

THE NETWORK OF ALCOHOL AND OTHER DRUGS AGENCIES INCORPORATED

FINANCIAL REPORT

For the year ended 30 June 2020

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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 2020.

COMMITTEE MEMBERS

The names of committee members throughout the year and at the date of this report, unless stated otherwise are:

Julie Babineau (President – appointed 19/11/2019)	Julaine Allan (resigned 08/07/2019)
Libby George (Vice President – reappointed 19/11/2019)	Gabriella Holmes (ceased 19/11/2019)
Peter Valpiani (Finance Executive–appointed 19/11/2019)	Gerard Byrne (ceased 19/11/2019)
Carolyn Mckay (appointed 19/11/2019)	Mark Buckingham (ceased 19/11/2019)
Ed Zarnow (appointed 19/11/2019)	Garth Popple (ceased 19/11/2019)
Latha Nithyanandam (appointed 19/11/2019)	Catherine Hewett (ceased 19/11/2019)
Norm Henderson (appointed 19/11/2019)	David Kelly (resigned 23/03/2020)
Sandy Kervin (reappointed 19/11/2019)	

PRINCIPAL ACTIVITIES

The principal activities of the Association during the financial year were to assist members with advice, information, advocacy, 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.

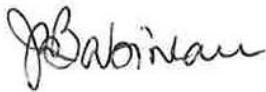
SIGNIFICANT CHANGES

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

OPERATING RESULT

The surplus from ordinary activities amounted to \$81,039.

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



Julie Babineau
President

Date: 19 October 2020

THE NETWORK OF ALCOHOL AND OTHER DRUGS AGENCIES INCORPORATED

**INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2020**

	2020	2019
	\$	\$
INCOME		
Grant & Project Income – Received this year	2,693,733	2,758,334
Grant & Project Income – Rolled in from prior year	267,312	205,602
Grant & Project Income – Rolled over to next year	(200,941)	(267,312)
Membership	51,336	51,450
Interest	11,738	15,866
Miscellaneous	62,694	56,302
	<u>2,885,872</u>	<u>2,820,242</u>
EXPENDITURE		
Auditing	14,126	13,650
Accounting Services	78,288	76,007
Bank fees and charges	1,893	1,625
Computer and IT	21,506	25,824
Conference, events and training	19,743	53,290
Consulting	544,325	539,881
Depreciation & amortisation	158,546	155,631
Gifts and donations	368	1,262
Grants to other organisations	508,475	418,416
Insurance	11,611	10,211
Interest	26,959	35,249
Lease payments	22	2,811
Miscellaneous expenses	46,148	34,523
Motor vehicle expenses	11,396	15,720
Meeting costs	51,839	119,740
Postage, printing and stationery	11,379	17,573
Premises costs	14,516	16,510
Recruitment	2,237	1,038
Resource production	498	603
Salary and employment related costs	1,217,823	1,172,513
Telephone and internet	21,485	25,114
Travel and accommodation	41,650	73,582
	<u>2,804,833</u>	<u>2,810,773</u>
Surplus / (Deficit) from ordinary activities	<u>81,039</u>	<u>9,469</u>
SURPLUS AT BEGINNING OF THE FINANCIAL YEAR	<u>547,338</u>	<u>537,869</u>
SURPLUS AT END OF THE FINANCIAL YEAR	<u>628,377</u>	<u>547,338</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 2020

	Note	2020 \$	2019 \$
CURRENT ASSETS			
Cash and cash equivalents	2	931,834	790,045
Receivables		3,432	49,669
Other	3	121,966	89,695
TOTAL CURRENT ASSETS		<u>1,057,232</u>	<u>929,409</u>
NON-CURRENT ASSETS			
Property, plant and equipment	4	107,674	142,977
Investments	5	1,048	1,048
Right of use assets	6	203,766	313,565
TOTAL NON-CURRENT ASSETS		<u>312,488</u>	<u>457,590</u>
TOTAL ASSETS		<u>1,369,720</u>	<u>1,386,999</u>
CURRENT LIABILITIES			
Creditors and sundry accruals	7	135,420	106,806
Unexpended Grants received in advance	9	200,941	267,312
Interest bearing liabilities	10	124,142	108,010
Employee Provisions	8	135,733	93,735
TOTAL CURRENT LIABILITIES		<u>596,236</u>	<u>575,863</u>
NON-CURRENT LIABILITIES			
Interest bearing liabilities	10	131,960	256,102
Employee Provisions	8	13,147	7,696
TOTAL NON-CURRENT LIABILITIES		<u>145,107</u>	<u>263,798</u>
TOTAL LIABILITIES		<u>741,343</u>	<u>839,661</u>
NET ASSETS		<u>628,377</u>	<u>547,338</u>
MEMBERS' FUNDS			
Retained surplus		628,377	547,338
TOTAL MEMBERS' FUND		<u>628,377</u>	<u>547,338</u>

The accompanying notes form part of this financial report.

