

Introduction

This document is the Annual Report of The Arthritis Foundation of the Northern Territory Incorporated, satisfying the requirements of the Foundation's Constitution and the Associations Act 2003. The Foundation has a number of business names, the most often used being Arthritis & Osteoporosis NT (AONT). In keeping with that practice the term "AONT" will be used throughout this document.

AONT is primarily an organisation for the benefit of and services to people with arthritis and osteoporosis. These same services may also meet the needs of persons with other musculoskeletal conditions.

President's Report

Relocation of the AONT office

The move to Rapid Creek Business Village took place in September 2009 after many months of negotiations, planning, packing and unpacking. For those members who attend pool sessions at the Tropicus Centre in Coconut Grove, calling in to the office is now not so simple. However, the move does mean paying considerable less rent (more than \$1,500 per annum less) than we paid for the Coconut Grove premises. Staying there we would have faced a substantial increase. Visits from members are always welcome, even though membership renewals may be arranged by telephone.

Staffing

Because of reduced staff numbers (employees and volunteers) office hours were reduced in June to just three days per week (Mondays, Wednesdays & Thursdays). At the time of writing this report interviews are being conducted for the new position of Administration and Community Development Officer.

I would like to take this opportunity to acknowledge the contribution that Natalie Valastro has made to AONT since joining us in early 2006, now working in Accounts for 10 hours per week. A highly valued employee, Natalie has often stepped in to cheerfully perform a wide range of tasks to support the volunteers and AONT generally. Her steadfastness and warm personality are great assets to AONT.

Volunteer contribution has kept AONT operational. Thank you to all those who have assisted with office procedures (including reception duties, processing health enquiries and membership applications/renewals, collating information packs etc) newsletter production and distribution, support groups, information stands, presentations, self management courses, fundraising activities, and Board membership.

Planning

Through a Planning workshop held in August 2010, facilitated by the CEO of Arthritis Foundation of South Australia and her Deputy, a three year strategic plan was developed. Several months of preliminary discussion preceded the Planning workshops and AONT relies on continued collaboration with Arthritis SA for assistance with implementation and guidance on many issues. However, Arthritis SA is not responsible for the continued viability of AONT.

Successful implementation of the plan depends on increased staff levels and financial sustainability. AONT has made a submission to the Northern Territory Government Department of Health and Families, for increased funding to subsidise the proposed increase in staffing. At the suggestion of Arthritis SA, the Board

has also considered other income generation strategies, including the appeal letter seeking donations distributed with the September 2010 newsletter.

Appeal letters

All members (306) received a letter, as did the recipients of complimentary copies of the newsletter (140). At the time of writing this report, donations received total approximately \$2011 (\$840 from members and \$1171 from other donors). These funds are not part of the 2009/2010 income and will be reported fully next year. The decision to send out such letters was not made lightly, particularly as many members had already made donations when renewing memberships.

Support of AONT by the community and other organisations:

On behalf of AONT I thank the following for their generosity and thoughtfulness:

- All those members who have continued to renew their memberships without necessarily accessing any services, but do so to support the organisation. Such membership income is highly valued as fundraising options are very limited.
- Members and non-members who have made donations, often on a regular basis.
- The Arthritis Foundation of South Australia for continuing to pay AONT's affiliate contribution to administrative costs of Arthritis Australia (\$5,000 per annum).
- The Arthritis Foundation of South Australia for initiating a Strategic Planning workshop in Darwin. This exercise relied on the good will of our SA colleagues and their ability to entirely fund their visit. AONT was not able to contribute in any way to their expenses.
- Arthritis Australia for securing Commonwealth Department of Health and Ageing funds for the Remote & Rural Awareness program.
- Osteoporosis Australia for securing Commonwealth Department of Health and Ageing funds for osteoporosis education.
- Arthritis Australia and Osteoporosis Australia for continuing to provide AONT with up to date information and materials.
- Carers NT and GP Network NT who continue to collaborate and assist in a range of endeavours.
- Those organisations and individuals who have written letters of support for our submission to NT Government, Department of Health and Families (October 2010)

Charles Atherton
President

Service Agreement

AONT has relied on core funding from Northern Territory Government, Department of Health and Families, for many years to provide "arthritis, osteoporosis support, health promotion and advocacy". The Agreement was renewed for the period 1st January 2007 to 31st December 2010. For the 2009/2010 year AONT received \$60,104 base funding. Under this agreement AONT has six-monthly reporting obligations: statistics of information and support provided, education and training (both consumer education and professional development of staff and volunteers, and evidence of networks and partnerships.

