

SOUTH AUSTRALIAN NETWORK OF DRUG & ALCOHOL SERVICES INC

ABN: 88 963 018 438

**Financial Statements
For the year ended
30 June 2022**

SOUTH AUSTRALIAN NETWORK OF DRUG & ALCOHOL SERVICES INC

ABN: 88 963 018 438

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For the year ended 30 June 2022

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SOUTH AUSTRALIAN NETWORK OF DRUG & ALCOHOL SERVICES INC

ABN: 88 963 018 438

Committee's Report

For the year ended 30 June 2022

Your committee members submit the financial report of SOUTH AUSTRALIAN NETWORK OF DRUG & ALCOHOL SERVICES INC for the financial year ended 30 June 2022.

Committee members

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

Chris Chalubek (Chair)
Sally Underdown (Secretary/Deputy Chair)
Vicki Holmes
Alex Ingleton
Karrin Marshall
Margaret Randle
Matthew Seals
Mel Shee
Tom Steeples
Paul Brianni (Resigned)
Ruth Tulloch (Resigned)
Ashleigh Hosking (Resigned)
Kim Formosa (Resigned)
Jenny Scarce (Resigned)

Principal activities

The principal activity of the association during the financial year is:

to enhance community wellbeing and reduce the harms associated with alcohol and drug use. As the peak body, we provide independent, state-wide representation, advocacy and support for non-government member organisations working in the alcohol and other drug sector, through networking, workforce development and policy development.

Significant changes

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

SOUTH AUSTRALIAN NETWORK OF DRUG & ALCOHOL SERVICES INC

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Committee's Report For the year ended 30 June 2022

Operating result

The profit of the Association for the financial year after providing for income tax amounted to \$24,073.

Signed in accordance with a resolution of the members of the committee:



Chris Chalubek (Chair)



Sally Underdown (Secretary/Deputy Chair)

Dated 15.09.2022

SOUTH AUSTRALIAN NETWORK OF DRUG & ALCOHOL SERVICES INC

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Income Statement

For the year ended 30 June 2022

	2022	2021
	\$	\$
Income		
Grants	434,156	447,947
Interest Received	884	1,314
Members Contributions	9,442	9,832
Sundry Income	9,119	26,817
Workshops and Forums	12,995	14,029
	466,596	499,939
Expenses		
Accounting Fees	8,789	3,750
Accrual Leave Provisions	651	32,447
Audit Fees	4,786	1,500
Bank Charges	-	314
Board & Governance	2,813	1,635
Cleaning	1,459	1,615
Computer Expenses	10,943	11,190
Depreciation	1,257	1,481
Employee Benefits Expenses	4,042	6,949
Insurance	5,822	5,716
Postage	-	205
Printing & Stationery	1,900	3,438
Quality & Safety	500	970
Rates & Taxes	1,601	1,600
Rent	18,810	20,163
Repairs & Maintenance	280	369
Salaries & Wages Expenses	336,933	329,800
Service Delivery Costs	34,406	25,196
Subscriptions	2,093	3,119
Sundry Expenses	-	189

The accompanying notes form part of these financial statements.

These statements should be read in conjunction with the attached compilation report of Letizia Palmer.

SOUTH AUSTRALIAN NETWORK OF DRUG & ALCOHOL SERVICES INC

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Income Statement

For the year ended 30 June 2022

	2022	2021
	\$	\$
Telephone	3,755	4,126
Tool Replacement	-	5,175
Utilities	1,684	1,400
	442,523	462,346
Net profit	24,073	37,593
Retained earnings at the beginning of the financial year	354,703	317,110
Retained earnings at the end of the financial year	378,776	354,703

The accompanying notes form part of these financial statements.

These statements should be read in conjunction with the attached compilation report of Letizia Palmer.

