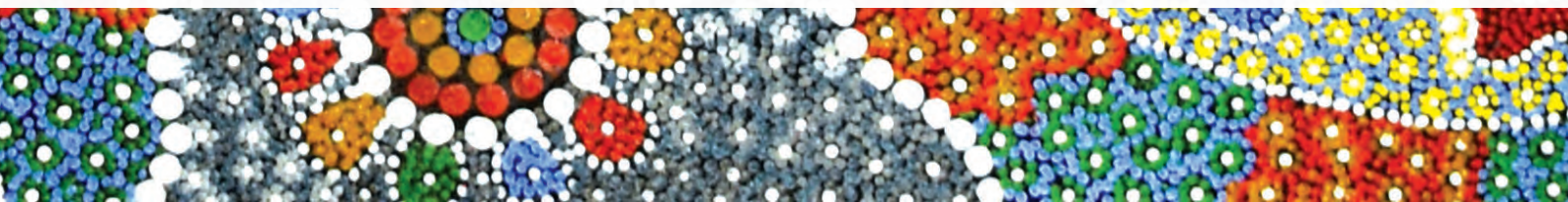
Directions
Pathways to Recovery

Assisting Drug Dependents Incorporated
T/As Directions Health Services

Audited Financial Statements

For the year ended 30 June 2019



ASSISTING DRUG DEPENDENTS INCORPORATED

ABN: 93 699 256 195

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

STATEMENT BY MEMBERS OF THE MANAGEMENT COMMITTEE
FOR THE YEAR ENDED 30 JUNE 2019
ABN: 93 699 256 195

In accordance with the *Associations Incorporation Act 1991 of the Australian Capital Territory (the Act)* and the *Australian Charities and Not-for-Profits Commission Act 2012 "the ACNC Act"*, the Management Committee submit these financial statements of Assisting Drug Dependents Incorporated ("the Association") for the year ended 30 June 2019

The names of the members of the Management Committee of the Association at the date of this report and at any time since the beginning of the financial year were as follows:

Frank Quinlan – President
Ken Wedgwood – Vice President / Secretary
Peter Norton – Treasurer
Paul Walshe
Betty Domazet (appointed 13/6/2019)
Andrew Fraser
Amy Kilpatrick
Ben Duggan
Patrick McKenna
Tina McGhie (appointed 10/7/2019)

The principal activities of the Association during the year ended 30 June 2019 were to provide resources, programs and services to people who use drugs including alcohol, to promote community awareness of safe drug use and to provide an advocacy service for clients of the Association in the Australian Capital Territory. There were no significant changes to the nature of those activities during the financial year.

No matters or circumstances have arisen since the end of the financial year which significantly affect the operations of the Association, or the state of affairs of the Association in subsequent years.

The surplus of the Association for the year ended 30 June 2019 was $69,612 (2018: $254,262).

In the opinion of the Management Committee Members, the accompanying financial statements present fairly the financial position of the Association as at 30 June 2019 and its performance for the year ended on that date in accordance with Australian Accounting Standards, (including Accounting Interpretations), and the requirements of the *ACNC Act*.

In the opinion of the Management Committee as at the date of this statement there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

Signed in accordance with a resolution of the Management Committee.

Frank Quinlan, President
13 November 2019

Peter Norton, Treasurer
13 November 2019

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ASSISTING DRUG DEPENDENTS INCORPORATED

ABN 93 699 256 195

Opinion

We have audited the accompanying financial report of Assisting Drug Dependents Incorporated ("the Association"), which comprise the statement of financial position as at 30 June 2019, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes comprising a summary of significant accounting policies and other explanatory information.

In our opinion:

1) the accompanying financial report of the Association is in accordance with the Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (the ACNC Act) and the *Associations Incorporation Act 1991* of the Australian Capital Territory (the Act), including:

   (i) giving a true and fair view of the Association's financial position as at 30 June 2019 and of its financial performance for the year then ended;

   (ii) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Regulation 2013*;

2) we have obtained all the information and explanations that we required; and

3) the Association has kept proper accounting records and other records as required by the Act.

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 Association in accordance with the Auditor independence requirements of the ACNC Act and, 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 ethical 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 the Auditor's Report Thereon

The committee members are responsible for the other information. The other information comprises the information included in the Association's annual report for the year ended 30 June 2019 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 the other information, we are required to report on that fact. We have nothing to report in this regard.

