



banyan house

Annual Report 2019 - 2020



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 2019 - 2020	5
Staff Members 2019 - 2020	6
Chair's Report	7
CEO's Report	8
The Therapeutic Community	11
Program.....	11
Intake and Assessment.....	13
Audited Financials	15

Forster Foundation Board Members 2019 - 2020

Chairperson	Associate Professor Robert Parker
Deputy Chairperson	Vacant
Treasurer	Ms. Jyoti Vemuri
Secretary	Ms. Jennifer McCulloch
Public Officer	Mr. Peter Boyce
Ordinary Board Member	Ms Marybeth Pereira
Ordinary Board Member	Ms. Ekaterina Katras
Ordinary Board Member	Mr Andrew Harris

Staff Members 2019 - 2020

Chief Executive Officer	Philip Blunt
Business/HR Manager (resigned)	Trudy Allpike
Program Manager	Rose Dos Reis
Intake and Assessment Manager	Dorian Goodall
QIP & Compliance	Karyn Britza
TC Admin Coordinator	Joeanne Alvite
Admin Officer - Part time	Krystle Sanders
Book Keeping	Book Keeping Services NT Pty Ltd
Therapeutic Community Key Worker	Daniel Pate
Therapeutic Community Key Worker	Yolanda Chirema
Therapeutic Community Key Worker	Domi Kabangu
Therapeutic Community Key Worker	Michael Pulu
Therapeutic Community Support Worker - Part time	Ian Briggs
Therapeutic Community Support Worker - Part time	Emmanuel Badidike
Therapeutic Community Support Worker -Part time	John Mulbah

Chair's Report

Along with our fellow Australians, 2020 has proved to be a challenging year for the Foundation in managing its normal business in the context of the COVID 19 epidemic. It is significant tribute to the management, staff and clients of Banyan House that the Foundation's activities and success with rehabilitation have been relatively unaffected by the COVID situation.

I wish again to pay tribute to Phil Blunt and his leadership team who have managed to create an enthusiastic environment within Banyan House to provide the essential ongoing rehabilitation service to individuals significantly impaired by substance abuse within the therapeutic community structure.

I would also like to welcome the new Board members, Marybeth Pereira and Andrew Harris along with the existing Board members who have supported me so well in the governance of the Foundation.

I would also like to thank Trudy Allpike who left the Foundation this year. Trudy played an important role in assisting the Foundation through a tough transition period and I wish her well in her future endeavours.

Myself and other members of the Forster Foundation Board look forward to keeping Banyan House on track for a further successful year in 2021.

Kind Regards

Associate Professor Rob Parker
Forster Foundation Board Chair

CEO's Report

It is my great pleasure to welcome you to the Forster Foundation for Drug Rehabilitation Inc. Annual Report. The past 12 months have seen many challenges and successes at Banyan House, with COVID-19, taking all of us by surprise Banyan House had to work towards a new normal.

Staffing

We have seen a couple of changes over the past twelve months. The most notable was Rose Dos Reis and Dorian Goodall taking the management positions for the Therapeutic Community. With their combined skills, we have seen the Therapeutic Community continue to improve, with a focused program and an improved intake and assessment process. Trudy Allpike left the Foundation to take up opportunities elsewhere, we wish her all the best in her new endeavours.

The staff at Banyan House are an extremely dedicated professional team. They continue working with every resident to ensure their best outcome.

COVID-19 and Banyan House

We have all seen the world around us change due to this pandemic. Banyan House staff and residents were affected.

The first steps were to keep everyone safe and informed on a daily basis.

Banyan House followed the government's guidelines and closed the facility to interstate intakes. Local residents had to have a clearance from their GP to come into the program.

Residents were only allowed two visitors at any one time, with reducing the visiting hours. All visitors needed to be screened and wash their hands before entering.

Social distancing was adhered to. Residents were offered video calls to their family and friends where possible. Phone calls were as normal.

All outings were postponed. All gyms and swimming pools were closed, we engaged a local fitness instructor to come to Banyan House to work with the residents three times a week.

Staff were asked to consider their movements outside work, to make sure they kept safe. Any of the team that had any health concerns were offered to work from home.

One of our biggest struggles during this time was the purchase of food, supermarkets had limited the number of items you could purchase at any one time, and were no longer delivering. We overcame this by making multiple shopping trips to different locations.

As the restrictions eased we have seen Banyan House move back to normal operation, but with social distancing and screening visitors before they can move into the community.

Banyan House is now accepting clients from interstate, following government instructions, with those coming from hotspots having to go into quarantine at Howard Springs for the two weeks at their own expense.