Financial statements to accompany six monthly service reports:

- June to December 2009
- January to July 2010

The purpose of these reports is to demonstrate how funding from NT Government, Department of Health and Families is spent. These reports are prepared in-house from our records. NT Government funding is the only income stated. Not all the organisation expenditure will appear on these statements, and some expenditure items will have been partly set off against government funding and partly set off against other forms of income.

Variations to Agreement:

- Seniors Month 2009 – Gardening for Seniors (\$800)

The Board

As at 30th June 2010 the AONT board comprised:

President & Public Officer	Charles Atherton
Vice President	Beth Harvey
Treasurer	Mary Willis
Secretary	Ruth Garden
Members	Maureen Archbold
	Ash Dally
	Hilary Fowler
	Gail Keddie
	Denis Power

The above mentioned board members were all elected at the AGM of 2009 save for Hilary Fowler who was appointed to the Board on 8th March 2010 on the resignation of Board member Cathy Flint who had joined the Board at the 2009 AGM.

Governance and Planning

The Board normally meets on the second Monday of every month and maintains regular contact with staff. Other meetings are called as needed to deal with specific matters.

Early in 2010 Arthritis SA offered to send key personnel to Darwin to assist AONT in developing a strategic Plan for the next three years to ensure a strong future. Several months of preliminary discussion preceded the Planning workshops and AONT relies on continued collaboration with Arthritis SA for assistance with implementation and guidance on many issues. As already stated in this report, Arthritis SA is not responsible for the continued viability of AONT.

Through the AONT newsletters (September & December 2009, March, July & September 2010) members have been advised of the difficulties faced in maintaining operations. The Board is well aware of the lack of continuity with the high turnover of employees and volunteers, which has in turn compromised the processes and procedures which various individual employees and/or volunteers have striven to develop. As an outcome

of the Strategic Planning workshop, the new part time position of Administration and Community Development Officer has been developed to address some of these difficulties. But a major increase in income is necessary to make this a full time position, and to provide also for a Health Educator.

The submission to NT Government, Department of Health and Families for increased funding has taken many months of research and drafting, entirely by board member volunteers. Members are welcome to visit the office to read the submission. As stated in it, *“Enormous efforts have been made to consolidate operations and rationalise resources. Detailed risk management and strategic plans have been drawn up, but implementation relies on more than good intentions.”*

Organisation Structure

Volunteer contribution continues to play the major role in the organisation, particularly during the times when our only employee is Natalie in Accounts.

Staff changes

From July to December 2009 the only employee was Natalie Valastro in Accounts. The new position of Administration and Education Officer was filled only from January to mid June 2010, the position now being vacant, as advised in the September 2010 newsletter.

Volunteers

Volunteers have continued to assist with reception and other office duties as required. Volunteer hours recorded from July 2009 to June 2010 were almost 4000 with an average of 310 hours per month. This includes many hours outside our business hours in administration, education activities, and fundraising.

In November 2009 and February 2010, AONT engaged the former Health Educator Louise Schnitzhofer to train groups in the Community Speaker Program, also known as the Volunteer Speaker Program. This training provides participants with the knowledge to deliver *“Healthcare Information on Musculoskeletal Conditions”*. Some of the participants have since given presentations to community groups and assisted with information stands as volunteers for AONT.

Areas of volunteer involvement include:

- Office duties, including reception, photocopying, & filing
- Board membership
- Community speaking
- Leading self management courses
- Fundraising & grant applications
- Newsletters

Thank you to those who have recently offered their services as volunteers – unfortunately, some of these offers have not been followed up, due to insufficient staff and increased workloads of current volunteers. While this may seem contradictory, the existing volunteers do not have time to train new volunteers – a catch 22 situation! The AONT Board (all voluntary positions) accepts that volunteer contribution will always play an important part in service delivery, and strives to recruit, train and support volunteers. However, it is unrealistic to expect in the long term:

- any volunteers to commit more than a few hours per week, or

- volunteer management to be the responsibility of other volunteers, hence our application for increased funding.

It is anticipated that the newly created position of Administration and Community Development Officer will go some way in resolving the situation.

Membership

At 30 June 2010:

Number of financial members at 30 June: 300

Of the 300 memberships a small proportion were family units and 53 were new members.