A Correspondent member of the Bentleys Network. Bentleys is a network of independent accounting firms located throughout Australia, New Zealand and China that trade as Bentleys. All members of the Bentleys Network are affiliated only and are separate legal entities and not in Partnership. Liability limited by a scheme approved under Professional Standards Legislation.

Management Committee's Responsibility for the Financial Report

The Committee members of the Association are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards, the *Associations Incorporation Act 1991* of the Australian Capital Territory and the ACNC Act and for such internal control as they determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

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 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 the auditor's 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- Conclude on the appropriateness of the 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 Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of the 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 the audit.

Eric Hummer
Audit Director

22 November 2019

Synergy Group Audit Pty Ltd

t. (02) 6260 7477 w. synergygroup.net.au a. Ground Floor, 15 National Circuit, Barton, ACT 2600
PO Box 3789 Kingston ACT 2600 ABN 45 104 227 063 AUTHORISED AUDIT COMPANY NO. 301280

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ASSISTING DRUG DEPENDENTS INCORPORATED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 $	2018 $
REVENUE			
Revenues from Ordinary Activities	2	7,693,030	6,684,407
Total Revenue		7,693,030	6,684,407
EXPENSES			
Employee Benefits		5,634,239	4,652,601
Depreciation	4	95,732	90,004
Other Expenses from Ordinary Activities	3	1,893,447	1,687,540
Total Expenses		7,623,418	6,430,145
Surplus from Ordinary Activities		69,612	254,262
Total Comprehensive Income		69,612	254,262

The accompanying notes form part of these financial statements.

ASSISTING DRUG DEPENDENTS INCORPORATED

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	Note	2019 $	2018 $
ASSETS			
Current Assets			
Cash and Cash Equivalents		1,638,519	1,754,095
Trade and Other Receivables		294,889	230,837
Inventories		25,140	30,223
Other	5	103,497	137,433
Total Current Assets		2,062,045	2,152,588
Non-Current Assets			
Plant and Equipment	6	448,471	519,820
Total Non-Current Assets		448,471	519,820
TOTAL ASSETS		2,510,516	2,672,408
LIABILITIES			
Current Liabilities			
Trade and Other Payables	7	811,101	601,331
Provisions	8	1,767	20,350
Unexpended Grant Liabilities	9	299,437	708,430
Finance Leases	10	45,106	16,248
Total Current Liabilities		1,157,411	1,346,359
Non-Current Liabilities			
Deferred lease rentals	1(f)	484,375	481,825
Finance Leases	10	-	45,106
Total Non-Current Liabilities		484,375	526,931
TOTAL LIABILITIES		1,641,786	1,873,290
NET ASSETS		868,730	799,118
EQUITY			
Retained Earnings		868,730	799,118
TOTAL EQUITY		868,730	799,118

The accompanying notes form part of these financial statements.

ASSISTING DRUG DEPENDENTS INCORPORATED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019

	Retained Earnings $	Total $
Balance at 1 July 2017	544,856	544,856
Surplus from ordinary activities	254,262	254,262
Total Comprehensive Income	254,262	254,262
Balance at 30 June 2018	799,118	799,118
Surplus from ordinary activities	69,612	69,612
Total Comprehensive Income	69,612	69,612
Balance at 30 June 2019	868,730	868,730

The accompanying notes form part of these financial statements.

ASSISTING DRUG DEPENDENTS INCORPORATED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 $	2018 $
Cash Flows from Operating Activities			
Receipts from grants and other income		7,886,569	7,360,233
Payments to suppliers and employees		(7,995,268)	(6,888,527)
Interest received		33,754	26,457
Net Cash provided by operating activities	16	(74,945)	498,163
Cash Flows from Investing Activities			
Payment for plant and equipment		(24,383)	(45,344)
Net Cash provided by (used in) investing activities		(24,383)	(45,344)
Cash Flows from Financing Activities			
Payments of finance lease		(16,248)	(15,516)
Net Cash provided by (used in) financing activities		(16,248)	(15,516)
Net increase in cash and cash equivalents		(115,576)	437,303
Cash and cash equivalents at the beginning of the financial year		1,754,095	1,316,792
Cash and cash equivalents at the end of the financial year		1,638,519	1,754,095

The accompanying notes form part of these financial statements.

ASSISTING DRUG DEPENDENTS INCORPORATED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Accounting Interpretations), the *Australian Charities and Not-for-Profits Commission Act 2012* and the requirements of the *Associations Incorporation Act 1991*. The Association is a not-for-profit entity for financial reporting purposes under the Australian Accounting Standards.

These financial statements cover the Assisting Drug Dependents Incorporated (Association) as an individual entity. Assisting Drug Dependents Incorporated is an association incorporated in Australian Capital Territory under the *Associations Incorporation Act 1991* and is a registered charity under the *Australian Charities and Not-for-Profits Commission Act 2012.*

These financial statements are prepared on an accruals basis and are based on historical costs and do not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the Association in the preparation of these financial statements. The accounting policies have been consistently applied, unless otherwise stated.

(a) Income Tax

The Association is exempt from Income Tax under the provisions of Section 50-5 of the *Income Tax Assessment Act 1997.*

(b) Cash and Cash Equivalents

For the purposes of the Statement of Cash Flows, cash and cash equivalents include cash on hand, at banks and on deposit.

(c) Revenue

Revenue from the provision of goods and services is recognised upon the delivery of goods or services to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Grants received are accounted for by distinguishing grants between revenue based grants and capital based grants.

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue (Service Delivery) Based Grants

These grants are credited to revenue in the same period in which the expenditure to which they relate is charged. Revenue based grants received during the financial year which relate to subsequent financial year are treated as unexpended grant liabilities.

Capital Based Grants

These grants are made for the acquisition of fixed assets. The accounting treatment is to initially recognise the amount received as unexpended grants (liability) and to progressively recognise the grant as revenue over the period in which the economic benefits of the asset are consumed.

All revenue is stated net of any amount of goods and services tax (GST).

(d) Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on a specific identification basis and include direct costs and appropriate overheads, if any.

(e) Plant and Equipment

Each class of plant and equipment is measured on the cost basis less depreciation and impairment costs.

The carrying amount is reviewed annually by management for impairment to ensure it is not in excess of the remaining service potential of the plant and equipment assets.

Impairment

At each reporting date, the Association reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an 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 recognised as an expense in the Statement of Comprehensive Income.

The depreciable amounts of all plant and equipment are depreciated on a straight line basis over the useful lives of the assets to the Association commencing from the time the asset is held ready for use.

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The depreciation rates used for each class of depreciable asset are:

Class of Fixed Asset	Depreciation Rate
Furniture and Equipment	3-10 years
Motor Vehicles	6-7 years
Leasehold Improvements	15 years

(f) Leases

Leases of property and equipment, where substantially all the risks and benefits incidental to the ownership of the asset but not the legal ownership are transferred to the Association, are classified as finance leases.

Finance leases are capitalised, recognising an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

Leases 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 for operating leases, where substantially all the risks and benefits remain with the lessor are recognised as expenses on a straight-line basis over the lease term with the difference between lease rentals expense and lease prepayments recognised as deferred lease rentals.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(g) Employee Benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been recognised as current payables. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows and recognised as non-current provisions.

Following the implementation of the ACT Leave Authority for Long Service Leave from 1 July 2010, the Association provides a levy related amount based on earnings for all employees to the ACT Leave Authority, covering long service leave entitlements for all employees. Employees claim their long service leave directly from the Authority for service after 1 July 2010, and are able to claim their entitlement upon resignation from Association or choose to retain their entitlement when moving to another similar eligible employer within the ACT. The Association retains responsibility to meet long service leave obligations for eligible service pre 1 July 2010.

Contributions are made by the Association to an employee superannuation fund and are charged as expenses when incurred.

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) 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.

Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

(i) Critical Accounting Estimates and Judgements

Management and the Committee evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Association.

(j) Financial Instruments

Initial recognition and measurement

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit and loss", in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial liabilities:
Financial liabilities are subsequently measured at:
• amortised cost using the effective interest rate method; or
• fair value through profit and loss.
Trade and other payables and Finance Leases of the Association are measured at amortised cost.