THE NETWORK OF ALCOHOL AND OTHER DRUGS AGENCIES INCORPORATED

**STATEMENT OF CHANGES IN MEMBERS FUNDS
FOR THE YEAR ENDED 30 JUNE 2020**

	Retained Surplus \$	Total \$
Opening Balance at 1 July 2018	537,869	537,869
Surplus for the year	9,469	9,469
Closing Balance at 30 June 2019	<u>547,338</u>	<u>547,337</u>
Surplus for the year	81,039	81,039
Closing Balance at 30 June 2020	<u>628,377</u>	<u>628,377</u>

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2020**

	Note	2020 \$	2019 \$
CASHFLOW FROM OPERATING ACTIVITIES			
Cash receipts from operating activities		3,070,650	3,115,696
Non-operating income received		50,000	-
Interest income received		14,583	15,000
Interest paid		(26,959)	(35,249)
Payments to suppliers and employees		<u>(2,845,030)</u>	<u>(2,938,511)</u>
	15(b)	<u>263,244</u>	<u>156,936</u>
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of assets		(13,445)	(8,858)
Receipt from assets		-	129
		<u>(13,445)</u>	<u>(8,729)</u>
CASHFLOW FROM FINANCING ACTIVITIES			
Lease principal repayments		<u>(108,010)</u>	<u>(88,125)</u>
		<u>(108,010)</u>	<u>(88,125)</u>
Net increase (decrease) in cash		141,789	60,082
Opening cash at beginning of year		790,045	729,963
CLOSING CASH AT END OF YEAR	15 (a)	<u>931,834</u>	<u>790,045</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 2020

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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE
YEAR ENDED 30 JUNE 2020

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

f. **Leased Assets**

Leases in terms of which the Association assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition the asset is accounted for in accordance with the accounting policy applicable to that asset.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the Association will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments and incentives for operating leases, are now either treated similar to finance leases and are recorded in accordance with AASB 16 Leases as described in Note 1(l), or where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the lease term where AASB 16 Leases practical expedients have been applied.

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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE
YEAR ENDED 30 JUNE 2020

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1. **Changes in Significant Accounting Policies**

The Association has initially applied AASB 16 Leases from 1 July 2019.

The Association has applied AASB 16 using the full retrospective approach. Accordingly, the comparative information presented for 2019 is restated if applicable.

The Association does not have any finance leases. Previously all operating leases were treated as operating leases under AASB 17 Leases, whereby the payments were recognised in the income and expenditure statements at the time of payment.

On transition to the new AASB 16

- lease liabilities were measured at the present value of the remaining lease payment, discounted at the Association's incremental borrowing rate.
- right of use assets were measured at an amount equal to the lease liability.

Subsequent to transition to the new AASB 16

- right-of-use assets are amortised on a straight-line basis over the term of the lease;
- lease payments are allocated between the reduction of the lease liability and lease interest expense for the period.

The Association has tested its right-of-use assets for impairment and has concluded that there is no indication of impairment.

The Association has applied a number of practical expedients when applying AASB 16 to leases previously classified as operating leases under AASB 17. In particular:

- did not recognise right-of-use assets and liabilities for leases for which the lease term ends within 12 months of the date of initial application;
- did not recognise right-of-use assets and liabilities for leases of low value assets (eg IT equipment); and
- used hindsight when determining the lease term.

