

JusticeNet SA Incorporated

Financial Report for the Year Ended 30 June 2019

BOARD OF MANAGEMENT'S REPORT

Your Board of Management submit the financial report of for the financial year ended 30 June 2019.

Board Members

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

Paula Stirling	President (resigned 21/11/2018)
Kerry Clark	President (commenced 21/11/2018) and Public officer
Nick Anderson	Treasurer
Carolyn Mitchell	Secretary
Alice Graham	
Julia Dreosti	
Anna Wells	
Catherine McMorrine	
Sarah Dunn	

Members of the Board have been in office since the start of the year unless otherwise stated. No other officer of the Association has received directly or indirectly from the association any payment or other benefit of a pecuniary value. At no time during the year ended 30 June 2019 has any officer or related firm or body corporate, received or become entitled to receive a benefit arising from a contract between the officer, firm or body corporate and the association. No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the entity.

Principal Activities

JusticeNet SA operates free legal services for people with civil law matters who cannot afford legal representation, including Pro Bono Referral Service, Refugee and Asylum Seeker Project and a Self-Representation Services in the District and Supreme Court of South Australia and Federal Courts (Adelaide and Darwin registry).

Significant Changes

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

Operating Result

The surplus for the year ended 30 June 2019 amounted to \$11,156 (2018 surplus: \$45,090)

Signed in accordance with a resolution of the members of the Board.

Dated this day of October 2019

JusticeNet SA Inc
Financial report for the year ended 30 June 2019

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
 FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
Revenue	2	613,786	643,264
Salaries, wages & employee costs		(543,179)	(495,414)
Fundraising expenses		(14,847)	(59,224)
Amortisation		-	(4,458)
Other operating expenses	2	(44,604)	(39,078)
Current year surplus/ (deficit) before income tax		<u>11,156</u>	<u>45,090</u>
Income tax expense		-	-
Net current year surplus/ (deficit)		<u>11,156</u>	<u>45,090</u>
Other comprehensive income		-	-
Total other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year, net of tax		-	-
Net current year surplus/ (deficit) attributable to members of the entity		<u>11,156</u>	<u>45,090</u>
Total comprehensive income attributable to members of the entity		<u>11,156</u>	<u>45,090</u>

The accompanying notes form part of these financial statements.

JusticeNet SA Inc
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	Note	2019 \$	2018 \$
ASSETS			
CURRENT ASSETS			
Cash on hand	3	160,468	337,324
Trade and Other Receivables		-	54,604
TOTAL CURRENT ASSETS		160,468	391,928
NON-CURRENT ASSETS			
Intangible Assets	4	-	-
TOTAL NON-CURRENT ASSETS		-	-
TOTAL ASSETS		160,468	391,928
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and other payables		1,247	7,974
Other Accruals	5	24,822	43,467
Grants Received in Advance		16,134	237,123
Fees Received in Advance		3,414	-
Employee Provisions		54,751	54,420
TOTAL CURRENT LIABILITIES		100,368	342,984
TOTAL LIABILITIES		100,368	342,984
NET ASSETS		60,100	48,944
EQUITY			
Retained earnings		60,100	48,944
TOTAL EQUITY		60,100	48,944

The accompanying notes form part of these financial statements.

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

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2017	3,854	3,854
Comprehensive income		
Net surplus/ (deficit) for the year	45,090	45,090
Other comprehensive income for the year	-	-
Total comprehensive income attributable to members of the entity	45,090	45,090
Balance at 30 June 2018	48,944	48,944
Balance at 1 July 2018	48,944	48,944
Comprehensive income		
Net surplus/ (deficit) for the year	11,156	11,156
Other comprehensive income for the year	-	-
Total comprehensive income attributable to members of the entity	60,100	60,100
Balance at 30 June 2019	60,100	60,100

The accompanying notes form part of these financial statements.

JusticeNet SA Inc
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating Grant Receipts		225,466	653,538
Other receipts		281,673	120,954
Payments to suppliers and employees		(636,327)	(568,121)
Net GST paid		(47,668)	(48,903)
Net cash (used in)/provided by operating activities	8	<u>(176,856)</u>	<u>157,468</u>
Net (decrease)/increase in cash held		(176,856)	157,468
Cash on hand at beginning of financial year		<u>337,324</u>	<u>179,856</u>
Cash on hand at end of financial year	3	<u>160,468</u>	<u>337,324</u>

The accompanying notes form part of these financial statements.

JusticeNet SA Inc

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act 1985 and the Australian Charities and Not-for-profits Commission Act 2012. The Board of Management has determined that the association is not a reporting entity.

In order to satisfy Division 60 of the Australian Charities and Not-For-Profit Commission Act 2012 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 1048, Interpretation of Standards
- AASB 1054, Australian Additional Disclosures

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

a. Income Tax

The association is exempt from income tax pursuant to section 50-40 of the Income Tax Assessment Act 1997.

b. 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 periods. Employee Benefits have been measured at the amounts expected to be paid when the liability is settled.