% of females /males: 83% / 17%

Number with arthritis: approximately 55%

Number with osteoporosis: approximately 16%

Number with both arthritis & osteoporosis: approximately 17%

Membership fees are currently \$40 (\$20 concession) for individuals and \$60 (\$32 concession) for families.

Membership benefits:

- Health advisory service
- Newsletter mail outs, four times per annum
- Discounts to selected services
- Reference library
- Items for sale
- Free or subsidised entry to AONT events
- Access to self management courses
- Access to support groups

Honorary membership

The Constitution, Clause 4.1.4 makes provision for the Board to award Honorary Membership, to be reviewed at each Annual General Meeting (AGM) where it may be renewed. Honorary Membership exempts a member from payment of subscriptions, and shall be reviewed at each Annual General Meeting, where it may be renewed. There is no provision in the constitution to award Life Memberships.

Renewal of Honorary Memberships:

- At the Board meeting of 20th April 2009 Honorary Membership was awarded to Ellen Hankin, and renewed at the 2009 AGM.
- At the 2008 AGM Honorary Membership was awarded to Maureen Archbold, Sylvia Bugg and Peg Gellert. All were renewed at the 2009 AGM.
- At the AGM of 2007 Honorary Membership was awarded to Kay Brown and June Proctor. Both were renewed at the AGMs of 2008 and 2009.

New awards

- At the Board meeting of 9th August 2010 honorary membership was awarded to Joy Lane and Doreen Walton for their dedication to the Nightcliff and Palmerston Support Groups, and to Ruth Garden for her long term support of AONT.

Support Groups

Nightcliff Arthritis Support Group: This group no longer formally meets, due to want of a venue (since CarersNT's move from Coconut Grove) and sadly a lack of leadership by AONT itself. Some of the group continue to meet informally.

Palmerston Arthritis Support Group: This group continues to meet on the 3rd Monday of each month at the Brennan electorate office opposite the Target store. Guest speakers and special events are usually arranged by long term convenors Sylvia Bugg and Doreen Walton. New faces are very welcome.

In the March 2010 newsletter there was an article referring to new support groups. Unfortunately, through a lack of staff, and the increased workload on office volunteers, these groups have not become established and the former Nightcliff group has not been revitalised.

What we did during the year

Information and support

Throughout the year volunteers and staff have provided a wide range of information packages to members and the wider community, using materials developed by Arthritis Australia, Osteoporosis Australia and other state or territory Arthritis Foundations. AONT also refers people to other appropriate services.

Hundreds of information packs were distributed in response to the many hundreds of enquiries. Resources were also supplied to Alice Springs Hospital, Rheumatology and Paediatric clinics at Royal Darwin Hospital, and school nurses.

Education and training

- Information stands at Alice Springs and Katherine Shows 2009
- Gardening for Seniors – a Seniors Month activity held in August 2009 at the Kurringal Court seniors complex. AONT provided information stands and organised health professionals to give a range of presentations. Together with the residents, we provided refreshments throughout the day as part of the residents' Open Garden event.
- Community speaker training in November, both an update of previously trained volunteers and training of new volunteers – funded by Commonwealth Department of Health and Ageing through Arthritis Australia
- Late 2009 – volunteer attendance at interstate update for Master Trainer in Chronic Disease Self Management project
- January 2010 - Chronic Disease Self Management leader training was attended by the newly appointed Administration and Education Officer
- Further Community speaker training in February, again funded by Commonwealth Department of Health and Ageing through Arthritis Australia, also attended by the Administration and Education Officer
- Upskilling of Alice Springs volunteer in Warm Water and Chair Based Exercise programs funded by Commonwealth Department of Health and Ageing through Arthritis Australia
- April Falls Day – an information stand at Royal Darwin Hospital, AONT staff and volunteers

- Arthritis Awareness Week – Open Days at AONT office
- Falls Prevention Forum – attended by the Administration and Education Officer
- Presentations to volunteers of Linkcare Anglicare
- Community Speaker presentations – several groups in Alice Springs Katherine Seniors Citizens Club, Quota International of Darwin, Masonic Homes, CDU Aged Care students, Greek orthodox community members

Networks and partnerships

- Late 2009 – collaboration with GP Network NT and Carers NT in regard to the Network’s proposed Chronic Disease Self Management Leader & Master training
- February –national CEO conferences in Sydney (national bodies and all affiliates) attended by the Administration and Education Officer
- Further collaboration with GP Network NT and Carers NT for the annual Activate Healthy Lifestyle Challenge – range of materials for 500 registrants’ bags and Chronic Disease Self Management courses in Darwin and Palmerston

