



Drug Policy Australia Ltd

ABN: 43 169 588 578

Annual Report

2018

Annual Report

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This annual report covers Drug Policy Australia Ltd, which is a company limited by guarantee, incorporated and domiciled in Australia. Its details are as follows:

Directors & Responsible Entities

As at 30th June 2018, the directors of the company were:

Gregory Chipp – Chairman, Managing Director & Company Secretary

Stephanie Tzanetis - Director

Dr John Sherman – Director

Annie Madden - Director

Registered Office & Principal Place of Business

4/22 Narong Rd
Caulfield North VIC 3161

Contact Details

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Phone: +613 90173777

Website: www.drugpolicy.org.au



Drug Policy Australia Limited is a Registered Health Promotion Charity with the Australian Charities & Not-For-Profits Commission.

1. Overview

Drug Policy Australia Limited (DPA) was incorporated in on 22nd May 2014 under the *Corporations Act 2001* (Cth) as a company limited by guarantee and was subsequently registered by the Australian Charities and Not-For-Profits Commission (ACNC) as a Health Promotion Charity (HPC). On this basis, the Australian Taxation Office (ATO) granted DPA Deductible Gift Recipient (DGR) status, along with designation as a Tax Concession Charity (TCC) with a number of tax concessions, including those related to certain exemptions from Goods & Services Tax (GST), Fringe Benefits Tax (FBT) and income tax.

DPA is required to lodge an Annual Information Statement (AIS) with the ACNC for the 2018 financial year by 31st March 2019, based on the financial information contained in this Annual Report for the 2018 financial year.

This annual report will be the primary document for consideration and adoption by the members at the 2018 Annual General Meeting, under clause 14.1 of the Company Constitution.

Income

There was no public fundraising activity undertaken during FY15, and no significant income in that period. In FY16, DPA earned \$372 in income, primarily by donations from supporters. In FY17, DPA earned \$2,046 in donations received from the public through its website, as well as \$816 in donations by members and supporters.

There was a 500% increase in income during the 2018 financial year. This significant increase was largely due to successful canvassing for one-off and regular monthly donations from supporters and the general public which resulted in \$12,414 donations from January to June. Also, \$2,309 was gifted from Drug Law Reform Australia, a non-profit association in Victoria that upon being wound up, distributed its surplus assets to DPA being a "body that has similar purposes to the Association". This windfall income resulted in a gross income for the financial year of \$14733. There was also another \$1540 income for activities during the FY18 that was paid in July of the FY19.

Expenses

In FY15, DPA incurred \$250 in advertising & promotional expenses relating to graphic design work paid to a contractor for DPAs website. In FY16, additional expenses were incurred: \$590 relating to the development and operation of the website: \$275 to establish a workplace-giving fundraising account: \$14 in credit card fees; \$106 on business cards; and \$641 on travel and accommodation relating to promotional activities. In FY17, DPA incurred: \$295 in the operation of its website; \$850 in marketing consultancy fees; \$62 in credit card fees; \$227 in printing and stationery expenses primarily in the production of promotional material; and \$24 in travel expenses.

In the FY18 period, DPA incurred increased expenses relating to its advocacy work which included street stalls, a public seminar at the Melbourne Town Hall, digital advertising and a drug testing promotion at Rainbow Serpent Festival in Lexton. Significant expenditure included \$3,297 on the logistics of Conferences and Events, \$1,572 on Advocacy and Promotion, and \$5,758 on wages plus \$547 in superannuation.

Net Profit/Loss

DPA made an operating profit of \$1,336 in FY17 and \$893 in FY18.

Assets & Liabilities

As at 30 June 2018, total assets comprised of a cash-at-bank balance of \$2,413 and undeposited Paypal funds of \$311, totalling \$2,724. As at 30th June 2018, DPA has \$799 in employee-related current liabilities.

