its programs and business. At the date of this report, the Committee Members have no reason to believe that the above governments will not continue to support the Association. The operations and future success of the Association is dependent upon the continued support and funding by the government bodies, its members and donors and the achievement of operating surpluses and positive operating cash flows.

(r) Fair Value of Assets and Liabilities

The Association measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable accounting standard.

Fair value' is the price the Association would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transactions between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability). In the absence of such a market, market information is extracted from the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (if any) may be valued, where there is no observable market price in relation to the transfer of such financial instrument, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and where significant, are detailed in the respective note to the financial statements.

Note 1 Summary of Significant Accounting Policies (Cont.)

(s) New and amended Accounting Standards

The Association has assessed all new and amended accounting standards issued and effective for financial reporting periods beginning on or after 1 Jauary 2017, and determine there to be no effect on the current or prior period financial statements.

	Note	2018 $	2017 $
Note 2 Revenue and Other Income			
Revenue			
— Grant income		1,466,289	1,503,203
— Residential income		150,673	178,606
— Interest earnt		18,151	20,979
— Other income		3,141	18,710
Total Revenue		1,638,254	1,721,498
Note 3 Expenses			
a. Employment Expenses			
— Salaries and wages		1,027,580	1,021,746
— Superannuation		93,687	94,192
— Other staffing expenses		33,646	53,049
Total of Employment Expenses		1,154,913	1,168,987
b. Other Expenses			
— Memberships and subscription		3,945	3,701
— Postage , printing and stationery		15,175	10,589
— Accredition & QMS		18,139	6,806
— Adverstsing and marrketing		11,501	12,776
— Security expense		3,743	910
— Travel and accommodation expense		4,208	787
— Other expenses		25,056	24,441
		81,767	60,010
Note 4 Cash and Cash Equivalents			
Cash on hand		214	189
Cash at bank		789,289	590,638
Term deposits		664,907	653,823
Total Cash and Bank	17	1,454,410	1,244,650

Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

	Note	2018 $	2017 $
Cash and Cash equivalents		1,454,410	1,244,650
Note 5 Trade Receivables and Other Debtors			
Current			
Trade Debtors		22,013	107,341
Less provision for impairment of doubtful debts		-	-
Total receivables		22,013	107,341
Other Receivables			
Accrued interest		3,280	-
Total Trade Debtors and Other Receivables	17	**25,293**	**107,341**

The Association's normal credit term is 30 days.

The Association writes off a trade receivable when there is available information that the debtor is in severe financial difficulty and there is no realistic likelihood of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier. None of the trade receivables that have been written off is subject to enforcement activities.

	2018 $	2017 $
Note 6 Other Current Assets		
Current		
Prepayments	22,462	4,812
Total Other Current Assets	**22,462**	**4,812**
Note 7 Property, Plant and Equipment		
Land		
— At independent revaluation 2017	750,000	750,000
	750,000	750,000
Buildings		
— At independent revaluation 2017	3,730,000	3,730,000
Less accumulated depreciation	(79,014)	-
Total: Buildings	**3,650,986**	**3,730,000**
Total Land and Buildings	**4,400,986**	**4,480,000**
Fixtures and Fittings		
— At cost	75,320	75,320
Less accumulated depreciation	(26,691)	(7,861)
Total Fixtures and Fittings	**48,629**	**67,459**
Motor vehicles		
— At cost	88,114	88,114
Less accumulated depreciation	(72,952)	(69,453)
Total Motor Vehicles	**15,162**	**18,661**
Total Property, Plant and Equipment	**4,464,777**	**4,566,120**

The property revaluation was conducted by Mr Anthony J West FAPI, Certified Practising Valuer, of Colliers International on 13 September 2017. The valuer in conducting the valuation adopted fair value as the valuation basis. Fair value being defined as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date."

Movements in carrying amounts :

Movement in carrying amounts for each class of property, plant and equipment between the beginning and the end of the current

	Land $	Buildings $	Furniture and Fittings $	Motor Vehicle $	Total
Balance at 1 July 2017	750,000	3,730,000	67,459	18,661	4,566,120
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Depreciation expense	-	(79,014)	(18,830)	(3,499)	(101,343)
Balance at 30 June 2018	750,000	3,650,986	48,629	15,162	4,464,777

Note 8 Intangible Assets

	2018 $	2017 $
Intangible assets : software - at cost	65,474	58,875
Less: Accumulated amortisation	(45,148)	(23,326)
Total Intangible Assets	20,326	35,549

Movements in carrying amounts :

Balance at 1 July 2017	35,549
Additions	6,599
Disposals	-
Amortisation expense	(21,822)
Balance at 30 June 2018	20,326

