

**COMMUNITY LEGAL CENTRES
QUEENSLAND INC.**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2017**

COMMUNITY LEGAL CENTRES QUEENSLAND INC.
INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2017

	<u>2017</u>	<u>2016</u>
<u>INCOME</u>		
Queensland Department of Justice and Attorney-General		
- State Funding	224,942	258,656
- Unexpended Grant 30 June 2016	-	9,736
- Unexpended Grant 30 June 2017	(1,948)	-
	<hr/> 222,994	<hr/> 268,392
Conference Income	30,159	21,969
Membership Fees	30,929	23,265
Interest Received	7,319	6,060
Donations Received	32,961	29,800
Other Income	29,434	8,334
Queensland Department of Justice and Attorney General -Other	271,600	49,900
Department of Justice & Attorney-General	7,921	20,079
	<hr/> 410,323	<hr/> 159,407
	<hr/> 633,317	<hr/> 427,799
<u>LESS EXPENDITURE</u>		
Total Expenditure (Schedule attached)	630,004	383,496
<u>NET SURPLUS/(DEFICIT) FOR YEAR</u>	<hr/> \$3,313	<hr/> \$44,303

The accompanying notes form part of these financial statements.

COMMUNITY LEGAL CENTRES QUEENSLAND INC.
INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2017

	<u>2017</u>	<u>2016</u>
<u>EXPENDITURE</u>		
Advertising & Promotion	7,359	8,278
Audit Fees	3,000	3,000
Bank Charges	1,693	137
Cleaning	1,680	1,482
Computer Supplies & Maintenance	15,569	6,509
Conference/Seminar Costs	59,011	29,774
Consultant Fees	21,276	10,300
Depreciation	3,392	5,885
Electricity	2,216	1,874
Fees	47	477
Insurance	1,463	1,550
Minor Equipment	1,587	4,674
Postage, Printing & Stationery	4,045	8,186
Professional Development	1,864	5,154
Rent & Rates	33,796	26,756
Repairs & Maintenance	1,200	977
Resources	20,741	5,729
Return of Grant Funds	19,797	-
Sundry Expenses	942	1,587
Superannuation	35,566	20,560
Supervision	655	739
Telephone & Internet	8,943	9,084
Travel Expenses	394	387
Wages & Salaries	381,978	229,860
Workers Compensation	1,790	537
<u>TOTAL EXPENDITURE</u>	<u>\$630,004</u>	<u>\$383,496</u>

The accompanying notes form part of these financial statements.

COMMUNITY LEGAL CENTRES QUEENSLAND INC.
ASSETS AND LIABILITIES STATEMENT
AS AT 30 JUNE 2017

	<u>NOTE</u>	<u>2017</u>	<u>2016</u>
<u>ASSETS</u>			
<u>CURRENT ASSETS</u>			
Cash at Bank		386,966	334,257
Trade Debtors & Prepayments		10,073	15,838
Deposits		8,000	8,000
<u>TOTAL CURRENT ASSETS</u>		405,039	358,095
<u>FIXED ASSETS</u>	2	1,947	5,339
<u>TOTAL ASSETS</u>		\$406,986	\$363,434
<u>LIABILITIES</u>			
<u>CURRENT LIABILITIES</u>			
Creditors & Accruals	3	38,728	38,587
Provision for Employee Entitlements		72,050	54,468
Grants Received and Unexpended	4	76,910	54,394
<u>TOTAL CURRENT LIABILITIES</u>		187,688	147,449
<u>TOTAL LIABILITIES</u>		\$187,688	\$147,449
<u>NET ASSETS</u>		\$219,298	\$215,985
<u>MEMBERS FUNDS</u>			
Balance 1 July 2016		215,985	171,682
Net Surplus/(Deficit) for Year		3,313	44,303
<u>TOTAL MEMBERS' FUNDS</u>		\$219,298	\$215,985

The accompanying notes form part of these financial statements.

