

**COMMUNITY LEGAL CENTRES
QUEENSLAND INC.**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2018**

1.

COMMUNITY LEGAL CENTRES QUEENSLAND INC.
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018

	<u>Note</u>	<u>2018</u>	<u>2017</u>
Revenue	2	595,587	570,922
Other Income	2	48,149	62,395
Employee benefits expense		432,206	419,334
Depreciation and amortisation expense		1,687	3,392
Insurance		1,481	1,463
Property expenses		35,709	36,012
Staff training and development expenses		12,761	23,260
Audit, legal and consultancy fees		13,996	24,276
Conference/Seminar Costs		80,877	59,011
Other operating costs		40,293	63,256
		<hr/>	<hr/>
Current year surplus before income tax		24,726	3,313
Income tax expense		-	-
		<hr/>	<hr/>
Net current year surplus		24,726	3,313
		<hr/>	<hr/>
Other comprehensive income		-	-
		<hr/>	<hr/>
Total comprehensive income for the year		\$24,726	\$3,313
		<hr/>	<hr/>
Total comprehensive income attributable to members of the entity		\$24,726	\$3,313
		<hr/> <hr/>	<hr/> <hr/>

The accompanying notes form part of these financial statements.

2.

COMMUNITY LEGAL CENTRES QUEENSLAND INC.
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 JUNE 2018

	Note	<u>2018</u>	<u>2017</u>
ASSETS			
Current Assets			
Cash at Bank		416,681	386,966
Debtors & Prepayments		33,460	10,073
Deposits		8,000	8,000
Total Current Assets		458,141	405,039
Fixed Assets	3	260	1,947
Total Fixed Assets		260	1,947
TOTAL ASSETS		\$458,401	\$406,986
LIABILITIES			
Current Liabilities			
Creditors & Accruals	4	24,345	38,728
Employee Provisions		73,339	72,050
Income Received & Unexpended	5	116,693	76,910
Total Current Liabilities		214,377	187,688
TOTAL LIABILITES		214,377	187,688
NET ASSETS		\$244,024	\$219,298
MEMBERS FUNDS			
Retained Surplus		244,024	219,298
TOTAL MEMBERS FUNDS		\$244,024	\$219,298

The accompanying notes form part of these financial statements.

3.

COMMUNITY LEGAL CENTRES QUEENSLAND INC.
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018

	<u>Retained Surplus</u>	<u>Revaluation Surplus</u>	<u>Financial Assets Reserve</u>	<u>Total</u>
Balance at 1 July 2016	\$215,985	\$NIL	\$NIL	\$215,985
Comprehensive Income				
Surplus for the year attributable to members of the entity	3,313	-	-	3,313
Total comprehensive income attributable to members of the entity	3,313	-	-	3,313
Balance at 30 June 2017	\$219,298	\$NIL	\$NIL	\$219,298
Balance at 1 July 2017	\$219,298	\$NIL	\$NIL	\$219,298
Comprehensive Income				
Surplus for the year attributable to members of the entity	24,726	-	-	24,726
Total comprehensive income attributable to members of the entity	24,726	-	-	24,726
Balance at 30 June 2018	\$244,024	\$NIL	\$NIL	\$244,024

The accompanying notes form part of these financial statements.

4.

COMMUNITY LEGAL CENTRES QUEENSLAND INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018

	<u>2018</u>	<u>2017</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts		
Queensland Department of Justice and Attorney-General	233,185	224,942
Queensland Department of Justice and Attorney-General - Other	280,476	316,755
Other Grants	14,972	17,971
Interest	8,050	7,319
Other Income	126,909	99,814
Payments		
Wages, Salaries & Other Supplies	(633,877)	(614,092)
Net cash provided by (used in) operating activities	<u>\$29,715</u>	<u>\$52,709</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for purchase of plant & equipment	-	-
Net cash provided by (used in) investing activities	<u>\$NIL</u>	<u>\$NIL</u>
CASH FLOWS FROM FINANCIAL ACTIVITIES		
Net increase/(decrease) in cash held	29,715	52,709
Cash at beginning of the reporting period	386,966	334,257
Cash at end of the reporting period	<u>\$416,681</u>	<u>\$386,966</u>
Reconciliation of Net Surplus/Deficit to Net Cash Provided by (Used in) Operating Activities		
Operating Result	24,726	3,313
- Depreciation	1,687	3,392
- Increase/(Decrease) in Payables	(14,383)	141
- Increase/(Decrease) in Provisions	1,289	17,582
- (Increase)/Decrease in Debtors & Prepayments	(23,387)	5,765
- Increase/(Decrease) in Grants Unexpended	39,783	22,516
Net cash provided by (used in) operating activities	<u>\$29,715</u>	<u>\$52,709</u>

The accompanying notes form part of these financial statements.

COMMUNITY LEGAL CENTRES QUEENSLAND INC.
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

1. SIGNIFICANT ACCOUNTING POLICIES

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirement of the Associations Incorporated Act (Qld) and Australian Charities and Not-for-Profits Commission Act 2012. The committee has determined that the association is not a reporting entity.

The report is also prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

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

(a) Income Tax

The Association is exempted from tax under section 50-10 of the Income Tax Assessment Act 1997.

(b) Fixed Assets - Depreciation

Depreciation is charged on all Fixed Assets except Property Improvements and is brought to account over the estimated economic lives of all Assets.

(c) Employee Entitlements

Liabilities for Wages & Salaries and Annual Leave are recognised and are measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date. Other employee entitlements payable later than one year, have been measured at the present value of the estimated future cash outflows to be made for those entitlements.