Donations, sponsorship and fundraising

All donations are receipted and acknowledged at the time. Significant donations include:

- Australian Central Credit Union –selling tickets in the Community Lottery, with AONT receiving all monies from ticket sales
- Donation from the residents of Kurringal Court, from the 2009 Open Garden entry fees
- Darwin International Airport gave in kind support to AONT by assisting at the Open Garden
- Donors who gave towards our fundraising efforts at the Open Garden event
- Fundraising BBQ at Harvey Norman in May 2010, bread and sausages and use of BBQ provided by Harvey Norman
- Quota International of Darwin sponsored the reprint of our organisation brochure
- Framed boomerang donated and subsequently raffled, drawn in August 2010

Thanks go to the many other donors who have given generously throughout the year to support us.

Grant applications and projects

Numerous efforts have been made to source additional funds to maintain and improve services. Grants are always project specific, and the projects cannot be started before the funding is approved. Successful grant applications involve several steps – identifying a possible grant, project design, grant application, project management, and acquittal, a process which has relied on board member volunteers

Projects for 2009/2010

- Seniors Month Grant (Department of Health & Families) – \$800 for “Gardening for Seniors”, August 2009
- Community Speaker training funded by Commonwealth Department of Health and Ageing for the Remote & Rural Awareness program, through Arthritis Australia - \$18,000
- Osteoporosis education funded by Commonwealth Department of Health and Ageing, through Osteoporosis Australia - \$7,000

Successful Applications for 2010/2011 projects

- Volunteer Small Equipment Grant (Federal Government, Family & Community Services & Indigenous Affairs) – \$4,845 for lap top computer and data projector for Community Speaker volunteers, office chairs and fuel allowance
- Seniors Month Grant (Department of Health & Families) – \$800 for “Exercise and Relaxation Fit for Seniors”, August 2010

Treasurer’s Report

Following an accident early in the year, from which I have unfortunately taken quite some time to recover, I have not been able to devote as much time to AONT as I would have liked. My thanks to our hard working Secretary Ruth Garden and our other volunteers Maureen, Hilary, Gail and Peg together with Natalie Valastro our Accounts Officer for their great work.

After experiencing an operating loss last financial year, we have made a small notional operating profit this financial year (\$12405). This has been due to unexpended funds received from Osteoporosis Australia in late June (\$7000, from the Commonwealth Department of Health and Ageing, towards implementing osteoporosis education) and having only one employee for half the year, namely 10 hours per week in Accounts.

During the last financial year, AONT has received \$4561 from Memberships; \$9310 from Fundraising, Raffles and Donations; and \$90484 in a range of Grants, Subsidies and our NTG service grant. Our major expenses include wages, rent and other overhead expenses and of course the cost of our move to the new premises. AONT relies on the support of its members and others in the community and this year we acknowledge Quota International of Darwin whose fundraising lawn sale efforts provided us with the funds for a reprint of our brochure. Again this year, Maureen Archbold and her family manned the Harvey Norman BBQ – a great effort.

Our office has been operating on a “bare-bones” basis during recent months and it has only been through the extraordinary contribution of our quickly tiring volunteers, including board members, that we have been able to man the office. It is imperative that we increase our income, and increase our volunteer base to assist in various functions, including fundraising and also donations.

At the time of writing this report we have made a submission to the Northern Territory Government seeking an increase in funding. However, earlier indications were that all NTG funded organisations in the Northern Territory are unlikely to receive any increase in funding due to tight economic circumstances.

Our main liability is the balance we owe to Arthritis Australia on the loan that was obtained a number of years ago by a previous board and which has been reported on previously in last year’s report. At the end of the financial year an amount of \$17900 remains owing in respect of this loan. This loan of course cannot be repaid from any funds we receive from the NTG or other grants.

Mary Willis
Treasurer AONT

Special Purpose Financial Report

This includes all income and expenditure items (Profit and Loss statement), and a Balance Sheet of all assets and liabilities, both for the full financial year. This report is prepared by an independent auditor.