SOUTH AUSTRALIAN NETWORK OF DRUG & ALCOHOL SERVICES INC

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Balance Sheet

For the year ended 30 June 2022

	Note	2022 \$	2021 \$
Current assets			
Cash and cash equivalents	3	448,896	448,337
Trade and other receivables	4	7,089	10,468
Other current assets	5	3,115	2,980
Total current assets		459,099	461,785
Non-current assets			
Property, plant and equipment	6	1,066	1,084
Total non-current assets		1,066	1,084
Total assets		460,166	462,869
Current liabilities			
Memberships Paid in Advance		36	9,588
Trade and other payables	7	15,419	10,700
Provisions	8	87,249	86,599
Other current liabilities	9	-	1,280
Total current liabilities		102,704	108,166
Total liabilities		102,704	108,166
Net assets		357,461	354,703
Members' funds			
Adjustment to Retained Earnings		(21,315)	-
Retained earnings		378,776	354,703
Total members' funds		357,461	354,703

The accompanying notes form part of these financial statements.

These statements should be read in conjunction with the attached compilation report of Letizia Palmer.

SOUTH AUSTRALIAN NETWORK OF DRUG & ALCOHOL SERVICES INC

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Statement of Changes in Equity For the year ended 30 June 2022

	2022	2021
	\$	\$
Equity		
Adjustment to Retained Earnings	(21,315)	-
Retained earnings	354,703	317,110
Current Year Earnings	24,073	37,593
Total equity	357,461	354,703

The accompanying notes form part of these financial statements.

SOUTH AUSTRALIAN NETWORK OF DRUG & ALCOHOL SERVICES INC

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Statement of Cash Flows

	2022 \$	2021 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from sales of goods/Grants	457,745	493,317
Payments to suppliers and employees	(458,070)	(427,076)
Interest received	884	1,315
Net cash provided by/(used in) operating activities	559	67,556
Net increase/(decrease) in cash held	559	67,556
Cash and cash equivalents at beginning of financial year	448,337	380,781
Cash and cash equivalents at end of financial year	448,896	448,337

The accompanying notes form part of these financial statements.

Reconciliation of cash flows from operating activities with net current year surplus

Net current year surplus	24,073	37,593
Adjustments for:		
- Depreciation expense	1,257	1,481
- Retained Earnings Adjustment	(21,315)	-
Movements in working capital:		
(Increase)/decrease in accounts receivable and other debtors	3,379	(7,709)
Increase/(decrease) in accounts payable and other payables	(7,350)	4,485
(Increase)/decrease in other current assets	(135)	(244)
Increase/(decrease) in employee provisions	650	30,067
- Increase/(decrease) in employee provisions	-	1,883
	559	67,556

SOUTH AUSTRALIAN NETWORK OF DRUG & ALCOHOL SERVICES INC

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Notes to the financial statements For the year ended 30 June 2022

The financial statements cover SOUTH AUSTRALIAN NETWORK OF DRUG & ALCOHOL SERVICES INC as an individual entity. SOUTH AUSTRALIAN NETWORK OF DRUG & ALCOHOL SERVICES INC is a not-for-profit association incorporated in South Australia under the Associations Incorporation Act 1985 ('the Act').

The principal activity of the association for the year ended 30 June 2022 is:

to enhance community wellbeing and reduce the harms associated with alcohol and drug use. As the peak body, we provide independent, state-wide representation, advocacy and support for non-government member organisations working in the alcohol and other drug sector, through networking, workforce development and policy development.

Comparatives are consistent with prior years, unless otherwise stated.

SOUTH AUSTRALIAN NETWORK OF DRUG & ALCOHOL SERVICES INC

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Notes to the financial statements For the year ended 30 June 2022

1 Basis of preparation

The financial statements are a special purpose report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act 1987. The committee has determined that the association is not a reporting entity.

In the opinion of the Committee of Management, the association is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the Act.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 Presentation of Financial Statements, AASB 107 Statement of Cash Flows, AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors and AASB 1054 Australian Additional Disclosures.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

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

2 Summary of significant accounting policies

Income tax

The association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

SOUTH AUSTRALIAN NETWORK OF DRUG & ALCOHOL SERVICES INC

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Notes to the financial statements For the year ended 30 June 2022

Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Association and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Interest revenue

Interest is recognised using the effective interest method.