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

(d) 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. Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(e) Cash and Cash Equivalents

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

COMMUNITY LEGAL CENTRES QUEENSLAND INC.
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

(f) Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from donors. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

(g) Goods and Services Tax

Revenues, expenses and assets are recognized 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.

(h) Comparative Figures

Comparative figures, where necessary, have been reclassified in order to comply with the presentation adopted in the figures reported.

(i) Economic Dependence

The Community Legal Centres Queensland Inc. is dependant on Government Funding to operate. As at the date of this report the committee has no reason to believe the government will not continue to support the organisation.

(j) Change of Name

The organisation changed its name with the Office of Fair Trading on the 10th May 2016 from Queensland Association of Independent Legal Services Inc. to Community Legal Centres Queensland Inc.

COMMUNITY LEGAL CENTRES QUEENSLAND INC.
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

	<u>2018</u>	<u>2017</u>
2. REVENUE AND OTHER INCOME		
Revenue		
Revenue from Government Grants		
Queensland Department of Justice and Attorney-General		
State Funding	233,185	224,942
Unexpended Grant 30 June 2017	1,948	-
Unexpended Grant 30 June 2018	(34,132)	(1,948)
	201,001	222,994
Queensland Department of Justice and Attorney General -Other	317,849	271,600
	518,850	494,594
Other Revenue		
Conference Income	34,982	30,159
Membership Fees	33,705	30,929
Interest Received	8,050	7,319
Department of Justice & Attorney-General	-	7,921
	595,587	570,922
TOTAL REVENUE		
Other Income		
Donations Received	28,363	32,961
Other Income	19,786	29,434
	48,149	62,395
TOTAL OTHER INCOME		
TOTAL REVENUE AND OTHER INCOME		
	\$643,736	\$633,317
3. FIXED ASSETS		
Office Equipment - at Cost	31,250	31,250
Less Accumulated Depreciation	30,990	29,303
	\$260	\$1,947
4. CREDITORS & ACCRUALS		
Creditors & Accruals	6,434	10,012
GST	11,297	14,029
PAYG	6,344	13,394
Visa Account	-	1,293
Income in Advance	270	-
	\$24,345	\$38,728

8.

COMMUNITY LEGAL CENTRES QUEENSLAND INC.
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

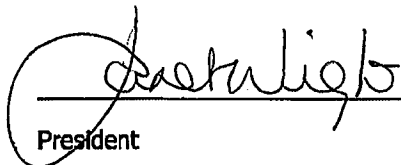
	<u>2018</u>	<u>2017</u>
5. GRANTS RECEIVED AND UNEXPENDED		
Legal Aid Queensland	99,701	21,755
Brisbane City Council	10,000	-
Balanced Justice Funds	2,020	2,020
Attorney-General's Department	-	2,787
Queensland Department of Justice and Attorney-General	-	50,348
Foundation for Rural & Regional Renewal	4,972	-
	<u>\$116,693</u>	<u>\$76,910</u>

COMMUNITY LEGAL CENTRES QUEENSLAND INC.**STATEMENT BY MEMBERS OF THE COMMITTEE**

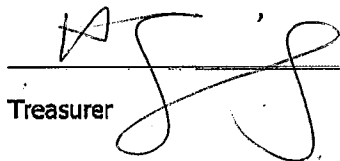
The committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial Statements.

1. In the opinion of the committee the financial report as set out on pages 1 to 8 are in accordance with the Australian Charities and Not-for-Profits Commission Act 2012 and:
 - (i) Comply with the Australian Accounting Standards applicable to the entity; and
 - (ii) Give a true and fair view of the association's financial position as at 30 June 2018 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
2. At the date of this statement, there are reasonable grounds to believe that Community Legal Centres Queensland Inc. will be able to pay its debts as and when they fall due.

This Declaration is signed in accordance with Subs 60.15(2) of the Australian Charities and Not-for-Profits Commission Regulation 2013.



President



Treasurer

25/10/18.

Date

10.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
COMMUNITY LEGAL CENTRES QUEENSLAND INC.

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Community Legal Centres Queensland Inc., which comprises the statement of financial position as at 30 June 2018, the statement of profit & loss and other comprehensive income, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the certification by members of the committee on the annual statements giving a true and fair view of the financial position and performance of the association.

In our opinion, the accompanying financial report of Community Legal Centres Queensland Inc. has been prepared in accordance with Division 60 of the Australian Charities and Not-for-Profits Commission Act 2012 and the Associations Incorporation Act (QLD).

- 1) Giving a true and fair view of the associations financial position as at 30 June 2018 and of its performance for the year then ended; and
- 2) Complying with Australian Accounting Standards to the extent described in Note 1 and Division 60 of the Australian Charities and Not-for-Profits Commission Regulation 2013.

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 ethical requirements of the Accounting Professional and Ethical Standards Board's APES110: 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.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the association to meet the requirements of the Australian Charities and Not-for-Profits Commission Act 2012 and the Associations Incorporation Act (QLD). As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of the Committee for the Financial Report

The committee is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the Australian Charities and Not-for-Profits Commission Act 2012 and the Associations Incorporation Act (QLD), and for such internal control as the committee determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the committee is responsible for assessing the association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the committee either intends 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 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 association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee.
- Conclude on the appropriateness of the committee'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 association'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 association 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 the committee 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.



PETER GESCH
HAYWARDS CHARTERED ACCOUNTANTS
Level 1 / 488 Lutwyche Road
LUTWYCHE QLD 4030

Dated this 20th day of September 2018