



2021  
FINANCIAL REPORT



2020—2021 was a financial year with many financial challenges due to the Covid-19 lockdowns.

- NDIS revenue accounted for only 16% of income due to lockdowns
- JobKeeper /ATO Cash flow support made 21% of the income
- DSS grant ceased
- Generated income of \$1.9m with surplus of \$57k



## Summary Income Statement

Year ended 30 June 2021

|   | Note | 2021<br>\$    | 2020<br>\$    |
|---|------|---------------|---------------|
| Revenue                                 | 2    | 1,911,606     | 1,807,440     |
| Administrative expenses                 |      | (176,565)     | (63,292)      |
| Motor Vehicles                          |      | (30,502)      | (34,694)      |
| Employee benefits expense               |      | (1,281,538)   | (1,323,034)   |
| Depreciation expense                    |      | (83,642)      | (83,341)      |
| Occupancy expenses                      |      | (88,137)      | (91,969)      |
| Direct program expenses                 |      | (145,629)     | (89,803)      |
| Other operating expenses                |      | (48,349)      | (84,281)      |
| <b>Surplus (deficit) for the period</b> |      | <b>57,245</b> | <b>37,025</b> |

## Statement of Cash Flow

For the year ending 30 June 2021

|   | Note | 2021<br>\$       | 2020<br>\$       |
|---|------|------------------|------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>               |      |                  |                  |
| Cash receipts from Grants, etc.                           |      | 1,879,151        | 1,812,394        |
| Cash paid to suppliers and employees                      |      | (1,550,103)      | (1,476,853)      |
| <b>Net Cash from operating activities</b>                 |      | <b>329,048</b>   | <b>335,541</b>   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>               |      |                  |                  |
| Purchase of Property, Plant and Equipment                 |      | (306,582)        | (31,664)         |
| Interest received   |      | 17,013           | 25,505           |
| <b>Net Cash used in investing activities</b>              |      | <b>(289,569)</b> | <b>(6,159)</b>   |
| <b>Net increase/decrease in cash and cash equivalents</b> | 8(b) | <b>39,479</b>    | <b>329,382</b>   |
| <b>Cash at the beginning of the financial period</b>      |      | <b>1,848,285</b> | <b>1,518,903</b> |
| <b>Cash at the end of the financial period</b>            | 8(a) | <b>1,887,764</b> | <b>1,848,285</b> |

## Balance Sheet

For the year ending 30 June 2021

|                                      | Note | 2021<br>\$       | 2020<br>\$       |
|--------------------------------------|------|------------------|------------------|
| <b>Current Assets</b>                |      |                  |                  |
| Cash and cash equivalents            | 8(a) | 1,887,764        | 1,848,285        |
| Receivables and other debtors        |      | 15,442           | -                |
| Prepaid Expenses                     |      | 57,059           | 35,493           |
| <b>TOTAL CURRENT ASSETS</b>          |      | <b>1,960,265</b> | <b>1,883,778</b> |
| <b>Non-Current Assets</b>            |      |                  |                  |
| Property, plant and equipment        | 3    | 264,260          | 41,321           |
| <b>TOTAL NON-CURRENT ASSETS</b>      |      | <b>264,260</b>   | <b>41,321</b>    |
| <b>TOTAL ASSETS</b>                  |      | <b>2,224,525</b> | <b>1,925,098</b> |
| <b>Current Liabilities</b>           |      |                  |                  |
| Payables                             | 4    | 43,140           | 34,029           |
| Accruals                             | 5    | 147,196          | 183,327          |
| <b>TOTAL CURRENT LIABILITIES</b>     |      | <b>190,336</b>   | <b>217,356</b>   |
| <b>Non-Current Liabilities</b>       |      |                  |                  |
| Provisions                           | 6    | 1,006,497        | 737,296          |
| <b>TOTAL NON-CURRENT LIABILITIES</b> |      | <b>1,006,497</b> | <b>737,296</b>   |
| <b>TOTAL LIABILITIES</b>             |      | <b>1,196,833</b> | <b>954,652</b>   |
| <b>NET ASSETS</b>                    |      | <b>1,027,692</b> | <b>970,447</b>   |
| <b>EQUITY</b>                        |      |                  |                  |
| Retained Surpluses                   | 7    | 970,447          | 704,973          |
| Equipment Reserve                    |      | -                | 228,449          |
| Net Income                           |      | 57,245           | 37,025           |
| <b>TOTAL EQUITY</b>                  |      | <b>1,027,692</b> | <b>970,447</b>   |

## Equity

Year ended 30 June 2021

|   |                         |
|---|-------------------------|
|   | Retained Earnings<br>\$ |
| <b>Balance at 1 July 2020</b>           | <b>970,447</b>          |
| Profit attributable to members transfer | 57,245                  |
| <b>Balance at 30 June 2021</b>          | <b>1,027,692</b>        |

# Notes to the Financial Statements year ending 30 June 2021

## 1. Statement of significant accounting policies

This report includes the financial statements and notes of Out Doors Inc., which is incorporated in Victoria under the Associations Incorporation Reform Act 2012. This is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Australian Charities and Not for Profits Commission Act 2012 and the Associations Incorporation Reform Act 2012 (Victoria).

### Statement of compliance

The Council has determined that Out Doors Inc. is not a reporting entity because there are no users dependent on general purpose financial statements. The financial report is a special purpose financial report which has been prepared in order to satisfy the financial reporting requirements of the *Associations Incorporation Reform Act 2012*.

These financial statements have been prepared in accordance with following Australian Accounting Standards:

AASB 101 Presentation of Financial Statements

AASB 107 Statement of Cash Flows

AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors

AASB 1048 Interpretation of Standards

AASB 1054 Australian Additional Disclosures

### a. Basis of 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. 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. The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

### 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%                 |

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are recognised immediately in profit and loss. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

### *Impairment*

At each reporting date the Council assesses whether there is objective evidence that a financial instrument has been impaired. If any such indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

### **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.

### *Other Long-Term Employee benefits*

Provision is made for employees' long service leave and contingent liabilities not expected to be settled wholly within the 12 months after the end of the annual reporting period. The long service leave benefits are measured at the present value of the expected future payments to be made to employees. The organisation's obligation for long-term employee benefits are presented as non-current provisions in its statement of financial position.

### **d. Cash**

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

#### **e. Revenue and Other Income**

Revenue comprises of government grants, donation and other income. Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. When grant revenue is received whereby the organisation incurs obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt. Donations are recognised as revenue when received. All revenue is stated net of the amount of goods and services tax.

#### **f. Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian 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 is a not-for-profit organisation and is exempt from income tax under section 50-45 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**

Provision for severance pay which are not expected to be settled in the next 12 months, are used to mitigate risk for any future downturn due to loss in revenue and/or government grants.

#### **j. Provisions**

Provisions are recognised when the organisation has a legal obligations or plans to achieve the organisation's mission, as a result of past event, for which is probable that an outflow of economic benefits will results and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to at the end of the reporting period.

| <b>2. REVENUES</b>                         | <b>2021</b>      | <b>2020</b>      |
|--|------------------|------------------|
|  | <b>\$</b>        | <b>\$</b>        |
| <b>Operating Activities:</b>               |                  |                  |
| Client fees                                | 2,328            | 9,752            |
| Department of Health grants                | 756,113          | 724,271          |
| Department of Health - Seniors             | 298,342          | 293,439          |
| DSS grants                                 | -                | 206,974          |
| Donations                                  | 1,460            | 6,840            |
| NDIS Income                                | 284,678          | 412,338          |
| ATO/JobKeeper                              | 382,800          | -                |
| Other Income                               | 46,927           | 128,322          |
| Interest                                   | 17,013           | 25,505           |
|  | <b>1,789,662</b> | <b>1,807,440</b> |
| <b>Profit on Asset Sale</b>                | 121,944          | -                |
| <b>3. PROPERTY, PLANT AND EQUIPMENT</b>    |                  |                  |
| <b>Office Equipment</b>                    |                  |                  |
| At cost                                    | 45,365           | 45,365           |
| Less accumulated depreciation              | (43,845)         | (42,570)         |
| <b>Total Office Equipment</b>              | <b>1,520</b>     | <b>2,796</b>     |
| <b>Outdoor Equipment</b>                   |                  |                  |
| At cost                                    | 73,090           | 69,680           |
| Less accumulated depreciation              | (67,305)         | (64,005)         |
| <b>Total Outdoor Equipment</b>             | <b>5,784</b>     | <b>5,676</b>     |
| <b>Computer Equipment</b>                  |                  |                  |
| At cost                                    | 119,330          | 106,591          |
| Less accumulated depreciation              | (92,997)         | (80,747)         |
| <b>Total Computer Equipment</b>            | <b>26,333</b>    | <b>25,844</b>    |
| <b>Motor Vehicles</b>                      |                  |                  |
| At cost                                    | 302,679          | 266,469          |
| Less accumulated depreciation              | (72,056)         | (259,464)        |
| <b>Total Motor Vehicles</b>                | <b>230,622</b>   | <b>7,005</b>     |
| <b>Total Property, Plant and Equipment</b> | <b>264,260</b>   | <b>41,321</b>    |



|                                  | <b>2021</b><br>\$ | <b>2020</b><br>\$ |
|----------------------------------|-------------------|-------------------|
| <b>4. PAYABLES</b>               |                   |                   |
| All amounts due within 12 months | 43,140            | 34,029            |

#### **5. ACCRUALS**

##### **Current**

|              |                |                |
|--------------|----------------|----------------|
| Programs     | -              | 16,835         |
| Annual Leave | 65,701         | 71,000         |
| Sick Leave   | 81,495         | 95,492         |
|              | <b>147,196</b> | <b>183,327</b> |

#### **6. PROVISIONS**

|                          |                  |                |
|--------------------------|------------------|----------------|
| Contingent Provision     | 183,442          | 183,442        |
| Annual Leave Entitlement | 122,883          | 58,772         |
| Long Service Leave       | 119,344          | 114,254        |
| Service Plan             | 222,000          | 122,000        |
| Research & Development   | 146,455          | 146,455        |
| Capacity Building        | 212,374          | 112,374        |
|                          | <b>1,006,497</b> | <b>737,296</b> |

#### **7. RETAINED SURPLUSES**

|  |                  |                |
|--|------------------|----------------|
| Retained surplus at the beginning of the financial year  | 970,447          | 704,973        |
| Equipment Reserve  | -                | 228,449        |
| Net surplus attributable to the organisation             | 57,245           | 37,025         |
| <b>Retained surplus at the end of the financial year</b> | <b>1,027,692</b> | <b>970,447</b> |

#### **8. CASH FLOW INFORMATION**

a. Cash at the end of the financial period as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

|  |                  |                  |
|--|------------------|------------------|
| Cash deposits with banks                   | 1,884,491        | 1,841,282        |
| Cash on hand                               | 3,273            | 7,003            |
| <b>Balance per Statement of Cash Flows</b> | <b>1,887,764</b> | <b>1,848,285</b> |

|  | 2021<br>\$    | 2020<br>\$     |
|--|---------------|----------------|
| b. Reconciliation of cash flow from operations with operating surplus/(deficit) after income tax |               |                |
| Deficit / Surplus from operations  | 57,245        | 37,025         |
| <b>Non-cash flows in operating surplus</b>   |               |                |
| Depreciation   | 83,642        | 83,341         |
| Additions to Non-current Assets  | (306,582)     | (31,664)       |
| <b>Changes in assets and liabilities</b>   |               |                |
| Increase/(decrease) in accruals  | (36,131)      | (6,455)        |
| Increase/(decrease) in income in advance   | -             | -              |
| Increase/(decrease) in payables  | -             | -              |
| Increase/(decrease) in PAYG & GST payable  | 9,111         | (6,513)        |
| Increase/(decrease) in provisions  | 269,202       | 213,025        |
| (Increase)/decrease in debtors   | (15,442)      | 30,459         |
| (Increase)/decrease in prepayments   | (21,567)      | 10,163         |
| Increase/(decrease) in Equipment Reserve   | -             | -              |
| <b>Cash flows from operations</b>  | <b>39,479</b> | <b>329,382</b> |
| <b>Auditor's Remuneration</b>  |               |                |
| Auditing/Reviewing the financial reports   | 1,350         | 1,350          |
| Other services   |               |                |

## **10. 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.

## **11. 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.

## **12. RELATED PARTY TRANSACTIONS**

No transactions with related parties occurred during the financial year.

## **13. Council Members**

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

Allan Davey (Chairperson)

Caryl Hertz (Deputy Chair)

Jonathan Kneeborne (Secretary)

John Marshall (Treasurer)

Rahul Chauhan (Member)

Carole Hatherly (Member)

Darryl Flukes (Member)

Christine Harrison (Member since Dec 2020)

All Council members provide their services on an honorary basis.

## **14. ORGANISATION DETAILS**

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

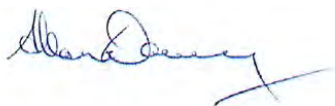
Out Doors Inc.

17 Stubbs Street, Kensington VIC 3031

**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2021  
DECLARATION BY MEMBERS OF THE COUNCIL**

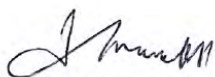
1. The Financial Statements and Notes:
  - (a) comply with Accounting Standards as detailed in Note 1 to the financial statements;
  - (b) give a true and fair view of the Out Doors Inc. financial position as at 30th June 2021 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements, and
  - (c) satisfy the requirements of the Associations Incorporation Reform Act 2012, Australian Charities and Not-for-Profit Commission Act 2012 and the Australian Charities and Not-for-Profits Commission Regulation 2013.
2. In the opinion of the Members of the Council there are 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:** 9 August 2021



**John Marshall**  
**Treasurer**

**Dated:** 10/8/21



**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, 2021. 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.

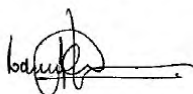
The financial report has been prepared for the purpose of fulfilling the requirements of the Associations Incorporation Reform Act 2012 (Vic). I disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, 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, 2021 and the results of its operations for the year then ended.



**Rodney F Cooper CA**

18<sup>th</sup> August, 2021  
Melbourne



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