COMMUNITY LEGAL CENTRES QUEENSLAND INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2017

	<u>2017</u>	<u>2016</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts		
Queensland Department of Justice and Attorney-General	224,942	283,656
Queensland Department of Justice and Attorney-General - Other	316,755	-
Other Grants	17,971	72,250
Interest	7,319	6,060
Other Income	99,814	88,941
Payments		
Wages, Salaries & Other Supplies	(614,092)	(368,851)
Net cash provided by (used in) operating activities	<u>\$52,709</u>	<u>\$82,056</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	52,709	82,056
Cash at beginning of the reporting period	334,257	252,201
Cash at end of the reporting period	<u>\$386,966</u>	<u>\$334,257</u>
Reconciliation of Net Surplus/Deficit to Net Cash Provided by (Used in) Operating Activities		
Operating Result	3,313	44,303
- Depreciation	3,392	5,885
- Increase/(Decrease) in Payables	141	4,133
- Increase/(Decrease) in Provisions	17,582	4,627
- (Increase)/Decrease in Deposits & Debtors	5,765	5,573
- Increase/(Decrease) in Grants Unexpended	22,516	17,535
Net cash provided by (used in) operating activities	<u>\$52,709</u>	<u>\$82,056</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 2017

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). 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 2017

(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.

7.

COMMUNITY LEGAL CENTRES QUEENSLAND INC.
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

	<u>2017</u>	<u>2016</u>
2. FIXED ASSETS		
Office Equipment - at Cost	31,250	31,250
Less Accumulated Depreciation	29,303	25,911
	\$1,947	\$5,339
3. CREDITORS & ACCRUALS		
Creditors & Accruals	10,012	11,291
GST	14,029	14,013
PAYG	13,394	10,872
Visa Account	1,293	2,411
	\$38,728	\$38,587
4. GRANTS RECEIVED AND UNEXPENDED		
Legal Aid Queensland	21,755	-
Department of Sustainability Environment, Water, Population and Communities	-	5,203
Balanced Justice Funds	2,020	2,020
Attorney-General's Department	2,787	19,250
Queensland Department of Justice and Attorney-General	50,348	27,921
	\$76,910	\$54,394
5. AUDITORS REMUNERATION		

Apart from the remuneration disclosed the auditors received no other benefits.

COMMUNITY LEGAL CENTRES QUEENSLAND INC.

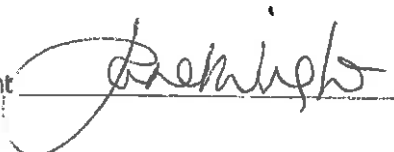
STATEMENT BY MEMBERS OF THE COMMITTEE

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.

In the opinion of the committee the financial report as set out on pages 1 to 7:

1. Presents fairly the financial position of Community Legal Centres Queensland Inc. as at 30 June 2017 and its performance for the year ended of that date.
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 statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:

President  _____

Treasurer  _____

Dated this 28th day of September 2017

9.

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 assets and liabilities statement as at 30 June 2017, the income and expenditure statement and 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 presents fairly, in all material respects the financial position of Community Legal Centres Queensland Inc. as of 30 June 2017 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements and the requirements of the Associations Incorporation Act (QLD).

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 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 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 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.

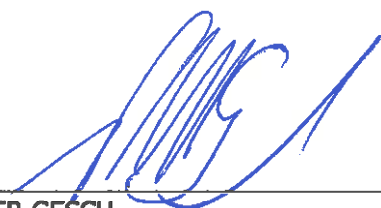
Auditor's Responsibilities for the Audit of the Financial Report

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 28th day of September 2017

11.

COMMUNITY LEGAL CENTRES QUEENSLAND INC.
SUPPLEMENTARY INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2017

CLSP

	<u>2017</u>	<u>2016</u>
<u>INCOME</u>		
Queensland Department of Justice and Attorney-General - Grant Received	224,942	218,656
	<hr/>	<hr/>
	\$224,942	\$218,656
 <u>LESS EXPENDITURE</u>		
Salaries & Wages	145,320	145,058
Other Operating Expenditure	77,674	83,334
	<hr/>	<hr/>
	\$222,994	\$228,392
 <u>OPERATING DEFICIT FOR THE YEAR</u>		
	1,948	(9,736)
	<hr/>	<hr/>
Surplus/Deficit Previous Year	-	9,736
	<hr/>	<hr/>
<u>NET SURPLUS/(DEFICIT) FOR THE YEAR</u>	\$1,948	\$NIL
	<hr/>	<hr/>