**The Arthritis Foundation of the
Northern Territory Inc.**

**Special Purpose Financial Report
for the Year Ended 30 June 2010**

**The Arthritis Foundation of the Northern Territory Inc.
Income Statement
For the Year ended 30 June 2010**

	2010	2009
	\$	\$
Revenue	111,501	107,156
Expenses	99,096	161,802
Profit/(loss) before Income Tax	<u>12,405</u>	<u>(54,646)</u>
Income Tax Expense	-	-
Profit/(loss) Attributable to Members	<u><u>12,405</u></u>	<u><u>(54,646)</u></u>

The accompanying notes form part of these financial statements.

The Arthritis Foundation of the Northern Territory Inc.
Balance Sheet
As at 30 June 2010

	Note	2010 \$	2009 \$
Equity			
Unappropriated Profit		46,881	34,477
Total Equity		<u>46,881</u>	<u>34,477</u>
Represented by:			
Current Assets			
Cash on Hand		83	200
CBA 06590100918225		612	-3,657
Investment Account 590350153405		-	50,000
Net Bank online saver		54,541	-
		<u>55,236</u>	<u>46,543</u>
Non-Current Assets			
Property, Plant & Equipment	3	14,083	18,177
		<u>14,083</u>	<u>18,177</u>
Total Assets		<u>69,319</u>	<u>64,720</u>
Current Liabilities			
PAYG Payable		761	3,008
Superannuation Payable		829	2,482
Provision for GST		1,039	-247
Provision for Employee Entitlements		1,909	-
		<u>4,538</u>	<u>5,243</u>
Non-Current Liabilities			
Loan - Arthritis Foundation of Australia		17,900	25,000
		<u>17,900</u>	<u>25,000</u>
Total Liabilities		<u>22,438</u>	<u>30,243</u>
Net Assets		<u>46,881</u>	<u>34,477</u>

The accompanying notes form part of these financial statements.

THE ARTHRITIS FOUNDATION OF THE NORTHERN TERRITORY INC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

Note 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act of the Northern Territory. The Committee has determined that the association is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the Associations Incorporation Act of the Northern Territory and the following applicable Accounting Standards;

AASB 1018:	Statement of Financial Performance
AAS2:	Inventories
AAS36:	Statement of Financial Position
AAS 5:	Materiality
AAS 6:	Accounting Policies

No other applicable Accounting Standards, Urgent Issues Group Consensus Views or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The report is prepared on an accrual basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in preparation of this report:

(a) Income Tax

No provision for income tax has been raised in these accounts.

(b) Fixed Assets

Fixed assets are carried out at cost less, where applicable, any accumulated depreciation.

The depreciable amount of fixed assets are depreciated over the useful lives of the assets to the association commencing from the time the asset was held ready for use. Leasehold improvements are depreciated over the shorter period of either the unexpired period of the lease or the estimated useful lives of the improvements.

The carrying amount of fixed assets is reviewed annually by members to ensure it is not in excess of the recoverable amount of those assets.

The recoverable amount is assessed on the basis of the expected net cash flows, which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

(c) Goods & Service 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 Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

(d) Economic Dependency

The Association is dependent on continuing government support for its activities.

Note 2. AUDITOR'S REMUNERATION	2010	2009
	\$	\$
Audit Fee -Thompsons Australia	<u>1,790</u>	<u>1,745</u>

Note 3. PROPERTY PLANT & EQUIPMENT

Property, plant and equipment – cost	43,859	47,864
Accumulated depreciation	<u>(29,775)</u>	<u>(29,687)</u>
Total	<u>14,083</u>	<u>18,177</u>

The Arthritis Foundation of the Northern Territory Inc.

**Statement by Members of the Committee
For the Year ended 30 June 2010**

The Committee Members hereby state that:

1. The financial statements, being a special purpose financial statement, and notes:-
 - a. Comply with Australian Accounting Standards and the Associations Incorporation (NT) Act;
 - b. Give a true and fair view of the financial position as at 30 June 2010 and performance for the year ended on that date of the Arthritis Foundation of the Northern Territory Inc;
2. In the Committee’s opinion there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they become due and payable.
3. An Auditor’s Independence Declaration from our auditors, Thompsons Australia has been obtained
4. The members of the committee at the 30 June 2010 are:
 - C. Atherton (Pres & Public Officer)
 - B. Harvey (V.P.)
 - R. Garden (Sec)
 - M. Willis (Treas)
 - M. Archbold
 - G. Keddie
 - D. Power
 - A. Dally
 - H. Fowler
5. The principal activities of the association during the year were: Public and Individual Education and advocacy in the area of Arthritis and Osteoporosis treatment and management.
6. The net surplus for the financial year ended 30 June 2010 was \$12,405

Signed on behalf of the Committee by:

.....
 Committee Member
 Name:
 Date:

.....
 Committee Member
 Name:
 Date:

Independent Auditor's Report

To: the Members of The Arthritis Foundation of The Northern Territory Inc.