Training and development

Staff have been invited to work with the staff and residents at Windana, a Therapeutic Community in Victoria for a week at a time. We successfully applied through the NT PHN for funding to allow the staff to take up this opportunity. Two staff attend Windana before COVID. Now we are waiting to see when Victoria will be a safe place to travel to before continuing the visits.

Staff are encouraged to improve their skills by taking up relevant training. Our association – AADANT - is working closely with staff to assist with education in this sector by coordinating training opportunities

Visits

During the past 12 months we have had visits from:

Our Patron, Her Honour the Honourable Vicki O'Halloran AM, Administrator of the Northern Territory contacted Banyan House via phone during the shutdown and offered her support;

Hon Eva Lawler (Member for Drysdale); Venndale staff from Katherine; NAAJA; AOD NT Department of Health; AADANT; the Commonwealth Department of Health and visits from other AOD and associated services.

Upgrades and improvements

We have continued working to improve the facilities and make Banyan House a comfortable place for people that have entered our rehabilitation program and a place for the staff to enjoy coming to work.

We have replaced the lounges in Banyan Hall and continued to upgrade rooms as needed. We have replaced commercial refrigeration in the kitchen.

The staff hub has had an upgrade with new furniture, some renovations including painting – this was funded by a Minor Community Grant.

The phone system has been an issue for some time. We needed to complete the contract that was in place. We now have a phone system that can work with any provider and a new service provider. This was also funded by a Minor Community Grant.

A grant from Biz Secure allowed us to upgrade our CCTV system – this has also allow us to add additional cameras for better coverage of our property.

The staff sleep over room was upgraded with new curtains, new mattress, carpet tiles, a TV and walls painted.

Quality Improvement and Accreditation

Banyan House is now accredited with QIP (Quality Innovation Performance) to the QIC Health and Community Services Standards, 7th Edition. This was a great outcome and was led by Karyn Britza. Congratulations to all staff on gaining this accreditation and a special thanks to Karyn for her guidance and leadership.

There are always challenges for Banyan House. These challenges are met and

Annual Report 9

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 their ongoing support they have given to the team at Banyan House.

Philip Blunt
CEO

The Therapeutic Community Program

During this financial year the clinical program has undergone some significant challenges and improvements during the Covid19 restrictions.

- We have rearranged the program, as per staffs' observation and residents' feedback, i.e. moving the more intense programs such as education sessions to mornings and provide a different variety of program, external and internal.
- We have established relationships with the following external services who are continuing to provide their support in our program:
 - Hollie from NT Swim School (water aerobics)
 - Klem Hedenig. (Group supervision with staff. Klem has also ran a few workshops with the residents)
 - We've replaced "Crash Course Music" program with Adam Drake from Balance Choice program facilitating sessions on Fridays. (Motivational team building activities)
- We have started a draft for Day program to clients who are unable to commit to residential program. We have had the opportunity to review and update our clinical/ program processes, such as:
 - After hours – policy updated to protect staffs
 - Phase Movement progression, Graduation, Stand-down policy
 - We have implemented the 2-week commitment to the program.
 - Providing feedback forms to the residents.
 - Residents participated with Emergency response drill, which was held in August 2020.

We have continued our relationship with CDU, and In August 2020, a Master student psychologist completed his placement, and was substituted by another Master student psychologist in September 2020, who has been able to provide additional support for clients beyond the Therapeutic Community program, improving our ability to manage residents with more complex presentations. Including facilitating weekly CBT educational sessions.

Strengthening ties with Alcoholics Anonymous who provides 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

Our programs included:

- Facilitated work skills programs
- Co-managed Residential AOD Withdrawal



banyan house

- Integrated Therapy for comorbid mental illness
- On-site counselling and facilitated access to external counselling/psychology services
- Group Therapy, including gender specific group 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/ Water Aerobics
- Art Therapy

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 Therapeutic Community model for this change, we continue to adopt the Matrix program. This is an evidence-based program for methamphetamine treatment.

Banyan House are also active in AOD policy discussions and ongoing research projects.

We continue to offer past residents who had successfully completed the program, to engage with Banyan House once a week as part of aftercare.

Rose Dos Reis
Program Manager

Intake and Assessment

This year we have had 322 closed episodes of treatment including assessment only episodes. The source of our referrals has been:

- 115 self-referrals
- 146 through Lawyers/Corrections
- 17 from family and friends
- 44 from other services (GP/Psychologists/Mental Health services, other residential AOD services).

The high proportion of referrals from Lawyers/Corrections, in comparison to other services, does present us with some challenges to maintaining a positive recovery culture. The staff do a remarkable job of teaching and encouraging the standards and values of the Therapeutic Community at all times.

The table below shows the years intake and assessment data. Methamphetamine continues to present as the primary drug of concern followed by Alcohol.

