

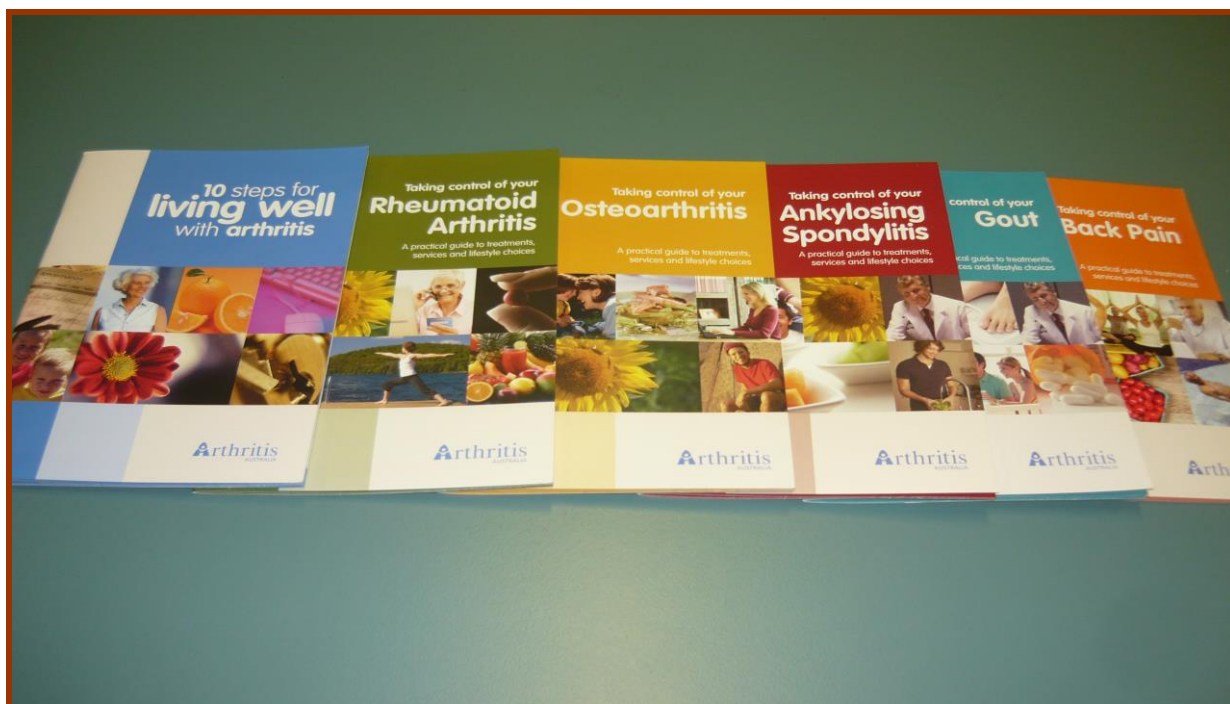
The Arthritis Foundation of the Northern Territory Incorporated
Trading as Arthritis & Osteoporosis NT

Annual Report
2016 - 2017

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Introduction

Welcome to the 2016-2017 Annual Report of The Arthritis Foundation of the Northern Territory Incorporated. It is designed to meet the requirements of the organisation's Constitution and the Associations Act, containing all information required for the Annual Return to the NT Department of Business. For the year ending 30 June 2017, the Board has performed all Management Committee functions.

The Foundation has a number of business names, the most often used being Arthritis & Osteoporosis NT (AONT). In keeping with this practice "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 services may also have relevance to some other musculoskeletal conditions.



COTA's annual Seniors Expo in the Museum grounds once again provided AONT the means to meet up with members and friends, reach more of the general public, provide materials and answer many and varied questions. Vice-President Margaret Murray talking to some visitors.

President's Report

Funding and Planning

The current Service Agreement with the Northern Territory Government runs from June 2017 to June 2022. As with other External Service Providers (ESPs) we are delighted that our Agreement is for a five year term, previously for only up to three years at a time. This longer term provides us with more security and stability to deliver our highly valued services.

Fundraising capacity continues to be limited, due both to our limited resources to organise traditional events as well as the vulnerable health status of most of AONT membership. Refer to Page 8 for information on "Donations, Fund Raising and Sponsorship".

The establishment of a Planning Sub-committee has led to open discussion and the adoption or development of new ideas and innovations. Initiating a comprehensive data base, restructuring volunteer tasks, improving methods of delivering our services, establishing long term goals, identifying future projects, actively working to seek sponsorship – these are some of the outcomes of the Sub-committee meetings.

We have also endeavoured to raise our profile in more modern ways. We have re-activated our Facebook page and post regular items relevant to our organization. The new look Website we established last year is also regularly updated.

