



**Gosnells
Community Legal Centre**

**FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2022**



**STATEMENT OF PROFIT AND LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022**

	2022 \$	2021 \$
RECEIPTS		
<u>Grants:</u>		
Anglicare WA / UnitingCare West	228,426	190,074
Community Legal Centres WA	30,000	-
Department of Justice, Commonwealth NLAP	570,294	-
Department of Justice, State NLAP	405,652	-
Department of Mines, Industry Regulation and Safety	127,476	125,840
Law Society of WA - PPT	96,000	140,750
Legal Aid - CLSP	-	976,008
Lotterywest (Emergency Relief)	43,914	36,423
<u>Other Income:</u>		
Admin Fees	12,000	6,000
ATO Cash Flow Boost	-	50,000
Donations	590	198
Interest	798	4,016
JobKeeper Subsidy	-	115,500
Legal Fees	107,035	108,703
Mediation Fees	11,219	11,537
Membership	477	258
Refunds & Reimbursements	20,000	-
Sundry	3,151	1,649
TOTAL RECEIPTS	1,657,033	1,766,957
PAYMENTS		
Association/Peak Fees	10,897	8,750
Audit	5,800	5,600
Bank Charges	524	496
Computer & IT	28,729	23,218
Consultancy Fees	18,277	12,320
Depreciation	8,153	5,495
Disbursements	1,039	1,711
Emergency Relief	43,917	36,428
Insurance	3,570	2,817
<u>Occupancy Costs</u>		
- Cleaning	6,620	5,460
- Rent	53,603	52,969
- Other occupancy expenses	658	-
Photocopier	1,181	976
Postage & Delivery	1,075	1,132
Practising Certificates	11,663	12,540
Printing & Publication	1,953	800
Repairs & Maintenance	2,684	1,430
<u>Salaries & On-costs</u>		
- Provision for Annual Leave	(44,907)	24,776
- Provision for Long Service Leave	(30,564)	32,695
- Provision for Relieving Staff	-	15,000
- Salaries & Allowances	1,341,180	1,018,642
- Superannuation	127,752	96,585
- Workers Compensation	3,161	2,808
- Other employment expenses	17,450	5,487
Seminar & Conference	1,936	1,177
Staff Amenities	1,173	1,572
Staff Recruitment	925	-
Staff Training	2,134	4,220
Staff Travel	6,152	5,528
Stationery & Office Supplies	1,662	3,629
Storage	3,629	3,192
Subscriptions & Journals	1,085	1,139
Sundry	15,143	1,640
Telephone & Communications	6,493	4,587
TOTAL PAYMENTS	1,654,745	1,394,817
Operating Surplus	2,287	372,140
SURPLUS/(DEFICIT)	2,287	372,140

The accompanying notes forms part of this financial report.



**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022**

	2022	2021
	\$	\$
<u>CURRENT ASSETS</u>		
Petty Cash	300	355
Emergency Relief A/c	63,884	27,884
FBA A/c	37,857	24,966
General A/c	726,202	875,897
CMA Untied	572,919	516,228
Trade Debtors	142,971	160,718
Deposit Paid	3,208	3,208
Prepayments	13,609	10,125
GST on purchases	6,153	5,237
Total Current Assets	1,567,103	1,624,618
<u>NON-CURRENT ASSETS</u>		
Office Equipment	8,036	14,522
Furniture & Fittings	2,470	2,107
Total Non-current Assets	10,506	16,630
TOTAL ASSETS	1,577,609	1,641,248
<u>CURRENT LIABILITIES</u>		
Trade Creditors	565	8,582
Accruals - Staff Salary Sacrifice	-	6,329
PAYG Withheld	19,698	13,800
GST On Grants	47,525	40,024
Prepaid Grants	103,363	85,110
Deposits Received	150	-
Provision For Annual Leave	58,491	103,397
Provision For Long Service Leave	15,256	27,063
SG Super Payable	-	7,912
Total Current Liabilities	245,047	292,217
<u>NON-CURRENT LIABILITIES</u>		
Provision For Long Service Leave	80,022	98,778
Total Non-Current Liabilities	80,022	98,778
TOTAL LIABILITIES	325,069	390,995
NET ASSETS	1,252,540	1,250,253
<u>ACCUMULATED FUNDS</u>		
Balance Brought Forward	1,199,077	826,937
Reserves	51,176	51,176
Surplus/(Deficit)	2,287	372,140
TOTAL ACCUMULATED FUNDS	1,252,540	1,250,253

The accompanying notes forms part of this financial report.



**STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 30 JUNE 2022**

	2022	2021
	\$	\$
Cash flows from Operating Activities		
Receipts from Government Grants - Recurrent	1,516,025	1,466,444
Receipts from Other Sources	153,555	291,601
Interest received	798	4,017
Payments to suppliers and employees	<u>(1,712,518)</u>	<u>(1,222,309)</u>
Net cash provided by / (used in) operating activities	<u><u>(42,140)</u></u>	<u><u>539,753</u></u>
Cash flows from Investment Activities		
Payments for purchase of plant and equipment	<u>(2,029)</u>	<u>(16,698)</u>
Net cash provided by/ (used in) investment activities	<u><u>(2,029)</u></u>	<u><u>(16,698)</u></u>
Net Increase/(Decrease) in Cash Held	(44,169)	532,055
Cash at beginning of the Reporting Period	<u>1,445,330</u>	<u>913,275</u>
Cash at the end of the Reporting Period	<u><u>1,401,161</u></u>	<u><u>1,445,330</u></u>