THE NETWORK OF ALCOHOL AND OTHER DRUGS AGENCIES INCORPORATED

**NOTES TO THE FINANCIAL STATEMENTS FOR THE
YEAR ENDED 30 JUNE 2020**

	2020	2019
	\$	\$
NOTE 2: CASH AND CASH EQUIVALENTS		
Cash on hand	246	463
Operating account	28,546	46,893
Cash management account	294,653	147,718
Cash reserve account	1,725	1,725
Term Deposit	606,664	593,246
	<u>931,834</u>	<u>790,045</u>
 NOTE 3: OTHER		
Prepayments	47,767	34,729
Accrued income	20,496	10,840
Bonds & Deposits	25,850	25,850
GST receivable - net	27,853	18,276
	<u>121,966</u>	<u>89,695</u>
 NOTE 4: PROPERTY, PLANT & EQUIPMENT		
Motor vehicles – at cost	50,252	50,252
Less accumulated depreciation	(18,819)	(9,396)
	<u>31,433</u>	<u>40,856</u>
 Office equipment – at cost	 134,589	 121,144
Less accumulated depreciation	(111,590)	(94,087)
	<u>22,999</u>	<u>27,057</u>
 Fitout & furniture – at cost	 170,919	 170,919
Less accumulated depreciation	(117,677)	(95,855)
	<u>53,242</u>	<u>75,064</u>
 Total fixed assets	 <u>107,674</u>	 <u>142,977</u>
 NOTE 5: INVESTMENTS		
Shares in listed company – at cost	1,048	1,048
	<u>1,048</u>	<u>1,048</u>

Market value of 661 shares at 30 June 2020 was \$3,814 (2019: \$5,460)

THE NETWORK OF ALCOHOL AND OTHER DRUGS AGENCIES INCORPORATED

**NOTES TO THE FINANCIAL STATEMENTS FOR THE
YEAR ENDED 30 JUNE 2020**

	2020	2019
	\$	\$
NOTE 6: RIGHT OF USE ASSETS		
Property	496,040	496,040
Motor vehicle	26,729	26,729
Less accumulated amortisation	(319,003)	(209,204)
	<u>203,766</u>	<u>313,565</u>
NOTE 7: CREDITORS AND ACCRUALS		
Trade and sundry creditors	92,811	70,328
Superannuation accrual	11,739	8,933
PAYG withholding accrual	30,870	27,545
	<u>135,420</u>	<u>106,806</u>
NOTE 8: EMPLOYEE PROVISIONS		
CURRENT		
Provision for annual leave	87,155	39,905
Provision for long service leave	48,578	53,830
	<u>135,733</u>	<u>93,735</u>
NON-CURRENT		
Provision for long service leave	<u>13,147</u>	<u>7,696</u>
NOTE 9: GRANTS RECEIVED IN ADVANCE		
Sector Capacity Building Program	47,460	115
NGO Service Development	135,997	142,394
CCC Support	-	2,524
PHN Network ATSI Guidelines	17,484	122,279
	<u>200,941</u>	<u>267,312</u>

THE NETWORK OF ALCOHOL AND OTHER DRUGS AGENCIES INCORPORATED

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 30 JUNE 2020**

	2020	2019
	\$	\$
NOTE 10: INTEREST BEARING LIABILITIES		
CURRENT		
Right of use – property lease	114,578	99,253
Right of use – motor vehicle lease	9,564	8,757
	<u>124,142</u>	<u>108,010</u>
NON-CURRENT		
Right of use – property lease	130,282	244,860
Right of use – motor vehicle lease	1,678	11,242
	<u>131,960</u>	<u>256,102</u>

NOTE 11: LEASING COMMITMENTS

a. **Operating Lease Commitments**

Payable:

not later than 1 year	6,054	6,054
later than 1 year but not later than 5 years	504	6,558
later than 5 years	-	-
	<u>6,558</u>	<u>12,612</u>

The operating lease information relates solely to a Canon copier lease for \$504.49 per month that expires on 13 July 2021.

NOTE 12: 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 13: 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.