Financial assets:
Financial assets are subsequently measured at:
• amortised cost using the effective interest rate method;
• fair value through other comprehensive income; or
• fair value through profit and loss;
on the basis of the two primary criteria, being:
• the contractual cashflow characteristics of the financial asset; and
• the business model for managing the financial assets.

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A financial asset is subsequently measured at amortised cost when it meets the following conditions:
• the financial asset is managed solely to collect contractual cash flows; and
• the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specific dates.

Cash and cash equivalents and receivables of the Association are measured at amortised cost.

(l) Adoption of new and revised Accounting Standards

(a) Standards and Interpretations adopted for the first time
AASB 9: *Financial Instruments* In adopting this AASB 9, the Association classified financial assets based on both its business model, which holds assets in order to collect contractual cashflows, and the contractual cashflow characteristics. There was no impact on reported results or financial position. The classifications adopted for financial instruments under the previous AASB 139 and the new AASB 9 are set out below:

Financial Instrument category	AASB 139 original	AASB 9 new	Impact of change
Financial Assets - current and non-current assets			
Receivables	Loan and receivables (amortised cost)	Financial assets at amortised cost	Nil
Cash and Cash equivalents	Loan and receivables (amortised cost)	Financial assets at amortised cost	Nil
Financial liabilities - current and non-current assets			
Payables	Amortised cost	Financial liabilities at amortised cost	Nil
Finance Leases	Amortised cost	Financial liabilities at amortised cost	Nil

There were no other new and revised Standards and Interpretations adopted in these financial statements affecting the reporting results or financial position.

(b) Standards and Interpretations issued not yet adopted
The Australian Accounting Standards Board has issued new and amended accounting standards and interpretations that have mandatory application dates for future reporting periods. The Association has decided against early adoption of these standards. These standards are not expected to have a significant effect on the financial statements of the Association.

ASSISTING DRUG DEPENDENTS INCORPORATED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 2 - REVENUE	2019 $	2018 $
Operating Activities:		
– Grants	7,286,128	6,285,711
– Other Income	373,148	372,239
	7,659,276	6,657,950
Non-Operating Activities:		
– Interest	33,754	26,457
Total Revenue	7,693,030	6,684,407

NOTE 3 – OTHER EXPENSES

Accommodation and Related Costs (excluding Office Lease Expense)	149,177	96,015
Office Running Costs	503,218	393,325
Program Running Costs	425,539	388,303
Medical Services	454,976	458,056
Auditor Remuneration	27,365	17,050
Office Lease Rentals	328,213	329,136
Other	4,959	5,655
	1,893,447	1,687,540

NOTE 4 – SURPLUS FROM ORDINARY ACTIVITIES

Surplus from ordinary activities has been determined after the following expenses:

Depreciation of plant and equipment	95,732	90,004
Remuneration of the auditor:		
- Audit services	27,365	17,050
Total auditor remuneration	27,365	17,050

NOTE 5 - OTHER CURRENT ASSETS	2019 $	2018 $
Prepayments	99,298	116,368
Accrued Income	4,199	21,065
	103,497	137,433

NOTE 6 - PLANT AND EQUIPMENT

Furniture and equipment – at cost	284,256	279,873
Less Accumulated depreciation	(215,798)	(179,526)
	68,458	100,347
Motor vehicles (at cost and leased)	335,437	315,437
Less Accumulated depreciation	(188,669)	(155,146)
	146,768	160,291
Leasehold improvements – at cost	388,871	388,871
Less Accumulated depreciation	(155,626)	(129,689)
	233,245	259,182
Total Plant and Equipment	448,471	519,820

Movements in Carrying Amounts

Movement in the carrying amounts for each class of plant and equipment between the beginning and the end of the current financial year.

	Balance at beginning of year	Additions	Disposals	Transfers	Depreciation expense	Balance at the end of year
	$	$	$	$	$	$
Furniture and Equipment	100,347	4,382	-	-	36,271	68,458
Motor Vehicles (L,O)	160,291	20,000	-	-	33,523	146,768
Leasehold Improvements	259,183	-	-	-	25,938	233,245
	519,820	24,382	-	-	95,732	448,471

NOTE 7 – TRADE AND OTHER PAYABLES	2019 $	2018 $
Current		
Trade Payables	225,366	167,335
Accrued Expenses	185,901	123,849
Net GST Payable	91,990	95,668
Employee Benefits Payable	85,744	54,144
Annual Leave Liability	222,100	160,335
	811,101	601,331