	2018/19	2018/19 %	2019/20	2019/20 %
Closed Episodes of Care	342		322	
Treatment Types				
Assessment Only	217		215	
Rehabilitation	110		88	
Withdrawal Management	20		14	
Other	6		5	
Demographics				
Male	239		248	
Female	103		74	
Other	0			
Aboriginal/Torres Strait Islander	130	38%	139	43%
Principle Drug of Concern				
Methamphetamine	185	54%	178	55%
Alcohol	85	25%	93	28%
Cannabis	62	18%	47	14%

Opioids	0	0%	0	0%
Benzodiazepines	2	<1%	1	<1%
Other	6	2%	3	<1%

COVID-19 provided challenges earlier in the year, however these challenges were met with flexibility to our usual processes. All assessments were completed over the phone for a period of time, which provided a small barrier to building professional relationships with those involved in the intake and assessment process. Once given permission, face to face assessments recommenced, including the Intake and Assessment Manager visiting Darwin Correctional Centre to complete assessments in person.

Banyan House continue to take referrals and admissions from interstate and the COVID-19 pandemic saw many inquiries from interstate. Interstate clients reported COVID-19 preventing them from accessing local services as many services were not taking admissions or had long bed waitlists. Much planning and contingency goes into the admission of those from interstate and is a process that provides positive outcomes for those that are willing to travel for their recovery.

It has been a privilege to work with such a dedicated team in an organization with the respect of the Northern Territory community. Working with individuals, their families and their support networks to provide those affected by substance misuse with support and guidance to establishing a positive lifestyle and hope for recovery is a privilege I am always grateful for.

Dorian Goodall
Intake and Assessment Manager

Audited Financials

THE FORSTER FOUNDATION FOR DRUG
REHABILITATION INCORPORATED

General Purpose Financial Statements

ABN 22 212 785 773

Financial Report - 30 June 2020

Forster Foundation for Drug Rehabilitation Incorporated

Financial Statements

For the Year Ended 30 June 2020

Forster Foundation for Drug Rehabilitation Incorporated

Contents

For the Year Ended 30 June 2020

	Page
Financial Statements	
Committee's Report	1
Auditor's Independence Declaration under Section 60-40 of the Charities and Not-for-profits Commission Act 2012	3
Statement of Profit or Loss and Other Comprehensive Income	4
Statement of Financial Position	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Notes to the Financial Statements	8
Committee's Declaration	20
Independent Audit Report	21
Income and Expenditure Statement	23

Forster Foundation for Drug Rehabilitation Incorporated

Committee's Report

30 June 2020

The members present their report on Forster Foundation for Drug Rehabilitation Incorporated for the financial year ended 30 June 2020.

Management Committee Members

The names of the management committee members in office at any time during, or since the end of the year are:

Names	Position	Appointed/Resigned
A/Prof Robert Parker	Chairperson	Member for full year
Ms Jyoti Venuri	Treasurer	Member for full year
Mr Peter Boyce	Public Officer	Member for full year
Ms Jen McCulloch	Secretary	Member for full year
Ms Ekaterina Katras	Ordinary member	Member for full year
Ms Marybeth Pereira	Ordinary member	Appointed November 2019
Mr Andrew Harris	Ordinary member	Appointed November 2019

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 assist in educating the public of the dangers relating to substance misuse, and to provide services aimed at the reduction in the severity and incidence of such problems in the community.

Principal activities

The principal activities of the Foundation during the financial year were:

- to establish funds and staff and maintain specialised establishments dedicated to the care and treatment of persons with a substance addiction, and to restore such people to normal activity within the community;
- to provide counselling and support services to persons affected by substance misuse;
- to liaise with and assist other authorities, working in the same general field, to educate the public of the dangers relating to substance abuse;
- to carry out research of an epidemiological or clinical nature aimed at determining the incidence and severity within the community of disability related to substance misuse, and to continually monitor and improve the effectiveness of services provided by the Foundation;
- to liaise with other authorities, notably those in the fields of health, the judiciary, law enforcement and corrective services, to gain additional epidemiological and other relevant information, and to use such information to improve the effectiveness of services; and
- to carry out any other activity seen by the Foundation to be consistent with its general aim and value in reducing the severity and incidence of problems related to substance misuse.

Significant changes

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

Forster Foundation for Drug Rehabilitation Incorporated

Committee's Report

30 June 2020

Operating results and review of operations for the year

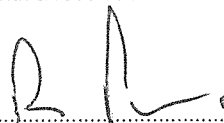
Operating result


The profit of the Foundation for the financial year after amounted to \$ 24,862(2019: \$ (119,652)).

