

# **Tenancy WA Incorporated**

ABN: 74 703 193 741

**SPECIAL PURPOSE FINANCIAL REPORT**  
For the Year Ended 30 June 2018

# Tenancy WA Incorporated

ABN: 74 703 193 741

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For the Year Ended 30 June 2018

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**DIRECTORS:**

**ROBERT CAMPBELL** CA, CPA, RCA, MSW

**VIRAL PATEL** CA, CPA, FCCA (UK), RCA

**ALASTAIR ABBOTT** CA, RCA, M.FORENSIC ACCOUNTING

## AUDITOR'S INDEPENDENCE DECLARATION

To the Board of Tenancy WA Incorporated

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* and section 80 of the *Associations Incorporation Act 2015 (WA)*, in relation to our audit of the financial report of Tenancy WA Incorporated for the year ended 30 June 2018, to the best of my knowledge and belief, there have been:

- a) No contraventions of the auditor independence requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- b) No contraventions of the auditor independence requirements of the *Associations Incorporation Act 2015 (WA)* in relation to the audit; and
- c) No contraventions of any applicable code of professional conduct in relation to the audit

**Robert John Campbell, CA CPA**

Registered Company Auditor number 334773

**Director**

**Australian Audit**

Perth, Western Australia

**Dated: 30 October 2018**



## INDEPENDENT AUDITOR'S REPORT

To the members of Tenancy WA Incorporated

### Report on the Audit of the Financial Report Opinion

We have audited the financial report of Tenancy WA Incorporated (the Entity), which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and other comprehensive income, statement of changes in equity 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 statement by the Board.

In our opinion the accompanying financial report has been prepared in accordance with requirements of the *Associations Incorporation Act 2015 (WA)* and Division 60 of the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

- a) giving a true and fair view of the Entity's financial position as at 30 June 2018, and of its financial performance and its cash flows for the year then ended; and
- b) complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 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 Entity in accordance with the *Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act)* and 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.

### 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 Entity to meet the requirements of the *Associations Incorporation Act 2015 (WA)* and the *ACNC Act*. 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 Board for the Financial Report

The Board is responsible for the preparation and fair presentation of the financial report and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Associations Incorporation Act 2015 (WA)* and the *ACNC Act* and the needs of the members. The responsibility of the Board also includes such internal control as the Board 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 Board is responsible for assessing the Entity'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 Board either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

The Board is responsible for overseeing the Entity'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.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgment 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management'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 Entity'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 Entity 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 those charged with governance 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.

### Report on Other Legal and Regulatory Requirements

In our opinion, Tenancy WA Incorporated has complied with 60-30(3)(b), (c) and (d) of the *ACNC Act* and 82(1)(b), (c) and (d) of the *Associations Incorporation Act 2015 (WA)*:

- by providing us with all information, explanation and assistance necessary for the conduct of the audit;
- by keeping financial records sufficient to enable a financial report to be prepared and audited; and
- by keeping other records required by Part 3-2 of the *ACNC Act*, including those records required by Section 50-5 that correctly record its operations, so as to enable any recognised assessment activity to be carried out in relation to the entity.
- by keeping other records required by Part 5 of the *Associations Incorporation Act 2015 (WA)*, including those records required by Section 66 that correctly record its operations, so as to enable true and fair financial statements to be prepared.

**Robert John Campbell, CA CPA**

Registered Company Auditor number 334773

**Director**

**Australian Audit**

Perth, Western Australia

**Dated: 31 October 2018**

# Tenancy WA Incorporated

ABN: 74 703 193 741

## Board's Report

For the Year Ended 30 June 2018


The Board presents the report on Tenancy WA Incorporated for the financial year ended 30 June 2018.

The Board have been in office since the start of the financial year to the date of this report unless otherwise stated.

The net (deficit) of Tenancy WA Incorporated for the financial year ended 30 June 2018 amounted to (\$67,778).


The principal activity of the association during the financial year was the provision of legal advice for residential tenancy issues.

During the period, Tenancy WA Incorporated applied the accounting policies described in Note 1 to these financial statements.

  
\_\_\_\_\_  
Name: Nigel Calver

Position: Chairperson

Date: 31/10/2018

  
\_\_\_\_\_  
Name: Mitchell Skala-Brown

Position: Treasurer

Date: 30/10/18

## Tenancy WA Incorporated

ABN: 74 703 193 741

### Statement by the Board

For the Year Ended 30 June 2018


In the opinion of the Board of Tenancy WA Incorporated:

(a) The financial statements and notes of Tenancy WA Inc are in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and the Associations Incorporation Act 2015 , including:

- i. 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; and
- ii. 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.


(b) There are reasonable grounds to believe that Tenancy WA Inc will be able to pay its debts as and when they become due and payable.

