



OUT DOORS INC.

2019

FINANCIAL REPORT



## 2018-19 was a financial year with a modest surplus.

- Generated income of \$1.6M
- Operating surplus of \$44.3K
- Invested in systems that increase the quality, efficiency and effectiveness of our service
- Invested in operational and organisational systems to support roll out of NDIS
- Invested in running additional programs during the NDIS transition of our participants



In the last 5 years, Out Doors Inc. has delivered over **165,500 program hours** and **3,500 participations** to people who are living with a mental health issue in Victoria.

## Summary income statement

	2019	2018
Year ended 30 June 2019	\$	\$
<b>Revenues from ordinary activities</b>	1,601,075	1,455,527
Administrative expenses	(45,283)	(46,094)
Motor Vehicles	(25,309)	(22,982)
Employee benefits expense	(1,129,766)	(1,074,862)
Depreciation expense	(86,085)	(84,770)
Occupancy expenses	(117,680)	(78,511)
Direct program expenses	(124,126)	(103,096)
Other operating expenses	(28,483)	(36,624)
<b>Surplus from ordinary activities</b>	<b>44,344</b>	<b>8,587</b>

## Statement of cash flows

	2019	2018
Year ended 30 June 2019	\$	\$
<b>Cash flows from operating activities</b>		
Receipts from grants etc	1,590,724	1,389,010
Payments to suppliers and employees	(1,556,989)	(1,457,223)
<b>Net Cash provided by (used in) operating activities</b>	<b>33,735</b>	<b>(68,213)</b>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment	(5,731)	(19,404)
Interest received	28,282	34,350
<b>Net Cash provided by (used in) investing activities</b>	<b>22,551</b>	<b>14,946</b>
Net increase (decrease) in cash held	56,286	(53,267)
Cash at the beginning of the financial period	1,462,616	1,515,883
<b>Cash at the end of the financial period</b>	<b>1,518,902</b>	<b>1,462,616</b>

## Balance sheet

Year ended 30 June 2019	2019 \$	2018 \$
<b>Current Assets</b>		
Cash assets	1,518,903	1,462,617
Receivables	30,459	48,390
Prepaid Expenses	45,656	100
<b>TOTAL CURRENT ASSETS</b>	<b>1,595,018</b>	<b>1,511,107</b>
<b>Non-Current Assets</b>		
Property, plant and equipment	92,997	173,351
<b>Total Non-Current Assets</b>	<b>92,997</b>	<b>173,351</b>
<b>TOTAL ASSETS</b>	<b>1,688,015</b>	<b>1,684,458</b>
<b>Current Liabilities</b>		
Payables	40,541	47,380
Provisions	524,271	564,000
Accruals	189,782	184,000
<b>Total Current Liabilities</b>	<b>754,594</b>	<b>795,380</b>
<b>TOTAL LIABILITIES</b>	<b>754,594</b>	<b>795,380</b>
<b>NET ASSETS</b>	<b>933,422</b>	<b>889,078</b>
<b>EQUITY</b>		
Retained Surpluses	660,629	660,629
Equipment Reserve	228,449	228,449
Net Income	44,344	8,587
<b>TOTAL EQUITY</b>	<b>933,422</b>	<b>889,078</b>

## Equity

Year ended 30 June 2019	Retained Earnings \$	Equipment Reserve \$	Total \$
<b>Balance at 1 July 2018</b>	<b>660,629</b>	<b>228,449</b>	<b>889,078</b>
Profit attributable to members Transfer	44,344		44,344
<b>Balance at 30 June 2019</b>	<b>704,973</b>	<b>228,449</b>	<b>933,422</b>

# Notes to and Forming Part of the Accounts

Year ended June 2019

1 These general purpose financial statements have been prepared in accordance with the Financial Management Act 1994 (FMA), the Australian Charities and Not-for-profits Commission Act 2012, and applicable Australian Accounting Standards (AASs), including interpretations, issued by the Australian Accounting Standards Board (AASB). Where appropriate, those paragraphs of the AASs applicable to not-for-profit entities have been applied. The following is a summary of the accounting policies adopted by Out Doors Inc in the preparation of these financial statements.

## (a) Basis of accounting preparation and measurement

The financial statements have been prepared in accordance with the historical cost convention, except for: the fair value of an asset, other than Land and buildings, is generally based on its depreciated replacement value; and other financial assets, which are measured at fair value through profit or loss. Consistent with AASB 13 Fair Value Measurement, the Out Doors Inc. determines the policies and procedures for both recurring fair value measurements such as Property, plant and equipment, and Financial instruments in accordance with the requirements of AASB 13 and the relevant Financial Reporting Directions. For the purpose of fair value disclosures, Out Doors Inc. has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value. New and amended standards adopted: Out Doors Inc. has reviewed and applied all new accounting standards and amendments applicable for the first time in their annual reporting period commencing 1 July 2014, and determined that there was no material impact on its financial statements in the current reporting year.

