



banyan house

Therapy Dogs ready to start the day.



Annual Report 2022 - 2023



Weekend breakfast

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

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ABN 22 212 785 773

"WE ARE FREE
TO CHOOSE
OUR ACTIONS...
BUT WE ARE NOT FREE
TO CHOOSE
THE CONSEQUENCES OF
THESE ACTIONS."

Healing is not a light switch,
it's a lifelong journey. Moments
of regression are a part of the
process. Show yourself grace,
and continue continuing.



Acknowledgements

The Forster Foundation for Drug Rehabilitation Inc. operates on Larrakia country. We acknowledge the Larrakia people as the Traditional Owners of the Darwin region and pay our respects to Larrakia elders past and present. We are committed to a positive future for the Aboriginal community.”

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.

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Forster Foundation Board Members 2022 - 2023

Chairperson	Associate Professor Doctor Robert Parker
Deputy Chairperson	Vacant
Treasurer	Ms. Jyoti Vemuri
Secretary	Patrick Goda
Public Officer	Mr. Peter Boyce
Ordinary Board Member	Ms Marybeth Pereira
Ordinary Board Member	Ms. Ekaterina Katras
Ordinary Board Member	Mr Andrew Harris
Ordinary Board Member	Ms Khami Aughterson

Staff Members 2022 - 2023

Chief Executive Officer

Philip Blunt

Program Manager

Rose Dos Reis

Intake and Assessment Manager

Dorian Goodall

QIP & Compliance

Karyn Britza

TC Admin Coordinator

Joanne Alvite

Book Keeping

Book Keeping Services NT Pty Ltd

Therapeutic Community Key Worker

Yolanda Chirema

Therapeutic Community Key Worker

Domi Kabangu

Therapeutic Community Key Worker

Michael Pulu

Therapeutic Community Support Worker

Anna Lewin

Therapeutic Community Support Worker

Emmanuel Badidike

Therapeutic Community Support Worker

Nish Kuruppa

Therapeutic Community Support Worker - Part time

Breanna Tompsett

Therapeutic Community Support Worker – Part time

Ian Briggs

Therapeutic Community Support Worker – Casual

Daniel Alier

Chair's Report

The challenges of 2022 in respect to sustainable funding for the Foundation have continued in 2023 in relation to managing its normal business in the context increasing budgetary restrictions. It continues to be a significant tribute to the management, staff, and clients of Banyan House that the Foundation's activities and success with rehabilitation continue in this context.

Otherwise, the Foundation has continued its outstanding work in providing a high-quality therapeutic environment for rehabilitation for individuals affected by substance abuse in the Northern Territory and elsewhere. The Foundation recently met with the NT Administrator, Dr Hugh Heggie and his partner, Ms Ruth Jones in respect to the ongoing activities of the Foundation. Both expressed significant admiration for the Foundation and support of its ongoing work.

I wish again to pay tribute to Phil Blunt and his leadership team who have managed to create an enthusiastic and welcoming environment within Banyan House despite the ongoing difficulties with funding restriction. I would also like to pay tribute to Board members who continue to assist me in making a significant contribution to the Foundation Board governance process.

Best wishes

Associate Professor Doctor Robert 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. This is my 6th Annual Report. Banyan House continues to offer an incredible program.

Funding

At the time of writing this report we have only seen a very minor increase in funding of 0.1%. Banyan House will not have had an increase in funding for 15 years. This continues to be totally unsustainable. The staffing levels cannot be reduced any further. To do so would see the program compromised.

I continue to meet with the funding bodies and Ministers, both NT and Federal have met with the Minister of Health (and now Chief Minister) to express our concerns, the information given to the Minister was also sent to the NT Department of Health. The only response – they agree that the level of funding is unsustainable.

With the Fair Work wage increases and superannuation increasing we can no longer work with in the funding. The AOD sector has put several submissions to the NT Government, requesting an increase in funding to match the increases in costs. On a positive note, the Commonwealth has linked our funding to CPI into the future. (this is about 15% of our funding).

Staffing

I thank the staff for their continuing dedication to the residents at Banyan House. They work closely together, looking out for each other, offering peer support to each other. They are professional and approachable, helping residents improve and grow to realise their potential.

With the reduced staff due to continued underfunding, covering absences due to annual leave and personal leave is an extra burden on the remaining staff, some days with only a couple of staff available for the day. They continue the program without fuss. However, I am aware that the team are starting to feel the effects of burnout, encouraging them to take some time out to recover from a very intense workplace.

The staff at Banyan House are amazing. They are dedicated to improving and helping the residents and each other. We are extremely fortunate to have such an amazing crew.

Training and development

Banyan House continues to encourage staff to update their skills and attend networking events. We try and ensure all staff that want to take up the opportunities have access; this can be challenging at times with the small staff numbers.

The training offered by the Australasian Therapeutic Communities Association continues to be a very important pathway for our staff and we try to send two staff



every year to complete this Therapeutic Communities Training.

Our association, AADANT, is working closely with staff to assist with education in this sector by coordinating training opportunities including the Cert IV in AOD.

Visits

During the past 12 months we have seen our visits reduced, having visits from: AOD staff from various organisations; NAAJA; AOD NT Department of Health; CAAAPU (Alice Springs); ISACNT; NT PHN; GTNT; CDU; Territory Families; Danila Dilba; AADANT; Catholic Care; the Commonwealth Department of Health and visits from other associated services.

Upgrades and improvements

This year we have seen several small grants from the Community Benefits Fund., allowing the painting of all the resident rooms and paint the outside of the facility and replace the air conditioning in the Banyan Hall. This has been greatly appreciated and shows to clients we care about the place they will call home.

Quality Improvement and Accreditation

Banyan House continues to be accredited with QIP (Quality Innovation Performance) to the QIC Health and Community Services Standards, 7th Edition. We also undertook and passed accreditation to the Australasian Therapeutic Communities Association Standards, 3rd Edition through QIP.

We have seen minor changes to our casual staff throughout the year. The full time and part time staff continues to remain stable meeting the challenges of their clients and encouraging them to become the best person they can. Banyan House has an amazing, dedicated team of professionals and I would like to again thank them for their tireless effort 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

We continually strive to enhance our program's activities, processes, and procedures. Banyan House has been successfully integrated into the SupportLink referral portal system, allowing accessibility of our referrals to other organizations. One of the old buildings has been transformed into a Library and Arts and Crafts room for therapeutic activities. Residents can now make use of these rooms during their free time in the program.

We have been accepting dog-owning participants into our program. In our experience, allowing residents to bring their pets with them not only alleviates the burden of finding adequate care for them but can also aid in their recovery. Pets can have a significant positive impact on the mental health of our residents and contribute significantly to the success of individual treatment.



We have continued to collaborate with Amity Community Services, Catholic Care, Strong Steps, and EASA, referring several Banyan House residents to their respective counselling programs. Residents can then continue their engagement following the rehabilitation of Banyan House.

At our facility, we have the privilege of hosting a weekly testimony meeting for

Alcoholics Anonymous, where individuals can share their experiences. Additionally, we ensure that all residents participate in a weekly video conference meeting organized by Narcotics Anonymous, providing them with valuable support and guidance. The management of Banyan House consistently collaborates with community services and organizations guaranteeing optimal care for our program participants.

Banyan House has hosted Master of Social Work students for their placement, which has allowed us to receive additional assistance for clients beyond the scope of the Therapeutic Community Program. This arrangement significantly supported our ability to effectively address the needs of residents with greater complexity. Our program includes:

- Facilitated work skills programs.
- Co-managed Residential AOD Withdrawal
- Integrated Therapy for comorbid mental illness
- On-site counselling and facilitated access to external counselling/psychology services.
- Group Therapy, including gender-specific groups 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
- Conflict Resolution program



We are also in collaboration with other service providers, these include:

- AOD RDH and Stringy Bark
- Danila Dilba
- CAAPS
- Mission Australia
- FORWAARD
- Top End Medical Centre
- Territory Families
- Territory Housing
- Job Network Provider
- Centrelink
- Community Corrections
- CDU
- Anglicare
- Tamarind Centre

We continue offering past residents who completed the program weekly aftercare with Banyan House.

This year, there has been an increase in the number of residents expressing their desire to continue participating in our program by voluntarily completing the phase 3 stage of our program.



There have been many highlights for our residents over the past year. We took part in the NAIDOC march, Harmony Day, and International Women's Day.

Rose Dos Reis
Program Manager

Good News Testimonials

Benjamin, 34yrs

"I have sorted to rebuild relationships with my partner and family. I have learned how to regulate my emotions in a calm and healthy manner. I have remained focused on my recovery and the program. I have remained punctual and held good respect for other peers and staff and tried to integrate the 5 pillars into my daily routine as much as possible. "

Keith, 35yrs

"I came from prison and did not want to be here. But I got a lot out of my time. I have participated in the program and put in a 110% and it has helped me learned a lot about myself. It has given me my confidence back. It helped me understand what my triggers are. I have tried to be a good role model for another resident and stay positive. I have had a couple of setbacks and overcome them. But I think it is time to start putting my life back together. I will try go to AA/NA, meetings for support and get any help that I can. I will go back to work. Keep busy so I do not relapse. My main goal in life is to be the best dad I can before my son. For the new residents I know it is not easy to be here but give it time. Put in a 110%and don't give up. Stay positive. Do the program, you will see it works. Good luck with everything in the future. I will you all the best and thanks to all the staff, for all the support you have given me and helping me with my recovery."

Keira, 30yrs

"Creating a positive routine for myself which promotes increased self-esteem and confidence is one main area of change. Becoming more assertive in my methods of communication is another primary area of change I have gained during my time in Banyan House. My ability to control and be aware of my way of thinking though tools such as cognitive behavioural therapy is more significant change in my time here. "

Lori – Email

Subject: Sober!!!

Hi guys. I didn't know any other way to contact you to just scream out a massive thank you. I've been clean 5 years since leaving Banyan house is 2018... I never touched meth again and I'm forever grateful for the hard work the staff put in and the hard work that I put in.

Intake and Assessment

It has been another busy year for the Banyan House team supporting individuals and their families experiencing substance misuse and co-occurring mental health disorders. There has been a decrease in the total number of referrals and assessments from the previous reporting period. Alcohol and methamphetamine continue to be the reported primary substances of concern from our clientele.

Referrals have been received from a wide range of services including self-referrals, family and friends, medical practitioners, residential and non-residential AOD services, community corrections, lawyers, employers, and government departments such as Territory Families.

Collaborative support of mutual clients has continued with services and agencies such as the Alcohol and Other Drugs Service, the team at Stringybark inpatient unit, Community Corrections and family and friends of those experiencing substance misuse. We thank them all for their continued support.



Assessments

Male	86
Female	37
Total assessments	123

Residential rehabilitation

Male	49
Female	17
Total	66

Days stayed

Shortest	1
Longest	163

Principal substance of concern

	2021/22	2021/22 %	2022/23	2022/23 %
Methamphetamine	109	41%	67	36%
Alcohol	92	35%	76	40%
Cannabis	55	20%	38	20%
Other	11	4%	8	4%

Source of referral

Self-referral	75
Community Corrections	21
Lawyer/prison	33
Family or friend	24
Residential drug and alcohol treatment unit	19
Other	17
Total	189

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 2023



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Tel: 08 8947 2200
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THE FORSTER FOUNDATION FOR DRUG REHABILITATION INCORPORATED

ABN: 22 212 785 773

GENERAL PURPOSE FINANCIAL REPORT

For the Year Ended 30 June 2023

THE FORSTER FOUNDATION FOR DRUG REHABILITATION INCORPORATED

ABN: 22 212 785 773

**GENERAL PURPOSE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

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THE FORSTER FOUNDATION FOR DRUG REHABILITATION INCORPORATED

ABN: 22 212 785 773

COMMITTEE REPORT

The Committee Members submit the financial report of The Forster Foundation for Drug Rehabilitation Incorporated (the Foundation) for the financial year ended 30 June 2023.

OPERATING AND FINANCIAL REVIEW

The loss from ordinary activities of the Foundation amounted to \$46,617 (2022: surplus \$26,391).

OBJECTIVE

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.

STRATEGY FOR ACHIEVING THE OBJECTIVES

The Foundation's clinical practice has been subject to similar continuous improvement since inception. The Foundation's 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

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 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

There were no significant changes in the nature of the activities of the Foundation during the year.

EVENTS SUBSEQUENT TO REPORTING DATE

There has not arisen in the interval between the end of the financial year and the date of this report any matter or circumstance that has 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.

COMMITTEE REPORT (continued)

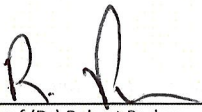
COMMITTEE MEMBERS

The names of the Committee Members throughout and at the end of the financial year are:

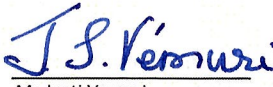
A/Prof (Dr) Robert Parker	Chairperson
Ms Jyoti Vemuri	Treasurer
Mr Peter Boyce	Public Officer
Ms Ekaterina Katras	Ordinary Member
Ms Marybeth Pereira	Ordinary Member
Mr Andrew Harris	Ordinary Member
Mr Goda Patrick	Ordinary Member
Mr Aughterson Khami	Ordinary Member, appointed 30/11/2022

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

This report is made in accordance with a resolution of the Committee Members and is signed for and on behalf of the Committee by:



A/Prof (Dr) Robert Parker
Date: 23 October 2023



Ms Jyoti Vemuri
Date: 23 October 2023

The Committee
The Forster Foundation for Drug Rehabilitation Incorporated
16 Beaton Road
Berrimah NT 0828

Auditor's Independence Declaration

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2023 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Northern Territory of Australia Associations Act and the *Australian 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.

LOWRYS AUDIT



Colin James, FCA
Registered Company Auditor

Date: 23 October 2023
Darwin

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 2023**

	Note	2023 \$	2022 \$
Income			
Revenue from grants and contributions	2A	1,576,088	1,554,906
Residents income		129,112	144,114
Interest received	2B	22,201	3,937
Other revenue	2C	4,330	19,714
Total Contribution		<u>1,731,731</u>	<u>1,722,671</u>
Expenses			
Employee benefits expense	3A	1,294,649	1,216,368
Depreciation and amortisation	3B	53,031	44,839
Interest expense on lease liabilities	8	4,124	1,910
Other expenses	3C	426,544	433,163
Total Expenses		<u>1,778,348</u>	<u>1,696,280</u>
Net (deficit)/surplus for the year		(46,617)	26,391
Other Comprehensive income		-	-
Total comprehensive (loss)/income for the year		<u>(46,617)</u>	<u>26,391</u>

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 2023**

	Note	2023 \$	2022 \$
ASSETS			
Current assets			
Cash and cash equivalents	4	1,385,719	1,428,171
Trade and other receivables	5	22,275	2,762
Other current assets	6	64,163	22,559
Total current assets		<u>1,472,157</u>	<u>1,453,492</u>
Non-current assets			
Property, plant and equipment	7	4,490,387	4,475,849
Right of use assets	8	58,383	62,421
Total non-current assets		<u>4,548,770</u>	<u>4,538,270</u>
Total assets		<u>6,020,927</u>	<u>5,991,762</u>
LIABILITIES			
Current liabilities			
Trade and other payables	9	60,947	51,368
Contract liabilities	10	11,551	-
Lease liabilities	8	30,126	31,457
Provisions	11	147,559	174,357
Total current liabilities		<u>250,183</u>	<u>257,182</u>
Non-current liabilities			
Lease liabilities	8	29,405	31,741
Provisions	11	109,749	24,632
Total non-current liabilities		<u>139,154</u>	<u>56,373</u>
Total liabilities		<u>389,337</u>	<u>313,555</u>
Net Assets		<u>5,631,590</u>	<u>5,678,207</u>
ACCUMULATED FUNDS			
Retained surplus		4,955,424	5,002,041
Asset revaluation reserve	19	676,166	676,166
Total accumulated funds		<u>5,631,590</u>	<u>5,678,207</u>

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 2023**

ACCUMULATED FUNDS	Retained Surplus	Revaluation Reserve	Total Equity
	\$	\$	\$
Balance at 1 July 2021	4,975,650	676,166	5,651,816
Surplus for the year	26,391	-	26,391
Closing Balance at 30 June 2022	5,002,041	676,166	5,678,207
Balance at 1 July 2022	5,002,041	676,166	5,678,207
Deficit for the year	(46,617)	-	(46,617)
Closing Balance at 30 June 2023	4,955,424	676,166	5,631,590

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 THE YEAR ENDED 30 JUNE 2023**

	Note	2023 \$	2022 \$
Cash flows from operating activities			
Grants and contributions received		1,568,058	1,532,587
Other receipts		124,359	165,048
Interest received		22,201	5,027
Payments to suppliers and employees		(1,685,748)	(1,580,416)
Finance costs paid		(4,124)	(1,910)
Net cash flows from operating activities	17	<u>24,746</u>	<u>120,336</u>
Cash flows used in investing activities			
Acquisition of property, plant and equipment		(28,486)	-
Net cash flows used in investing activities		<u>(28,486)</u>	<u>-</u>
Cash flows used in financing activities			
Payment of lease liabilities		(38,712)	(31,653)
Net cash flows used in financing activities		<u>(38,712)</u>	<u>(31,653)</u>
Net (decrease)/increase in cash and cash equivalents		(42,452)	88,683
Cash and cash equivalents at the beginning of the year		<u>1,428,171</u>	<u>1,339,488</u>
Cash and cash equivalents at the end of the year	4	<u><u>1,385,719</u></u>	<u><u>1,428,171</u></u>

The accompanying notes form part of these financial statements.

THE FORSTER FOUNDATION FOR DRUG REHABILITATION INCORPORATED

ABN: 22 212 785 773

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

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THE FORSTER FOUNDATION FOR DRUG REHABILITATION INCORPORATED

ABN: 22 212 785 773

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

The financial statements cover The Forster Foundation for Drug Rehabilitation Incorporated as an individual entity, incorporated and domiciled in Australia. The Forster Foundation for Drug Rehabilitation Incorporated (the Foundation) is registered under the *Northern Territory Associations Act 2003* and the *Australian Charities and Not-for-profits Commission Act 2012* (the Acts).

Principal place of business

16 Beaton Road
Berrimah NT 0828

Registered office

16 Beaton Road
Berrimah NT 0828

Note 1: Summary of Significant Accounting Policies

Basis of Preparation

The financial statements are required by the *Acts* and are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Simplified Disclosures of the Australian Accounting Standards Board (AASB) and the *Australian Charities and Not-for-profits Commission Act 2012*. The Foundation 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 accrual basis and are based on historical costs, modified where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

(a) Revenue

The Foundation is first required to determine whether amounts received are accounted for as Revenue per AASB 15: *Revenue from Contracts with Customers* or income per AASB 1058: *Income of Not-for-profit entities*.

Funding arrangements which are enforceable and contain sufficiently specific performance obligations are recognised as revenue under AASB 15. Otherwise, such arrangements are accounted for under AASB 1058, where upon initial recognition of an asset, the Foundation is required to consider whether any other financial statement elements should be recognised with any difference being recognised immediately in profit or loss as income.

Operating Grants, Donations and Bequests

When the Foundation receives operating grant revenue, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 1: Summary of Significant Accounting Policies (continued)

(a) Revenue (continued)

When both these conditions are satisfied, the Foundation:

- identifies each performance obligation relating to the grant;
- recognises a contract liability for its obligations under the agreement; and
- recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the Foundation:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (for example AASB 9, AASB 16, AASB 116 and AASB 138);
- recognises related amounts (being contributions, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer); and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

Capital Grant

When the Foundation receives a capital grant, it recognises a liability for the excess of the initial carrying amount of the financial asset received over any related amounts (being contributions, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer) recognised under other Australian Accounting Standards.

The Foundation recognises income in profit or loss when or as the Foundation satisfies its obligations under terms of the grant.

Interest Income

Interest income is recognised using the effective interest method.

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

(b) Property, Plant and Equipment

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 any impairment losses.

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present.

The cost of fixed assets constructed by the Foundation includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the Foundation and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 1: Summary of Significant Accounting Policies (continued)

(b) Property, Plant and Equipment (continued)

Land, buildings and improvements

Land, buildings and improvements are shown at their fair value based on periodic valuations by external independent valuers, less subsequent accumulated depreciation and any accumulated impairment losses.

In periods when the land, buildings and improvements are not subject to an independent valuation, the committee assess the valuations to ensure the carrying amount for the land, buildings and improvements is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land, buildings and improvements 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 account. 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.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is held ready for use.

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

<u>Class</u>	<u>Rate</u>
Furniture and equipment	10-33½%

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 the proceeds with the carrying amount. These gains and losses are recognised in profit or loss in the period in which they arise.

(c) Leases

The Foundation as lessee

At inception of a contract, the Foundation assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Foundation where the Foundation is a lessee. However all contracts that are classified as short-term leases (leases with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Foundation uses the incremental borrowing rate.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 1: Summary of Significant Accounting Policies (continued)

(c) Leases (continued)

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- lease payments under extension options of lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest. Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Foundation anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

Concessionary Leases

For leases that have significantly below-market terms and conditions principally to enable the Foundation to further its objectives (commonly known as a peppercorn/concessionary lease), the Foundation has elected to measure right of use assets at cost on initial recognition.

(d) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Foundation becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Foundation commits itself to either purchase or sell the asset.

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs except where the instrument is classified 'at fair value through profit and loss' in which case transaction costs are recognised as expenses in profit or loss immediately.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain significant financing component or if the practical expedient was applied as specified in AASB 15: *Revenue from Contracts with Customers*.

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 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 1: Summary of Significant Accounting Policies (Continued)

(d) Financial Instruments (continued)

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transactions costs and other premiums or discounts) over 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 income or expense in profit or loss.

Impairment

A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of 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.

With the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the Corporation 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 right to receipt of cash flows expires or the asset is transferred to another party, whereby the Corporation no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability 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.

(e) Impairment of Non Financial Assets

At the end of each reporting period, the Foundation reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

Where the assets are not held primarily for their ability to generate net cash inflows the recoverable amounts are expected to be materially the same as fair value.

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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 1: Summary of Significant Accounting Policies (Continued)

(e) Impairment of Non Financial Assets (continued)

Where it is not possible to estimate the recoverable amount of an asset's class, the entity estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

Where an impairment loss on a revalued asset is identified, this is recognised 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.

(f) Employee Benefits

Short-term employee benefits

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

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

Other long-term employee provisions

Provision is made for employees' long service leave and annual leave entitlements 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. Other long-term employee benefits 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 as a part of employee benefits expense.

The Foundation's obligations for long-term employee benefits are presented as non-current employee provisions in its statement of financial position, except where the Foundation does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

(g) Cash and Cash Equivalents

Cash and cash equivalents includes 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. The Foundation did not have an overdraft during the year.

(h) Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts receivable from clients for accommodation and food provided in the ordinary course of business. 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.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(d) for further discussion of impairment of financial assets.

THE FORSTER FOUNDATION FOR DRUG REHABILITATION INCORPORATED

ABN: 22 212 785 773

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

Note 1: Summary of Significant Accounting Policies (Continued)

(i) Goods and Services Tax

Revenues, 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 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 included in the cash flow statement on a net basis. 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.

(j) Income tax

The Foundation is a Public Benevolent Institution and is endorsed by the Australian Taxation Office to access income tax exemption under Subdivision 50-A of the Income Tax Assessment Act 1997.

(k) Fringe Benefits Tax

The Foundation, as a Public Benevolent Institution, is also endorsed by the Australian Taxation Office to access the FBT exemption.

(l) Provisions

Provisions are recognised when the Foundation 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.

(m) Comparative Figures

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

(n) Critical Accounting Estimates and Judgements

Management evaluate 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 Foundation.

Key estimates

Valuation of land and buildings

The land was independently valued at 30 June 2020 by Colliers International. The valuation was based on the market value using a direct comparison basis.

The buildings were independently valued at 30 June 2020 by Colliers International. The valuation was based on the gross current cost and then depreciated on a straight line basis to arrive at a fair value. The critical assumption is the economic life of the assets.

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

Note 1: Summary of Significant Accounting Policies (Continued)

(n) Critical Accounting Estimates and Judgements (continued)

Useful lives of property, plant and equipment

As described in Note 1(b), the Foundation reviews the estimated useful lives of property, plant and equipment at the end of each annual reporting period.

Key judgements

Lease term and Option to Extend under AASB 16

The lease term is defined as the non-cancellable period of a lease together with both periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and also periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option. The options that are reasonably going to be exercised are a key management judgement that the Foundation will make. The Foundation determines the likelihood to exercise the options on a lease-by-lease basis looking at various factors such as which assets are strategic and which are key to future strategy of the Foundation.

(o) Economic Dependency

The continued operation of the The Forster Foundation for Drug Rehabilitation Incorporated is dependent on funding from the Commonwealth and Northern Territory Governments. At the date of this report, the Committee has no reason to believe the support will not continue.

(p) Fair Value of Assets and Liabilities

The Foundation 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 Foundation would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction 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 value 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.

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.

	2023 \$	2022 \$
Note 2: Revenue and Other Income		
Note 2A Revenue from government and other grants and contributions		
Commonwealth government grants - recurrent	412,687	392,704
Territory government grants - recurrent	1,134,461	1,138,795
Territory government grants - non-recurrent	38,891	-
Unexpended grants - movement for the year	(11,551)	22,319
	<u>1,574,488</u>	<u>1,553,818</u>
Other contributions - donations	1,600	1,088
Total revenue from grants and contributions	<u><u>1,576,088</u></u>	<u><u>1,554,906</u></u>

THE FORSTER FOUNDATION FOR DRUG REHABILITATION INCORPORATED

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 \$	2022 \$
Note 2: Revenue and Other Income (continued)			
Note 2B Interest			
Interest received from financial institutions		<u>22,201</u>	<u>3,937</u>
Note 2C Other revenue			
Government subsidies		-	18,536
Other		<u>4,330</u>	<u>1,178</u>
Total other revenue		<u>4,330</u>	<u>19,714</u>
Note 3: Expenses			
Note 3A Employee benefits expense			
Salaries and wages		1,177,299	1,110,411
Staff on-costs		117,065	105,957
Other		<u>285</u>	<u>-</u>
Total employee benefits expense		<u>1,294,649</u>	<u>1,216,368</u>
Note 3B Depreciation and amortisation			
<i>Depreciation</i>			
Furniture and fittings	7	13,948	13,539
Right to use assets	8	<u>39,083</u>	<u>31,300</u>
Total depreciation and amortisation		<u>53,031</u>	<u>44,839</u>
Note 3C Other expenses			
Accounting and bookkeeping fees		24,670	26,550
Accreditation and QMS		4,846	7,019
Advertising and marketing		1,602	-
Audit fees		6,250	6,250
Client support services		55,064	65,563
Committee costs		478	398
Consultancy fees		27,147	29,403
Hire of plant and equipment		5,647	5,673
Information technology		23,838	24,136
Insurance		73,446	63,335
Membership and subscription		4,676	3,556
Minor assets		18,595	-
Motor vehicle expenses		13,596	17,595
Postage, printing and stationery		5,414	5,449
Repairs and maintenance		71,751	98,376
Staff amenities		3,833	2,061
Telephone and internet		7,539	7,047
Travel and accomodation		25,995	17,500
Utilities		48,499	51,593
Other expenses		<u>3,658</u>	<u>1,659</u>
Total other expenses		<u>426,544</u>	<u>433,163</u>

THE FORSTER FOUNDATION FOR DRUG REHABILITATION INCORPORATED

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

	2023 \$	2022 \$
Note 4: Cash and Cash Equivalents		
Cash on hand	50	1,120
Cash at bank	671,418	725,051
Term deposits	714,251	702,000
Total cash and cash equivalents	<u>1,385,719</u>	<u>1,428,171</u>
Note 5: Trade and Other Receivables		
Trade debtors	22,275	-
Provision for impairment	-	-
	<u>22,275</u>	<u>-</u>
GST receivable	-	2,762
Total current trade and other receivables	<u>22,275</u>	<u>2,762</u>
<p>The Foundation does not hold any financial assets whose terms have been renegotiated, but which would otherwise be past due or impaired.</p> <p>No collateral has been pledged for any of the current or non-current trade and other receivable balances.</p>		
a. Financial assets at amortised cost classified as trade and other receivables		
Trade and other receivables:		
- total current	22,275	2,762
- total non-current	-	-
	<u>22,275</u>	<u>2,762</u>
Less GST receivable	-	(2,762)
Financial assets as trade and other receivables	<u>22,275</u>	<u>-</u>
Note 6: Other Current Assets		
Prepayments	56,799	20,534
Deposits	2,785	-
Accrued income	4,579	2,025
Total other current assets	<u>64,163</u>	<u>22,559</u>
Note 7: Property, Plant and Equipment		
Land (Crown Lease in Perpetuity), at fair value	<u>750,000</u>	<u>750,000</u>
	750,000	750,000
Buildings and improvements, at fair value	<u>3,669,000</u>	<u>3,669,000</u>
Total Land and buildings	<u>4,419,000</u>	<u>4,419,000</u>
Furniture and equipment, at cost	119,853	91,367
Less: Accumulated depreciation	<u>(48,466)</u>	<u>(34,518)</u>
	71,387	56,849
Total property, plant and equipment	<u>4,490,387</u>	<u>4,475,849</u>

THE FORSTER FOUNDATION FOR DRUG REHABILITATION INCORPORATED

ABN: 22 212 785 773

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

Note 7: Property, Plant and Equipment (continued)

The tenure of the land is a Crown Lease in Perpetuity which commenced 17 January 2013 and the specified purpose is for the operation of a drug treatment facility.