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

  
Name: Nigel Calver

Position: Chairperson

Date: 31/10/2018

  
Name: Mitchell Skala-Brown

Position: Treasurer

Date: 30/10/18



# Tenancy WA Incorporated

ABN: 74 703 193 741

## Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2018

	Notes	2018	2017
		\$	\$
Department of Mines, Industry Regulations and Safety (DMIRS)		600,237	703,027
Commonwealth Legal Service Program (CLSP)		133,297	133,297
Women and Children's Homelessness Intervention Project		210,408	28,687
Attorney-General's Department - Innovation Project		92,718	-
Emergency Relief - Lotterywest		3,508	-
Conference income		26,150	-
Investment income		2,295	3,292
Other		34,316	62,060
<b>Total revenue from operating activities</b>		<u>1,102,929</u>	<u>930,363</u>
Employment		(862,307)	(734,730)
Conference expenses		(8,359)	(3,137)
Administration	2	(104,949)	(115,413)
Program	3	(100,441)	-
Property		(86,721)	(82,699)
Depreciation		(7,930)	(9,455)
<b>Total expenses from operating activities</b>		<u>(1,170,707)</u>	<u>(945,434)</u>
<b>(Deficit) from operating activities</b>		<u>(67,778)</u>	<u>(15,071)</u>
Other comprehensive income		-	-
<b>Total comprehensive income</b>		<u>(67,778)</u>	<u>(15,071)</u>

# Tenancy WA Incorporated

ABN: 74 703 193 741

## Statement of Financial Position

As at 30 June 2018

	Notes	2018 \$	2017 \$
<b>Current assets</b>			
Cash and cash equivalents	4	304,414	498,543
Receivables	5	49,968	19,581
<b>Total current assets</b>		<u>354,382</u>	<u>518,124</u>
<b>Non-current assets</b>			
Property, plant and equipment	6	36,023	43,295
<b>Total non-current assets</b>		<u>36,023</u>	<u>43,295</u>
<b>Total assets</b>		<u>390,405</u>	<u>561,419</u>
<b>Current liabilities</b>			
Payables	7	133,995	247,844
Current provisions	8	41,397	30,330
<b>Total current liabilities</b>		<u>175,392</u>	<u>278,174</u>
<b>Non-current liabilities</b>			
Non-current provisions	9	37,161	37,616
<b>Total non-current liabilities</b>		<u>37,161</u>	<u>37,616</u>
<b>Total liabilities</b>		<u>212,553</u>	<u>315,790</u>
<b>Net assets</b>		<u>177,852</u>	<u>245,629</u>
<b>Equity</b>			
Retained earnings		177,852	245,629
<b>Total equity</b>		<u>177,852</u>	<u>245,629</u>

# Tenancy WA Incorporated

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## Statement of Cash Flows

For the Year Ended 30 June 2018

	Notes	2018 \$	2017 \$
<b>Cash flows from operating activities</b>			
Receipts from operations		950,910	1,097,749
Payments to suppliers and employees		(1,146,677)	(887,632)
Net cash generated by (used in) operating activities	10	<u>(195,767)</u>	<u>210,117</u>
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment		(657)	(3,012)
Interest received		2,295	3,292
Net cash generated by investing activities		<u>1,638</u>	<u>280</u>
<b>Cash flows from financing activities</b>			
Net cash generated by financing activities		<u>-</u>	<u>-</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<u>(194,129)</u>	<u>210,397</u>
Cash and cash equivalents at the beginning of the financial year		498,543	288,146
Cash and cash equivalents at the end of the financial year	4	<u>304,414</u>	<u>498,543</u>

# Tenancy WA Incorporated

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## Statement of Changes in Equity

For the Year Ended 30 June 2018

	Retained earnings	Total
	\$	\$
<b>Balance at 1 July 2016</b>	260,701	260,701
Total comprehensive income for the 2017 year	(15,071)	(15,071)
<b>Balance at 30 June 2017</b>	245,630	245,630
Total comprehensive income for the 2018 year	(67,778)	(67,778)
<b>Balance at 30 June 2018</b>	177,852	177,852

# Tenancy WA Incorporated

ABN: 74 703 193 741

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 1 Statement of significant accounting policies

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act (WA) 1987 and the Australian Charities and Not for Profits Commission Act 2012. The Board has determined that the association is not a reporting entity and a non-for-profit entity.

This financial report has been prepared in accordance with the recognition and measurement principles of Australian Accounting Standards and the disclosure requirements of the following Australian Accounting Standards:

AASB 101 - Presentation of Financial Statements

AASB 107 - Cash Flow Statements

AASB 108 - Accounting Policies, Changes in Accounting Estimates and Errors

AASB 1048 - Interpretation of Standards

AASB 1054 - Australian Additional Disclosures

The amounts presented in the financial statements have been rounded to the nearest Australian dollar.

#### a) Income Tax

The Association is exempt from income tax under the provisions of Section 50-5 of the Income Tax Assessment Act 1997.

