

THE NETWORK OF ALCOHOL AND OTHER DRUGS AGENCIES INCORPORATED

FINANCIAL REPORT

For the year ended 30 June 2016

Contents	Page
Committee's Report	1
Income and Expenditure Statement	2
Assets and Liability Statement	3
Notes to the Financial Statements	4
True and Fair Certification by Members of the Committee	9
Independent Audit Report	10
Compilation Report	12
Divisional Income & Expenditure Statements	13

THE NETWORK OF ALCOHOL AND OTHER DRUGS AGENCIES INCORPORATED

COMMITTEE'S REPORT

Your committee members submit the financial report of The Network of Alcohol and Other Drugs Agencies Incorporated for the financial year ended 30 June 2016.

COMMITTEE MEMBERS

The names of committee members throughout the year and at the date of this report are:

Mark Buckingham (President)
Gabriella Holmes (Vice President)
Garth Popple (Treasurer)
Gerard Byrne (Secretary)
Joe Coyte (Board Nominated Ordinary Member)
Will Temple (Ordinary Member)
Julaine Allan (Ordinary Member)
Roy Hambly (Ordinary Member)
David Kelly (Ordinary Member)

PRINCIPAL ACTIVITIES

The principal activities of the association during the financial year were to assist members with advice, information, services, training and development research, and to act as a spoke-person in dealing with Government Organisations.

The Network of Alcohol and Other Drugs Agencies Incorporated is the peak organisation representing the interests of non-government alcohol and other drug intervention agencies in New South Wales.

SIGNIFICANT CHANGES

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

OPERATING RESULT

The surplus from ordinary activities amounted to \$29,394 (2015 Surplus: \$13,985).

Signed in accordance with a resolution of the Members of the Committee.

Mark Buckingham
President

Garth Popple
Treasurer

Date:

THE NETWORK OF ALCOHOL AND OTHER DRUGS AGENCIES INCORPORATED

**INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2016**

	2016	2015
	\$	\$
INCOME		
Grant – Received this year	1,701,299	1,558,790
Grant – Rolled in from prior year	8,524	247,159
Grant – Rolled over to next year	(69,251)	(8,524)
Membership	42,740	42,687
Interest	12,105	17,371
Conference	59,157	-
Miscellaneous	23,075	35,658
	<u>1,777,649</u>	<u>1,893,141</u>
EXPENDITURE		
Auditing	13,000	13,000
Accounting Services	68,673	68,431
Bank fees and charges	1,875	1,713
Computer and IT	1,230	7,501
Conference, events and training	105,194	37,021
Consulting	365,714	368,215
Depreciation	28,551	33,289
Grants to other organisations	59,656	296,420
Insurance	10,276	13,460
Lease payments	12,719	18,145
Miscellaneous expenses	12,689	18,901
Motor vehicle expenses	10,955	8,758
Meeting costs	43,325	20,683
Postage, printing and stationery	35,308	67,984
Premises costs	99,271	90,088
Recruitment	796	11,723
Resource production	710	908
Salary and employment related costs	823,547	748,146
Small equipment purchases	-	353
Telephone and internet	25,782	28,041
Travel and accommodation	29,054	26,376
	<u>1,748,325</u>	<u>1,879,156</u>
Surplus / (Deficit) from ordinary activities	<u>29,324</u>	<u>13,985</u>
SURPLUS AT BEGINNING OF THE FINANCIAL YEAR	<u>373,757</u>	<u>359,772</u>
SURPLUS AT END OF THE FINANCIAL YEAR	<u>403,081</u>	<u>373,757</u>

The accompanying notes form part of this financial report.

THE NETWORK OF ALCOHOL AND OTHER DRUGS AGENCIES INCORPORATED

ASSET & LIABILITIES STATEMENT AS AT 30 JUNE 2016

	Note	2016 \$	2015 \$
CURRENT ASSETS			
Cash and cash equivalents	2	604,957	560,592
Receivables		3,487	1,760
Other	3	48,911	27,287
TOTAL CURRENT ASSETS		<u>657,355</u>	<u>589,639</u>
NON-CURRENT ASSETS			
Property, plant and equipment	4	72,272	61,926
Investments	5	1,177	1,177
TOTAL NON-CURRENT ASSETS		<u>73,449</u>	<u>63,103</u>
TOTAL ASSETS		<u>730,804</u>	<u>652,742</u>
CURRENT LIABILITIES			
Creditors and sundry accruals	6	146,333	172,716
Unexpended Grants received in advance	8	69,251	8,524
Employee Provisions	7	96,906	78,521
TOTAL CURRENT LIABILITIES		<u>312,490</u>	<u>259,761</u>
NON-CURRENT LIABILITIES			
Employee Provisions	7	15,233	19,224
TOTAL NON-CURRENT LIABILITIES		<u>15,233</u>	<u>19,224</u>
TOTAL LIABILITIES		<u>327,723</u>	<u>278,985</u>
NET ASSETS		<u>403,081</u>	<u>373,757</u>
MEMBERS' FUNDS			
Retained surplus		403,081	373,757
TOTAL MEMBERS' FUNDS		<u>403,081</u>	<u>373,757</u>

The accompanying notes form part of this financial report.

THE NETWORK OF ALCOHOL AND OTHER DRUGS AGENCIES INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act of NSW 2009 and Associations Incorporation Regulations of NSW 2010.

The committee has determined that the association is not a reporting entity.

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

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

a. **Income Tax**

The association is endorsed as an income tax exempt entity by the Deputy Commissioner of Taxation, accordingly no provision for income tax is necessary nor is one represented in these financial accounts.

b. **Property, Plant and Equipment**

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

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

c. **Employee Provisions**

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee provisions have been measured at the amounts expected to be paid when the liability is settled.

d. **Going Concern**

This financial report has been prepared on a going concern basis, which contemplates continuity of normal operating activities and the realisation of assets and settlement of liabilities in the normal course of the Associations operations.

The continuing operations of the Association and the ability to pay its debts in the normal course is dependent upon the continued support of the funding bodies for both recurrent and program specific grant income.

e. **Subsequent Events**

There has not arisen since the end of the financial year any matter or circumstance that has or may significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

THE NETWORK OF ALCOHOL AND OTHER DRUGS AGENCIES INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

f. **Leased Assets**

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the economic entity will obtain ownership of the asset or over the term of the lease.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

g. **Impairment of Assets**

At the end of each reporting period, the committee reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

h. **Grant Revenue**

Grant revenue is brought to account on a cash basis, except for specific project grants. Unused specific project grants at year end are treated as "Deferred Grants" for use in the following year only when approval has been received from the relevant funding bodies. These deferred grants are subsequently matched against expenditure in the following period in order to account for the full acquittal of grant monies received.

i. **Cash and Cash Equivalents**

Cash includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

j. **Creditors and Sundry Accruals**

Creditors and sundry accruals represent the liability outstanding at the end of the reporting period for goods and services rendered by the association during the reporting period that remain unpaid. The balance is recognized as a current liability with the amounts normally paid within 30 days of recognition of the liability.

k. **Goods and Services Tax (GST)**

Revenues, expenses and assets are recognized net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). 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 ATO is included in other receivables or creditors and sundry accruals in the assets and liabilities statement.

THE NETWORK OF ALCOHOL AND OTHER DRUGS AGENCIES INCORPORATED

**NOTES TO THE FINANCIAL STATEMENTS FOR THE
YEAR ENDED 30 JUNE 2016**

	2016	2015
	\$	\$
NOTE 2: CASH AND CASH EQUIVALENTS		
Cash on hand	356	500
Operating account	9,732	30,011
Cash management account	55,640	1,824
Cash reserve account	1,725	1,725
Term Deposit	537,504	526,532
	<u>604,957</u>	<u>560,592</u>

NOTE 3: OTHER

Prepayments	20,227	8,069
Accrued income	3,698	2,597
GST receivable - net	24,986	16,621
	<u>48,911</u>	<u>27,287</u>

NOTE 4: PROPERTY, PLANT & EQUIPMENT

Motor vehicles – at cost	48,076	40,970
Less accumulated depreciation	(222)	(14,522)
	<u>47,854</u>	<u>26,448</u>
Office equipment – at cost	146,223	141,504
Less accumulated depreciation	(136,971)	(120,469)
	<u>9,252</u>	<u>21,035</u>
Furniture & fittings – at cost	58,474	53,437
Less accumulated depreciation	(43,308)	(38,994)
	<u>15,166</u>	<u>14,443</u>
Total fixed assets	<u>72,272</u>	<u>61,926</u>

NOTE 5: INVESTMENTS

Shares in listed company – at cost	1,177	1,177
	<u>1,177</u>	<u>1,177</u>

Market value of 661 shares at 30 June 2016 was \$3,602 (2015: \$3,688)

THE NETWORK OF ALCOHOL AND OTHER DRUGS AGENCIES INCORPORATED

**NOTES TO THE FINANCIAL STATEMENTS FOR THE
YEAR ENDED 30 JUNE 2016**

	2016	2015
	\$	\$
NOTE 6: CREDITORS AND ACCRUALS		
Trade and sundry creditors	124,261	157,771
GST payable – net	-	-
PAYG withholding accrual	22,072	14,945
	<u>146,333</u>	<u>172,716</u>

NOTE 7: EMPLOYEE PROVISIONS

CURRENT

Provision for annual leave	72,040	55,823
Provision for long service leave	24,866	22,698
	<u>96,906</u>	<u>78,521</u>

NON CURRENT

Provision for long service leave	<u>15,233</u>	<u>19,224</u>
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NOTE 8: GRANTS RECEIVED IN ADVANCE

Women’s Alcohol and Other Drug Services Development	8,336	505
Building Funding Application Skills Project	36,506	8,019
CMHDARN	4,820	-
Methamphetamine Capacity Building Program	19,589	-
	<u>69,251</u>	<u>8,524</u>

NOTE 9: LEASING COMMITMENTS

a. Operating Lease Commitments

Payable:

not later than 1 year	90,844	103,896
later than 1 year but not later than 5 years	11,740	4,989
later than 5 years	-	-
	<u>102,584</u>	<u>108,885</u>

The lease for the current business premises situated at Room 1 2nd Floor, 619 Elizabeth Street Redfern expires on 30 June 2017. Monthly rental commitment per the lease is \$6,592 per month (inclusive of GST).

There is one operating lease commitment for motor vehicles through Fleet Partners for \$978.36 per month and expires on 30 June 2018.

THE NETWORK OF ALCOHOL AND OTHER DRUGS AGENCIES INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 10: CONTINGENT LIABILITIES AND ASSETS

As at year end and up to the date of this report, the Committee and Management are unaware of any known events or transactions which may take place now or in the future, which are not currently represented in these financial accounts.

There are no mortgages, charges or other securities affecting the asset of the Association.

NOTE 11: EVENTS AFTER BALANCE SHEET DATE

There has not arisen since the end of the financial year any matter or circumstance that has or may significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

NOTE 12: ECONOMIC DEPENDENCE

The financial report has been prepared on a going concern basis, which contemplates continuity of normal operating activities and the realisation of assets and the settlement of liabilities in the normal course of the Association's operations.

The Network of Alcohol and Other Drugs Agencies Incorporated's continued operation is financially dependent upon the continued support of the funding bodies for recurrent and project specific grant income. Without the continued support of the funding bodies, the Association may not be able to continue as a going concern with its existing programs and structure.

At the date of this report the Association has secured funding for the 2017 financial year from NSW Health for \$1,181,600 and the federal Department of Health for \$434,190. NSW Health ongoing funding is subject to the outcome of successfully transitioning to a new purchasing framework.

Should the Association be unable to obtain funding commitments beyond 30 June 2017 it will be unable to continue as a going concern, and in that situation it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different from those as stated in the financial report.

THE NETWORK OF ALCOHOL AND OTHER DRUGS AGENCIES INCORPORATED

TRUE AND FAIR CERTIFICATION BY MEMBERS OF THE COMMITTEE

In accordance with a resolution of the committee of The Network of Alcohol and Other Drugs Agencies Incorporated, the members of the committee declare that the financial statements incorporating the Income and Expenditure Statement, Assets and Liabilities Statement Sheet and Notes to the Financial Statements:

1. Present a true and fair view of the financial position of The Network of Alcohol and Other Drugs Agencies Incorporated as at 30 June 2016 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements and the requirements of the NSW Associations Incorporation Act 2009.
2. At the date of this statement, there are reasonable grounds to believe that The Network of Alcohol and Other Drugs Agencies Incorporated will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:

Mark Buckingham
President

Garth Popple
Treasurer

Date:

THE NETWORK OF ALCOHOL AND OTHER DRUGS AGENCIES INCORPORATED

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2016

NADA CORE

	2016	2015
	\$	\$
INCOME		
Grant – Received this year	1,242,700	1,124,600
Grant – Rolled in from prior year	-	-
Membership	42,740	42,687
Interest	2,829	8,095
Management fees	52,632	62,376
Conference Income	59,157	-
Miscellaneous	17,894	7,508
	<u>1,417,952</u>	<u>1,245,266</u>
EXPENDITURE		
Auditing	10,000	11,000
Accounting Services	68,674	68,431
Bank fees and charges	1,875	1,713
Conference, events and training	100,077	32,948
Consulting	253,400	247,567
Computer software & IT expense	1,230	7,501
Depreciation	28,551	33,289
Grants to other organisations	50,895	58,674
Insurance	10,276	13,460
Lease payments	3,683	9,615
Miscellaneous expenses	12,688	18,110
Motor vehicle expenses	9,945	7,868
Meeting costs	12,435	7,308
Postage, printing and stationary	27,490	54,102
Premises costs	99,271	90,088
Recruitment costs	616	11,723
Resource production	613	-
Salary and employment related costs	654,347	516,499
Small equipment purchases	-	353
Telephone and internet	24,418	25,859
Travel and accommodation	18,144	15,172
	<u>1,388,628</u>	<u>1,231,280</u>
Unexpended amount held for use in the following year	-	-
Surplus / (Deficit) from ordinary activities	<u>29,324</u>	<u>13,986</u>