Notes to the Statement of Cash Flows

1.Reconciliation of Cash

Cash on Hand	300	355
Cash at Bank	<u>1,400,861</u>	<u>1,444,975</u>
	<u><u>1,401,161</u></u>	<u><u>1,445,330</u></u>

**2.Reconciliation of Net Cash Used in Operating
Activities to Operating Result**

Operating Result	2,288	372,140
Depreciation	8,153	5,495
Increase/(Decrease) in Provisions	(75,471)	72,471
(Increase)/Decrease in Current Receivables	13,346	(4,895)
Increase/(Decrease) in Creditors	(8,859)	26,465
Increase/(Decrease) in Grants Unspent/Prepaid	18,403	68,077
Net cash provided by/(used in) Operating Activities	<u><u>(42,140)</u></u>	<u><u>539,753</u></u>

The accompanying notes forms part of this financial report.



**STATEMENT OF MEMBERS FUNDS
FOR THE YEAR ENDED 30 JUNE 2022**

	Retained Earnings	Reserves	Total
	\$	\$	\$
Balance at 1 July 2020	826,937	36,176	863,113
Gain for the year	372,140	-	372,140
Transfer from Provisions for Relief Staff Reserve	-	15,000	15,000
Balance as at 30 June 2021	<u>1,199,077</u>	<u>51,176</u>	<u>1,250,253</u>
Balance at 1 July 2021	1,199,077	51,176	1,250,253
Gain for the year	2,287	-	2,287
Transfer to Provisions	-	-	-
Balance as at 30 June 2022	<u>1,201,364</u>	<u>51,176</u>	<u>1,252,540</u>

The accompanying notes forms part of this financial report.

GOSNELLS COMMUNITY LEGAL CENTRE INC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 1: Summary of Significant Accounting Policies

Gosnells Community Legal Centre Inc. is a not for profit entity domiciled in Western Australia and its registered address is 2232 Albany Highway, Gosnells. This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Charitable Collections Act (WA) 1946 and the Charities Act 2013 (Cth). The committee has determined that the charity is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the Charitable Collections Act (WA) 1946 and the Charities Act 2013 (Cth) and the following Australian Accounting Standards:

AASB 101	Presentations of Financial Statements
AASB 107	Cash Flow Statements
AASB 108	Accounting Policies, Changes in Accounting Estimates and Errors
AASB 1031	Materiality
AASB 1048	Interpretation and Application of Standards
AASB 1054	Australian Additional Disclosures

No other applicable Accounting Standards, Urgent Issues Group Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

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 the financial report.

a) Income Tax

The charity is not liable for income tax due to its charitable status and income tax exemption.

b) Cash and Cash Equivalents

Cash and cash equivalents 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.

c) Property, Plant and Equipment

Leasehold improvements and office equipment 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 amortized over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

d) Impairment of Assets

At the end of each reporting period, the entity 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 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 expensed to the income statement.

GOSNELLS COMMUNITY LEGAL CENTRE INC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

e) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognized when the right to receive a dividend has been established.

Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt. All revenue is stated net of the amount of goods and services tax (GST).

f) 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 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 assets and liabilities statement are shown inclusive of GST.

g) Accounts Payable and Other Payables

Accounts Payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received 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.

h) Trade and Other Receivable

Trade and other receivables are recognised initially at fair value, which is generally the original invoice amount, and subsequently measured at amortised cost using the effective interest method, less an allowance for impairment. They generally have 30 to 60 day terms.

i) New Accounting Standards and Interpretations

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Association has decided not to early adopt these Standards. The following table summarises those future requirements, and their impact on the Association where the standard is relevant:

Standard Name	Effective date	Impact
AASB 15 Revenue	1 January 2019	Revenue will be recognised when control of goods is transferred (previously on transfer of risk and reward). We do not expect the application of AASB 15 to have a significant impact on revenue and operating profit.
AASB 1058 Income or Not-For-Profit Entities	1 January 2019	Each revenue stream, particularly grant agreements are currently being reviewed to determine the impact of AASB 1058. We anticipate that some grant agreements which were previously recognised immediately on receipt may be able to be deferred as the performance obligation is satisfied.

GOSNELLS COMMUNITY LEGAL CENTRE INC
STATEMENT BY MEMBERS OF THE COMMITTEE

The committee has determined that the charity is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the committee the financial report as set out on pages 1 to 6:

1. Presents a true and fair view of the financial position of Gosnells Community Legal Centre 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 Gosnells Community Legal Centre 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:

Chairperson 

Deputy Chairperson  Michael Jones

Dated: 20 September 2022

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
GOSNELLS COMMUNITY LEGAL CENTRE INC**

Report on the Audit of the Financial Report

Audit Opinion

We have audited the accompanying financial report, being a special purpose financial report of Gosnells Community Legal Centre Inc. (the Association), which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and management's assertion statement.

In our opinion, the accompanying financial report of the Association for the year ended 30 June 2022 is prepared, in all material respects, in accordance with Associations Incorporation Act (WA) 2015.

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 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.

Basis of Accounting

We draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report is prepared to assist the Association in meeting the requirements of the Charitable Collections Act (WA) 1946 and the Charities Act 2013 (Cth). As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the Association and should not be distributed to or used by parties other than the Association. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of the financial report in accordance with Associations Incorporation Act (WA) 2015, 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.

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.



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DANIEL PAPAPHOTIS CPA
REGISTERED COMPANY AUDITOR
- 410503
FRANCIS A. JONES PTY LTD
154 HIGH STREET
FREMANTLE WA 6160

Date: 4th October 2022