Staffing

We have two ongoing part time positions - Administrative Assistant and Bookkeeper - which equate to one full time position. See “[Structure and Running of the Organisation](#)” on Page 6 for more detail.

Natalie Valastro, our bookkeeper, has been with us since early 2006, and Deirdre Moldenhauer, our Administrative Assistant joined us in April 2014. Thanks to both Natalie and Deirdre for your reliable support.

Volunteers

Thank you to all the volunteers, including members of the Board, who do so much to keep the organisation going, including:

- working in the office regularly;
- running self-help courses & support groups and
- supporting a wide range of activities outside office hours.

To fully appreciate the extent of this effort, see Page 7 for a detailed list of volunteer activities.

I particularly want to thank those volunteers who bring special expertise (technical, creative, administrative and managerial) to the organisation and/or contribute many, many hours to support service delivery and ensure that all our legal obligations are met.

Office hours continue to be 9:30am to 2:00pm Monday through to Thursday. Between the volunteers and paid staff there are usually at least two people in the office each day. There are occasional days when the office is late in opening or early in closing due to unavailability of personnel. Additional details of our activities are listed in “[Achievements](#)” on Pages 9 to 14

Support of AONT by the Community and Other Organisations

Once again I would like to thank all those who have supported AONT throughout the year:

- members and non-members who have made donations, often on a regular basis;
- Arthritis Australia for collaborating on special projects and providing AONT with up to date information and materials;
- the Arthritis Foundation of South Australia for ongoing assistance with their revamped pain management course, “Take Charge of Pain”, and the support they have shown in us many other ways;
- the Arthritis Foundations of New South Wales, Queensland, Victoria and Western Australia for a range of booklets;

- the people who coordinate and attend our Palmerston support group and keep it active;
- the various organisations who invite us to provide presentations and/or participate in their events and
- all those who help with donations and/or fundraising events.

Peg Gellert
President

Governance

As an organisation incorporated under the NT Associations Act, the Board has the responsibility of running the organisation, with authority to employ persons as necessary and viable. We first became incorporated in July 1983. As a responsibility of this incorporation, the Board also reports annually to the Australian Charities and Not-for-profit Commission (ACNC). Nowadays, with recurrent NT Government funding, we are able to maintain an office in the Rapid Creek Business Village, with modest staffing levels. However, volunteer involvement is still crucial to the viability of the organisation, with volunteer hours some weeks exceeding that of employee hours. All Board positions are also voluntary.

The Board

The Board normally meets monthly and maintains regular contact with each other and with staff. Other Board meetings are called as needed to deal with specific matters. Some of our Board members are also regular office volunteers. During the year Board members attended a “How to win grants” seminar, Associations training, and two separate ACNC information sessions. Our Secretary, Hilary Fowler also sits on the Council of Advice to Arthritis Australia, attending meetings and teleconferences throughout the year to our mutual benefit.

Our Constitution, adopted at the 2016 AGM, requires election at the Annual General Meeting (AGM) of office bearers: President, Vice-President, Treasurer, Secretary, and a minimum of three and no more than ten ordinary members. The Public Officer is appointed as between Board members. Throughout the year, the Board has authority to appoint a member to fill any vacancy arising, whether office bearer or ordinary member and any person so appointed shall hold office until the following AGM.

As at 30th June 2017 the AONT Board comprised:

President	Peg Gellert
Vice President	Margaret Murray
Secretary	Hilary Fowler
Treasurer & Public Officer	Ruth Garden
Ordinary Members	Joan Crombie, Mary Willis, Mitzi Ferguson

They first joined the Board:

Ruth Garden	February 2006
Mary Willis	October 2008
Hilary Fowler	March 2010
Joan Crombie	June 2013
Margaret Murray	October 2013

Peg Gellert	February 2014
Mitzi Ferguson	January 2017

From 1st July 2016 until the 2016 AGM on 29th October, the Board comprised:

President	Denis Power
Vice President	Peg Gellert
Secretary	Hilary Fowler
Treasurer & Public Officer	Ruth Garden
Ordinary Members	Charles Atherton, Joan Crombie, Mary Willis

Other changes: at the Board meeting of 16th February, following the resignation of Denis Power, Peg Gellert was appointed President and Margaret Murray Vice President.

Service Agreement

For many years AONT has relied on core funding from Northern Territory Department of Health through a Service Agreement to:

1. advance and disseminate knowledge and understanding of arthritis and osteoporosis.
2. promote healthy lifestyles and self-management to optimise health outcomes and reduce the burden of ill health on individuals, their families and carers.

In June 2017 a new Agreement was entered into for the period 1st July 2017 to 30th June 2022 with base funding of \$88,782 per annum.

Under this agreement AONT receives quarterly payments in advance and has six-monthly reporting obligations (The Performance Report) from January to June and July to December each year. These reports are in two parts: first, a written report containing statistics and details of the information and support provided, education and training (both volunteers and employees) and evidence of networks and partnerships. “**Achievements**” on Pages 9 to 14 is a summary of these reports.

The second part of the report is a financial statement demonstrating how funding from the Northern Territory Department of Health was spent. These reports are prepared in-house in the Standard Chart of Accounts format required by the Department. A condition of the Service Agreement is that all NTG funds are fully expended at the end of the Agreement term. To this end, AONT has followed the practise of ensuring that all NTG funds are spent at the end of each financial year.

Structure and Running of the Organisation

Volunteer efforts are integral to the long term functioning of AONT, while employees provide core support in their given areas of expertise.

Staff to June 2017:

- | | | |
|-------------------------------|---------------------|-------------------|
| • Administrative Assistant | Deirdre Moldenhauer | 20 hours per week |
| • Accounts and administration | Natalie Valastro | 15 hours per week |

Volunteers

Volunteers have continued to assist with reception and other office duties as required. On any day the office is open there are usually one to three volunteers on duty.

Volunteer hours recorded for the financial year were **1769**. This is equivalent to **34** hours per week (**147** hours per month). This includes many hours outside normal office hours in:

- general administration;
- education activities;
- fundraising and networking with different people and organisations.

Responsibilities assumed by volunteers (including Board members) and assisted by employees:

- mandatory reporting;
- membership database;
- community speaking engagements;
- distribution lists;
- fundraising activities (no separate fundraising committee);
- information stands;
- general administration, including reception duties, production of leaflets, printing of materials;
- grant applications & acquittals;
- network meetings, subject to availability;
- newsletter production and distribution, four per year to all members, plus complimentary mailings;
- presentations;
- records management & resource management;
- pain self-management courses;
- support groups: convening, arranging special events & guest speakers and
- volunteer recruitment & support.

Volunteer activities outside the office include:

- fundraising, including modelling for fashion parades;
- information stands;
- maintaining permanent information displays;
- networking with other community and government organisations;
- presentations to various forums;
- facilitating pain self-management courses; and
- support groups.

Membership

Membership falls due on 1st July each year and individual renewal notices are usually sent out with the September and December newsletters. At 30 June 2017 the number of memberships was 92, made up of 85 individual memberships and 7 family memberships. The membership comprises 85 females and 14 males.

Membership income really does make a difference to AONT's ability to provide services. Members have the satisfaction of helping an organisation help many others.

Membership benefits include:

- access to self-management courses;
- access to support groups;
- borrowing library;
- free or subsidised entry to AONT events;
- health advisory service and
- newsletter mail outs, four times per year.

Support Groups

The role of a support group is for participants to leave these meetings feeling better than when they arrived. New faces are very welcome.

Palmerston Arthritis Support Group – this long established group meets on the 3rd Monday of each month at 10:00am at the Brennan Electorate Office opposite the Target store. Guest speakers, special events and activities are usually arranged by long term convenor Sylvia Bugg, assisted by Anne Coutts.

Darwin Support Group – at the time of writing this report a new Darwin group has been launched, coordinated by Vice-President Margaret Murray with the assistance of other volunteers. The proposal is:

- first Friday of each month
- from 11am to 12:30pm
- at the AONT office in Rapid Creek

Grant Applications and Projects

In early 2017 an application was made to the Australian Government volunteer grants program for assistance with the cost of volunteer training with Arthritis SA (travel and accommodation costs only). Despite meeting the funding criteria, the application was not successful. The board decided that it was important for our volunteers to attend this training for the "Take Charge of Pain" self-management program and approved funding for two volunteers to attend.

Donations, Fund Raising and Sponsorship

Donations and sponsorship (both unrestricted and tied) over 2016-2017 amounted to \$3,547. Supplementary income is essential to our capacity to deliver much needed services as the Service Agreement income is insufficient to completely cover operating costs.

Thanks to the many members and non-members who have made donations, small and large, including:

- Lions Club of Litchfield,
- Lions Club of Darwin-Casuarina for newsletter sponsorship,
- Merit Partners
- members and businesses who have supported our charity jugs distribution and collection, and
- members who made donations.