Events after the reporting date

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

Signed in accordance with a resolution of the Members of the Committee:

Committee member: 
A/Prof Robert Parker

Committee member: 
Ms Jyoti Venuri

Dated this 20th day of October 2020



Tel: 08 8941 1460
Fax: 08 8941 1450
Email: admin@tdhnt.com.au

212/12 Salonika St
Parap NT 0820

GPO Box 4587
Darwin NT 0801

Auditor's Independence Declaration under Section 60-40 of the Charities and Not-for-profits Commission Act 2012 to the Committee of Forster Foundation for Drug Rehabilitation Incorporated

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2020, there have been:

- (i) no contraventions of the auditor independence requirements as set out in section 60-40 of the *Australia Charities and 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.

A handwritten signature in black ink, appearing to read 'Adam Dohnt', is written over a light blue horizontal line.

Adam Dohnt (FCA)

Registered Company Auditor

Darwin

29 October 2020

Forster Foundation for Drug Rehabilitation Incorporated

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2020

		2020	2019
	Note	\$	\$
Revenue		161,158	149,065
Finance income		12,209	17,541
Other income	4	1,801,086	1,892,134
Employee benefits expense		(1,323,235)	(1,334,559)
Depreciation and amortisation expense		(47,425)	(182,645)
Other expenses		(575,611)	(661,188)
Lease expenses	9	(3,321)	-
Profit/(loss) for the year		24,862	(119,652)
Other comprehensive income			
Total comprehensive income/(loss) for the year		24,862	(119,652)

The Foundation has initially applied AASB 15, AASB 16 and AASB 1058 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 111, AASB 117, AASB 118, AASB 1004 and related interpretations.

The accompanying notes form part of these financial statements.

Forster Foundation for Drug Rehabilitation Incorporated

Statement of Financial Position

As At 30 June 2020

	Note	2020 \$	2019 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	1,308,448	1,715,874
Trade and other receivables	6	55,036	9,552
Other assets	7	51,947	17,771
TOTAL CURRENT ASSETS		1,415,431	1,743,197
NON-CURRENT ASSETS			
Property, plant and equipment	8	4,434,767	4,391,931
Right-of-use assets	9	55,537	-
TOTAL NON-CURRENT ASSETS		4,490,304	4,391,931
TOTAL ASSETS		5,905,735	6,135,128
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	80,212	106,156
Borrowings	11	-	24,251
Lease liabilities	9	36,653	-
Employee benefits	12	119,604	76,396
Other financial liabilities	13	35,374	380,994
TOTAL CURRENT LIABILITIES		271,843	587,797
NON-CURRENT LIABILITIES			
Lease liabilities	9	20,528	-
Employee benefits	12	15,032	9,026
TOTAL NON-CURRENT LIABILITIES		35,560	9,026
TOTAL LIABILITIES		307,403	596,823
NET ASSETS		5,598,332	5,538,305
EQUITY			
Reserves		676,166	639,460
Retained earnings		4,922,166	4,898,845
TOTAL EQUITY		5,598,332	5,538,305

The Foundation has initially applied AASB 15 and AASB16, ASB 1058 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 111, AASB 117, AASB 118, AASB 1004 and related interpretations.

The accompanying notes form part of these financial statements.

Forster Foundation for Drug Rehabilitation Incorporated

Statement of Changes in Equity

For the Year Ended 30 June 2020

2020

	Retained Earnings	Asset Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 July 2019	4,898,845	639,460	5,538,305
Restatement due to adoption of AASB 16	(1,541)	-	(1,541)
Balance at 1 July 2019 restated	4,897,304	639,460	5,536,764
Profit for the year	24,862	-	24,862
Revaluation increment (decrement)	-	(61,000)	(61,000)
Other movement	-	97,706	97,706
Balance at 30 June 2020	4,922,166	676,166	5,598,332

2019

	Retained Earnings	Asset Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 July 2018	5,018,497	639,460	5,657,957
Loss for the year	(119,652)	-	(119,652)
Balance at 30 June 2019	4,898,845	639,460	5,538,305

The Foundation has initially applied AASB 15, AASB 16 and AASB 1058 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 111, AASB 117, AASB 118, AASB 1004 and related interpretations.

The accompanying notes form part of these financial statements.

Forster Foundation for Drug Rehabilitation Incorporated

Statement of Cash Flows
For the Year Ended 30 June 2020

	2020	2019
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	182,439	171,446
Payments to suppliers and employees	(1,899,188)	(1,865,742)
Interest received	13,242	17,586
Finance costs	(3,321)	-
Receipt from grants	1,351,944	2,005,827
Net cash provided by/(used in) operating activities	16 <u>(354,884)</u>	<u>329,117</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of plant and equipment	909	21,818
Purchase of property, plant and equipment	(15,981)	(89,472)
Net cash provided by/(used in) investing activities	<u>(15,072)</u>	<u>(67,654)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payment of lease liabilities	(37,470)	-
Net cash provided by/(used in) financing activities	<u>(37,470)</u>	-
Net increase/(decrease) in cash and cash equivalents held	(407,426)	261,463
Cash and cash equivalents at beginning of year	1,715,874	1,454,411
Cash and cash equivalents at end of financial year	5 <u><u>1,308,448</u></u>	<u><u>1,715,874</u></u>

The Foundation has initially applied AASB 15, AASB 16 and AASB 1058 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 111, AASB 117, AASB 118, AASB 1004 and related interpretations.