2. Financial Report

DRUG POLICY AUSTRALIA

ABN - 43 169 588 578

2018 FINANCIAL REPORT

	2018	2017	2016	2015
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME				
Income				
Donations received	\$ -	\$ 816	\$ -	\$ -
Donations (Public collections)	\$ 12,414	\$ 2,046	\$ 370	\$ -
Non-tax deductible gifts	\$ 2,309	\$ -	\$ -	\$ -
Other Income	\$ -	\$ -	\$ 1	\$ -
Interest - Restricted	\$ 9	\$ 1	\$ 1	\$ -
Interest - Unrestricted	\$ -	\$ 1	\$ 1	\$ 4
Gross Income	\$ 14,733	\$ 2,864	\$ 372	\$ 4
Expenses				
Advertising & Promotion	\$ 1,572	\$ -	\$ -	\$ 250
Bank Charges	\$ -	\$ -	\$ -	\$ 0
Conferences & events	\$ 3,297	\$ -	\$ -	\$ -
Computer Expenses	\$ 208	\$ 295	\$ 590	\$ -
Consultancy Fees	\$ -	\$ 850	\$ 275	\$ -
Accounting & legal fees	\$ 157	\$ -	\$ -	\$ -
Insurance	\$ 977	\$ -	\$ -	\$ -
Wages & salaries	\$ 5,758	\$ -	\$ -	\$ -
Employee superannuation	\$ 547	\$ -	\$ -	\$ -
Credit Card Fees	\$ 281	\$ 62	\$ 14	\$ -
Fees & Permits	\$ -	\$ -	\$ -	\$ -
Office Expenses	\$ 403	\$ 296	\$ 106	\$ -
Telephone & internet	\$ 464	\$ -	\$ -	\$ -
Travel & Accommodation	\$ 176	\$ 24	\$ 641	\$ -
Total Expenses	\$ 13,839	\$ 1,527	\$ 1,627	\$ 250
Net Profit	\$ 893	\$ 1,336	\$ (1,255)	\$ (246)
STATEMENT OF FINANCIAL POSITION				
Current Assets	\$ 2,724	\$ 1,336	\$ 249	\$ 1,254
Non-Current Assets	\$ -	\$ -	\$ -	\$ -
Total Assets	\$ 2,724	\$ 1,336	\$ 249	\$ 1,254
Current Liabilities	\$ 496	\$ -	\$ 250	\$ -
Non-Current Liabilities	\$ -	\$ -	\$ -	\$ -
Total Liabilities	\$ 496	\$ -	\$ 250	\$ -
Net Assets	\$ 2,229	\$ 1,336	\$ (1)	\$ 1,254
Equity				
Current Earnings	\$ 893	\$ (1)	\$ (1,255)	\$ (246)
Retained Earnings	\$ 1,336	\$ 1,336	\$ 1,254	\$ 1,500
Total Equity	\$ 2,229	\$ 1,336	\$ (1)	\$ 1,254
STATEMENT OF CHANGES IN EQUITY				
Retained Earnings:				
Opening Balance	\$ 1,336	\$ (1)	\$ 1,254	\$ 1,500
Net Operating Income/(loss) after income tax	\$ 893	\$ 1,336	\$ (1,255)	\$ (246)
Closing Balance	\$ 2,229	\$ 1,336	\$ (1)	\$ 1,254
STATEMENT OF CASH FLOWS				
Operating Activities	\$ 893	\$ 1,336	\$ (1,255)	\$ (246)
Investing Activities	\$ -	\$ -	\$ -	\$ -
Financing Activities	\$ -	\$ -	\$ 250	\$ -
Cash & cash equivalents at beginning of period	\$ 1,336	\$ 249	\$ 1,254	\$ 1,500
Net Cashflow	\$ 893	\$ 1,336	\$ (1,005)	\$ (246)
Cash and cash equivalents at End of period	\$ 2,724	\$ 1,336	\$ 249	\$ 1,254

3. Notes to the Financial Statements

Note 1: Statement of Significant Accounting Policies

(a) General information

Drug Policy Australia is a company limited by guarantee, incorporated and domiciled in Australia. The financial report is presented in the Australian currency. The company is a Health Promotion Charity and is thus registered with the Australian Charities and Not-for-Profits Commission (ACNC) as a Deductible Gift Recipient (DGR).

The directors (responsible entities) have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the needs of members.

The financial statements have been prepared in accordance with significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise. The financial report has been prepared in accordance with the following Australian Accounting Standards: *AASB 101, Presentation of Financial Statements*; *AASB 107, Statement of Cash Flows*; *AASB 108, Accounting Policies, Changes in Accounting Estimates and Errors*; *AASB 1031, Materiality*; *AASB 1048, Interpretation of Standards*; *AASB 1054, Australian Additional Disclosures*; and the financial report is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012 (Cth)* and its Regulations. No other Australian Accounting Standards, Australian Accounting Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The financial statements have been prepared on a cash basis and are based on historical costs unless otherwise stated. The accounting policies that have been adopted in the preparation of the statements are as follows:

(b) Going Concern

The financial report has been prepared on a going concern basis, which assumes continuity of normal business activities by the company and the realisation of assets and settlement of liabilities in the ordinary course of business.

(c) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other financial intermediaries, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(d) Revenue

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

Donation and fundraising income is recognised when the funds are controlled by the entity.

e) Goods and Services Tax (GST)

The company was not registered for GST during FY18 but registered for GST on the 1 July 2018 for the FY19.

4. Responsible Entities Declaration 30 June 2018

The Responsible Entities of Drug Policy Australia declare that:

- 1) The financial statements and notes of the Entity are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* (Cth) including:
 - a. giving a true and fair view of its financial position as at 30 June 2018 and of its performance for the financial year ended on that date;
 - b. complying with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Regulation 2013* (Cth) to the extent outlined in the Notes to the Financial Statements; and
- 2) there are reasonable grounds to believe that the Entity will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Responsible Entities (Board of Directors).

Signed:

Name: Gregory Shane Chipp

Dated:

Signed:

Name: Stephanie Tzanetis

Dated:

Signed:

Name: John Sherman

Dated:

Signed:

Name: Annie Madden

Dated: