

FORWAARD Aboriginal Corporation

Foundation Of Rehabilitation With Aboriginal Alcohol Related Difficulties



FORWAARD Aboriginal Corporation



2020

Annual Report



FORWAARD Aboriginal Corporation Established 1967

AGM - Tuesday 27 October 2020

5:30 pm: 33 Charles Street Stuart Park



Festival time at FORWAARD, Christmas 2019

FORWAARD Aboriginal Corporation

Foundation Of Rehabilitation With Aboriginal Alcohol Related Difficulties



Topic	Page number
2020 AGM agenda	4
Purpose of the annual report	5
Our History	5
Mission Statement	6
Vision Statement	6
Values	7
2020 Board of Directors	7
2019 Minutes	8
2020 at a Glance	12
2020 Dashboard	13
2020 Chairpersons Report	15
2020 CEO's report	18
2020 Audited Financial report	21
2021 Election of Officers	22
2021 financial auditor	25
Attachment 1	26





2019 AGM AGENDA

1. Welcome:

- 1.1 Apologies
- 1.2 Declarations of any conflict of interest

2. Confirming of last AGM minutes:

- 2.1 Any amendments – motion to accept the minutes from previous AGM

3. Presentation of Reports:

- 3.1 Chairperson's Report
- 3.2 Chief Executive Officer's Report
- 3.3 Financial Audit report
- 3.4 Adoption of the reports – motion to accept the reports

4. Election processes

- 4.1 Per item 6.1 of the Rule Book, the number of directors is to be Minimum 4 Maximum 12

5. Election of Officers:

- 5.1 Voting process explained by Chairperson
Chairperson to hand and over to the CEO to act as the Returning Officer
All positions are now declared vacant – Returning Officer to call for nominations
- 5.2 Chairperson – Written nomination received from Margaret Rajak
- 5.3 Deputy Chairperson - Written nomination received from Joe Brown
- 5.4 Treasurer - Written nomination received Leon James
- 5.5 Secretary – Written nomination received Lorraine Tomlins
- 5.6 Ordinary Members – Written nominations received from Mareret Friel

6. 2020 – 2021 Auditor Appointment

7. Any other Business

8. Next Board of Director's meeting

Meeting Closed:

FORWAARD Aboriginal Corporation

Foundation Of Rehabilitation With Aboriginal Alcohol Related Difficulties



PURPOSE OF THIS ANNUAL REPORT

This Annual Report covers our activities and performance for the period 22 October 2019 to 19 October 2020 and financial year July 2019 to June 2020. This report is one of the ways in which we seek to demonstrate our accountability and obligations to all our stakeholders, including our contract managers, partners, and supporters.

One of FORWAARD Aboriginal Corporation's core values, is accountability, we believe this is crucial for our sustainability and therefore our ability to fulfill our Mission. To hold ourselves accountable, demonstrates that we are worthy of the trust that our stakeholders have place in us.

OUR HISTORY



Four of our Founding Members

In 1967 our founding members Vai Staton, Barbara Cummings, Veronica McClintic, Kathy Mills and Betty Pearce, began providing meals and counselling to Aboriginal men living in the long-grass in and around Darwin. This small group of volunteers developed a network of individuals who provided food, showers, and a safe shelter in their homes, to Aboriginal men who were suffering from the combined effects of Alcohol and homelessness. These crusaders provided all the funding for these services, wanting only to bestow much-needed relief to the vulnerable people, who were living within their community.

The founding member, named the organisation the Foundation Of Rehabilitation With Aboriginal Alcohol Related Difficulties (FORWAARD), reflecting that we will move forward and continue to assist those of our society who weren't in a position to support themselves. These dedicated women continued to provide this method of support until 1978. When on the 5 of September, they were informed of their success in tendering for a grant, from the Commonwealth Department of Aboriginal Affairs. The purpose of the grant was to purchase a permanent location for the corporation, which centred on our current location, at Charles Street in Stuart Park.

After many years of toil, the residence that is now on the Charles Street block opened, and on the 1st of November 1988 the Larrakia people, the traditional owners of the Darwin region bequeathed the name "Gwalya Goolmora" on the centre. Gwalya Goolmora means "No Grog" a term which symbolises the philosophy that those living at these premises are free from Alcohol and drugs

The FORWAARD facility now accommodates up to 16 residents, catering for both males and females with Alcohol and drug related problems. The corporation offers a holistic approach to the treatment and recovery for mostly, Aboriginal and Torres Strait Islander clients, through our ongoing support and care programs.

FORWAARD has come a long way, since 1967, overseeing significant changes throughout this time. However, the one thing that has remained as a constant, is that we continue to provide the same level of care and support for vulnerable people, that was provided, these many years past, by our founding

FORWAARD Aboriginal Corporation

Foundation Of Rehabilitation With Aboriginal Alcohol Related Difficulties



members. We still offer food, showers, and safe shelter. Moreover, these are provided in conjunction with rehabilitation programs, continuing care services and family education programs, providing support to families who are living with substance misuse through their loved ones.

Today, the FORWAARD team takes pride in our history, as it outlines for them the foundations of our future, characterising our long-standing commitment to improving Aboriginal health, through Alcohol and drug rehabilitation.



Enjoying a day on the water

MISSION STATEMENT

Provide culturally appropriate specialised care and support services in the rehabilitation areas of, treatment, recovery, healing, and education to "minimise substance misuse and dependency amongst Aboriginal people through delivering culturally appropriate education, prevention, and recovery programs."

VISION STATEMENT

To be a leader in the field of Alcohol and other substance misuse rehabilitation and be the provider of choice.

FORWAARD Aboriginal Corporation

Foundation Of Rehabilitation With Aboriginal Alcohol Related Difficulties



FORWAARD VALUES

Excellence: We strive to provide the best service with continuous improvements to address the needs of our clients, their families, and the community.

Governance: Good governance and effective organisational management,

Accountability: We are accountable for our actions and behaviours, both as individuals and as an organisation.

Quality of Service: We aim to provide high-quality treatment and care by always placing our clients at the centre of our services and programs

Communication: FORWAARD values communication which is respectful, transparent, and culturally appropriate

Culture: The heritage and cultural needs of Indigenous people are respected and that FORWAARD's programs are culturally appropriate.

Client Satisfaction: We strive to provide excellent standards of care and service to meet the expectations of others.

Safety: We will provide our clients and staff with an environment which is safe and free from judgment.

Teamwork: We take pride in recognising and empowering staff in the importance and value of teamwork in keeping FORWAARD's commitments to our clients.

2020 BOARD OF DIRECTORS

DIRECTOR	POSITION
Ms Margaret Rajak	Chairperson
Mr Joe Brown	Deputy Chairperson
Ms Lorraine Tomlins	Secretary
Mr Leon James	Treasurer
Ms Margeret Friel	Director
Ms Jillian Malseed	Director



FORWAARD Aboriginal Corporation



AGENDA ITEM 2

2019

AGM MINUTES



MINUTES OF ANNUAL GENERAL MEETING

Date: 22 October 2019

Time: 5 pm – 6.30 pm

Venue: Common room at 33 Charles Street

1. Open and Welcome - Meeting commenced @ 5:20 pm

The meeting was chaired by Jeo Brown who opened the meeting and welcomed those present.

Acknowledged the Larrakia people and elders past and present on whose land the meeting took place.

Attendance:

Member	Office	Present	Apology	Absent
Margaret Rajak	Chair		✓	
Joe Brown	Vice-Chair	✓		
Leon James	Treasurer		✓	
Margeret Friel	Director		✓	
Lorraine Tomlins	Secretary	✓		

Guests:

Sarah McEachern c/- Nexia Edwards Marshall NT Accountants

FORWAARD Staff:

Sheryl Thomson, Business Manager
Kerrie Richards, After Hours Supervisor
Stephen Versteegh, Chief Executive Officer

FORWAARD Residents:

Tristam Forrester, Raymond Taylor,
Jathan Joshua, Shakira AhKit-Walker,
Brian Whitehurst, Reggie Jorrock,
Morgan Howard, Thomas Tyson,
Tereena Long, Anderson Dudanga,
Kieren Ketchell, Marcus Anzac,
Anna Nabanardi, Dinelda Jimarin,
Cedric Barrarawanga, Terrence Barawanga,
Mohamed Robbar, Isiah Campbell,
Larrance John, Krrilisa (Kerry) Bara

APOLOGIES: Margaret Rajak, Margeret Friel, Leon James



2. Acceptance of Previous Minutes

Confirmation of 2018 Minutes. A copy of these minutes has been provided in the 2019 annual report

Moved: Joe Brown

Seconded: Lorraine Tomlins

Motion carried unanimously

3. Presentation of Reports

3.1 Chairperson's Report

Spoken to by Joe Brown. A full report is provided in the 2019 annual report

Moved: Joe Brown

Seconded: Raymond Taylor

Accepted unanimously

3.2 CEO's Report

Spoken to by Stephen Versteegh. A full report is provided in the 2019 annual report

Moved: Stephen Versteegh

Seconded: Joe Brown

Accepted unanimously

3.3 Financial Audit Report

Spoken to by Sarah McEachern - Nexia Edwards Marshall NT Accountants. A full report is provided in the 2019 annual report

Moved: Sarah McEachern

Seconded: Lorraine Tomlins

Accepted unanimously

4. Election processes

4.1 Voting process explained – as per clause 6 of the rules book

Stephen Versteegh outlined that all current Director's positions are now vacant and outlined the voting process for the election of the 2020 Directors. He outlined that section 6 of the rules book described the eligibility to be a Director of FORWAARD Aboriginal Corporation these are:

Be over 18 years of age

Be a member of the Corporation

Be an Aboriginal or Torres Strait Islander person

Usually, reside in Australia

Not be an employee of the cooperation - notwithstanding clause 4.1 wherein exceptional circumstances a director may be eligible to be a temporary employee if all directors approve

Not a minimum of 4 directors and up to a maximum of 12 directors must be appointed – each director must provide consent in writing to be considered for the role

The current positions were declared vacant, and nominations were called.

5. Election of Officers:

5.1 Chairperson

Written Nomination received from Margaret Rajak.

The nomination was seconded by Reggie Jorrock

No other nominations.

Margaret's nomination was accepted and was elected unopposed.



5.2 Deputy Chair

Written Nomination received from Joe Brown.
The nomination was seconded by Thomas Tyson
Joe's nomination was accepted and was elected unopposed.

5.3 Treasurer

Written Nomination received from Leon James.
The nomination was seconded by Raymond Taylor
No other nominations
Leon's nomination was accepted and was elected unopposed.

5.4 Secretary

Written Nomination received from Lorraine Tomlins.
The nomination was seconded by Raymond Taylor.
No other nominations.
Lorraine's nomination was accepted and was elected unopposed.

5.5 Ordinary Members

Written Nomination received from Margeret Friel.
The nomination was seconded by Tristram Forrester
Margeret's nomination was accepted and was elected unopposed.

No other nominations for Ordinary members were received

6. Appointment of an Auditor for 2019/20

Nexia Edwards Marshall NT Accountants

Moved: Jathan Joshua

Seconded: Morgan Howard

Motion carried unanimously

7. Any other Business

Nil

8. Next Board Meeting – Tuesday 26 November 2019

Meeting Closed: 6:30 pm

Moved to accept the 2019 AGM minutes *Lorraine Tomlins* Seconder, *Stephen Versteegh*



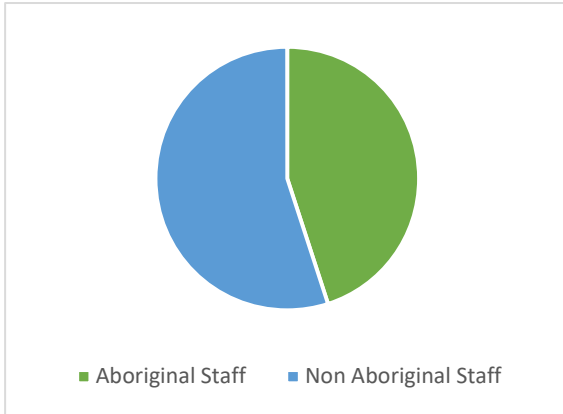
FORWAARD Aboriginal Corporations standing on the stage with other national finalists at the 2019 training awards in Brisbane

2020 AT A GLANCE

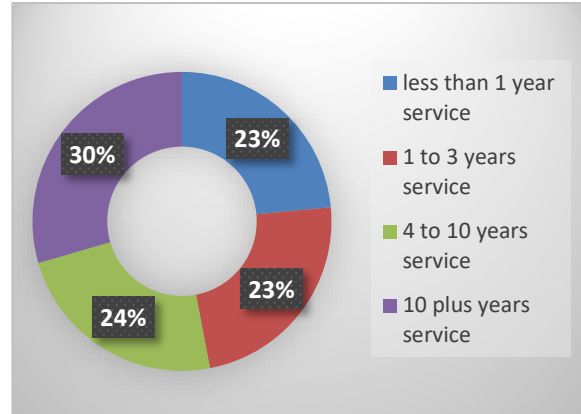
FORWAARD activity
Finalist in the National Small Business of the year awards November 2019, making FORWAARD one of the top three small Businesses on Australia
Relocated the Pregnancy support Program to Helpman street
FORWAARD undertook a beautification program with our Clients as part of their recovery program. Clients improved the garden, with a replanting plan, paved one of our high traffic areas, fixed up the gym area and along the way learning new skills which could be useful for them as homeowners
Directors undertook a planning weekend to review and reconfirm FORWAARD policies and Procedures
The GLEN and FORWAARD client met via ZOOM to talk with people from another state who are experiencing similar journeys
Directors signed our rehabilitation contracts with both the NT Department of Health and with the commonwealth NIAA
Our “Rap for Recovery” program was completed with three songs were developed, depicting three stages of recovery. The songs have been played on the ABC and TEABBA and all the recognised music platforms. This was a wonderful program for our clients
We have now started our “Lyrics of Life” music program which has two songs on the way to being completed and will be finalised May 2021
FORWAARD are now in the process of changing our quality accreditation standards from ISO to the QIC Health and Community Services Standards
Introduced the “develop our team” program and by engaging with a Trainee Case Manager to help support our clients



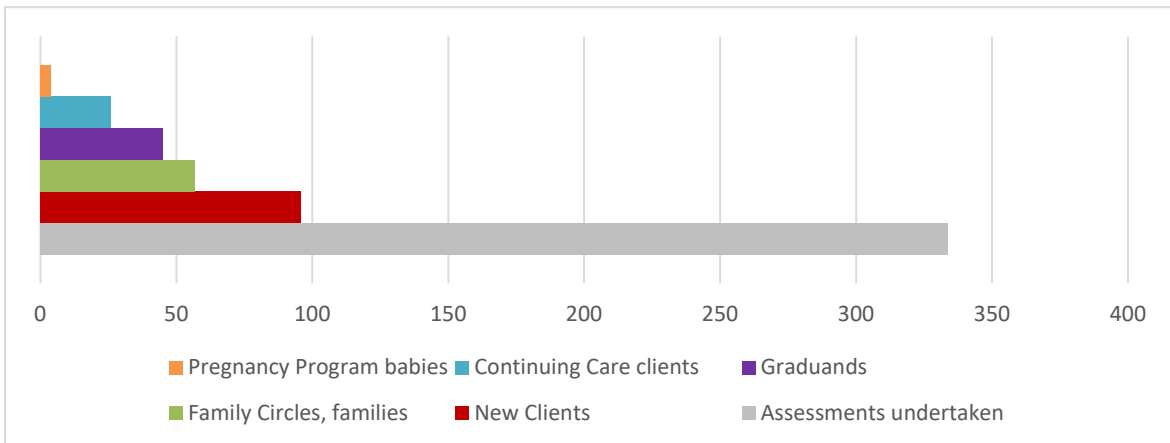
FORWAARD Aboriginal Corporation 2020 Dashboard



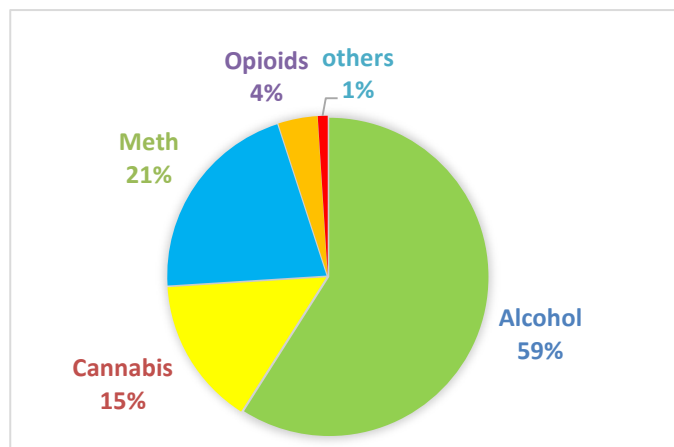
% of Aboriginal and Non-Aboriginal staff as 1 October 2020



Percentage of staff and years of service as 1 October



Client activity form 1 September 2019 until 1 October 2020



Client Principal Drug –1 September 2019 until 1 October 2020



FORWAARD Aboriginal Corporation



AGENDA ITEM 3

2019

REPORTS

3.1 Chairperson's report

3.2 CEO's report

3.3 Financial report attachment 1, presented by Nexia Edwards Marshall NT



3.1 CHAIRPERSON'S REPORT

I'd like to welcome our clients, staff, visitors, and the current FORWAARD Board Members to the 2020 FORWAARD Aboriginal Corporation Annual General Meeting.

I want to thank to the current FORWAARD Board Members, Joe Brown the Deputy Chairperson, Lorraine Tomlins our Secretary, Leon James our Treasurer and Meg Friel, our Director and our newest Director, Jillian Malseed, who all bring their passion, insight, experience, skills, and knowledge to the table.

I'd like to acknowledge, that for our Board Members that this is a voluntary role and it is an additional commitment to the many priorities that they all have, such as family, work and personal commitments. Your dedication, time, input, and commitment are sincerely appreciated and continues to shape the FORWAARD Aboriginal Corporation.

I would like to thank Steve, our CEO for his leadership and commitment whilst working through operational challenges which require innovative solutions and actions, especially in 2020 due to the challenges the organisation has endured through the COVID 19 pandemic.

I also acknowledge his team, Sheryl, Kathy, Alan, David, Domonic, John, Kerrie, Mariana, Nic, Samantha, Lyndsey, Michael, Shane, Theresa, Tess and Jamaine for their dedicated and tireless work, in what has been one of the most challenging years, they would have experienced again due to the COVID 19 pandemic.

In what has been a trying twelve months, this dedicated group of staff members have been instrumental in ensuring the organisation's success and sustained growth over the past 12 months; They have worked tirelessly, supporting and assisting vulnerable people with Alcohol and other Drug difficulties, to improve their health and wellbeing.

Our Programs Consists of the:

Alcohol and other Drug Program :

There are two contracts attached to this program; there is the Department of Health AOD program and the NT Corrections COMMIT program. Collectively these programs support up to 25 residential clients and 10-day clients. These programs are open to both men and women and aid them in overcoming their substance use difficulties, by providing AOD awareness programs and life skill programs such as financial dependency, relationship appreciation, and health and wellbeing.

Pregnancy Support Program:

The pregnancy support program is for expecting women who struggle with substance misuse use. This program provides up to 5 residential places and offers clients with AOD awareness program as well as antenatal support throughout their pregnancy.

Family Circles:

This program is part of the COMMIT funding and supports the training, counselling, and emotional awareness of family members who have loved ones suffering from substance misuse. This program aims to help families understand the struggles of recovery and aspires to assist with family reconciliation

Continuing Care Program:

This program supports clients who have completed the AOD program. In this program, four residential & 6-day clients are supported in transitioning into society with help in finding work, education or volunteer work. Residential support can be provided to up to 4 clients for up to 12 months in our Transition home.

Emergency Relief Funding:

This is funded through the Dept of Social Services and provides a limited amount of funding to support people who need financial support.



The FORWAARD Members, Directors and Staff, have achieved some outstanding results over the last twelve months, some of the highlights include:

- The signing of new contracts with three of our contractors in the Department of Social Services (DSS) the Northern Territory Department of Health (DOH) and the National Indigenous Australians Agency (NIAA)
- Introduced the "develop our team" program and investing in Aboriginal People by training an Aboriginal person per year as an AOD Case Manager.
- We held several planning sessions with the Board of Directors, to ensure that our organisation is best placed to deliver a must needed service and react to strategic changes when we need to adapt.

Our Awards and Achievements for 2019/20:

- FORWAARD was a finalist in the National Small Business of the year award. Only three finalists are selected for this award from the hundreds of applicants. FORWARD was identified as one of the top three small businesses in the county. This is a massive honour and rightful recognition for the many years of dedication and support provided by our team members and the Board of Directors.

Between September 2019 and October 2020 we:

- Supported 57 families, through our Family Circles program
- undertook an average of 334 assessment each month
- introduced 96 new clients to FORWAARD
- had 4 babies born as part of our Pregnancy Support program
- graduated 45 clients from our programs
- support 26 clients gain employment and training through our Continuing Care program.

The dedication and commitment shown by all the FORWAARD team to achieve these outcomes are commendable and accurately reflects the positive standing we have created within the community for the past several years.

These figures demonstrate that we are unquestionably producing some remarkable results in regards to the treatment and care of our clients in what has been an extraordinary time.

I would like to thank my fellow Board of Directors, our CEO and our dedicated and committed staff, for their incredible endeavours in such a trying year.

Well done, and I look forward to the achievements and outcomes that the FORWARD team will achieve over the next 12 months.

Margie Rajak – Chairman of FORWAARD Aboriginal Corporation

October 2020

Moved to accept the Chairperson's report [Margeret Friel](#) on behalf of the Chairman Seconder, [Shane Pitt](#)



Saturday morning breakfast cook up



Sunday afternoon swim



3.2 CEO REPORT

Dear FORWAARD Friends, welcome to our 2020 Annual General Meeting.

Unquestionable, 2020 has been immensely impacted by the Coronavirus Pandemic, which, in one way or another, has touched each one of us. Whilst those of us who live in the NT, have been spared many of the challenges that our southern counterparts have had to overcome, we have still felt the effects resulting from this virus.

Accordingly, FORWAARD Aboriginal Corporation had to modify many of our processes, including, how we interact with collaborators and stakeholders, the way in which we deliver our programs and for a short period the way we worked, with 45% of our staff working from home.

While the central focus of the board and management this year has been the safety and wellbeing of our team, we still were committed to meeting our client and contractual expectations. As such, the following is a glimpse of what we have achieved and how these activities have fitted into our Strategic Plan.

Strategic Target 1, STAKEHOLDER ENGAGEMENT

This year, more than ever before, it was paramount that we safely engage with stakeholders. To this extent, and like many organisations, we abandoned our face to face consultations for more unconventional meeting forms through webinars, ZOOM conferences and skype meetings. Fortunately, in 2019 we had upgraded our IT capacity for our training program; consequently, we were able to utilise this platform to create effective stakeholder engagement.

Accordingly, the following outlines just some of the significant stakeholder communications we engage with in the last twelve months.

- ✓ We have maintained our board associations with both the Alcohol and other Drug Agencies NT (AADANT) the AOD peak body in the NT and with the Aboriginal Drug and Alcohol Residential Rehabilitation Network Limited (ADARRN) consisting of like-minded rehabilitation centres in NSW and Qld.
- ✓ We undertook a ZOOM conference between FORWAARD and The GLEN (an NSW rehabilitation centre) for our respective clients to meet and discuss their similarities and explore their differences. This was an incredible connection and one we need to maintain.
- ✓ Our clients developed a trilogy of songs known as Rap to Recovery; these three songs depicted stages of recovery from being destitute to rehabilitation and then to recovery. In developing these songs, clients were able to express their account of recovery. They were able to engage with people from around the globe, by placing their music on various social media platforms, as well as gaining airtime on the ABC and TEABBA. By delivering this program, we were able to connect and engage with people from many walks of life. This program was so successful that we have gained funding for a new music program which is currently being developed.

Strategic Target 2 SERVICE AND RESOURCES EXPANSION.

Despite the challenges thrown our way this year FORWAARD, has endeavoured to be a “*continuous improvement organisation*”, supportive of development and progression. Our focus has to be fiscally responsible by expanding our core programs as well as ensuring that we are a sustainable organisation with a wide-ranging and diverse income stream.

Accordingly, FORWAARD achieved the following, ensuring that we were meeting the requirements of strategic target two

- ✓ We were able to secure a five-year contract with the Department of Health NT for our 16 Bed



- residential program
- ✓ Similarly, we retained a three-year contract with the National Indigenous Australians Agency (NIAA) for our rehabilitation programs
- ✓ We have increased our financial turn over by 7% from the \$2.59M in the 2018/2019 financial year to \$2.79M in this fiscal year, please see item 3.3.
- ✓ FORWAARD is currently changing our quality accreditation standards from ISO to the QIC Health and Community Services Standards. Directors felt that the QIC standards would be a better fit for our health service.

Strategic target 3 CAPACITY DEVELOPMENT

Organisational development has been a high focus for FORWAARD Aboriginal Corporation, cultivating a talented, and adaptive workforce has been at our core for several years. The strategies we engage has concentrated on building the aptitude and competency of our team. To the extent, our clients are now reaping the benefits of our well trained and talented team.

As a demonstration of our intent, the following are just some of the accomplishments we have fulfilled, to ensure that FORWAARD has a highly competent and capable team:

- ✓ In November 2019 FORWAARD Aboriginal Corporation was named as a finalist in the National Training Awards and recognised as one of the best three small businesses in the nation.
- ✓ We introduced our “develop our team” scheme. This scheme aims to engage one Trainee Case Manager each year to help support our clients. We aspire to employ one Aboriginal person each year, to develop and train this person to be future leaders within our organisation.
- ✓ We are currently in the last phase of completing our certificate IV AOD program, which means that by the end of this year we will have the majority of our team will have, at a minimum a Certificate IV in AOD qualification.
- ✓ We have started to train some of our graduated clients in the Certificate IV AOD, as they have expressed interest in becoming AOD health workers in the fullness of time

The above snapshot is just a hint of the activities undertaken by the FORWAARD team in 2019 and 2020.

As a consequence, I believe that FORWAARD is well-placed to achieve almost all of our strategic targets well before the end of the 2023 plan. The reason that this is possible is because we are building from a base, which includes a clear direction, has robust governance, and a dedicated highly motivated and committed group of individuals, who want to ensure that they can provide the best possible care for our clients

FORWAARD Aboriginal Corporation, October 2020

Presented by Steve Versteegh

CEO

Moved to accept the CEO's report [Stephen Versteegh](#) Seconder [Lorraine Tomlins](#)



Creating magic during our Rap to Recovery music program



Men enjoying a boxsize session at the gym



3.3 FINANCIAL AUDIT REPORT

Please refer to Attachment 1 for the 2019 and 2020 financial report



Ladies enjoying some yoga time



FORWAARD Aboriginal Corporation



AGENDA ITEM 4 and 5

Election of the 2020

Board of Directors



4 Election processes

4.1 Per item 6.1 of the Rule Book, the number of directors is to be Minimum 4 Maximum 12

5 Election of Officers:

5.1 The voting process explained by CEO

CEO to act as the Returning Officer

All positions are now declared vacant – Returning Officer to call for nominations

5.2 **Chairperson** – Written nomination received from Margaret Rajak

Nomination supported

Secunder: *Lorraine Tomlins*

Carried: **Unanimous**

Any other nominations for the position of Chairperson **Nil**

5.3 **Deputy Chairperson** - Written nomination received from Joe Brown

Nomination supported

Secunder: *Raymond Taylor*

Carried: **Unanimous**

Any other nominations for the position of Deputy Chairperson **Nil**

5.4 **Treasurer** - Written nomination received Leon James

Nomination supported

Secunder: *Sebastian Gumbaduck*

Carried: **Unanimous**

Any other nominations for the position of Treasurer **Nil**

5.5 **Secretary** – Written nomination received from Lorraine Tomlins

Nomination supported

Secunder: *Isabella Graham*

Carried: **Unanimous**

Any other nominations for the position of Secretary **Nil**



5.6 Ordinary Members – Written nominations received from

Margeret Friel and

Jillian Malseed

Nominations supported for Margeret

Secunder: *David Donnelly*

Carried: **Unanimous**

Nominations supported for Jillian

Secunder: *Raymond Taylor*

Carried: **Unanimous**

Any other nominations for the position of Ordinary Member - **Nil**



Our skilful clients participating in the “FORWAARD Beautification” program, during the COVID 19 restrictions



FORWAARD Aboriginal Corporation



AGENDA ITEM 6

2020– 2021

Auditor Appointment

The CEO respectfully presents an application from Nexia, Edwards Marshall NT to continue as FORWAARD Aboriginal Corporation's Financial Auditor in 2020.

Nexia, Edwards Marshall NT has provided a quote for \$15,450.00 ex GST to provide general-purpose auditing in 2021.

Appointment accepted Appointment rejected

Moved [Jillian Malseed](#) Seconder [Lorraine Tomlins](#)

FORWAARD Aboriginal Corporation



ATTACHMENT 1

2019 – 2020 Financial Report



**FOUNDATION OF REHABILITATION WITH ABORIGINAL
ALCOHOL RELATED DIFFICULTIES ABORIGINAL CORPORATION**

ABN: 58 291 856 396

**Financial Report For The Year Ended
30 June 2020**

moved [Don McGregor](#) Seconder [Lorraine Tomlins](#)

FOUNDATION OF REHABILITATION WITH ABORIGINAL ALCOHOL RELATED DIFFICULTIES ABORIGINAL CORPORATION

ABN: 58 291 856 396

**Financial Report For The Year Ended
30 June 2020**

CONTENTS	Page
Board Members' Report	1
Auditor's Independence Declaration	2
Statement of Profit or Loss and Other Comprehensive Income	3
Statement of Financial Position	4
Statement of Changes in Equity	5
Statement of Cash Flows	6
Notes to the Financial Report	7
Board Members' Declaration	25
Independent Auditor's Report	26

FOUNDATION OF REHABILITATION WITH ABORIGINAL ALCOHOL RELATED DIFFICULTIES ABORIGINAL CORPORATION

ABN: 58 291 856 396

Directors Report

Your board of directors submit the financial report on the Foundation of Rehabilitation With Aboriginal Alcohol Related Difficulties Aboriginal Corporation for the financial year ended 30 June 2020.

Directors

The names of each person who has been a director during the year and to the date of this report are:

- Margaret Rajak (Chairperson)
- Joe Brown (Deputy Chairperson)
- Margeret Friel
- Leon James (Treasurer)
- Lorraine Tomlins (Secretary)

Principal Activities

During the financial year the principal continuing activities of the Corporation consisted of:

The Principal activities of the Corporation during the financial year were to provide the programs as follows:

- 12 week alcohol and other drugs residential rehabilitation program;
- 12 week alcohol and other drugs day rehabilitation program;
- Aftercare and outreach program.

Significant Changes

There were no significant changes in the nature of those activities that occurred during the financial year.

Operating Result

The surplus for the year amounted to \$1,355 (2019: Surplus of \$2,005).

Events After the Reporting Period

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has had minimal financial impact on the Corporation up to 30 June 2020, it is not practicable to estimate the potential impact, positive or negative, after the reporting date.

The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since 30 June 2020 that has significantly affected, or may significantly affect the Corporation's operations, the results of those operations, or the Corporation's state of affairs in future financial years.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2020 has been received and can be found on page 2 of the financial report.

On behalf of the Board Members

Lorraine Tomlins

Dated this *27th* day of October 2020

FOUNDATION OF REHABILITATION WITH ABORIGINAL ALCOHOL RELATED DIFFICULTIES ABORIGINAL CORPORATION
ABN: 58 291 856 396
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 \$	2019 \$
Revenue	2	2,798,261	2,594,670
Total revenue and other income		2,798,261	2,594,670
Employee costs	3	1,681,657	1,565,935
Depreciation and amortisation		120,086	79,863
Other Expenses	3	995,163	946,867
Total expenses		2,796,906	2,592,665
Net current year profit		1,355	2,005
Other comprehensive income		-	-
Total Other Comprehensive Income		-	-
Total Comprehensive income for the year		1,355	2,005
INCOME ATTRIBUTABLE TO MEMBERS OF THE ENTITY		1,355	2,005
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO MEMBERS OF THE ENTITY		1,355	2,005

The accompanying notes form part of this financial report.

FOUNDATION OF REHABILITATION WITH ABORIGINAL ALCOHOL RELATED DIFFICULTIES ABORIGINAL CORPORATION
ABN 58 291 856 396
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020

	Note	2020 \$	2019 \$
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	4	746,253	716,470
Trade and Other Receivables	5	18,489	21,826
Other Assets	6	15,211	11,463
TOTAL CURRENT ASSETS		779,953	749,759
NON-CURRENT ASSETS			
Property, Plant and Equipment	7	936,105	900,955
TOTAL NON-CURRENT ASSETS		936,105	900,955
TOTAL ASSETS		1,716,058	1,650,714
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	8	206,603	283,503
Employee Provisions	9	178,462	143,679
Borrowings	10	71,151	-
TOTAL CURRENT LIABILITIES		456,216	427,182
NON-CURRENT LIABILITIES			
Employee Provisions	9	31,502	11,764
Borrowings	10	15,217	-
TOTAL NON-CURRENT LIABILITIES		46,719	11,764
TOTAL LIABILITIES		502,935	438,946
NET ASSETS		1,213,123	1,211,768
EQUITY			
Reserves	11	450,000	450,000
Retained Earnings		763,123	761,768
TOTAL EQUITY		1,213,123	1,211,768

The accompanying notes form part of this financial report.

FOUNDATION OF REHABILITATION WITH ABORIGINAL ALCOHOL RELATED DIFFICULTIES ABORIGINAL CORPORATION
ABN 58 291 856 396
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2020

	Retained Earnings	Asset Revaluation Reserve	Total Equity
	\$	\$	\$
Balance at 1 July 2018	759,763	450,000	1,209,763
Comprehensive income:			
Profit for the year	2,005	-	2,005
Other comprehensive income for the year	-		-
Total comprehensive income attributable to Members of the entity for the year	2,005	-	2,005
Balance at 30 June 2019	761,768	450,000	1,211,768
Balance at 1 July 2019	761,768	450,000	1,211,768
Comprehensive income:			
Profit for the year	1,355	-	1,355
Other comprehensive income for the year	-	-	-
Total comprehensive loss attributable to Members of the entity for the year	1,355	-	1,355
Balance at 30 June 2020	763,123	450,000	1,213,123

The accompanying notes form part of this financial report.

**FOUNDATION OF REHABILITATION WITH ABORIGINAL ALCOHOL RELATED DIFFICULTIES ABORIGINAL
CORPORATION
ABN 58 291 856 396
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2020**

	Note	2020 \$	2019 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		98,818	180,650
Grants received		2,486,167	2,235,847
Interest received		3,671	6,842
Interest paid		(5,759)	(1,748)
Payments to supplies and employees (inclusive of GST)		(2,484,246)	(2,423,843)
Net cash provided by (used in) operating activities	17	<u>98,651</u>	<u>(2,252)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from Sale of property, plant and equipment		-	-
Acquisition of property, plant and equipment		(40,840)	(64,985)
Net cash (used in) investing activities		<u>(40,840)</u>	<u>(64,985)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Borrowings provided		114,395	-
Payment of borrowings		(28,028)	-
Net cash provided by (used in) financing activities		<u>(28,028)</u>	-
Net increase (decrease) in cash held		29,783	(67,237)
Cash and cash equivalents at beginning of the financial year		716,470	783,707
Cash and cash equivalents at end of the financial year	4	<u>746,253</u>	<u>716,470</u>

The accompanying notes form part of this financial report.

FOUNDATION OF REHABILITATION WITH ABORIGINAL ALCOHOL RELATED DIFFICULTIES ABORIGINAL CORPORATION
ABN: 58 291 856 396
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

Note 1 Summary of Significant Accounting Policies

Financial Reporting Framework

The financial statements cover Foundation of Rehabilitation With Aboriginal Alcohol Related Difficulties Aboriginal Corporation as an individual entity, incorporated and domiciled in Australia. Foundation of Rehabilitation With Aboriginal Alcohol Related Difficulties Aboriginal Corporation is operating pursuant to the *Corporations (Aboriginal and Torres Strait Islander) Act 2006 (CATSI Act)* and the *Australian Charities and Not for Profits Commission Act 2012 (ACNC Act)*.

The financial statements were authorised for issue on 26 October 2020 by the Directors of the Corporation.

Basis of Preparation

Foundation of Rehabilitation With Aboriginal Alcohol Related Difficulties Aboriginal Corporation (ACNC RDR) applies Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB), the *Corporations (Aboriginal and Torres Strait Islander) Act 2006 (CATSI Act)* and the *Australian Charities and Not-for-profits Commission Act 2012*. The Corporation is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

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

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, 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 and Other Income

The Corporation has applied AASB 15: Revenue from Contracts with Customers (AASB 15) and AASB 1058: Income of Not-for-Profit Entities (AASB 1058) using the cumulative effective method of initially applying AASB 15 and AASB 1058 as an adjustment to the opening balance of equity at 1 July 2019. Therefore, the comparative information has not been restated and continues to be presented under AASB 118: Revenue and AASB 1004: Contributions. The details of accounting policies under AASB 118 and AASB 1004 are disclosed separately since they are different from those under AASB 15 and AASB 1058.

In the Current Year

Contributed Assets

The Corporation receives assets from the government and other parties for nil or nominal consideration in order to further its objectives. These assets are recognised in accordance with the recognition requirements of other applicable accounting standards (AASB 9, AASB 16, AASB 116 and AASB 138).

On initial recognition of an asset, the Corporation recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer).

The Corporation recognises income immediately in profit or loss as the difference between initial carrying amount of the asset and the related amounts.

Operating Grants, Donations and Bequests

When the Corporation 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.

When both these conditions are satisfied, the Corporation :

- 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.

When the contract is not enforceable or does not have sufficiently specific performance obligations, the Corporation:

FOUNDATION OF REHABILITATION WITH ABORIGINAL ALCOHOL RELATED DIFFICULTIES ABORIGINAL CORPORATION
ABN: 58 291 856 396
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

Note 1 **Summary of Significant Accounting Policies (Cont.)**

(a) Revenue and Other Income (cont.)

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (AASB 9, AASB 116 and AASB138);
- recognises related amounts (being contributions by owners, 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.

If a contract liability is recognised as a related amount above, the Corporation recognises income in profit or loss when or as it satisfies its obligations under the contract.

Capital Grant

When the Corporation 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 by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer) recognised under other Australian Accounting Standards.

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

Interest Income

Interest income is recognised using the effective interest method.

Dividend Income

The Corporation recognises dividends in profit or loss only when the right to receive payment is established.

Income from Service

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

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

In the Comparative Period

Revenue is measured at the fair value of consideration received or receivable. Revenue is measured on major income categories as follows:

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

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

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

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

Donations and bequests are recognised as revenue when received.

FOUNDATION OF REHABILITATION WITH ABORIGINAL ALCOHOL RELATED DIFFICULTIES ABORIGINAL CORPORATION
ABN: 58 291 856 396
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

Note 1 **Summary of Significant Accounting Policies (Cont.)**

(a) Revenue and Other Income (cont.)

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

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

Impact of Changes

The application of AASB 15 and AASB 1058 has had minimal effect on the accounting and reporting practices of the Corporation and a corresponding insignificant impact on the Corporation's operating results for the year ended 30 June 2020.

(b) Property, Plant and Equipment

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

Freehold Property

Freehold land and buildings are shown at their cost less subsequent depreciation for buildings.

In periods when the freehold land and buildings are not subject to an independent valuation, the directors conduct directors' valuations to ensure the carrying amount for the land and buildings is not materially different to the fair value.

Buildings Improvements are shown at their cost less subsequent accumulated depreciation for buildings and any accumulated impairment losses.

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

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

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

Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses.

The carrying amount of leasehold improvements and plant and equipment are reviewed annually by Directors to ensure they are not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal.

In the event the carrying amount of leasehold improvements and plant and equipment is greater than their estimated recoverable amount, the carrying amount is written down immediately to their 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 (refer to Note 1(e) for details of impairment).

Plant and equipment that have been contributed at no cost, or for nominal cost, are valued and recognised at the fair value of the asset at the date it is acquired.

Depreciation

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

FOUNDATION OF REHABILITATION WITH ABORIGINAL ALCOHOL RELATED DIFFICULTIES ABORIGINAL CORPORATION
ABN: 58 291 856 396
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

Note 1 Summary of Significant Accounting Policies (Cont.)

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

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

Class of Fixed Asset	Depreciation Rate Life (years)
Buildings and improvements	4-20%
Plant and equipment	20-25%
Motor Vehicles	20-25%

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 proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(c) Leases

The Corporation as Lessee

At inception of a contract, the Corporation assess 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 Corporation where the Corporation is a lessee. However all contracts that are classified as short term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating lease 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 Corporation uses the incremental borrowing rate.

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;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options, if the 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 Corporation 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 Corporation to further its objectives (commonly known as peppercorn / concessionary leases), the Corporation has adopted the temporary relief under AASB 2018-8 and measures the right of use assets at cost on initial recognition.

FOUNDATION OF REHABILITATION WITH ABORIGINAL ALCOHOL RELATED DIFFICULTIES ABORIGINAL CORPORATION
ABN: 58 291 856 396
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

Note 1 Summary of Significant Accounting Policies (Cont.)

(d) Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the Corporation becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the Corporation commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

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 or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

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 liabilities

Financial liabilities are subsequently measured at: amortised cost; or fair value through profit or loss.

A financial liability is measured at fair value through profit or loss if the financial liability is: a contingent consideration of an acquirer in a business combination to which AASB 3: Business Combinations applies; held for trading; or initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is used to allocate interest income or interest expense over the relevant period. The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if it is: incurred for the purpose of repurchasing or repaying in the near term; part of a portfolio where there is an actual pattern of short-term profit taking; or a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in effective hedging relationships).

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial liability.

If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses should be taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.

Financial assets

Financial assets are subsequently measured at: amortised cost; fair value through other comprehensive income; or fair value through profit or loss

Measurement is on the basis of two primary criteria: the contractual cash flow characteristics of the financial asset; and the business model for managing the financial assets.

FOUNDATION OF REHABILITATION WITH ABORIGINAL ALCOHOL RELATED DIFFICULTIES ABORIGINAL CORPORATION
ABN: 58 291 856 396
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

Note 1 **Summary of Significant Accounting Policies (Cont.)**

(d) Financial Instruments (Cont.)

A financial asset that meets the following conditions is subsequently measured at amortised cost: the financial asset is managed solely to collect contractual cash flows; and the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset that meets the following conditions is subsequently measured at fair value through other comprehensive income: the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

The Corporation initially designates a financial instrument as measured at fair value through profit or loss if: it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as an "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases; it is in accordance with the documented risk management or investment strategy and information about the groupings is documented appropriately, so the performance of the financial liability that is part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis; and it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial designation of financial instruments to measure at fair value through profit or loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Equity Instruments

At initial recognition, as long as the equity instrument is not held for trading or is not a contingent consideration recognised by an acquirer in a business combination to which AASB 3 applies, the Corporation makes an irrevocable election to measure any subsequent changes in fair value of the equity instruments in other comprehensive income, while the dividend revenue is received on underlying equity instruments investments will still be recognised in profit or loss.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the Corporation's accounting policy.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All the following criteria need to be satisfied for the derecognition of a financial asset: the right to receive cash flows from the asset has expired or been transferred; all risk and rewards of ownership of the asset have been substantially transferred; and the Corporation no longer controls the asset (ie has no practical ability to make unilateral decision to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

FOUNDATION OF REHABILITATION WITH ABORIGINAL ALCOHOL RELATED DIFFICULTIES ABORIGINAL CORPORATION
ABN: 58 291 856 396
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

Note 1 **Summary of Significant Accounting Policies (Cont.)**

(d) Financial Instruments (Cont.)

On derecognition of an investment in equity which the Corporation elected to classify under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Impairment

The Corporation recognises a loss allowance for expected credit losses on :

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets (eg amount due from customers under contracts);
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for :

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The Corporation uses the following approaches to impairment, as applicable under AASB 9 : Financial Instruments :

- the general approach;
- the simplified approach;
- the purchased or originated credit-impaired approach; and
- the low credit risk operational simplification.

General Approach

Under the general approach, at each reporting period, the Corporation assesses whether the financial instruments are credit impaired, and :

- if the credit risk of the financial instrument has increased significantly since initial recognition, the Corporation measures the loss allowance of the financial instruments at an amount equal to the lifetime expected credit losses; and
- if there has been no significant increase in credit risk since initial recognition, the Corporation measures the loss allowance of the financial instrument at an amount equal to 12 month expected credit losses.

Simplified Approach

The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times.

The approach is applicable to :

- trade receivable; and
- lease receivables.

In measuring the expected credit loss, a provision matrix for trade receivable is used, taking into consideration various data to get to an expected credit loss (ie diversity of its customer base, appropriate groupings of its historical loss experience, etc).

Purchased or Originated Credit Impaired Approach

For a financial assets that are considered to be credit impaired (not on acquisition or originations), the Corporation measures any changes in its lifetime expected credit loss as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment is recognised in profit or loss as an impairment gain or loss.

Evidence of credit impairment includes :

- significant financial difficulty of the issuer or borrower;
- a breach of contract (eg default or past due event);
- where a lender has granted to the borrower a concession, due to the borrower's financial difficulty, that the lender would not otherwise consider;
- the likelihood that the borrower will enter bankruptcy or other financial reorganisation; and
- the disappearance of an active market for the financial asset because of financial difficulties.

FOUNDATION OF REHABILITATION WITH ABORIGINAL ALCOHOL RELATED DIFFICULTIES ABORIGINAL CORPORATION
ABN: 58 291 856 396
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

Note 1 Summary of Significant Accounting Policies (Cont.)

(d) Financial Instruments (Cont.)

Low Credit Risk Operational Simplification Approach

If a financial asset is determined to have low credit risk at the initial reporting date, the Corporation assumes that the credit risk has not increased significantly since initial recognition and, accordingly, it can continue to recognise a loss allowance of 12 month expected credit loss.

In order to make such a determination that the financial asset has low credit risk, the Corporation applies its internal credit risk ratings or other methodologies using a globally comparable definition of low credit risk.

A financial asset is considered to have low credit risk if :

- there is a low risk of default by the borrower;
- the borrower has strong capacity to meet its contractual cash flow obligations in the near term; and
- adverse changes in economic and business conditions in the longer term, may not necessarily, reduce the ability of the borrower to fulfill its contractual cash flow obligations.

A financial asset is not considered to carry low credit risk merely due to existence of collateral, or because a borrower has a lower risk of default than the risk inherent in the financial assets, or lower than the credit risk of the jurisdiction in which it operates.

Recognition of Expected Credit Losses in Financial Statements

At each reporting date, the Corporation recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. The amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

For financial assets that are unrecognised (eg loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

(e) Impairment of Assets

At the end of each reporting period, the Corporation 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 – that is, they are specialised assets held for continuing use of their service capacity – the recoverable amounts are expected to be materially the same as fair value.

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

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

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

The Corporation based on past experience records employee's long service leave entitlements on commencement of their employment with the organisation.

FOUNDATION OF REHABILITATION WITH ABORIGINAL ALCOHOL RELATED DIFFICULTIES ABORIGINAL CORPORATION
ABN: 58 291 856 396

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

Note 1 Summary of Significant Accounting Policies (Cont.)

(f) Employee Benefits (Cont.)

Other long-term employee benefits

The Corporation classifies employees' long service leave and annual leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the Corporation's obligation for other long-term employee benefits.

The Corporation's obligations for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the Corporation 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 liabilities.

Retirement benefit obligations

Defined contribution superannuation benefits

Contributions are made by the Corporation to employees superannuation funds and are charged as expenses when incurred.

(g) Cash and Cash Equivalents

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

(h) Goods and Services Tax (GST)

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

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

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

(i) Income Tax

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

(j) Provisions

Provisions are recognised when the Corporation 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 reporting period.

(k) Comparative Figures

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

(l) Accounts Receivables and Other Debtors

Accounts receivable and other debtors include amounts due from clients for fees and services provided, from donors and any outstanding grant receipts. 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.

(m) Contract Assets

Contract assets are recognised when the Corporation has transferred goods or services to the customer and or completed required performance obligations, but has yet to establish unconditional rights to consideration. Contract assets are treated as financial assets for impairment purposes.

FOUNDATION OF REHABILITATION WITH ABORIGINAL ALCOHOL RELATED DIFFICULTIES ABORIGINAL CORPORATION
ABN: 58 291 856 396
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

Note 1 **Summary of Significant Accounting Policies (Cont.)**

(n) Trade and Other Payables

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

(o) Contract Liabilities

Contract liabilities represent the Corporation's obligation to transfer goods or services to a customer or complete required performance obligations and are recognised when a customer pays consideration, or when the Corporation recognises a receivable to reflect its unconditional right to consideration (whichever is earlier), before the Corporation has transferred the goods or services to the customer and or completed required performance obligations.

(p) Critical Accounting Estimates and Judgements

The Directors 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 Corporation.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Key estimates

(i) Impairment- General

The Corporation assesses impairment at the end of each reporting period by evaluating conditions and events specific to the Corporation that may be indicative of impairment triggers.

Impairment of Land, Building improvements and plant and equipment

The Corporation assesses impairment of land, buildings, leasehold improvements and plant and equipment at each reporting date by evaluating conditions specific to the Corporation and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs to sell or value-in-use calculations, which incorporate a number of key estimates and assumptions. There was no provision for land, buildings, leasehold improvements and plant and equipment impairment of leasehold improvements and plant and equipment at 30 June 2020 (2019: \$Nil).

Impairment of accounts receivable

The provision for impairment of receivables assessment requires a degree of estimation and judgement. The level of provision is assessed by taking into account the recent sales experience, the ageing of receivables, historical collection rates and specific knowledge of the individual debtors' financial position. Provision for impairment of receivables at 30 June 2020 amounted to \$44,621 (2019: \$3,065).

(ii) Useful lives of property, plant and equipment

The Corporation reviews the estimated useful lives of buildings and improvements and plant and equipment at the end of each reporting period, based on the expected utility of the assets.

The Corporation determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Key judgments

(i) Performance Obligations Under AASB 15

To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature / type, cost /value, quantity and the period of transfer related to the goods or services promised.

(ii) Coronavirus (COVID-19) Pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Corporation based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Corporation operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Corporation unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

FOUNDATION OF REHABILITATION WITH ABORIGINAL ALCOHOL RELATED DIFFICULTIES ABORIGINAL CORPORATION
ABN: 58 291 856 396
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

Note 1 **Summary of Significant Accounting Policies (Cont.)**

(q) Fair Value of Assets

The Corporation measures some of its assets 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 Corporation would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie 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 values may be made having regard to the characteristics of the specific asset. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset (ie the market with the greatest volume and level of activity for the asset) or, in the absence of such a market, the most advantageous market available to the Corporation at the end of the reporting period (ie the market that maximises the receipt from the sale of the asset, after taking into account transaction costs and transport costs).

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

(r) Economic Dependence

The Corporation is dependent on government grants for the majority of its revenue used to operate the business. At the date of this report the Board of Directors has no reason to believe that the government will not continue to support the Corporation. The Corporation's continued operations is also dependent upon achieving operating profits and positive cash flows.

(s) Adoption of New and Revised Accounting Standards

The Corporation has implemented three new Accounting Standards that are applicable for the current reporting period. AASB 15: Revenue from Contracts with Customers, AASB 1058: Income of Not-for-Profit Entities and AASB 16: Leases have been applied using the cumulative effective method; that is, by recognising the cumulative effect of initially applying AASB 15, AASB 1058 and AASB 16 as an adjustment to the opening balance of equity as at 1 July 2019. Therefore, the comparative information has not been restated and continues to be reported under AASB 118: Revenue, and AASB 117: Leases and AASB 1004: Contributions. Also to note in relation to AASB 16 is that the Corporation applied the temporary relief for peppercorn leases under AASB 2018-8 to measure the right of use assets at cost on initial recognition.

Initial Application of AASB 16 : Leases

The Corporation has adopted AASB 16: Leases retrospectively with a date of initial application of 1 July 2019. As a result, the Corporation has changed its accounting policy for leases recognition as detailed in this note.

The Directors assessed that there is no material difference in the result of the Corporation between applying AASB 117 and AASB 16, as the Corporation only has short term rental leases and photocopier rental lease expenses related to low value .

FOUNDATION OF REHABILITATION WITH ABORIGINAL ALCOHOL RELATED DIFFICULTIES ABORIGINAL CORPORATION
ABN: 58 291 856 396
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

Note 1 **Summary of Significant Accounting Policies (Cont.)**

(s) Adoption of New and Revised Accounting Standards (Cont.)

Initial Application of AASB 15 and AASB 1058

The Corporation has applied AASB 15 : Revenue from Contracts with Customers and AASB 1058: Income of Not-for-Profit Entities using the cumulative effective method of initially applying AASB 15 and AASB 1058 as an adjustment to the opening balance of equity at 1 July 2019. Therefore the comparative information has not been restated and continues to be presented under AASB 118: Revenue and AASB 1004: Contributions.

The Corporation has elected to apply AASB 1058 retrospectively only to contracts that are not completed contracts at the date of initial application.

The Directors have assessed that the application of AASB 15 and AASB 1058 has had minimal effect on the accounting and reporting practices of the Corporation and a corresponding insignificant impact on the Corporation's operating results for the year ended 30 June 2020. There is no material difference in the results of the Corporation between applying AASB 15 and AASB 1058 and AASB 118. No adjustments were deemed necessary to the opening balance of equity at 1 July 2019.

A classification change occurred which resulted in Grants Received in Advance now being classified as Contract Liability in line with wording used in AASB 15.

The table below provides details of the significant changes and quantitative impact of these changes on initial date if application 1 July 2019:

Statement of Financial Position	As presented on 30 June 2019	Application Impact of AASB 15 & AASB 1058	As at 1 July 2019
CURRENT LIABILITIES			
Unexpended Grants	123,032	(123,032)	-
Income in advance	15,224	(15,224)	-
Contract Liabilities	-	138,256	138,256
EQUITY			
Retained Earnings	-	-	-

(t) New Accounting Standards and Interpretations Not Yet Mandatory Or Early Adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Corporation for the annual reporting period ended 30 June 2020. The Corporation has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

FOUNDATION OF REHABILITATION WITH ABORIGINAL ALCOHOL RELATED DIFFICULTIES ABORIGINAL CORPORATION
ABN 58 291 856 396
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

Note 2	Revenue and Other Income	2020	2019
		\$	\$
	Revenue		
	Revenue from (non-reciprocal) government grants and other grants		
	— Grants Income	2,519,297	2,235,847
	— Grants carried forward from prior year	15,224	159,679
	— Unexpended grant carried forward	-	(15,224)
		<hr/>	<hr/>
		2,534,521	2,380,302
	Other revenue		
	— Interest	3,671	6,842
	— Rental Income	154,141	161,846
	— Other Employer income	90,920	-
	— Other income	15,008	45,680
		<hr/>	<hr/>
		263,740	214,368
	Total revenue	<hr/> <hr/>	<hr/> <hr/>
		2,798,261	2,594,670
Note 3	Expenses	2020	2019
		\$	\$
	Expenses		
	Deficit includes the following items:		
	Employee costs		
	— Salaries and wages	1,519,390	1,355,727
	— Superannuation	133,747	112,760
	— Staff training, uniforms and recruitment	14,753	83,681
	— Employee Management Fees	13,767	13,767
	Total employee benefits expense	<hr/>	<hr/>
		1,681,657	1,565,935
	Other expenses		
	— Repairs and maintenance and motor vehicle expenses	67,172	111,564
	— Utilities expenses	51,576	70,634
	— Rental expenses	-	134,076
	— Short term lease expenses	150,667	-
	— Legal and consultancy fees	7,899	2,738
	— Client support costs	354,182	332,824
	— Equipment Rentals and purchases	47,458	54,974
	— Computer expenses	24,884	40,984
	— Telephone expenses	15,826	15,703
	— Quality accreditation fees	2,940	7,900
	— Insurance	68,165	64,696
	— Cleaning, pest control and laundry costs	44,052	22,019
	— Adverstising	11,122	14,618
	— Dues and Subscription	15,582	14,736
	— Doubtful Debts	41,556	-
	— Interest Expense	5,759	1,748
	— other	86,323	57,653
		<hr/>	<hr/>
	Total Other expenses	<hr/> <hr/>	<hr/> <hr/>
		995,163	946,867

FOUNDATION OF REHABILITATION WITH ABORIGINAL ALCOHOL RELATED DIFFICULTIES ABORIGINAL CORPORATION
ABN 58 291 856 396
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

Note 4 Cash and cash equivalents

	Note	2020 \$	2019 \$
Cash on hand		496	500
Term Deposit		65,077	63,760
Cash at Bank		680,680	652,210
Total cash and cash equivalents	18	746,253	716,470

Note 5 Trade and Other Receivables

		2020 \$	2019 \$
Current			
Trade Receivables			
Trade Receivables		63,110	24,891
Less: provision for doubtful debts		(44,621)	(3,065)
	18	18,489	21,826

The Corporation normal credit term is 30 days

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

5(a) Provision for doubtful debts

Movement in the provision for doubtful debts is as follows:

Provision for doubtful debts as at 1 July 2018		3,065	
— Charge for year		-	
— Written off		-	
Provision for doubtful debts as at 1 July 2019		3,065	
— Charge for year		41,556	
— Written off		-	
Provision for doubtful debts as at 30 June 2020		44,621	

Note 6 Other Assets

		2020 \$	2019 \$
Current			
Bonds		11,427	11,427
Other		3,784	36
Total prepayments and other assets		15,211	11,463

FOUNDATION OF REHABILITATION WITH ABORIGINAL ALCOHOL RELATED DIFFICULTIES ABORIGINAL CORPORATION
ABN 58 291 856 396
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

Note 7 **Property, Plant and Equipment**

	2020	2019
	\$	\$
Land		
At Directors Valuation 2012	341,192	341,192
	341,192	341,192
Buildings and Improvements		
At Directors Valuation 2012	543,947	543,947
Improvements at cost	416,837	416,837
Less Accumulated depreciation	(576,567)	(522,339)
	384,217	438,445
Total Land and Buildings	725,409	779,637
Plant and Equipment		
At cost	629,720	585,324
Less Accumulated depreciation	(557,766)	(541,411)
	71,954	43,913
Motor Vehicles:		
At Cost	282,184	106,599
Less Accumulated depreciation	(143,442)	(68,194)
	138,742	38,405
Work in progress		
At Cost	-	39,000
	-	39,000
Total Plant and Equipment	210,696	121,318
Total property, plant and equipment	936,105	900,955

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 and Improvements	Work in progress	Plant and Equipment	Motor Vehicles	Total
	\$	\$	\$	\$	\$	\$
Carrying amount at 1 July 2019	341,192	438,445	39,000	43,913	38,405	900,955
Additions at cost	-	-	-	5,396	35,445	40,840
Transfer/ Adjustments	-	-	(39,000)	39,000	114,396	114,396
Depreciation expense	-	(54,228)	-	(16,355)	(49,504)	(120,086)
Carrying amount at 30 June 2020	341,192	384,217	-	71,954	138,742	936,105

The land and buildings located in the 33 Charles Street, were revalued by an independent valuer. The valuation of the land and buildings is based on the fair value of each identifiable property. The revalued amount of land and buildings is \$341,192 and \$543,947 respectively (refer to Note 17 (ii) for details on revaluations).

The buildings were independently valued an external independent valuation performed in 2012. At 30 June 2020, the Directors' have performed a directors' valuation on the buildings. The Directors' have reviewed the key assumptions adopted by the valuers and do not believe there has been a significant change in the assumptions at 30 June 2020. The Directors' therefore believe, that based on the expected utility of the assets, the carrying amount of the buildings reflects the fair value at 30 June 2020.

FOUNDATION OF REHABILITATION WITH ABORIGINAL ALCOHOL RELATED DIFFICULTIES ABORIGINAL CORPORATION
ABN 58 291 856 396
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

Note 8	Trade and Other Payables	Note	2020 \$	2019 \$
	Current			
	Trade payables		42,187	52,508
	ATO liabilities- BAS and PAYG withholding		126,588	33,479
	Accrual and other payables		37,828	59,260
	Income in advance		-	123,032
	Unexpended Grants		-	15,224
	Total trade and other payables		206,603	283,503
	Financial liabilities at amortised cost			
	Classified as trade and other payables			
	Trade and other payables:			
	— Total current		206,603	283,503
	— Less: income in advance		-	(123,032)
	— Less: Unexpended Grants		-	(15,224)
	Financial liabilities as trade and other payables	18	206,603	145,247
	Contract liabilities - movement in amounts :			
	Balance at the beginning of the year		-	
	Reclassified from Deferred income / Unexpended grants on initial application of AASB 15		138,256	
	Additions: Grants for which performance obligations will only be satisfied in subsequent years		-	
	Expended : Grants acquitted or utilised during the year		(138,256)	
	Closing balance		-	

Note 9	Employee Provisions	2020 \$	2019 \$
	Current		
	Annual leave	126,660	86,097
	Long service leave	51,802	57,582
	Other provisions	-	-
	Total current provisions for employee benefits	178,462	143,679
	Non Current		
	Long Service Leave	31,502	11,764
	Total non current provisions for employee benefits	31,502	11,764
	Total provisions for employee benefits	209,964	155,443
	Analysis of total provisions:	Employee benefits	
	Opening balance at 1 July 2019	155,443	
	Additional provisions raised during the year (net)	54,521	
	Balance at 30 June 2020	209,964	

Provision For Employee Benefits

Employee provisions represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amount accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the Corporation does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the Corporation does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement. The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits have been discussed in Note 1(g).

FOUNDATION OF REHABILITATION WITH ABORIGINAL ALCOHOL RELATED DIFFICULTIES ABORIGINAL CORPORATION
ABN 58 291 856 396

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

Note 10	Borrowings	Note	2020 \$	2019 \$
CURRENT				
	Car Loan- Secured Toyota Finance, Volkswagen		71,151	-
			<u>71,151</u>	<u>-</u>
NON CURRENT				
	Car Loan- Secured Toyota Finance, Volkswagen		15,217	
	Total Borrowings		<u><u>86,368</u></u>	<u><u>-</u></u>

The Car loan with Toyota Finance, Volkswagen are secured over the underlying motor vehicle assets.

Note 11 Equity - Reserves

	2020 \$	2019 \$
Reserves at the beginning of the financial year	450,000	450,000
Movement in Reserves	-	-
Reserves at the end of the financial year	<u><u>450,000</u></u>	<u><u>450,000</u></u>

The reserves represent surplus on revaluation of non-current assets.

Note 12 Contingent liabilities

The Corporation had no contingent liabilities as at 30 June 2020 and 2019.

Note 13 Capital and Leasing Commitments

(a) Operating lease commitments	2020 \$	2019 \$
<i>Leasehold rental commitments</i>		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	55,902	136,670
One to five years	-	17,334
More than 5 years	-	-
	<u>55,902</u>	<u>154,004</u>
<i>IT Support services and other services contract</i>		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	1,253	26,946
One to five years	-	1,253
More than 5 years	-	-
	<u>1,253</u>	<u>28,199</u>
<i>Motor Vehicle lease commitments</i>		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	-	43,422
One to five years	-	37,584
More than 5 years	-	-
	<u>-</u>	<u>81,006</u>
Total Operating lease commitments	<u><u>57,155</u></u>	<u><u>263,209</u></u>

Commitments, as listed above, include contracted amounts for various offices and support services and Motor vehicle lease commitments under non- cancellable operating leases expiring within 12 months. Included in 2019 was \$ (\$263,209).

(b) Capital expenditure commitments

The Corporation has no capital commitments at 30 June 2020 (2019: \$Nil).

FOUNDATION OF REHABILITATION WITH ABORIGINAL ALCOHOL RELATED DIFFICULTIES ABORIGINAL CORPORATION
ABN 58 291 856 396
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

Note 14 Key management personnel compensation

Compensation

The aggregate compensation made to officers and other members of key management personnel of the Corporation is set out below:

	2020	2019
	\$	\$
Short-term employee benefits	130,953	127,138

Related party transactions

Related party transactions are set out in Note 15.

Note 15 Other Related Party Disclosure

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.

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

There were no other related party transactions in 2020 (2019 :\$Nil).

Note 16 Events after the reporting period

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has been financially positive for / had little financial impact on the Association up to 30 June 2020, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No matter or circumstance has arise since 30 June 2019 that has significantly affected, or may significantly affect the Corporation's operations, the results of those operations, or the Corporation's state of affairs in the future financial years.

Note 17 Reconciliation of profit for the year to net cash used in operating activities

	2020	2019
	\$	\$
Profit for the year	1,355	2,005
Adjustments for:		
Depreciation and amortisation expense	120,086	79,863
Gain on sale of property, plant and equipment	-	-
Changes in operating assets and liabilities:		
Decrease (increase) in trade and other receivables	3,337	(11,082)
Decrease (increase) in other assets	(3,748)	(36)
Increase (decrease) in trade and other payables including unexpended grants	(76,900)	(92,548)
Increase (decrease) in provisions	54,521	19,546
Net cash flows provided by (used in) operating activities	98,651	(2,252)

Note 18 Financial Risk Management

The Corporation's financial instruments consist mainly of deposits with banks accounts, short term investments, accounts receivables and payables.

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

	Note	2020	2019
		\$	\$
Financial assets			
Cash on hand	4	746,253	716,470
Trade and other receivables	5	18,489	21,826
Total financial assets		764,742	738,296
Financial liabilities			
Financial liabilities at amortised cost:			
Trade and other payables	8	206,603	145,247
Borrowings	10	86,368	-
Total financial liabilities		292,971	145,247

Refer to Note 19 for details and disclosures regarding the fair value measurements of the Corporation's financial assets.

FOUNDATION OF REHABILITATION WITH ABORIGINAL ALCOHOL RELATED DIFFICULTIES ABORIGINAL CORPORATION
ABN 58 291 856 396

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

Note 19 Fair Value Estimation

Fair value estimation

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

	Note	2020		2019	
		Carrying Amount \$	Fair Value \$	Carrying Amount \$	Fair Value \$
Financial assets					
Cash on hand	4, 18	746,253	746,253	716,470	716,470
Trade and other receivables	5, 18	18,489	18,489	21,826	21,826
Total financial assets		764,742	764,742	738,296	738,296
Financial liabilities					
Financial liabilities at amortised cost:					
Trade and other payables	8, 18	206,603	206,603	145,247	145,247
Borrowings	10, 18	86,368	86,368	-	-
Total financial liabilities		292,971	292,971	145,247	145,247

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

A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

- (a) in the principal market for the asset or liability; or
(b) in the absence of a principal market, in the most advantageous market for the asset or liability."

Non- Financial assets

Freehold land at valuation	341,192	341,192	341,192	341,192
Buildings	384,217	384,217	438,445	438,445
Total Non- Financial assets	725,409	725,409	779,637	779,637

The land and buildings located in the 33 Charles Street, were revalued by an independent valuer. The valuation of the land and buildings is based on the fair value of each identifiable property. The revalued amount of land and buildings is \$341,192 and \$543,947 respectively.

The buildings were independently valued an external independent valuation performed in 2012. At 30 June 2020, the Directors' have performed a directors' valuation on the buildings. The Directors' have reviewed the key assumptions adopted by the valuers and do not believe there has been a significant change in the assumptions at 30 June 2020. The Directors' therefore believe, that based on the expected utility of the assets, the carrying amount of the buildings reflects the fair value at 30 June 2020.

Note 20 Corporation Details

The Registered Office and place of business of the corporation is:

33 Charles Street
Stuart Park
NT 0820

FOUNDATION OF REHABILITATION WITH ABORIGINAL ALCOHOL RELATED DIFFICULTIES ABORIGINAL CORPORATION
ABN 58 291 856 396
BOARD MEMBERS' DECLARATION

The Board Members of Foundation of Rehabilitation With Aboriginal Alcohol Related Difficulties Aboriginal Corporation, declare that in the Board Members' opinion :

1. The financial statements and notes, as set out on pages 3 to 25, are in accordance with the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* (CATSI Act 2006) and with the *Australian Charities and Not-for-Profits Commission Act 2012* (ACNC Act) and :
 - (a) comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
 - (b) give a true and fair view of the financial position of the Corporation as at 30 June 2020, its performance and cash flows for the year ended on that date.

2. In the Board Members' opinion there are reasonable grounds to believe that the Corporation will be able to pay its debts as and when they become due and payable.

On behalf of the Board Members

Margeret Friel

Dated 27 October 2020

Jillian Malseed

Dated 27 October 2020