	Note	2018 $	2017 $
Note 9 Trade and Other Payables			
Trade payables		10,471	2,781
Credit Cards liabilities		2,684	3,235
Accrued expenses		56,133	51,712
Other liabilities		39,361	(4,674)
Net BAS and PAYG payable		12,041	18,024
Unexpended grants	16	189,680	13,354
Total Trade and Other Payables	9 (a)	**310,370**	**84,432**

(a) Financial liabilities at amortised cost are classified as trade and other payables :

	Note	2018 $	2017 $
Trade and other payables:			
— Total Current		310,370	84,432
— Total Non Current		-	-
Total trade and other payables		310,370	84,432
Less Unexpended Grants		(189,680)	(13,354)
Financial liabilities as trade and other payables	17	120,690	71,078

Note 10 Employee Provisions

	2018 $	2017 $
CURRENT		
Employee provisions - Annual leave	18,943	46,423
	18,943	**46,423**
NON -CURRENT		
Employee provisions - LSL entitlement	-	11,632
	-	11,632
Total Employee Provisions	**18,943**	**58,055**

Analysis of total provisions:	2018 $
Opening balance at 1 July 2017	58,055
Additional provisions raised during the year	-
Amounts used during the year (net)	(39,112)
Balance at 30 June 2018	18,943

Employee Provisions - Annual Leave Entitlements

The provision for employee benefits includes amounts accrued for annual leave. Based on past experience, the Association does not expect the full amount of annual leave to be settled within the next 12 months. However ,the amount must be classified as a current liability because the Association does not have an unconditional right to defer the settlement of the amount in the event employees wish to use their leave entitlements.

Note 11 Reserves - Asset Revaluation Surplus

	2018 $	2017 $
Movements in the asset revaluation reserve :		
Opening balance at 1 July 2017	639,460	-
Decrement - Buildings	-	(110,540)
Increment - Land	-	750,000
Balance at 30 June 2018	639,460	639,460

The revaluation surplus records the revaluation of non-current assets. Where revaluations are deemed to represent profits of a permanent nature.

Note 12 Contingent Liabilities

The Committee Members are not aware of any contingent liabilities as at 30 June 2018 (2017:$Nil).

Note 13 Events after the Reporting Period

The Management Committee Members are not aware of any significant events since the end of the reporting period. (2017:$Nil)

Note 14 Capital and Leasing Commitments

The Management Committee Members are not aware of any significant capital and or leasing commitments since the end of the reporting period. (2017:$Nil)

Note 15 Cash Flow Information

	2018 $	2017 $
Reconciliation of Cash Flow from Operating Activities		
Current year Loss attributable to Members of the entity	(158,030)	(29,694)
Non-cash flows in current year surplus:		
— Depreciation & amortisation expense	123,165	115,852
Changes in assets and liabilities		
— (Increase)/decrease in accounts receivable	82,048	(19,831)
— (Increase)/decrease in other current assets	(17,650)	255
— Increase/(decrease) in accounts payable and other payables	225,938	3,074
— Increase/(decrease) in employee provisions	(39,112)	13,584
— Increase/(decrease) in other liabilities	-	16,476
Total Operating Cash Flows	**216,359**	**99,716**

Note 16 Grants in Advance

	2018 $	2017 $
Grants in advance		
Department of Health	88,000	13,354
Northern Territory Correctional	101,680	-
	189,680	13,354

Note 17 Financial Risk Management

The Association's financial instruments consist mainly of deposits with banks accounts, receivables and payables.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2018 $	2017 $
Financial Assets :			
Cash and Cash Equivalents	4	1,454,410	1,244,650
Trade Debtors and Other Receivables	5	25,293	107,341
Total Financial Assets		1,479,703	1,351,991
Financial Liabilities :			
Trade and Other Payables	9	120,690	71,078
Total Financial Liabilities		120,690	71,078

Refer to Note 18 for detailed disclosure regarding the fair value measurements of the Association's financial assets.

Note 18 Fair Value Measurements

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the statement of financial position.

	Note	2018 $ Carrying Amount	2018 $ Fair Value	2017 $ Carrying Amount	2017 $ Fair Value
Financial Assets :					
Cash and Cash Equivalents	4,17	1,454,410	1,454,410	1,244,650	1,244,650
Trade Debtors and Other Receivables	5,17	25,293	25,293	107,341	107,341
Total Financial Assets		1,479,703	1,479,703	1,351,991	1,351,991
Financial Liabilities :					
Trade and Other Payables	9,17	120,690	120,690	71,078	71,078
Total Financial Liabilities		120,690	120,690	71,078	71,078

Cash on hand, trade debtors and other receivables, and trade and other payables are short-term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables exclude amounts provided for annual leave, which is outside the scope of AASB 139.

A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:
(a) in the principal market for the asset or liability; or
(b) in the absence of a principal market, in the most advantageous market for the asset or liability.