Asset Revaluations

The land, buildings and improvements were independently valued at 30 June 2020 by Colliers International.

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 and improvements at fair value \$	Furniture and equipment at cost \$	Total \$
2022			
Balance at the beginning of the year	4,419,000	70,388	4,489,388
Depreciation	-	(13,539)	(13,539)
Carrying amount at the end of the year	<u>4,419,000</u>	<u>56,849</u>	<u>4,475,849</u>
2023			
Balance at the beginning of the year	4,419,000	56,849	4,475,849
Additions	-	28,486	28,486
Depreciation	-	(13,948)	(13,948)
Carrying amount at the end of the year	<u>4,419,000</u>	<u>71,387</u>	<u>4,490,387</u>
		2023	2022
		\$	\$

Note 8: Right-of-Use Assets

The Foundation leases motor vehicles. These leases have an average of 3 years as their lease term. There are no options to extend the leases.

i) AASB 16 related amounts recognised in the balance sheet

Right-of-use assets		
Leased motor vehicles	90,123	187,885
Accumulated amortisation	(31,740)	(125,464)
Total right-of-use asset	<u>58,383</u>	<u>62,421</u>

Movement in carrying amounts:

Leased motor vehicles:

Balance at beginning of year	62,421	38,643
Addition to right-of-use asset	35,045	55,078
Amortisation expense	(39,083)	(31,300)
Net carrying amount	<u>58,383</u>	<u>62,421</u>

Lease liabilities

Current	30,126	31,457
Non-current	29,405	31,741
Total lease liabilities	<u>59,531</u>	<u>63,198</u>

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

	2023	2022
	\$	\$
Note 8: Right-of-Use Assets (continued)		
ii) AASB 16 related amounts recognised in the statement of profit or loss		
Amortisation charge related to right of use assets	39,083	31,300
Interest expense on lease liabilities	4,124	1,910
Short-term lease expense (included in motor vehicle expenses)	-	3,818
Cash outflow for leases	42,837	33,562

Note 9: Trade and Other Payables		
Trade payables	12,306	14,680
Accrued expenses	22,295	13,770
GST payable	409	-
Other payables	25,937	22,918
Total trade and other payables	<u>60,947</u>	<u>51,368</u>

Settlement of trade creditors is generally net 30 days.

a. Financial liabilities at amortised cost classified as trade and other payables

Trade and other payables:		
- total current	60,947	51,368
- total non-current	-	-
	<u>60,947</u>	<u>51,368</u>
Less GST payable	(409)	-
Financial liabilities as trade and other payables	<u>60,538</u>	<u>51,368</u>

No interest is payable on outstanding payables.

Note 10: Contract Liabilities		
<i>Current</i>		
Unexpended grants	<u>11,551</u>	<u>-</u>

Note 11: Provisions		
<i>Current</i>		
Employee benefits - annual leave entitlements	147,559	151,346
Employee benefits - long service leave entitlements	-	23,011
Total current provisions	<u>147,559</u>	<u>174,357</u>
<i>Non Current</i>		
Employee benefits - long service leave entitlements	<u>109,749</u>	<u>24,632</u>
Total non current provisions	<u>109,749</u>	<u>24,632</u>
Total provisions	<u>257,308</u>	<u>198,989</u>

Note 12: Capital Commitments		
Capital Expenditure Commitments		
There were no capital expenditure commitments (2022: \$Nil).		

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023****Note 13: Contingent Liabilities and Contingent Assets**

The Foundation is not aware of any contingent liabilities or contingent assets as at 30 June 2023 (2022: \$Nil).

Note 14: Events After the Reporting Period

The committee is not aware of any significant events that have occurred since the end of the reporting period which have an effect on the presentation or require disclosure to the financial statements.

	2023	2022
	\$	\$

Note 15: Key Management Personnel Compensation

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Foundation, directly or indirectly, including any committee member (whether executive or otherwise) is considered key management personnel (KMP).

The totals of remuneration paid to KMP of the Foundation during the year are as follows:

KMP compensation	426,497	432,807
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Note 16: Other Related Party Transactions

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

There were no related party transactions (2022: \$Nil).