## (b) Property, Plant and Equipment

All Property, plant and equipment are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Where an asset is received for no or nominal consideration, the cost is the asset's fair value at the date of acquisition. Out Doors Inc. recognises as plant and equipment items that meet the recognition criteria set in AASB 116 Property, Plant and Equipment. Plant and equipment are initially measured at cost and subsequently revalued at fair value less accumulated depreciation and impairment. The fair value of plant and equipment is generally based on its depreciated replacement cost. The fair value of an asset, other than land and buildings, is generally based on its depreciated replacement value.

### Depreciation

Depreciation is based on the straight-line method of calculation. It is provided on all fixed assets so as to write off the cost of the assets over their estimated economic lives. The depreciation rates used for each class of depreciable asset are:

<b>Class of fixed asset</b>	<b>Depreciation Rate</b>
Motor vehicles	20 - 25 %
Furniture and fittings	15 - 25%
Computers and Office Equipment	33 - 40%

**(c) Employee Entitlements**

Provision is made for the Organisation's liability for employee entitlements arising from services rendered by employees to the date of the Balance Sheet, and all entitlements have been measured at the present value of the estimated future cash outflows to be made for those entitlements. Contributions are made by the Organisation to employee superannuation funds and charged as expenses when incurred.

**(d) Cash**

Cash in the statement of cash flows includes cash on hand, at banks, and on deposit.

**(e) Revenue**

Grants received are recognised as revenue when (a) it is probable that the consumption or loss of future economic benefits has occurred, and (b) the inflow or other enhancement or saving in outflows of future economic benefits can be accurately measured. All revenue is stated net of the amount of goods and services tax.

Special Project Funds received during the year which either cannot be expended before the end of the financial year, or have been received in advance for expenditure in future periods, are treated as unearned income. Deferral of grants from year to year required approval of the funding body.

**(f) Goods and Services Tax**

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 the expense. Receivable and payables in the Balance Sheet are shown inclusive of GST.

**(g) Income Tax**

Out Doors Inc. is not liable to pay income tax under section 50-145 of the Income Tax Assessment Act 1997.

**(h) Inventory**

The amount of inventory carried by the organisation is in the form of printed materials is of an insignificant value and is used almost entirely for internal purposes. Accordingly, inventory is not recorded in the balance sheet.

**(i) Contingent Liabilities**

0

2 REVENUES	2019	2018
	\$	\$
<b>Operating Activities:</b>		
Client fees	15,718	20,076
Department of Health grants	691,125	663,070
Department of Health - Seniors	288,011	278,810
FaHCSIA grants	196,610	223,275
Donations	2,128	1,818
Other Income	379,201	234,128
Interest	28,282	34,350
	<b>1,601,075</b>	<b>1,455,527</b>
<b>Profit on Asset Sale</b>	0	0
	<b>1,601,075</b>	<b>1,455,527</b>
<b>3 PROPERTY, PLANT AND EQUIPMENT</b>		
<b>Office Equipment</b>		
At cost	45,365	44,984
Less accumulated depreciation	(41,294)	(40,095)
<b>Total Office Equipment</b>	<b>4,071</b>	<b>4,888</b>
<b>Outdoor Equipment</b>		
At cost	69,680	64,764
Less accumulated depreciation	(57,015)	(50,753)
<b>Total Outdoor Equipment</b>	<b>12,665</b>	<b>14,011</b>
<b>Computer Equipment</b>		
At cost	74,927	74,494
Less accumulated depreciation	(72,288)	(60,282)
<b>Total Computer Equipment</b>	<b>2,639</b>	<b>14,212</b>
<b>Motor Vehicles</b>		
At cost	266,469	266,469
Less accumulated depreciation	(192,847)	(126,229)
<b>Total Motor Vehicles</b>	<b>73,622</b>	<b>140,239</b>
<b>Total Property, Plant and Equipment</b>	<b>92,997</b>	<b>173,351</b>