	Note	2018 $ Carrying Amount	2018 $ Fair Value	2017 $ Carrying Amount	2017 $ Fair Value
Non Financial Assets :					
Freehold Land (i)		750,000	750,000	750,000	750,000
Buildings (i)		3,650,986	3,650,986	3,730,000	3,730,000
Total Non Financial Assets		3,650,986	3,650,986	3,730,000	3,730,000

(i) For freehold land and buildings, the fair values are based on an external independent valuation performed in the previous year, which used comparable market data for similar properties.

Note 19 Key Management Remuneration

	2018 $	2017 $
The totals of remuneration paid to KMP of the Association :		
Short-term employee benefits	358,075	310,053
Post-term employment benefits	30,294	23,995
Total	388,369	334,048

Note 20 Other Related Party Transactions

Other related parties include close family members of ley management personnel and entities that are controlled or jointly controlled by those key management personnel or individual or collectively with their close family members.

Transactions between related parties are on commercial terms and conditions no more favourable than those available to other parties

There were no other related party transactions in 2018 (2017 : $Nil).

Note 21 Association Details

The registered office and principal place of business of the Association is:
16 Beaton Road, Berrimah NT 0828.
Telephone number: 08 89427400.

THE FORSTER FOUNDATION FOR DRUG REHABILITATION INCORPORATED
ABN: 22 212 785 773
DECLARATION BY MANAGEMENT COMMITTEE MEMBERS
FOR THE YEAR ENDED 30 JUNE 2018

The Management Committee Members of the registered entry declare that, in the Committee Members' opinion :

1. The financial statements and notes, as set out on pages 3 to 17 are in accordance with the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the Northern Territory Associations Act and:

a. comply with Australian Accounting Standards - Reduced Disclosure Requirements; and

b. give a true and fair view of the financial position of the registered entity as at 30 June 2018 and of its' performance for the year ended on that date.

2. There are reasonable grounds to believe that the registered entity will be able to pay its debts as and when they become due and payable

This declaration is signed in accordance with subs 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

(A/PROF ROB PARKER - CHAIR FF)

Dated 27/11/18.

Peter Boyce Public Officer Board Member

Dated 27/11/18.

Nexia
Edwards Marshall NT

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE FORSTER FOUNDATION FOR DRUG REHABILITATION INCORPORATED

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of the Forster Foundation for Drug Rehabilitation Incorporated ("the Foundation"), which comprises the statement of financial position as at 30 June 2018, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Committee Members' declaration.

In our opinion the accompanying financial report of the Forster Foundation for Drug Rehabilitation Incorporated, is in accordance with the requirements of *Division 60* of the *Australian Charities and Not-for-profits Commission Act* and the *Associations Act (NT)*, including:

(a) Giving a true and fair view of the Foundation's financial position as at 30 June 2018 and of its financial performance for the year then ended; and
(b) Complying with Australian Accounting Standards to the extent described in Note 1 and *Division 60* of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

We have obtained all the information and explanations required from the Foundation.

Proper accounting records and other records have been kept by the Foundation as required by the *Associations Act NT.*

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Foundation in accordance with the auditor independence requirements of the Australian Charities and Not-for-profits Commission Act and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other Matter

The financial report of the Foundation for the year ended 30 June 2017, was audited by another auditor who expressed an unmodified opinion on that report on 31 October 2017.

Committee Members' responsibility for the financial report

The Committee Members of the Foundation are responsible for the preparation of the financial report that gives a true and fair view – in accordance with Australian Accounting Standards to the extent described in Note 1 to the financial report and the *Associations Act (NT)* and the *Australian Charities and Not-for-profits Commission Act 2012* and is appropriate to meet the needs of the members. The Committee Members are also responsible for such internal control as the Committee Members determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee Members are responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee Members either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Level 2
62 Cavenagh Street
Darwin NT 0800
GPO Box 3770
Darwin NT 0801
p +61 8 8981 5585
f +61 8 8981 5586
w nexiaemnt.com.au

Nexia
Edwards Marshall NT

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE FORSTER FOUNDATION FOR DRUG REHABILITATION INCORPORATED

REPORT ON THE AUDIT OF THE FINANCIAL REPORT (CONT.)

Auditor's responsibility for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material
- misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by those charged with governance.
- Conclude on the appropriateness of the Committee Members' 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 Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Nexia Edwards Marshall NT

Nexia Edwards Marshall NT
Chartered Accountants

Noel Clifford

Noel Clifford
Partner
Dated: 29 November 2018

Level 2
62 Cavenagh Street
Darwin NT 0800
GPO Box 3770
Darwin NT 0801
p +61 8 8981 5585
f +61 8 8981 5586
w nexiaemnt.com.au