Report on the Financial Report

We have audited the accompanying financial report of The Arthritis Foundation of The Northern Territory Inc., which comprises the Balance Sheet as at 30 June 2010 and the Statement of Income and Expenditure for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the Committee Members' declaration.

The Responsibility of the Committee Members for the Financial Report

The committee members of the entity are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are appropriate to meet the requirements of the Constitution of the Foundation and are appropriate to meet the needs of the members. The committee members responsibility also includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee members, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to the members. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

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

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements. The audit opinion expressed in this report has been formed on the above basis.

Basis of Qualified Auditor's Opinion

Sales, donations and other income form a significant source of income of the Arthritis Foundation of the Northern Territory Inc. It is impractical to establish control over the collection of income from such sources prior to their entry into the financial records. Accordingly, as the evidence available to us in respect of revenue derived from these sources was limited, our audit procedures with respect to completeness of income were restricted to the amounts recorded in the financial records. We are therefore unable to express an opinion on the completeness of income for the Foundation.

Qualified Auditor's Opinion

In our opinion, except for the effects if any on the financial statements of the matter referred to in the qualification paragraph, the financial report of the Arthritis Foundation of the Northern Territory Inc. presents a true and fair view in accordance with the accounting policies described in Note 1 to the financial statements, the financial position of the entity as at 30 June 2010 and the results of its operations for the financial year then ended.

.....
 Greg Thompson
 Registered Company Auditor

Date:

THOMPSONS AUSTRALIA
 PO Box 272
 HURSTVILLE BC NSW 1481

The Arthritis Foundation of the Northern Territory Inc.
Profit and Loss Statement
For the Year ended 30 June 2010

	2009	2010
	\$	\$
Income		
Sales	789	93
Advertising	-	300
Memberships	6,279	4,561
Interest Received	4,909	1,025
Courses	1,414	164
Donations	9,140	4,649
Raffles	4,135	4,122
Government Subsidies & Grants net of acquittals	21,345	30,380
Fundraising	2,161	596
DHCS Service Grant	56,054	60,104
Hydro Exercise Darwin	-77	-
Bad Debt recovery & Insurance Claim	-	5,508
	107,156	111,502
Expenditure		
Audit Fees	1,745	1,790
Freight	40	-
Depreciation	4,005	4,094
Bank Charges	65	157
Healthy Living Books	36	-
Room Venue Hire	443	-
DOHA Grant payment	-	9,691
Newsletter Expenses	1,069	750
Business Lodgement Permits	27	68
Memberships	80	15
Affiliation Fees	250	250
Merchant Fees	121	320
Bookkeeping	355	-
Computer Hardware < \$300	5,747	-
Computer Software & Consumables	2,581	240
Conferences	3,463	-
Healthy Living Course	18	-
Doubtful Debts	16,076	-
General Administration Costs	557	4,661
Courses	-	3,274
Tai Chi Leaders Course	117	-
Staff Volunteers Training	450	962
Repair and Maintenance	2,744	5,233
Staff Amenities	139	145
Insurance	4,004	3,763
Interest Expense	612	-

The Arthritis Foundation of the Northern Territory Inc.
Profit and Loss Statement
For the Year ended 30 June 2010

	2009	2010
	\$	\$
Electricity	2,305	1,758
Other Employer Expenses	86	-
Promotions, Advertising, Donations	5,326	1,177
Postage	755	737
Printing & Stationery	2,760	1,381
Photocopying	-	1,180
Pool Hire - Hydro Darwin	-	-
Rates & Taxes	-	-
Training Expenses	-	424
Rent	13,680	12,111
Fund Raising Expenses	4,005	50
Salaries & Wages	73,577	36,216
Superannuation Contributions	6,601	2,831
Telephone	2,638	2,878
Internet Expenses	-	2,140
Travelling Expenses	2,246	-
Voluntary/Members Expenses	2,605	35
Alloc of Senior Month Grant	475	766
	161,802	99,097
Profit before Income Tax	-54,646	12,405