THE NETWORK OF ALCOHOL AND OTHER DRUGS AGENCIES INCORPORATED

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 30 JUNE 2020**

2019 2019
Restated Previous

NOTE 14: COMPARATIVE PERIOD RESTATEMENT

The Association has applied AASB 16 Leases with full retrospective application by restating the 2019 comparative figures as per the below:

Income and Expenditure Statement

Depreciation & amortisation	155,631	47,317
Interest expense	35,249	-
Lease expense	2,811	11,230
Premises cost	16,510	131,465
Surplus / (Deficit) from ordinary activities	9,469	29,658

Asset and Liabilities Statement

Right of use assets	313,565	-
Total Non-Current Assets	457,590	144,025
Total Assets	1,386,999	1,073,434
Interest bearing liabilities (current)	108,010	-
Total Current Liabilities	575,863	467,853
Interest bearing liabilities (non-current)	256,102	-
Total Non-Current Liabilities	263,798	7,696
Total Liabilities	839,661	475,549
Net Increase / (Decrease) to Asset & Liabilities Statement	547,338	597,885

NOTE 15: CASH FLOW INFORMATION

(a) Reconciliation of cash

Cash on hand	246	463
Cash on deposit	606,664	593,246
Cash at bank	324,924	196,336
	<u>931,834</u>	<u>790,045</u>

(b) Reconciliation of cash flow from operating activities

Surplus for the year	81,039	9,469
Adjustments for:		
Depreciation and amortisation	158,546	155,631
Changes in assets and liabilities:		
Changes in receivables	36,581	(34,500)
Changes in prepayments and other assets	(22,615)	29,362
Changes in trade and other payables	28,614	(56,300)
Changes in employee benefits	47,450	(8,436)
Changes in grant income in advance	(66,371)	61,709
	<u>263,244</u>	<u>156,936</u>

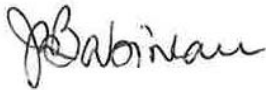
THE NETWORK OF ALCOHOL AND OTHER DRUGS AGENCIES INCORPORATED

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 2020 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:



Julie Babineau
President

Date: 19 October 2020



INDEPENDENT AUDIT REPORT TO THE MEMBERS OF NETWORK OF ALCOHOL & OTHER DRUGS AGENCIES INC

Opinion

We have audited the financial report of Network Of Alcohol & Other Drugs Agencies Inc ("Entity"), which comprises the assets and liabilities statement as at 30 June 2020, the income and expenditure statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the declaration by those charged with governance.

In our opinion, the accompanying financial report of Network Of Alcohol & Other Drugs Agencies Inc is prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, the *Associations Incorporation Act NSW 2009* and *Associations Incorporation Regulations NSW 2010*, including:

- (a) giving a true and fair view of the Association's financial position as at 30 June 2020 and of its financial performance for the year then ended, and
- (b) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*.

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 Entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other 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.

Information Other than the Financial Report and Auditor's Report Thereon

Those charged with governance are responsible for the other information. The other information comprises the information included in the Entity's annual report for the year ended 30 June 2020, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

CONTACT

STREET

POST



INDEPENDENT AUDIT REPORT TO THE MEMBERS OF NETWORK OF ALCOHOL & OTHER DRUGS AGENCIES INC

Responsibilities of Those Charged with Governance for the Financial Report

Directors are responsible for the preparation of the financial report in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, *Associations Incorporation Act NSW 2009* and *Associations Incorporation Regulations NSW 2010*, and for such internal control as they determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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

The directors are responsible for overseeing the Entity'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 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 *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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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INDEPENDENT AUDIT REPORT TO THE MEMBERS OF NETWORK OF ALCOHOL & OTHER DRUGS AGENCIES INC

- 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 Entity'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 Entity 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 those charged with governance 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.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of section 60-45(3)(b) of the *Australian Charities and Not-for-profits Commission Act 2012* we are required to describe any deficiency, failure or shortcoming in respect of the matters referred to in paragraph 60-30(3)(b), (c) or (d) of the *Australian Charities and Not-for-profits Commission Act 2012*. We have nothing to report in this regard.

ASHBY & CO. Chartered Accountants

Anthony Ashby
Partner
Registered Company Auditor # 287837

Sydney, NSW
19th October 2020



**AUDITOR'S INDEPENDENCE DECLARATION TO THE MEMBERS OF
NETWORK OF ALCOHOL & OTHER DRUGS AGENCIES INC**

In accordance with section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, as auditor for the audit of Network Of Alcohol & Other Drugs Agencies Inc for the year ended 30 June 2020, I declare that, to the best of my knowledge and belief, during the period ended 30 June 2020 there has been:

- (i) no contraventions of the auditor independence requirements as set out in section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

ASHBY & CO. Chartered Accountants

Anthony Ashby
Partner
Registered Auditor # 287837

Sydney, NSW
19th October 2020