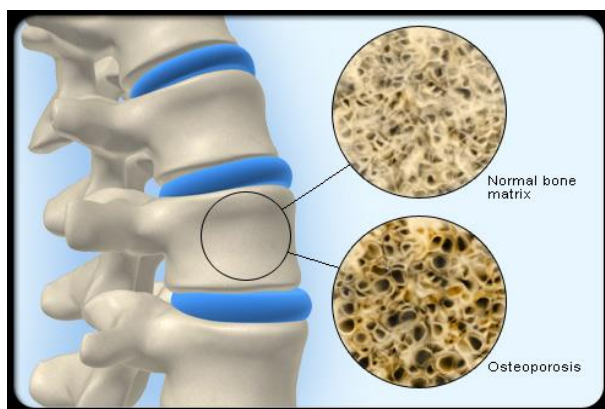
Achievements

Much of AONT's work is disseminating information in response to requests through: telephone calls, emails, visits to the office, presentations to various audiences, and information stands at community events. Permanent brochure stands in Palmerston are part of our pro-active approach to make information more readily available to the general public.

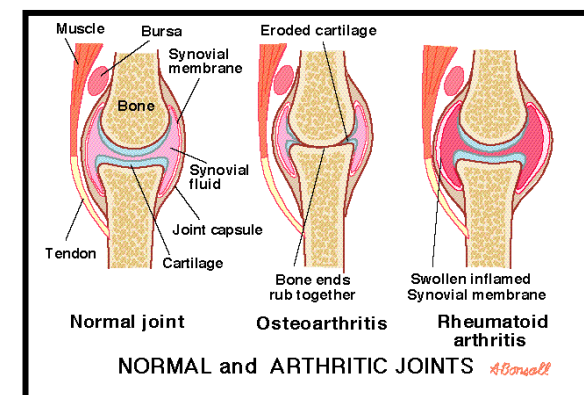
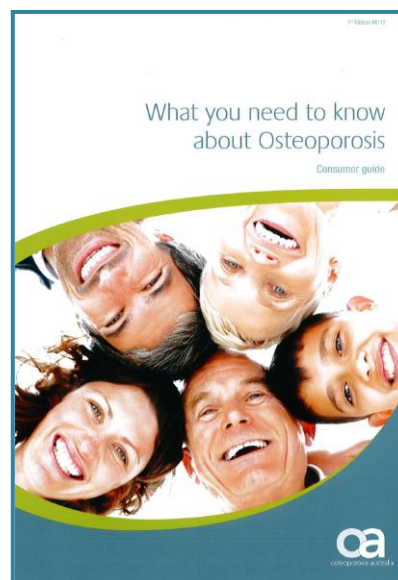
Arthritis information

Materials developed by Arthritis Australia available at the AONT office include: arthritis information sheets and booklets which cover numerous conditions, parts of the body affected, medicines, medical management, complementary therapies and general management.

Osteoporosis information



Normal and osteoporotic bones



This revised booklet on osteoporosis is available from the office. Call in to pick up a copy or ring 8948 5232.

The following tables are drawn from our twice yearly reports to the Northern Territory Department of Health, as part of our Service Agreement, and provide an overview of our activities from 1 July 2016 to 30 June 2017. All activities rely on our committed and hardworking volunteers and in part on AONT generated income which includes donations. Activities from July 2017 to the time of writing this report are not included in these tables but may be referred to elsewhere in the Report.

Enquiries & information packages distributed *A refers to arthritis, O refers to osteoporosis*

Location	A/O	Category	Time (min)	No of enquiries		Information Packs	Referrals	
				Male	Female			
Darwin/ Palmerston	A	General public	810	10	38	36	Water exercise	4
	O	General public	230	1	7	5	Exercise	5
	Undiagnosed	General public	195	5	3	4	Pain management	4
	A & O	Health Professionals	20		2		Territory Hands	1
Other NT	A	General Public	120	1	7	2		
	O	General public	10		1	5		
Other Australia	A	General Public	45		1			
		Totals	1405	17	59	52		14

Consumer Education *A refers to arthritis, O refers to osteoporosis*

Location	Date	Disease Category	Title of Event/Course/ Group	Type	Attendees	Total Hours for Project including volunteer hours
	Year round	A & O	Website www.aont.org.au New website set up May to August 2016		Visits ~2000 Pageviews ~3500	300
Palmerston	Monthly	A & O	Palmerston Support Group	Support	5-8	10 per month
Darwin	3 July	A & O	Community Day Anula, stall	Information stand with resources	50	10

Health Professional Education *A refers to arthritis, O refers to osteoporosis*

Location	Date	Disease Category	Group	Type	Attendees	Total Hours for Project including volunteer hours
Darwin	8 November	A & O	GP Superclinic Palmerston doctors	Information re Take Charge of Pain program	14	15
Darwin	6 June	A	RDH Paediatric Unit	Exchange of info re Juvenile Idiopathic Arthritis	1 volunteer + 4 doctors	4

Professional Development – staff and volunteers

Location	Date	Disease Category	Who	Type	AONT Attendees	Total Hours for Project
Darwin	5 Sept	A & O	Volunteer - Secretary	ACNC Seminar	1	3
Sydney	19, 20 Sept	A	Volunteer - Secretary	Face-to-face meetings with reps and CEOs from other state Arthritis organisations	1	21
Darwin	24 October	A & O	Volunteers – Board Members	How to Win Grants seminar, NTCOSS	2	6
Darwin	13 December	A & O	Volunteers – Board Members	Teleconference with Mike Downes, Philanthropy Advisor, consultant for Arthritis Australia, re fund-raising	4	8
Darwin	7 Feb, 22 March, 2 May, 6, 7 June	A	Volunteer - Secretary	Teleconferences with reps and CEOs of Arthritis organisations in other states	1	8

Location	Date	Disease Category	Who	Type	AONT Attendees	Total Hours for Project
Adelaide	2,3 Feb	A & O	Volunteers – Board members	Take Charge of Pain Train the Trainer – <i>non-NTG funded</i>	2	36
Darwin	17 Feb	A & O	Volunteer - Treasurer	ACNC Seminar	1	3
Darwin	28 Feb	A & O	Volunteer - Treasurer	NTG Grants update	1	2
Sydney	2, 3 March	A	Volunteer - Secretary	Face-to-face meetings with reps and CEOs from other state Arthritis organisations	1	21
Palmerston	4 April	A & O	Volunteer - Treasurer	Senior Centre Consultation	1	2
Darwin	12 April	A & O	Volunteers – President & Secretary	Meeting with CEO Arthritis SA re strategies to improve AONT outreach	2	4

Networks and partnerships

Location	Disease Category	Group	Description
Darwin/Sydney	A	Arthritis Australia and state Affiliates	<ol style="list-style-type: none"> 1. AONT has a Member on the Council of Advice of Affiliates. 2. AONT has a representative at meetings and teleconferences of CEOs of other state Arthritis organisations 3. Distribute materials produced by Arthritis Australia, Arthritis NSW, and Arthritis QLD, 4. Arthritis Australia is developing an exercise program specifically for arthritis called The Joint Movement, to the development of which AONT has contributed, funded by the Federal Government.
Darwin/Sydney	O	Osteoporosis Australia	Distribute materials produced by Osteoporosis Australia

Location	Disease Category	Group	Description
Darwin	A & O	Movement for Life Physio	Refer clients to drop in sessions at their hydrotherapy pool.
Palmerston	A & O	YMCA, GP Super Clinic, Community Care Centre	Permanent AONT brochure stands in all three locations restocked every two to three months
Darwin	A & O	Casuarina Community Care	Information and resources delivered on request
Darwin	A & O	COTA	Exchange ideas, provide information stalls (including COTA's 2017 Seniors Expo) and provide information & presentations on request
Darwin	A	Rheumatology Clinic, nurse Carly Phillips, RDH	Provide information for patients, referrals from them to us and us to them
Darwin	A & O	RDH Discharge	Information and resources delivered on request
Darwin	A & O	Anglicare NT	Provide presentations and resources on request
Darwin	A & O	Alzheimers Aust NT	Provide presentations and resources on request
Darwin	A & O	NT Physiotherapy Clinic	Meeting with clinic representative to discuss nature of services available and suitability to AONT clients
Palmerston	A & O	Palmerston Council	Community consultation on possible Seniors Centre & relevance to AONT clients/members



Financial Report

As shown in the audited financial statements for the year ended 30 June 2017 the Association has continued the use of accrual accounting to enable a meaningful financial position to be shown. This is reflected in the balance sheet and the statement of income and expenditure as shown below.

The balance sheet shows:

- prepayments of \$1,058 which records expenses paid in the financial year to 30 June 2017 for part of the financial year to 30 June 2018. This expense has been brought forward to show in the financial reports for the period to which it relates. The details are shown in Note 3 to the accounts,
- accrual of expenses incurred for audit and telephone not paid as at 30 June 2017. Note 5 details these amounts totalling \$2,450,
- provision for Employee Entitlements of \$8,560 as per Note 6 to the accounts records the annual leave and long service leave accrued but not taken by employees as at 30 June 2017,
 - unexpended grants total of \$12,021 as detailed in Note 7 to the accounts.

This is funding received for specific purposes which has not been fully expended as at 30 June 2017 and has been carried forward to the new financial year to ensure the funding is expended as required and able to be reported on correctly.