Note 17: Cash Flow Information

Reconciliation of Cash Flow from Operating Activities with Current Year (Deficit)/Surplus		
Current year (deficit)/surplus	(46,617)	26,391
<i>Non-cash flows:</i>		
Depreciation and amortisation	53,031	44,839
<i>Changes in assets and liabilities:</i>		
<i>(Increase) / Decrease in assets:</i>		
Trade and other receivables	(6,321)	1,220
Other current assets	(54,796)	15,344
<i>Increase/(decrease) in liabilities:</i>		
Trade and other payables	10,629	13,093
Contract liabilities	10,501	(22,319)
Employee provisions	58,319	41,768
Net cash from operating activities	24,746	120,336

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

	Note	2023 \$	2022 \$
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Note 18: Financial Risk Management

The Foundation's financial instruments consist mainly of deposits with banks, receivables and payables and lease liabilities.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2023 \$	2022 \$
Financial assets			
Cash and cash equivalent	4	1,385,719	1,428,171
Trade and other receivables	5a	22,275	-
Total financial assets		<u>1,407,994</u>	<u>1,428,171</u>
Financial liabilities			
Trade and other payables	9a	60,538	51,368
Lease liabilities	8	59,531	63,198
Total financial liabilities		<u>120,069</u>	<u>114,566</u>

Fair values

Unless otherwise stated, the directors consider the financial assets and financial liability carrying amount to also be its fair value.

Fair value hierarchy

AASB 13: *Fair Value Measurement* requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised.

Recurring fair value measurements

Land, buildings and improvements	7	4,419,000	4,419,000
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Land, buildings and improvements valued by an independent licensed valuer 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.

Note 19: Reserves

Asset revaluation reserve	676,166	676,166
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The asset revaluation reserve arises on the revaluation of buildings and improvements. Where a revalued item of property, plant and equipment is sold, that portion of asset revaluation reserve which relates to that asset and is effectively realised, is transferred directly into retained earnings.

Note 20: Auditor's Remuneration

Lowrys Accountants:		
- Audit services	-	6,250
- Other accounting services	4,000	4,000
	<u>4,000</u>	<u>10,250</u>
Lowrys Audit:		
- Audit services	6,250	-
	<u>6,250</u>	<u>-</u>
Total auditor's remuneration	<u>10,250</u>	<u>10,250</u>

THE FORSTER FOUNDATION FOR DRUG REHABILITATION INCORPORATED

ABN: 22 212 785 773

DECLARATION BY COMMITTEE MEMBERS

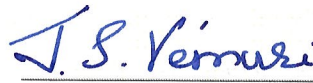
In accordance with a resolution of the Committee Members of The Forster Foundation for Drug Rehabilitation Incorporated, the Committee Members declare that:

1. The financial statements and notes, as set out on pages 4-22, are in accordance with the *Northern Territory Associations Act 2003* and the *Australian Charities and Not-for-profits Commission Act 2012* and:
 - a. comply with Australian Accounting Standards - Simplified Disclosures applicable to the Foundation; and
 - b. give a true and fair view of the financial position of the Foundation as at 30 June 2023 and of its performance for the year ended on that date.
2. 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 made in accordance with subs 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulations 2013*.



A/Prof (Dr) Robert Parker
Date: 23 October 2023



Ms Jyoti Vemuri
Date: 23 October 2023

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 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, the notes to the financial statements including a summary of significant accounting policies, the Committee Report and the Committee Members' Declaration.

In our opinion, the accompanying financial report of The Forster Foundation for Drug Rehabilitation Incorporated has been prepared in accordance with the Northern Territory *Associations Act 2003* and 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 2023 and of its financial performance for the year then ended;
- (ii) complying with Australian Accounting Standards, the Northern Territory *Associations Act 2003* and the *Australian Charities and Not-for-profits Commission Regulations 2013*.

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 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.

Responsibilities of Management for the Financial Report

Management of the Foundation are responsible for the preparation of the financial report that gives a true and fair view in accordance with the Australian Accounting Standards - Simplified Disclosures, the Northern Territory *Associations Act 2003* and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal controls as management determine are 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, management 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 Management either intend to liquidate the Foundation or to cease operation, or have no realistic alternative but to do so.

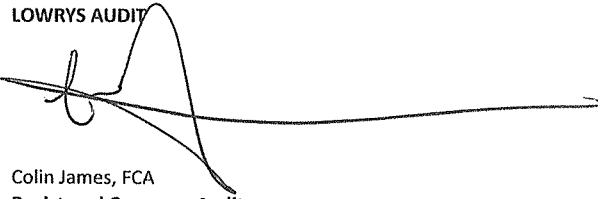
Committee Members are responsible for overseeing the Foundation's financial reporting process.

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF THE FORSTER FOUNDATION FOR DRUG REHABILITATION INCORPORATED****Report on the Audit of the Financial Report (continued)*****Auditor's Responsibilities 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website <http://www.auasb.gov.au/Home.aspx>) at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf.

This description forms part of our auditor's report.

LOWRYS AUDIT

Colin James, FCA
Registered Company Auditor

Darwin
Date: 23 October 2023