Rendering of services

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be estimated reliably. If the outcome can be estimated reliably then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period.

If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

Revenue from training services is generally recognised once the training has been delivered.

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 Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

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Notes to the financial statements For the year ended 30 June 2022

Property, plant and equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment.

Plant and equipment is depreciated on a straight-line basis over the assets useful life to the Association, commencing when the asset is ready for use.

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

Employee benefits

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 benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cash flows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cash flows. Changes in the measurement of the liability are recognised in profit or loss.

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Notes to the financial statements For the year ended 30 June 2022

Impairment of non-financial assets

At the end of each reporting period, the association determines whether there is an evidence of an impairment indicator for non-financial assets.

Where this indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the assets is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

Provisions

Provisions are recognised when the association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

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Notes to the financial statements For the year ended 30 June 2022

	Note	2022 \$	2021 \$
3 Cash and cash equivalents			
Petty Cash Imprest		185	185
Cash at Bank - CUSA Daily Access		4,595	1,871
Cash at Bank - CUSA Net Saver		439,829	444,253
Cash at Bank - CUSA Debit Card		4,287	2,029
		448,896	448,337
4 Trade and other receivables			
Current			
Trade Debtors		2,353	10,320
GST Paid		4,736	148
		7,089	10,468
5 Other assets			
Current			
Prepayments		3,115	2,980
		3,115	2,980

These notes should be read in conjunction with the attached compilation report of Letizia Palmer.

SOUTH AUSTRALIAN NETWORK OF DRUG & ALCOHOL SERVICES INC

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Notes to the financial statements For the year ended 30 June 2022

	Note	2022 \$	2021 \$
6 Property, plant and equipment			
Office furniture and equipment			
Office Furniture & Equipment		9,654	32,198
Less: Accumulated Depreciation		(8,588)	(31,115)
		1,066	1,084
		1,066	1,084
7 Trade and other payables			
Current			
Sundry Payroll Liabilities		-	(2,934)
Sundry Creditors		-	3,750
Trade Creditors		6,869	733
Superannuation Payable		-	5,486
PAYG Withholding Payable		3,512	2,727
GST Collected		4,755	938
GST Adjustments		283	-
		15,419	10,700
8 Provisions			
Current			
Provision for Annual Leave		36,433	35,857
Provision for Long Service Leave		39,864	40,710
Provision for Accrued Wages		10,953	10,032
		87,249	86,599

These notes should be read in conjunction with the attached compilation report of Letizia Palmer.

SOUTH AUSTRALIAN NETWORK OF DRUG & ALCOHOL SERVICES INC

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Notes to the financial statements For the year ended 30 June 2022

	Note	2022 \$	2021 \$
9 Other liabilities			
Current			
Equipment Lease		-	1,280
		-	1,280
10 Retained earnings			
Retained earnings at the beginning of the financial year		354,703	317,110
Net profit		24,073	37,593
		378,776	354,703

11 Events occurring after the reporting date

No matter or circumstances have arisen since the end of the financial year which significantly affected 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.

12 Statutory information

The registered office and principal place of business of the association is:

SOUTH AUSTRALIAN NETWORK OF DRUG & ALCOHOL SERVICES INC
204 WRIGHT STREET, ADELAIDE SA 5000

SOUTH AUSTRALIAN NETWORK OF DRUG & ALCOHOL SERVICES INC

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Statement by Members of Committee

The committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 2 to the financial statements.

In the opinion of the committee the financial report:

1. Presents fairly the financial position of SOUTH AUSTRALIAN NETWORK OF DRUG & ALCOHOL SERVICES INC as at 30 June 2022 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that SOUTH AUSTRALIAN NETWORK OF DRUG & ALCOHOL SERVICES INC 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:



Chris Chalubek (Chair)



Sally Underdown (Secretary/Deputy Chair)

Dated 15.09.2022

SOUTH AUSTRALIAN NETWORK OF DRUG & ALCOHOL SERVICES INC

ABN: 88 963 018 438

Independent Audit Report to the members of association, SOUTH AUSTRALIAN NETWORK OF DRUG & ALCOHOL SERVICES INC

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report, being a special purpose financial report, of SOUTH AUSTRALIAN NETWORK OF DRUG & ALCOHOL SERVICES INC (the association), which comprises the balance sheet as at 30 June 2022, the income statement, and notes to the financial statements, including a summary of significant accounting policies and management's assertion statement.

In my opinion, the accompanying financial report of the association for the year ended 30 June 2022 is prepared, in all material respects, in accordance with the Associations Incorporation Act 1985.

Basis of opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial report section of my report. I am independent of the association in accordance with the auditor independence requirements of 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 my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the code.

I confirm that the independence declaration required by Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, which has been given to committee members, would be in the same terms if given as at the time of this auditor's report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibility of management and those charged with governance

Management is responsible for the preparation and fair presentation of the financial report in accordance with the Associations Incorporation Act 1985, and for such internal control as management determines is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the association'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 management either intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the association's financial reporting process.

SOUTH AUSTRALIAN NETWORK OF DRUG & ALCOHOL SERVICES INC

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Independent Audit Report to the members of association, SOUTH AUSTRALIAN NETWORK OF DRUG & ALCOHOL SERVICES INC

Auditor's responsibilities for the audit of the financial report

My 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 my 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.

As part of an audit in accordance with the 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.
- Conclude on the appropriateness of the 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 committee members 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.

SOUTH AUSTRALIAN NETWORK OF DRUG & ALCOHOL SERVICES INC

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Independent Audit Report to the members of association, SOUTH AUSTRALIAN NETWORK OF DRUG & ALCOHOL SERVICES INC

We also provide the committee members with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

In our opinion, subject to the effects of such adjustments, if any, as might have been determined to be necessary had limitation discussed above not existed, the financial report of SOUTH AUSTRALIAN NETWORK OF DRUG & ALCOHOL SERVICES INC presents fairly the assets and liabilities as at 30 June 2022 and the income and expenditure of the association for the year then ended in accordance with the basis of accounting described in Note 1 to the financial statements.

Name of Firm: Letizia Palmer Chartered Accountants

Name of Director: Vic Letizia



Address: 544, Beaufort Street, Mt Lawley WA 6050

Dated this 2nd day of September, 2022

SOUTH AUSTRALIAN NETWORK OF DRUG & ALCOHOL SERVICES INC

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Taxation Schedule of Property, Plant and Equipment For the year ended 30 June 2022

Asset Description	Acquisition Date	Private Use%	Original Cost	Opening Adjusted Value	-----Disposals-----				-----Decline in value-----		Closing Adjusted Value
					Disposal Date	Termination Value	Assessable	Deductible	Effective Depreciation Life or %	Amount	
Office Furniture & Equipment											
Binding Machine	19/06/2019	-	266	186		-	-		- 100.00 DV	186	-
Data Projector	24/07/2019	-	1,040	208		-	-		- 100.00 DV	208	-
Data Projector	24/07/2019	-	2,350	470		-	-		- 100.00 DV	470	-
Camera	24/09/2019	-	1,100	220		-	-		- 100.00 DV	220	-
Laptop	30/11/2021	-	1,179	-		-	-		- 25.00 DV	172	1,007
Photocopier (residual payment)	31/05/2022	-	60	-		-	-		- 25.00 DV	1	59
			5,995	1,084			-	-		1,257	1,066
Grand Total			5,995	1,084			-	-		1,257	1,066

The accompanying notes form part of these financial statements.

These statements should be read in conjunction with the attached compilation report of Letizia Palmer.