- It should be noted that the NT Government Operational Grant has been fully expended within the year and does not fully cover the operational costs of the organisation. The balance of operational costs has been covered by previous year unexpended funds from Arthritis Australia.
- \$12,021 Arthritis Australia balance of funds as at 30 June 2017.

The statement of income and expenditure records an operating surplus of \$18,182. However when the unexpended grant funds are carried forward to the 2017-2018 financial year there is a Net Operating Surplus of \$6,161. This operating surplus has been generated by donations, membership and bank interest and is carried forward to the Members Accumulated Funds in the Balance Sheet.

The organisation is in a reasonable financial position and retains Accumulated Funds of \$93,141 which is reflected in the Balance Sheet and covered by funds in the association bank account. These funds are available to cover operational costs of the organisation that are not fully covered by government grant funds for the 2017-2018 financial year plus other unfunded areas.

It is anticipated that there will be an operating loss for the 2017-2018 year. While shortfalls can be met through the accumulated funds, which have had modest growth in recent years, this is not a long-term solution to the organisation's sustainability. As at June 2017, the board has been working towards developing supplementary income streams and this will be an ongoing focus.

The accounts have been audited by an independent auditor.

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.

Arthritis Foundation of the Northern Territory Incorporated

*SPECIAL PURPOSE FINANCIAL REPORT
for the year ended
30 JUNE 2017*

ARTHRITIS FOUNDATION OF THE NORTHERN TERRITORY INC**INDEX TO THE SPECIAL PURPOSE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2017**

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ARTHRITIS FOUNDATION OF THE NORTHERN TERRITORY INC
BOARD OF MANAGEMENT'S STATEMENT
FOR THE YEAR ENDED 30 JUNE 2017

In our opinion and to the best of our knowledge and belief:

(a) "The accompanying financial report as set out on pages 5 to 11, being a special purpose financial report, is drawn up so as to present fairly the state of affairs of the Association as at 30 June 2017 and the results of the Association for the year ended on that date;

(b) "The accounts of the Association have been properly prepared and are in accordance with the books of account of the Association; and

(c) "The Board has reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

We confirm as follows:

(a) The name of each committee member of the Association during the financial year were:

President: Peg Gellert (appointed 23 March 2017)

President: Denis Power (resigned 14 February 2017)

Treasurer/Public Officer: Ruth Garden

Vice-President: Margaret Murray (appointed 23 March 2017)

Vice-President: Peg Gellert (resigned 23 March 2017)

Secretary: Hilary Fowler

Ordinary member: Joan Crombie


Ordinary member: Mary Willis

Ordinary member: Mitzi Ferguson (appointed 23 March 2017)

Ordinary member: Margaret Murray (resigned 23 March 2017)

(b) The principal activities have not altered from previous years and are:
public and individual education and advocacy in the area of arthritis and osteoporosis treatment and management.

The Net result of the Association for the year was \$6,161 (2016: \$8,043).



Treasurer

Darwin

Date: 30/08/2017



Secretary

Date: 30/8/2017



Independent auditor's report to the members of Arthritis Foundation of the Northern Territory Incorporated

Opinion

We have audited the accompanying special purpose financial report of the Arthritis Foundation of the Northern Territory Incorporated (the "Association"), which comprises the balance sheet as at 30 June 2017, the statement of income and expenditure for the year then ended, a summary of significant accounting policies and other explanatory notes and the board of management statement.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Arthritis Foundation of the Northern Territory Incorporated as at 30 June 2017 and its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial report.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Association in accordance with the independence requirements of the Australian professional accounting bodies. We have also fulfilled our other ethical responsibilities in accordance with the independence requirements.

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

Emphasis of matter – Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the Association meet the needs of the Associations Act and the Association's constitution. As a result, the financial report may not be suitable for another purpose.

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the Associations Act and the Association's constitution and has determined the accounting policies used as described in Note 1 are appropriate to meet the needs of the Association and for such internal control as management determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report for the year ended 30 June 2017 as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

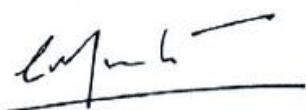
As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Merit Partners