THE NETWORK OF ALCOHOL AND OTHER DRUGS AGENCIES INCORPORATED

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2016

SECTOR CAPACITY BUILDING

	2016	2015
	\$	\$
INCOME		
Grant – Received this year	309,190	309,190
Grant – Rolled in from prior year	8,019	4,976
Interest	9,276	9,276
Miscellaneous income	-	28,150
	<u>326,485</u>	<u>351,592</u>
EXPENDITURE		
Audit	2,000	2,000
Conference, events and training	5,116	4,073
Consulting	42,039	54,662
Grants to other organisations	6,921	-
Lease expenses	9,036	8,530
Management fee	46,380	46,380
Meeting costs	13,301	13,209
Miscellaneous expense	-	790
Motor vehicle expense	1,011	890
Postage, printing and stationery	1,803	5,530
Resource Production	57	908
Salary and employment related costs	151,549	194,526
Telephone and internet	1,364	1,598
Travel and accommodation	9,402	10,477
	<u>289,979</u>	<u>343,573</u>
Unexpended amount held for use in the following year	<u>36,506</u>	<u>8,019</u>
Surplus / (Deficit) from ordinary activities	<u>-</u>	<u>-</u>

THE NETWORK OF ALCOHOL AND OTHER DRUGS AGENCIES INCORPORATED

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2016

CMHDARN

	2016	2015
	\$	\$
INCOME		
Grant – Received this year	10,000	-
Grant – Rolled in from prior year	-	-
Miscellaneous income	-	-
	<hr/>	<hr/>
		-
EXPENDITURE		
Consulting	5,000	-
Recruitment costs	180	-
Sundry expenses	-	-
	<hr/>	<hr/>
	5,180	-
	<hr/>	<hr/>
Unexpended amount held for use in the following year	4,820	-
Surplus / (Deficit) from ordinary activities	-	-
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THE NETWORK OF ALCOHOL AND OTHER DRUGS AGENCIES INCORPORATED

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2016

WOMEN'S ALCOHOL AND OTHER DRUG SERVICES DEVELOPMENT

	2016	2015
	\$	\$
INCOME		
Grant – Received this year	125,000	125,000
Grant – Rolled in from prior years	505	203,258
Miscellaneous Income	-	-
Interest	-	-
	<u>125,505</u>	<u>328,258</u>
EXPENDITURE		
Audit fees	1,000	-
Consulting	29,814	43,676
Member capacity building activities	21,692	-
Evaluation	13,770	-
Grants to other organizations	1,839	237,746
Management fee	6,252	15,996
Meeting costs	17,590	166
Postage, printing and stationery	6,054	8,352
Salary and employment related costs	17,651	21,245
Telephone and internet	-	572
Travel & accommodation	1,508	-
	<u>117,170</u>	<u>327,753</u>
Unexpended amount held for use in the following year	<u>8,335</u>	<u>505</u>
Surplus / (Deficit) from ordinary activities	<u>-</u>	<u>-</u>

THE NETWORK OF ALCOHOL AND OTHER DRUGS AGENCIES INCORPORATED

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2016

BUILDING FUNDING APPLICATIONS SKILLS PROJECT

	2016	2015
	\$	\$
INCOME		
Grant – Received this year	-	-
Grant – Rolled in from prior years	-	38,925
Miscellaneous Income	-	-
Interest	-	-
	<hr/>	<hr/>
	-	38,925
EXPENDITURE		
Auditing	-	-
Consulting	-	22,310
Management fee	-	-
Salary and employment related costs	-	15,876
Telephone and internet	-	12
Travel and accommodation	-	727
	<hr/>	<hr/>
	-	38,925
Unexpended amount held for use in the following year	<hr/>	<hr/>
	-	-
Surplus / (Deficit) from ordinary activities	<hr/>	<hr/>
	-	-

THE NETWORK OF ALCOHOL AND OTHER DRUGS AGENCIES INCORPORATED

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2016

METHAMPHETAMINE CAPACITY BUILDING

	2016	2015
	\$	\$
INCOME		
Grant – Received this year	19,589	-
Grant – Rolled in from prior years	-	-
Miscellaneous Income	-	-
	<hr/>	<hr/>
	-	-
EXPENDITURE		
Auditing	-	-
Consulting	-	-
Management fee	-	-
Salary and employment related costs	-	-
Telephone and internet	-	-
Travel and accommodation	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>
Unexpended amount held for use in the following year	19,589	-
Surplus / (Deficit) from ordinary activities	-	-
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