	<b>2019</b>	<b>2018</b>
<b>4 PAYABLES</b>	<b>\$</b>	<b>\$</b>
All amounts due within 12 months	40,541	47,380
<b>PROVISIONS</b>	524,271	564,000
<b>5 ACCRUALS</b>		
<b>Current</b>		
Employee entitlements	189,782	184,000
<b>6 RETAINED SURPLUSES</b>		
Retained surplus at the beginning of the financial year	660,629	652,042
Equipment Reserve	228,449	228,449
Net surplus attributable to the organisation	44,344	8,587
Retained surplus at the end of the financial year	<b>933,422</b>	<b>889,077</b>
<b>7 CASH FLOW INFORMATION</b>		
Cash at the end of the financial period as shown in the Statement of Cash Flows is reconciled to the related		
<b>(a) items in the Statement of Financial Position as follows:</b>		
Cash deposits with banks	1,516,223	1,459,681
Cash on hand	2,680	2,936
Balance per Statement of Cash Flows	<b>1,518,903</b>	<b>1,462,617</b>
<b>Reconciliation of cash flow from operations with</b>		
<b>(b) operating surplus/(deficit) after income tax</b>		
Deficit / Surplus from operations	44,344	8,587
<b>Non-cash flows in operating surplus</b>		
Depreciation	86,085	84,770
Additions to Non-current Assets	(5,731)	(19,404)
<b>Changes in assets and liabilities</b>		
Increase/(decrease) in accruals	5,782	(175,925)
Increase/(decrease) in income in advance		
Increase/(decrease) in payables	(6,839)	4564
Increase/(decrease) in PAYG & GST payable		
Increase/(decrease) in provisions	(39,730)	74,908
Increase in debtors	17,931	(32,167)
Increase/(decrease) in debtors/prepayments	(45,556)	1,400
Increase/(decrease) in Equipment Reserve		
<b>Cash flows from operations</b>	<b>56,286</b>	<b>(53,267)</b>
<b>8 Auditor's Remuneration</b>		
Auditing/Reviewing the financial reports	1,350	1,750
Other services		



## **9 EVENTS SUBSEQUENT TO BALANCE SHEET DATE**

No matters have arisen since the end of the financial year which have significantly affected or may significantly affect the operations, results of operations and the state of affairs of the organisation in subsequent financial years.

## **10 SEGMENT REPORTING**

The organisation operates predominantly in providing outdoor adventure education and recreation services in Victoria. Other activities do not represent a substantial proportion of the total operations of Out Doors Inc.

## **11 RELATED PARTY TRANSACTIONS**

No transactions with related parties occurred during the financial year.

## **12 Council Members**

The names of persons who were council members of the organisation during the financial year were:

Allan Davey (Chairperson)

Laurence Alvis (Deputy Chairperson)

James Campbell (Secretary to Dec 2018)

Jonathan Kneeborne (Secretary from Dec 2018)

John Marshall (Treasurer)

Rahul Chauhan (Member)

Carole Hatherly (Member)

Caryl Hertz (Member)

Darryl Flukes (Member)

Olga Shegoleva (Member)

All Council members provide their services on an honorary basis.

## **13 ORGANISATION DETAILS**

The organisation's principal activities are to provide outdoor adventure education and recreation services and operates from:

### **Out Doors Inc.**

17 Stubbs Street

Kensington VIC 3031

OUT DOORS INC.

NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2019  
DECLARATION BY MEMBERS OF THE COUNCIL

The members of the Council declare that:

- 1 The financial statements and notes:
  - (a) comply with Accounting Standards as detailed in Note 1 to the financial statements; and  
give a true and fair view of Out Doors Inc. financial position as at 30th June 2019 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
  - (b)
- 2 In the opinion of the Members of the Council there are a reasonable grounds to believe that the organisation will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Members of the Council by:

Allan Davey  
Chairperson



Dated: 5 August 2019

John Marshall  
Treasurer



Dated: 5 August 2019

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF  
OUT DOORS INC.**

**Scope**

I have audited the financial report, being a special purpose financial report of Out Doors Inc. for the year ended 30<sup>th</sup> June, 2019. The Committee is responsible for the financial report and has determined that the accounting policies used are appropriate to meet the requirements of the Associations Incorporation Reform Act 2012 (Vic) and are appropriate to meet the needs of the members. I have conducted an independent audit of this financial report in order to express an opinion on it to the members of Out Doors Inc. No opinion is expressed as to whether the accounting policies used are appropriate to the needs of the members.

The financial report has been prepared for the purpose of fulfilling the requirements of the Associations Incorporation Reform Act 2012 (Vic). I 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.

My audit has been conducted in accordance with Australian Auditing Standards. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly so as to present a view which is consistent with my understanding of the Association's financial position and performance as represented by the results of its operations and its cash flows. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia.

The audit opinion expressed in this report has been formed on the above basis.

**Audit Opinion**

In my opinion, the financial report presents fairly in accordance with the Association's accounting policies, the financial position of Out Doors Inc as at 30<sup>th</sup> June, 2019 and the results of its operations for the year then ended.



**Rodney F Cooper CA**

7<sup>th</sup> August, 2019  
Melbourne



## OUT DOORS INC.

a 17 Stubbs Street, Kensington VIC 3031

t 03 9417 2111

e [indoors@outdoorsinc.org.au](mailto:indoors@outdoorsinc.org.au)

w [www.outdoorsinc.org.au](http://www.outdoorsinc.org.au)