The entity provides for long service leave once an employee reaches seven years' service.

c. Intangible Assets

Software

Software is recorded at cost. It has a finite life and is carried at cost less accumulated amortisation and any impairment losses. Software has an estimated useful life of three years. It is assessed annually for impairment.

d. Cash on Hand

Cash on hand includes cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less.

e. Revenue and Other Income

Non-reciprocal grant revenue is recognised in profit or loss when the Association obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the association and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

Interest revenue is recognised when it is received.

Donation revenue is recognised when it is received.

JusticeNet SA Inc

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 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 with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable, to the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

g. **Comparative Figures**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Where the association retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period is presented in addition to the minimum comparative financial statements.

h. **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 recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

i. **Economic Dependency – Going Concern**

The financial report has been prepared on the going concern basis. However, attention should be drawn to the following matters:

- 1) The Association achieved an operating surplus for the year ended 30 June 2019 of \$11,156 and an operating surplus for the year ended 30 June 2018 of \$45,090.
- 2) The Statement of Cash Flows reports a net decrease in cash for the Association for the year ended 30 June 2019 of (\$176,856), and a net increase in cash for the year ended 30 June 2018 of \$157,468.
- 3) The Statement of Cash Flows reports an operating cash outflow for the year ended 30 June 2019 of (\$176,855) and an operating cash inflow for the year ended 30 June 2018 of \$157,468.
- 4) The Association currently has funding secured with the Commonwealth Government until 30 June 2020. However, it is noted that the ability of the Association to continue as a going concern is dependent on securing future funding and achieving operating surpluses and positive operating cash flows.

No adjustments have been made to the amounts stated in this financial report.

JusticeNet SA Inc

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 2: INCOME AND EXPENSES

	2019	2018
	\$	\$
Income:		
Grant Income	386,717	474,158
Donations and Fundraising	178,309	122,916
Membership	16,980	23,454
Other income	31,780	22,736
Total income	<u>613,786</u>	<u>643,264</u>
Other operating expenses:		
Accounting Fees	-	263
Bank charges	167	73
Electricity and gas	3,419	1,538
Insurance	1,130	2,057
IT	4,772	4,238
NACLC Membership	7,220	6,498
Office Amenities	1,517	871
Office Equipment	-	2,422
OHS	12	-
Postage	2,299	2,000
Recruitment	280	275
Stationery	4,081	4,031
Sundry expenses	13,009	5,835
Telephone	2,275	3,038
Training	3,011	3,073
Travel	1,412	2,869
Total Operating Expenses	<u>44,604</u>	<u>39,078</u>

JusticeNet SA Inc

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 3: CASH ON HAND	2019	2018
	\$	\$
Operating cash account	98,007	275,296
ANZ Online Savings Account	62,323	62,014
Petty cash	138	14
	<u>160,468</u>	<u>337,324</u>

NOTE 4: INTANGIBLE ASSETS	2019	2018
	\$	\$
Software	18,840	18,840
Accumulated Amortisation	(18,840)	(18,840)
	<u>-</u>	<u>-</u>

NOTE 5: OTHER ACCRUALS	2019	2018
	\$	\$
CURRENT		
Payroll Liabilities	1,914	1,286
Other Accruals	22,908	42,181
	<u>24,822</u>	<u>43,467</u>

NOTE 6: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Association has no contingent liabilities at 30 June 2019.

NOTE 7: EVENTS AFTER THE REPORTING PERIOD

The Board is not aware of any significant events since the end of the reporting period.

JusticeNet SA Inc

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 8: CASH FLOW INFORMATION

	2019	2018
	\$	\$
Reconciliation of cash flow from operating activities with net current year surplus/ (deficit)		
Current year surplus/ (deficit) after income tax	11,156	45,090
Plus, non-cash items:		
Amortisation	-	4,458
Changes in assets and liabilities:		
- (increase) / decrease in Trade and other receivables	54,604	(48,153)
- increase/(decrease) in Trade and other payables	(6,727)	7,974
- Increase/ decrease in Other accruals	(18,645)	16,672
- Increase/(decrease) in Grants in Advance	(217,573)	122,207
- Increase/(decrease) in Employee Benefits	330	9,220
Net cash (used in)/provided by operating activities	(176,856)	157,468

NOTE 9: ASSOCIATION DETAILS

The registered office and principle place of business of the Association is:

The Law School

Ligertwood Building

The University of Adelaide SA 5005

JusticeNet SA Inc

STATEMENT BY MEMBERS OF THE BOARD OF MANAGEMENT

The Board of Management 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 1 to the financial statements.

In the opinion of the Board of Management the financial report as set out on pages 2 to 10:

1. There are reasonable grounds to believe the registered entity is able to pay all its debts, as and when they become due and payable.
2. The attached financial statements and notes thereto satisfy the requirements of Division 60 of the Australia Charities and Not-for-profits Commission Act 2012; including giving a true and fair view of the financial position and performance of the registered entity in accordance with Australian Accounting Standards.

This statement is made in accordance with a resolution of the Board of Management and is signed for and on behalf of the Board by:

Chairperson 

Treasurer 

Dated this day of October 2019