

Total Recreation NT Incorporated

ABN 92 148 147 305

Annual Report - 30 June 2022

**Total Recreation NT Incorporated
Management Committees' report
30 June 2022**

The Management Committees present their report, together with the financial statements, on the Association for the year ended 30 June 2022.

Management Committees

The following persons were Management Committee members of the Association during the whole of the financial year and up to the date of this report, unless otherwise stated:

Robyn Cahill - Chairperson
Patricia Brooks - Treasurer
Peter Sargeant
Judith Henschke
Gemma Scales
Duncan Cambray - resigned on 1/10/2021
Kirsten McKillop - resigned on 1/10/2021
Lachlan Baird
Adam Troyn - appointed on 1/10/2021
Yvonne Corby - appointed on 1/10/2021
Taane Aratema - appointed on 1/10/2021

Principal activities

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

- To achieve greater sport, recreation and travel opportunities for people with disabilities and/or Marginalised people by fostering community and family awareness of their needs.
- To initiate new opportunities to encourage and support existing generic organisations to include people with disabilities and/or Marginalised people in their activities in the least restrictive alternatives.
- To promote the fact that sport, recreation and travel opportunities are vital components in the lifestyle of every individual.
- To co-operate and liaise with all other organisations that have comparable objectives and encourage them to promote sport, recreation and travel.
- To lobby governments to allocate funding and support so that people with disabilities and/or Marginalised people can access sporting, recreational and leisure programmes.
- To provide appropriate levels of support and training based on individual needs and encourage independence in the least restrictive alternative in selected activities once initial training is completed.
- To provide training, information and support to enable clients to actively participate in the development of the service.
- To provide all necessary information and support to all relevant people, to encourage acceptance of people with disabilities and Marginalised people into community.
- To support the comparable activities of all State, Territory and National leisure, sporting and recreation associations for people with disabilities and/or Marginalised people and co-operate with those associations to secure the advantage of integration and unity of action in all matters affecting that interest.

Significant changes

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


Operating result

The deficit of the Association for the financial year amounted to \$165,645 (2021: Surplus of \$65,860).

On behalf of the Management Committee



Chairperson



Treasurer

9 September 2022

Total Recreation NT Incorporated

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General information

The financial statements cover Total Recreation NT Incorporated as an individual entity. The financial statements are presented in Australian dollars, which is Total Recreation NT Incorporated's functional and presentation currency.

Total Recreation NT Incorporated is a not-for-profit incorporated association, incorporated and domiciled in Australia. Its registered office and principal place of business is:

6/9 Scaturchio Street
Casuarina NT 0811

A description of the nature of the Association's operations and its principal activities are included in the Management Committee's report, which is not part of the financial statements.

The financial statements were authorised for issue on 9 September 2022.

Total Recreation NT Incorporated
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2022

	Note	2022 \$	2021 \$
Revenue	3	1,237,730	1,281,871
Expenses			
Administrative and Finance expenses		(51,469)	(34,666)
Computer expenses		(20,011)	(16,443)
Fundraising expenses		(37,795)	(27,869)
Insurance costs		(27,271)	(14,208)
Motor vehicle expenses		(28,195)	(24,292)
Employee benefits expense		(1,015,442)	(872,108)
Depreciation and amortisation expense		(69,702)	(41,249)
Occupancy expenses		(18,288)	(21,813)
Program expenses		(134,596)	(162,462)
Sponsorship expense		73	(173)
Other expenses		(679)	(727)
Surplus/(deficit) for the year		(165,645)	65,861
Other comprehensive income for the year		-	-
Total comprehensive income/(deficit) for the year		<u>(165,645)</u>	<u>65,861</u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Total Recreation NT Incorporated
Statement of financial position
As at 30 June 2022

	Note	2022 \$	2021 \$
Assets			
Current assets			
Cash and cash equivalents	4	633,479	692,247
Trade and other receivables	5	67,741	55,745
Total current assets		<u>701,220</u>	<u>747,992</u>
Non-current assets			
Property, plant and equipment	6	94,634	88,312
Right-of-use assets	7	96,766	43,021
Total non-current assets		<u>191,400</u>	<u>131,333</u>
Total assets		<u>892,620</u>	<u>879,325</u>
Liabilities			
Current liabilities			
Trade and other payables	8	217,042	100,181
Lease liabilities	9	36,862	41,001
Employee benefits	10	135,485	130,204
Total current liabilities		<u>389,389</u>	<u>271,386</u>
Non-current liabilities			
Lease liabilities	11	60,937	-
Total non-current liabilities		<u>60,937</u>	<u>-</u>
Total liabilities		<u>450,326</u>	<u>271,386</u>
Net assets		<u>442,294</u>	<u>607,939</u>
Equity			
Retained surpluses		<u>442,294</u>	<u>607,939</u>
Total equity		<u>442,294</u>	<u>607,939</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Total Recreation NT Incorporated
Statement of changes in equity
For the year ended 30 June 2022

	Retained surpluses \$	Total equity \$
Balance at 1 July 2020	542,078	542,078
Surplus for the year	65,861	65,861
Other comprehensive income for the year	-	-
Total comprehensive income for the year	65,861	65,861
Balance at 30 June 2021	<u>607,939</u>	<u>607,939</u>
	Retained surpluses \$	Total equity \$
Balance at 1 July 2021	607,938	607,938
Deficit for the year	(165,645)	(165,645)
Other comprehensive deficit for the year	-	-
Total comprehensive deficit for the year	(165,645)	(165,645)
Balance at 30 June 2022	<u>442,293</u>	<u>442,293</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Total Recreation NT Incorporated
Notes to the financial statements
30 June 2022

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Association has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

In the Management Committee's opinion, the Association is not a reporting entity because there are no users dependent on general purpose financial statements.

These are special purpose financial statements that have been prepared for the purposes of complying with the Australian Charities and Not-for-profits Commission Act 2012 and Northern Territory legislation the Associations Act 2003, and associated regulations. The Management Committee have determined that the accounting policies adopted are appropriate to meet the needs of the members of Total Recreation NT Incorporated.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the disclosure requirements of AASB 101 'Presentation of Financial Statements', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors', AASB 1048 'Interpretation of Standards' and AASB 1054 'Australian Additional Disclosures', as appropriate for not-for profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Association's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Revenue recognition

The Association recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Association is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Association: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Sales revenue

Revenue from events, fundraising and raffles are recognised when received or receivable.

Grants

Grant revenue is recognised in profit or loss when the Association satisfies the performance obligations stated within the funding agreements.

If the conditions attached to the grant are determined to be sufficiently specific and must be satisfied before the Association is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those sufficiently specific performance obligations are satisfied.

Donations

Donations are recognised at the time the pledge is made.

Total Recreation NT Incorporated
Notes to the financial statements
30 June 2022

Note 1. Significant accounting policies (continued)

Interest

Interest revenue is recognised as interest accrues using the effective interest method.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

As the Association is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Association's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Association's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses.

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Freehold improvements	15 years
Plant and equipment	3-7 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Association. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Association expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

Note 1. Significant accounting policies (continued)

The Association has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Association prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Association's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bond rates with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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 tax authority is included in other receivables or other payables in the statement of financial position.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Note 1. Significant accounting policies (continued)

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 Association for the annual reporting period ended 30 June 2022. The Association has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Estimation of useful lives of assets

The Association 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.

Employee benefits provision

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Note 3. Revenue

	2022 \$	2021 \$
<i>Revenue and Other Income</i>		
Fees received	1,108	999
Grants	366,213	374,336
Member payments	135,966	87,740
NDIS	570,336	595,628
Fundraising	38,114	34,944
Sponsorship	68,091	51,841
Donations	48,347	19,809
	<u>1,228,175</u>	<u>1,165,297</u>
<i>Other revenue</i>		
Interest	973	3,756
JobKeeper Subsidy	-	73,500
Cashflow Boost Stimulus	6,000	37,500
Other	2,582	1,818
	<u>9,555</u>	<u>116,574</u>
Revenue	<u><u>1,237,730</u></u>	<u><u>1,281,871</u></u>

Total Recreation NT Incorporated
Notes to the financial statements
30 June 2022

Note 4. Current assets - cash and cash equivalents

	2022	2021
	\$	\$
Cash on hand	30	30
Cash at bank	633,449	692,217
	<u>633,479</u>	<u>692,247</u>

Note 5. Current assets - trade and other receivables

	2022	2021
	\$	\$
Trade receivables	61,091	49,145
Rental bond	6,650	6,600
	<u>67,741</u>	<u>55,745</u>

Note 6. Non-current assets - property, plant and equipment

	2022	2021
	\$	\$
Plant and equipment - at cost	63,150	60,198
Less: Accumulated depreciation	(50,229)	(39,042)
	<u>12,921</u>	<u>21,156</u>
Motor vehicles - at cost	178,354	141,999
Less: Accumulated depreciation	(96,641)	(74,843)
	<u>81,713</u>	<u>67,156</u>
	<u>94,634</u>	<u>88,312</u>

Note 7. Non-current assets - right-of-use assets

	2022	2021
	\$	\$
Right of use assets - at deemed cost	144,425	54,342
Less: Accumulated depreciation	(47,659)	(11,321)
	<u>96,766</u>	<u>43,021</u>

Note 8. Current liabilities - trade and other payables

	2022	2021
	\$	\$
Trade payables	23,767	11,933
Wages accruals	27,269	25,704
Superannuation payable	2,837	2,489
Other payable	13,169	10,055
Grants received in advance	150,000	50,000
	<u>217,042</u>	<u>100,181</u>

Total Recreation NT Incorporated
Notes to the financial statements
30 June 2022

Note 9. Current liabilities - lease liabilities

	2022	2021
	\$	\$
Lease liability	<u>36,862</u>	<u>41,001</u>

Note 10. Current liabilities - employee benefits

	2022	2021
	\$	\$
Annual leave	105,056	106,790
Long service leave	<u>30,429</u>	<u>23,414</u>
	<u>135,485</u>	<u>130,204</u>

Note 11. Non-current liabilities - lease liabilities

	2022	2021
	\$	\$
Lease liability	<u>60,937</u>	<u>-</u>

Note 12. Commitments

The Association had no commitments for expenditure as at 30 June 2022 and 30 June 2021.

Note 13. Events after the reporting period

No matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the Association's operations, the results of those operations, or the Association's state of affairs in future financial years.

**Total Recreation NT Incorporated
Management Committees' declaration
30 June 2022**

In the Management Committee's opinion:

- the incorporated association is not a reporting entity because there are no users dependent on general purpose financial statements. Accordingly, as described in note 1 to the financial statements, the attached special purpose financial statements have been prepared for the purposes of complying with the Australian Charities and Not-for-profits Commission Act 2012 and Northern Territory legislation the Associations Act 2003 and associated regulations;
- the attached financial statements and notes comply with the Accounting Standards as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Association's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

On behalf of the Management Committee



Chairperson



Treasurer

9 September 2022

INDEPENDENT AUDITOR'S REPORT

To the members of Total Recreation NT Incorporated

Opinion

We have audited the financial report of Total Recreation NT Incorporated (the Association), which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income and the statement of changes in equity for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the management committee's declaration.

In our opinion the accompanying financial report of Total Recreation NT Incorporated, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) Giving a true and fair view of the Association's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards to the extent described in Note 1 and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described 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 auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of matter - Basis of accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Association's financial reporting responsibilities under the ACNC Act and *Northern Territory Associations Act*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.



Responsibilities of responsible entities for the Financial Report

The management committee of the Association are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *ACNC Act* and *Northern Territory Associations Act*. The management committee's responsibility also includes such internal control as the management committee determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the management committee are 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 committee either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

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

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

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

A handwritten signature in black ink that reads 'BDO'.

BDO Audit (NT)

A handwritten signature in black ink, appearing to be 'C Taziwa'.

C Taziwa

Audit Partner

Darwin: 9 September 2022