Forster Foundation for Drug Rehabilitation Incorporated

Notes to the Financial Statements

For the Year Ended 30 June 2020

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012*.

2 Change in Accounting Policy

Revenue from Contracts with Customers - Adoption of AASB 15

The Foundation has adopted AASB 15 *Revenue from Contracts* with Customers and AASB 1058 *Income of Not-for-Profit Entities* for the first time in the current year with a date of initial application of 1 July 2019.

The Foundation has applied AASB 15 and AASB 1058 using the cumulative effect method which means the comparative information has not been restated and continues to be reported under AASB 111, AASB 118, AASB 1004 and related interpretations. All adjustments on adoption of AASB 15 and AASB 1058 have been taken to retained earnings at 1 July 2019.

The key changes to the Foundation's accounting policies and the impact on these financial statements from applying AASB 15 and AASB 1058 are described below.

Grant revenue

Under AASB 1004, most grant income was recognised as revenue on receipt. Under AASB 1058 and AASB 15, where an agreement is enforceable and contains sufficiently specific performance obligations, the revenue is either recognised over time as the work is performed or recognised at the point in time that the control of the services pass to the customer.

Having reviewed the terms and conditions of grants received by the Foundation, some of them are within the scope of AASB 1058 and others within AASB 15 which has resulted in deferral of revenue for these monies.

Leases - Adoption of AASB 16

The Foundation has adopted AASB 16 *Leases* using the modified retrospective (cumulative catch-up) method from 1 July 2019 and therefore the comparative information for the year ended 30 June 2019 has not been restated and has been prepared in accordance with AASB 117 *Leases* and associated Accounting Interpretations.

Impact of adoption of AASB 16

The impact of adopting AASB 16 is described below:

Foundation as a lessee

Under AASB 117, the Foundation assessed whether leases were operating or finance leases based on its assessment of whether the significant risks and rewards of ownership had been transferred to the Foundation or remained with the lessor. Under AASB 16, there is no differentiation between finance and operating leases for the lessee and therefore all leases which meet the definition of a lease are recognised on the statement of financial position (except for short-term leases and leases of low value assets).

The Foundation has elected to use the exception to lease accounting for short-term leases and leases of low value assets, and the lease expense relating to these leases are recognised in the statement of profit or loss on a straight line basis.

Practical expedients used on transition

Forster Foundation for Drug Rehabilitation Incorporated

Notes to the Financial Statements

For the Year Ended 30 June 2020

2 Change in Accounting Policy

Leases - Adoption of AASB 16

Impact of adoption of AASB 16

AASB 16 includes a number of practical expedients which can be used on transition, the Foundation has used the following expedients:

- contracts which had previously been assessed as not containing leases under AASB 117 were not re-assessed on transition to AASB 16;
- lease liabilities have been discounted using the Foundation's incremental borrowing rate at 1 July 2019;
- right-of-use assets at 1 July 2019 have been measured at an amount equal to the lease liability adjusted by the amount of any prepaid or accrued lease payments;
- a single discount rate was applied to all leases with similar characteristics;
- the right-of-use asset was adjusted by the existing onerous lease provision (where relevant) at 30 June 2019 rather than perform impairment testing of the right-of-use asset;
- excluded leases with an expiry date prior to 30 June 2020 from the statement of financial position and lease expenses for these leases have been recorded on a straight-line basis over the remaining term;
- used hindsight when determining the lease term if the contract contains options to extend or terminate the lease;
- for leases which were classified as finance leases under AASB 117, the carrying amount of the right-of-use asset and the lease liability at 1 July 2019 are the same value as the leased asset and liability on 30 June 2019.

Financial statement impact of adoption of AASB 16

The Foundation has recognised right-of-use assets of \$57,521 and lease liabilities of \$59,063 at 1 July 2019, for leases previously classified as operating leases.

The weighted average lessee's incremental borrowing rate applied to lease liabilities at 1 July 2019 was 5.07%.

3 Summary of Significant Accounting Policies

(a) Revenue and other income

For comparative year

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Foundation and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Forster Foundation for Drug Rehabilitation Incorporated

Notes to the Financial Statements

For the Year Ended 30 June 2020

3 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue from contracts with customers

For current year

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Foundation expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability

None of the revenue streams of the Foundation have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Grant income

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue is recognised when control of each performance obligations is satisfied.

Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract.

Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

(b) Income Tax

The Foundation is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(c) Goods and services tax (GST)

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

Receivables and payable are stated inclusive of GST.

Forster Foundation for Drug Rehabilitation Incorporated

Notes to the Financial Statements

For the Year Ended 30 June 2020

3 Summary of Significant Accounting Policies

(c) Goods and services tax (GST)

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(d) Property, plant and equipment

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

Land and buildings are measured using the revaluation model. Assets measured using the revaluation model are carried at fair value at the revaluation date less any subsequent accumulated depreciation and impairment losses. Revaluations are performed at least triennially by external independent valuers.

Plant and equipment are measured using the cost model.

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Foundation, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Buildings	2-5%
Furniture, Fixtures and Fittings	10-33%
Right-of-Use - Motor Vehicles	18.75-40%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(e) Financial instruments

Financial instruments are recognised initially on the date that the Foundation becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Foundation classifies its financial assets into the following categories, those measured at:

- amortised cost

Forster Foundation for Drug Rehabilitation Incorporated

Notes to the Financial Statements

For the Year Ended 30 June 2020

3 Summary of Significant Accounting Policies

(e) Financial instruments

Financial assets

- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)
- fair value through other comprehensive income - debt investments (FVOCI - debt)

Financial assets are not reclassified subsequent to their initial recognition unless the Foundation changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Foundation's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Fair value through other comprehensive income

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at FVTPL.

Net gains or losses, including any interest are recognised in profit or loss.

The Foundation's financial assets are measured at FVTPL in the statement of financial position.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost
- debt investments measured at FVOCI

Forster Foundation for Drug Rehabilitation Incorporated

Notes to the Financial Statements

For the Year Ended 30 June 2020

3 Summary of Significant Accounting Policies

(e) Financial instruments

Financial assets

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Foundation considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Foundation's historical experience and informed credit assessment and including forward looking information.

The Foundation uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Foundation uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Foundation in full, without recourse to the Foundation to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Foundation in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Foundation has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Foundation renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The Foundation measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Foundation comprise trade payables, bank and other loans and lease liabilities.

Forster Foundation for Drug Rehabilitation Incorporated

Notes to the Financial Statements

For the Year Ended 30 June 2020

3 Summary of Significant Accounting Policies

(f) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(g) Leases

For comparative year

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

(h) Employee benefits

Provision is made for the Foundation's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

(i) Economic dependence

Forster Foundation for Drug Rehabilitation Incorporated is dependent on the various government departments for the majority of its revenue used to operate the business. At the date of this report the directors have no reason to believe the various government departments will not continue to support Forster Foundation for Drug Rehabilitation Incorporated.

(j) New Accounting Standards and Interpretations

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Foundation has decided not to early adopt these Standards. Several other amending standards and AASB interpretations have been issued that apply to future reporting periods but are considered to have limited impact on the Association.

Forster Foundation for Drug Rehabilitation Incorporated

Notes to the Financial Statements

For the Year Ended 30 June 2020

4 Revenue and Other Income

	2020	2019
	\$	\$
Other Income		
- fees	-	150
- recoveries	-	6,870
- COVID cashflow boost	100,000	-
- other income	1,019	1,155
- donations	1,594	1,744
- grants	1,697,563	1,860,396
- net gain on disposal of property, plant and equipment	909	21,818
	<u>1,801,085</u>	<u>1,892,133</u>

5 Cash and Cash Equivalents

	2020	2019
	\$	\$
Cash on hand	4,198	132
Bank balances	612,788	1,036,485
Short-term deposits	691,462	679,257
	<u>1,308,448</u>	<u>1,715,874</u>

6 Trade and other receivables

	2020	2019
	\$	\$
CURRENT		
Trade receivables	-	9,552
Deposits	838	-
GST receivable	4,198	-
Other receivables	50,000	-
	<u>55,036</u>	<u>9,552</u>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances. The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

7 Other Assets

	2020	2019
	\$	\$
CURRENT		
Prepayments	49,746	14,537
Accrued income	2,201	3,234
	<u>51,947</u>	<u>17,771</u>

Forster Foundation for Drug Rehabilitation Incorporated

Notes to the Financial Statements

For the Year Ended 30 June 2020

8 Property, plant and equipment

	2020	2019
	\$	\$
LAND AND BUILDINGS		
Land		
At fair value	750,000	750,000
Total land	<u>750,000</u>	<u>750,000</u>
Buildings		
At fair value	3,669,000	3,730,000
Accumulated depreciation	-	(196,458)
Total buildings	<u>3,669,000</u>	<u>3,533,542</u>
Total land and buildings	<u>4,419,000</u>	<u>4,283,542</u>
PLANT AND EQUIPMENT		
Furniture, fixtures and fittings		
At cost	34,567	164,792
Accumulated depreciation	(18,800)	(56,403)
Total furniture, fixtures and fittings	<u>15,767</u>	<u>108,389</u>
Motor vehicles		
At cost	-	88,114
Accumulated depreciation	-	(88,114)
Total motor vehicles	<u>-</u>	<u>-</u>
Total plant and equipment	<u>15,767</u>	<u>108,389</u>
Total property, plant and equipment	<u><u>4,434,767</u></u>	<u><u>4,391,931</u></u>

Land, buildings and improvements were independently valued at 30 June 2020 by Colliers International and is classified as a level 2 category measurement that is based on inputs other than quoted prices in an active market that are observable for the asset. Input additional text here.

The tenure of the land is a Crown Lease in Perpetuity which commenced in January 2013 with the specified purpose for the operation of a drug treatment facility.

Forster Foundation for Drug Rehabilitation Incorporated

Notes to the Financial Statements

For the Year Ended 30 June 2020

8 Property, plant and equipment

(a) Movements in Carrying Amounts

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

	Land \$	Buildings \$	Furniture, Fixtures and Fittings \$	Total \$
Year ended 30 June 2020				
Balance at the beginning of year	750,000	3,533,542	108,389	4,391,931
Additions				
Additions	-	-	15,801	15,801
Disposals				
Disposals - written down value	-	196,458	(98,572)	97,886
Depreciation expense	-	-	(9,851)	(9,851)
Revaluation decrease				
Revaluation decrease recognised in equity	-	(61,000)	-	(61,000)
Balance at the end of the year	750,000	3,669,000	15,767	4,434,767

9 Right of use assets

	Motor Vehicles \$	Total \$
Year ended 30 June 2020		
Balance at beginning of year	57,522	57,522
Depreciation charge	(37,574)	(37,574)
Additions to right-of-use assets	35,589	35,589
Balance at end of year	55,537	55,537

10 Trade and Other Payables

	2020 \$	2019 \$
CURRENT		
Trade payables	42,563	98,175
Accrued expenses	15,246	7,981
PAYG Withholding	22,404	-
	80,213	106,156

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

Forster Foundation for Drug Rehabilitation Incorporated

Notes to the Financial Statements

For the Year Ended 30 June 2020

11 Borrowings

	2020	2019
	\$	\$
CURRENT		
Bank overdraft	-	24,251
Total current borrowings	-	24,251

12 Employee Benefits

	2020	2019
	\$	\$
Current liabilities		
Annual leave provision	119,604	76,396
	<u>119,604</u>	<u>76,396</u>
	2020	2019
	\$	\$
Non-current liabilities		
Long service leave	15,032	9,026
	<u>15,032</u>	<u>9,026</u>

13 Other Financial Liabilities

	2020	2019
	\$	\$
CURRENT		
Government grants	35,374	380,994
	<u>35,374</u>	<u>380,994</u>

14 Leasing Commitments

(a) Operating leases	2020	2019
	\$	\$
Minimum lease payments under non-cancellable operating leases:		
- not later than one year	1,920	40,132
- between one year and five years	6,240	32,392
	<u>8,160</u>	<u>72,524</u>

Operating leases are in place for the photocopier and normally have a term of 5 years.

15 Key Management Personnel Remuneration

The totals of remuneration paid to the key management personnel of Forster Foundation for Drug Rehabilitation Incorporated during the year are as follows:

Forster Foundation for Drug Rehabilitation Incorporated

Notes to the Financial Statements

For the Year Ended 30 June 2020

15 Key Management Personnel Remuneration

	2020	2019
	\$	\$
Short-term employee benefits	284,073	434,894
Post-employment benefits	25,622	40,489
	<u>309,695</u>	<u>475,383</u>

16 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2020	2019
	\$	\$
Profit for the year	24,862	(119,652)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	47,245	182,645
- net gain on disposal of property, plant and equipment	(909)	(21,818)
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(44,279)	12,507
- (increase)/decrease in other assets	-	7,925
- (increase)/decrease in prepayments	(35,209)	-
- increase/(decrease) in trade and other payables	(395,804)	201,029
- increase/(decrease) in employee benefits	49,210	66,483
Cashflows from operations	<u>(354,884)</u>	<u>329,119</u>

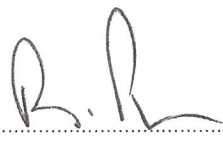
Forster Foundation for Drug Rehabilitation Incorporated

Committee's Declaration

The directors of the Foundation declare that:

1. the financial statements and notes for the year ended 30 June 2020 are in accordance with the *Northern Territory Association's Act 2003* and the *Australian Charities and Not-for-profit Commission Regulation 2013* and:
 - a. comply with Accounting Standards - Reduced Disclosure Requirements; and
 - b. give a true and fair view of the financial position and performance of the Foundation;
2. the accounts of the Foundation have been properly prepared and are in accordance with the books of account of the Foundation; and
3. In the directors' opinion, there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they become due and payable.