NOTE 8 – PROVISIONS		
Current		
Long Service Leave	1,767	1,731
Other	-	18,619
	1,767	20,350

NOTE 9 – UNEXPENDED GRANT LIABILITIES		
Unexpended Grant Liabilities – NSW Health Funding	270,286	698,430
Unexpended Grant Liabilities – Other	29,151	10,000
	299,437	708,430

NOTE 10 – FINANCE LEASES		
Current		
Plant & Equipment Finance Liabilities - Secured	45,106	16,248
Non-Current		
Plant & Equipment Finance Liabilities - Secured	-	45,106

NOTE 11 – CONTINGENT LIABILITIES AND COMMITMENTS

Operating Lease Commitments
Non-cancellable operating leases contracted for but not capitalised in the financial statements.

Operating lease commitments include:

(i) Office lease for Level 6, Cosmopolitan Centre, Woden Square, ACT: The office lease agreement term is 15-years and commenced 1 July 2013. The lease includes a rent-free period of two years from 1 July 2013 with a reduction of $30 per square metre from year three to ten of the contracted lease period. Lease commitments include a fixed increase of 3.5% on 1 July of each year in line with the provisions of the lease agreement.

(ii) Photocopier lease commenced April 2018 for a term of 5 years.

(iii) Office leases with the following terms:
- Cooma: Term of 3 years, commenced 1 September 2019, $27,000 per annum.
- Moruya: Term of 2 years, commenced 1 June 2019, $22,066.56 per annum.
- Griffith: Term of 1 year, commenced 1 July 2019, $18,000 per annum.
- Wagga: Term of 1 year, commenced 1 February 2019, $26,400 per annum.

	2019 $	2018 $
Payable – minimum lease payments (exclusive of GST):		
- Not later than 12 months	337,541	235,194
- Later than 12 months but not later than five years	1,425,301	1,312,162
- Greater than five years	946,817	1,250,389
	2,709,659	2,797,745

Future lease commitments (as shown above in Note 11) will, from 1 July 2019, be shown as lease liabilities along with the associated right of use lease asset.

Straight line recognition of lease expense will be replaced with a principal and interest calculation in accordance with AASB16.

Finance Lease Commitments

Finance lease commitments consist of:
- Motor vehicle lease (Toyota Corolla) entered into in March 2016
- Motor vehicle lease (1 Ford Kuga) entered into in March 2016 and (2 Ford Kuga) entered into July 2016.

Payable – minimum payments:		
- Not later than 12 months	45,106	18,282
- Later than 12 months but not later than five years	-	46,526
Minimum lease payments	45,106	64,808
Less future finance charges	-	(3,454)
Present value of minimum lease payments	45,106	61,354

NOTE 11 – CONTINGENT LIABILITIES AND COMMITMENTS (continued)

Contingent Liabilities
The Association is not engaged in any litigation or claim which is like to have a material adverse effect on the operations of the business.

Capital Expenditure Commitments
The Association does not have capital commitments as of 30 June 2019 (2018: Nil).

NOTE 12 – FINANCIAL RISK MANAGEMENT

The Association's financial instruments consist mainly of deposits with banks, trade and other receivables, trade and other payables and finance leases.

Due to the small size of the Association significant risk management decisions are taken by the Members of the Management Committee. These risks include credit risk and liquidity risk. The policies for managing each of these risks are summarised below.

a) Categories of financial instruments

		2019	2018
Financial Assets at amortised cost		**$**	**$**
Cash and Cash Equivalents		1,638,519	1,754,095
Trade and Other Receivables		294,889	230,837
Total Financial Assets		1,933,408	1,984,932
Financial Liabilities at amortised cost			
Trade Payables	7	225,366	167,335
Net GST Payable		91,990	95,668
Employee Benefits Payable		85,744	54,144
Finance Leases	10	45,106	61,354
		448,206	378,501

b) Credit risk management
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Association. The Association has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Association measures credit risk on a fair value basis.

The credit risk on liquid funds and derivative financial instruments is limited because they are held with the NAB which has a high credit-ratings assigned by international credit-rating agencies.

c) Liquidity risk management
The Group manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

ASSISTING DRUG DEPENDENTS INCORPORATED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 13 – KEY MANAGEMENT PERSONNEL

(a) Details of Key Management Personnel
(i) Board Members

The names of persons who were Board Members during the financial year were:

Frank Quinlan – President
Ken Wedgwood – Vice President / Secretary
Peter Norton – Treasurer
Paul Walshe
Betty Domazet
Andrew Fraser
Amy Kilpatrick
Ben Duggan
Patrick McKenna

(ii) Executives
The names of persons who were Executives during the financial year were:

Bronwyn Hendry (CEO)
Stephanie Stephens (Service Delivery Director)
Carolyn Andreae (HR and Operations Manager)
Justin Steven (Finance and ICT Director)

	2019 $
Short-term benefits	491,115
Post-employment benefits	46,731
Other long-term benefits	5,958
Total	543,804

NOTE 14 – RELATED PARTY TRANSACTIONS

Neither the Board members nor their associates received any remuneration in connection with the management. Any dealings which the Board members and their associates are on normal commercial terms and conditions.

During the year there were no significant transactions with Board members or Board member-related entities. At the reporting date there were no amounts payable to, or receivable from, Board members or Board member-related entities.

NOTE 15 – ASSOCIATION DETAILS

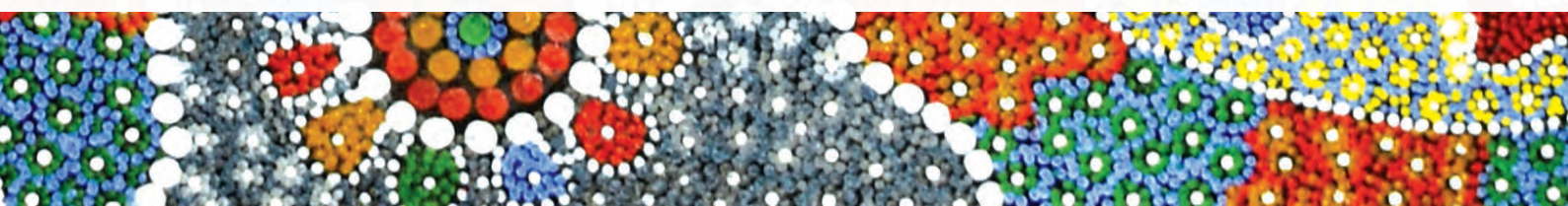
The Association operates in the Australian Capital Territory and New South Wales in one industry, being the alcohol and other drugs area. The principal activities of the Association are to provide resources, programs and services to people who use drugs including alcohol, to promote community awareness of safe drug use and as an advocacy service for clients of the Association in the Australian Capital Territory and New South Wales.

The Association is incorporated under the *Association Incorporations Act 1991* of the Australian Capital Territory. Its principal place of business and registered office is Level 6, Cosmopolitan Centre, 21 Bowes Street, ACT, 2606.

The Association is also registered as a Registrable Australian Body through the Australian Securities and Investment Commission as of 11 October 2016 to enable service delivery into the NSW region.

NOTE 16 - RECONCILIATION OF CASH FLOWS FROM OPERATIONS WITH SURPLUS FROM ORDINARY ACTIVITIES

	2019 $	2018 $
Surplus from ordinary activities	69,612	254,262
Non-cash flows in Surplus from ordinary activities:		
Depreciation	95,732	90,004
Changes in operating assets and liabilities:		
(Increase) / Decrease in Trade and Other Receivables	(64,052)	(9,649)
(Increase) / Decrease in Other Current Assets	33,936	(67,400)
(Increase) / Decrease in Inventories	5,083	899
(Decrease) / Increase in Trade and Other Payables	212,320	149,421
Increase / (Decrease) in Unexpended Grant Liabilities	(408,993)	71,733
(Decrease) / Increase in Provisions	(18,583)	8,893
Net cash provided by operating activities	(74,945)	498,163

My Way Owen Lyons 2018

This artwork reflects the story of hope and recovery for people struggling to manage their use or dependence on alcohol and/or other drugs, recognising the impact this has on their mental health and their ability to cope with everyday life. The pathway towards recovery is unique to each person, with the understanding that not all journeys are linear nor strive for the same goals. Having support that is non-judgemental, that recognises your individual story and walks beside you on your journey, is key to achieving your recovery goals.