Merit Partners



MunLi Chee

Director

Darwin

30 August 2017

meritpartners.com.au

ARTHRITIS FOUNDATION OF THE NORTHERN TERRITORY INCBALANCE SHEETAT 30 JUNE 2017

	Notes	30 June 2017 \$	30 June 2016 \$
<u>CURRENT ASSETS</u>			
Cash and bank	2	117,582	124,366
Prepayments & other assets	3	1,058	3,548
		<u>118,640</u>	<u>127,914</u>
<u>NON CURRENT ASSETS</u>			
Property, plant and equipment		-	-
		<u>118,640</u>	<u>127,914</u>
<u>TOTAL ASSETS</u>			
		<u>118,640</u>	<u>127,914</u>
<u>CURRENT LIABILITIES</u>			
Payables	4	2,468	1,556
Accruals	5	2,450	2,500
Provision for employee entitlements	6	6,762	7,421
Unexpended grants	7	12,021	28,718
		<u>23,701</u>	<u>40,195</u>
<u>NON CURRENT LIABILITIES</u>			
Provision for employee entitlements	6	1,798	739
		<u>25,499</u>	<u>40,934</u>
<u>TOTAL LIABILITIES</u>			
		<u>25,499</u>	<u>40,934</u>
<u>NET ASSETS</u>			
		<u>93,141</u>	<u>86,980</u>
<u>MEMBERS FUNDS</u>			
Balance at the beginning of the year		86,980	78,937
Current Year Surplus		6,161	8,043
Accumulated Funds		<u>93,141</u>	<u>86,980</u>

The Balance Sheet should be read in conjunction with the notes to
and forming part of the financial statements.

ARTHRITIS FOUNDATION OF THE NORTHERN TERRITORY INC**STATEMENT OF INCOME AND EXPENDITURE**FOR THE YEAR ENDED 30 JUNE 2017

	30 June 2017	30 June 2016
	\$	\$
INCOME		
Grant Income		
Unexpended Grants B/Fwd	28,718	54,225
NT Government Grant - Operational	87,144	85,118
Total Grant Income	115,862	139,343
Non-grant Income		
Memberships	1,525	1,773
Fundraising	3,547	3,920
Interest Received	907	1,931
Course Fees	182	418
Total Non-grant Income	6,161	8,042
TOTAL INCOME	122,023	147,385
EXPENDITURE		
Audit & Accounting	4,547	4,463
Advertising & Promotion	1,202	11,505
Education Materials	969	779
Bank charges incl Merchant fees	411	417
Newsletter, Publication & Information Resources	349	412
Business Lodgement Permits & fees	111	89
Memberships	68	68
Computer Software, IT Support	1,410	2,389
Electricity	1,274	1,729
General Administration	5,250	5,250
Insurance - General & Workers Comp	4,112	3,977
Photocopying	959	2,058
Printing, Stationery & Postage	687	958
Rent	20,099	20,216
Repairs & Maintenance & Minor Equipment	180	580
Staff / Volunteers Training	177	-
Salary & Wages	52,456	44,833
Superannuation	4,983	4,259
Employee Entitlements Movement	400	2,183
Staff Amenities	259	109
Telephone	1,194	3,535
Travel	2,199	227
Volunteer & Member	420	292
Work Health Safety	125	296
TOTAL EXPENDITURE	103,841	110,624
Operating Surplus	18,182	36,761
Unexpended Balances Carried Forward		
Unexpended Grants Carried Fwd	12,021	28,718
Balances Carried Forward	12,021	28,718
Net Operating Surplus/(Deficit)	6,161	8,043

The Statement of Income and Expenditure should be read in conjunction with the notes to and forming part of the financial statements.

ARTHRITIS FOUNDATION OF THE NORTHERN TERRITORY INCNOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**1. SUMMARY OF ACCOUNTING POLICIES**

The accounting policies adopted by the Association are stated in order to assist in the understanding of the financial report. These policies have been consistently applied except as otherwise indicated.

(a) Financial Reporting Framework

The Association is not a reporting entity because in the opinion of the Board there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, this "special purpose financial report" has been prepared to satisfy the Board's reporting requirements of the Constitution and the *Associations Act NT*.

The financial report has been prepared on the basis of historical cost and except where stated, does not take into account changing money values or current valuations of non-current assets.

(b) Depreciation of Property, Plant and Equipment

Items of property, plant and equipment with a cost of \$5,000 and over (if any), are depreciated over their estimated useful lives using the straight line method. Other minor items of equipment are expensed.

(c) Employee Entitlements

The amount expected to be paid to employees for their pro-rata entitlements to long service and annual leave is accrued annually at current wage rates.

Sick leave is accrued in the payroll system but not provided for in the accounts, sick leave is non-vesting.

A provision for long service leave is recorded on a pro-rata basis and is measured at current rates and classified as both current and non-current liability as applicable.

(d) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST.

Receivables and payables are recognised inclusive of GST. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

(e) Government Grants

Grants are recognised as revenue in accordance with the year in which the service to which they relate is performed. Grants received or receivable in respect of services that will be provided in future years, are treated as a liability. The portion of grants unspent at year end, is transferred to current liabilities as unexpended grants and carried forward to the next financial year.

(f) Income Tax

The Association is exempt from income tax.

ARTHRITIS FOUNDATION OF THE NORTHERN TERRITORY INC**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 30 JUNE 2017**

	30 June 2017 \$	30 June 2016 \$
2. CASH AND BANK		
Petty Cash	32	40
CBA Operating Account	6,553	733
Net Bank Online Saver	110,997	123,593
	<u>117,582</u>	<u>124,366</u>
3. PREPAYMENTS		
Insurance	0	3,548
Other assets	1,058	0
	<u>1,058</u>	<u>3,548</u>
4. PAYABLES - CURRENT		
Accounts Payable	0	0
ATO - GST	1,464	660
ATO - PAYG	1,004	896
	<u>2,468</u>	<u>1,556</u>
5. ACCRUALS		
Audit Fees (net)	2,200	2,200
Telephone	250	300
	<u>2,450</u>	<u>2,500</u>
6. PROVISION FOR EMPLOYEE ENTITLEMENTS - CURRENT		
Annual leave	2,889	3,148
Long service leave	3,873	4,273
	<u>6,762</u>	<u>7,421</u>
NON-CURRENT		
Long service leave	1,798	739
Total Provision for Employee Entitlements	<u>8,560</u>	<u>8,160</u>

ARTHRITIS FOUNDATION OF THE NORTHERN TERRITORY INCNOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

	30 June 2017 \$	30 June 2016 \$
7. UNEXPENDED GRANTS		
Arthritis Aust - National Local Exercise Program	12,021	28,718
	<u>12,021</u>	<u>28,718</u>

8. GOING CONCERN

During the year the Association received grants from government departments and other funding bodies. The Association also conducted fund raising activities and received donations. The future operations of the Association depends on the continuation of these income sources.

9. SUBSEQUENT EVENTS

There are no known subsequent events that affect the financial position of the organisation as at 30 June 2017.

ARTHRITIS FOUNDATION OF THE NORTHERN TERRITORY INCDETAILED STATEMENT OF INCOME AND EXPENDITURE**OPERATIONAL NT GOVERNMENT GRANT**For the year ended 30 June 2017

	Actual	Budget
	\$	\$
INCOME		
NT Government Grant	87,144	85,118
TOTAL INCOME	87,144	85,118
EXPENSES		
<u>Operational</u>		
Audit Fees	2,347	2,250
Arthritis Australia Administration Fee	1,000	1,000
Electricity	999	868
IT Support	500	500
Insurance incl Workers compensation	4,000	4,000
Work Health Safety	125	300
Staff Superannuation	4,983	5,000
Staff Wages	52,456	52,000
Provision for Employee Entitlements- Movement	399	2,200
Rent Office & Outgoings	19,141	16,000
Telephone	1,194	1,000
TOTAL EXPENSES	87,144	85,118
Operating surplus	-	-

ARTHRITIS FOUNDATION OF THE NORTHERN TERRITORY INCDETAILED STATEMENT OF INCOME AND EXPENDITURE**AONT GENERATED FUNDS**For the year ended 30 June 2017**INCOME**

Donations & Gifts	3,547
Membership Fees	1,525
Course Fees	182
Bank Interest	907
TOTAL INCOME	6,161

EXPENSES**TOTAL EXPENDITURE****Net Result**

Actual

\$

6,161

-

6,161DETAILED STATEMENT OF INCOME AND EXPENDITURE**ARTHRITIS AUST - NATIONAL LOCAL EXERCISE PROGRAM**For the year ended 30 June 2017**INCOME**

Unexpended funds brought forward	28,718	28,718
TOTAL INCOME	28,718	28,718

EXPENDITURE

Administration Fees	4,250	-
Accounting & Audit	2,200	2,250
Advertising & Promotion	1,202	2,000
Arthritis Australia Administration Fee	-	4,000
Bank Charges/Fees & Permits	411	450
Education Materials	969	500
Electricity	275	880
Fees & Permits	111	90
IT Support	910	2,000
Insurance incl Workers Compensation	112	-
Repairs-Maint & Minor Equipment	180	600
Staff Amenities/ Volunteer	680	400
Training	-	2,000
Photocopying / Printing / Stationary	1,605	2,000
Postage & Freight	390	500
Office Rent	958	4,000
Subscriptions/Memberships	68	-
Telephone	-	2,000
Training, Travel & Accommodation	2,376	-
TOTAL EXPENDITURE	16,697	23,670
Operating Surplus	12,021	5,048
Unexpended grant funds taken to Balance Sheet as a Current Liability	12,021	-
Net Result	-	5,048