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

Committee member 
A/Prof Robert Parker

Committee member 
Ms Jyoti Venuri

Dated this 20th day of OCTOBER 2020



Tel: 08 8941 1460
Fax: 08 8941 1450
Email: admin@tdhnt.com.au

212/12 Salonika Street
Parap NT 0820

GPO Box 4587
Darwin NT 0801

Independent Audit Report to the members of Forster Foundation for Drug Rehabilitation Incorporated

Report on the Audit of the Financial Statements

Opinion

We have audited the financial report of Forster Foundation for Drug Rehabilitation Incorporated ('Foundation'), which comprises the statement of financial position as at 30 June 2020, the income statement, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the statement by members of the board.

In our opinion the financial report of Forster Foundation for Drug Rehabilitation Incorporated has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

(i) giving a true and fair view of the Foundation's financial position as at 30 June 2020 and of its financial performance for the year ended; and

(ii) 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*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described as in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Foundation in accordance with the auditor independence requirements of 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 statements 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 qualified opinion.

Emphasis of Matter – Going concern

Note 3(i) to the financial statement provides that the Foundation receives a significant amount of its income from government agencies. The appropriateness of preparing the Foundation's financial statements on a going concern basis is dependent upon this continued government support.

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of the financial statements in accordance with financial reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the Foundation's constitution, and for such internal control as the management determines is necessary to enable the preparation of the financial statements is free from material misstatement, whether due to fraud or error.

Liability limited by a scheme approved under Professional Standards Legislation

TDH Pty Limited
ABN: 19 087 176 565
Director: Adam Dohnt



In preparing the financial statements, management is 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 management either intends to liquidate the Centre or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes 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.

TDH Chartered Accountants

Adam Dohnt (FCA)
Registered Company Auditor
Darwin

29 October 2020



Tel: 08 8941 1460
Fax: 08 8941 1450
Email: admin@tdhnt.com.au

212/12 Salonika Street
Parap NT 0820

GPO Box 4587
Darwin NT 0801

**Forster Foundation for Drug Rehabilitation Incorporated
Disclaimer
For the Year Ended 30 June 2020**

The additional financial data presented on page 24 is in accordance with the books and records of the Foundation which have been subjected to the auditing procedures applied in our statutory audit of the Foundation for the year ended 30 June 2020. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than Forster Foundation for Drug Rehabilitation Incorporated) in respect of such data, including any errors of omissions therein however caused.

A handwritten signature in black ink, appearing to read 'AD', is written over a horizontal line.

Adam Dohnt (FCA)
Registered Company Auditor
Darwin

29 October 2020

Liability limited by a scheme approved under Professional Standards Legislation

TDH Pty Limited
ABN: 19 087 176 565
Director: Adam Dohnt

**Forster Foundation for Drug Rehabilitation Incorporated
For the Year Ended 30 June 2020**

Income and Expenditure Statement

	2020	2019
	\$	\$
Income		
Resident fees	140,998	149,215
DVA income	20,160	-
Interest income	12,209	17,541
Grants	1,697,563	1,860,396
Donations	1,594	1,744
Insurance recoveries	-	6,870
Other income	101,019	1,155
Total income	1,973,543	2,036,921
Less: Expenses		
Accounting fees	28,680	37,030
Advertising	-	3,285
Auditors remuneration	7,000	150
Bad debts	4,856	-
Bank charges	735	528
Client support services	81,700	71,048
Cleaning	51	266
Computer expenses	1,327	1,420
Consulting and professional fees	34,173	32,779
Depreciation	47,425	182,645
Donations	-	100
Equipment < \$5,000	57,960	93,453
Hire	1,729	517
Insurance	61,107	55,151
IT Expenses	24,825	26,478
Lease expenses	3,321	-
Motor vehicle expenses	18,223	65,414
Printing and stationery	11,063	13,168
Repairs and maintenance	106,847	72,113
Salaries	1,323,235	1,334,559
Staff amenities	3,969	3,220
Subscriptions	4,342	3,555
Sundry expenses	41,743	55,499
Telephone and fax	19,271	13,682
Travel, accomodation and training	12,421	40,914
Utilities	53,588	71,417
Total Expenses	1,949,590	2,178,391
	23,953	(141,470)
Other items:		
Gain on disposal of assets	909	21,818
	909	21,818
Profit (loss)	24,862	(119,652)