#### b) Property, Plant and Equipment (PPE)

Office equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all PPE is depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

#### c) 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 an 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 recognised in the income and expenditure statement.

#### d) Employee Benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Long service leave has been recognised based on the nominal value.

# Tenancy WA Incorporated

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## Notes to the Financial Statements

For the Year Ended 30 June 2018

### e) 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.

### f) 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.

### g) Revenue and Other Income

Grant revenue is recognised in the statement of comprehensive income when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity 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.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised as it accrues.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

All revenue is stated net of the amount of goods and services tax (GST).

### h) 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.

### i) Receivables

Receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period.

### j) Trade and Other Payables

Trade 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, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

### k) Comparative Figures

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

# Tenancy WA Incorporated

ABN: 74 703 193 741

## Notes to the Financial Statements

For the Year Ended 30 June 2018

	2018	2017
	\$	\$
<b>2 Administration</b>		
Audit and accounting fee	14,500	14,700
Advertising	11,544	6,404
Cleaning	5,444	5,569
Computer	4,690	8,888
Consultancy	10,043	14,531
Insurance	5,048	5,045
Memberships	8,866	1,157
Telephone & internet	15,700	22,588
Printing	5,008	6,694
Staff expense	10,754	17,266
Other	13,352	12,571
	<u>104,949</u>	<u>115,413</u>
<b>3 Program</b>		
Safe as Houses - contract expenses	88,157	-
Safe as Houses - emergency relief	4,768	-
Safe as Houses - website and database Develop	7,516	-
	<u>100,441</u>	<u>-</u>
<b>4 Cash and cash equivalents</b>		
Cash at bank	304,176	498,331
Cash on hand	238	212
	<u>304,414</u>	<u>498,543</u>
<b>5 Receivables</b>		
Trade receivables	27,655	2,655
Prepayments	7,662	16,742
Accrued income - Women and Children's Homelessness Intervention Project	14,651	184
	<u>49,968</u>	<u>19,581</u>
<b>6 Property, plant and equipment</b>		
Plant and equipment	86,131	85,473
Less depreciation - plant and equipment	(50,108)	(42,178)
	<u>36,023</u>	<u>43,295</u>
<b>7 Payables</b>		
Creditors	22,736	8,663
Accrued expenses	16,982	13,089
Unspent grants	7.1 63,261	173,517
Other payables	31,016	52,575
	<u>133,995</u>	<u>247,844</u>

# Tenancy WA Incorporated

ABN: 74 703 193 741

## Notes to the Financial Statements

For the Year Ended 30 June 2018

	2018	2017
	\$	\$
<b>7.1 Unspent grants</b>		
Women and Children's Homelessness Intervention Project	-	46,313
Attorney-General's Department - Innovation Project	34,486	127,204
Emergency Relief - Lotterywest	6,048	-
Department of Mines, Industry Regulations and Safety - Domestic and family violence	22,727	-
	<u>63,261</u>	<u>173,517</u>
<b>8 Current provisions</b>		
Employee leave provision	41,397	30,330
	<u>41,397</u>	<u>30,330</u>
<b>9 Non-current provisions</b>		
Long service leave provision	37,161	37,616
	<u>37,161</u>	<u>37,616</u>
<b>10 Reconciliation to cash flows from operations</b>		
Net (deficit) for the period	(67,778)	(15,071)
<b>Non-operating cash flows in net profit (loss)</b>		
Depreciation and amortisation	7,930	9,455
Interest received	(2,295)	(3,292)
Other adjustments	-	-
<b>Change in assets and liabilities</b>		
(Increase)/decrease in receivables	(30,387)	(3,929)
Increase/(decrease) in payables	(113,849)	227,029
Increase/(decrease) in provisions	10,612	(4,075)
	<u>(195,767)</u>	<u>210,117</u>
Net cash provided by operating activities		



# Tenancy WA Incorporated

ABN: 74 703 193 741

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 11 Related party information

#### a) Members of the Board

The members of the Board who served for the whole of the financial year, unless otherwise indicated, are as follows:

Nigel Calver	Chairperson (was Secretary then appointed Chair in October 2017)
Sue Pethick	Deputy Chairperson
Mitchell Skala-Brown	Treasurer (appointed May 2017)
Adam Santa Maria	Board member
Gai Walker	Board member (resigned in October 2017)
Wendy Murray	Board member
Pauline Logan	Board member (resigned in October 2017)
Louise Hanniffy	Secretary (was a Board member then appointed Secretary in October 2017)
Jonine Collins	Board member (appointed in October 2017)
Kathy Blitz-Cokis	Board member (appointed in October 2017)

#### b) Related party transactions

There were no related party transactions requiring disclosure during the financial year.

### 12 Auditor's Remuneration

For the year ending 30 June 2018, the following remuneration (excluding GST) has been received or will be received by the auditor:

	2018	2017
	\$	\$
Audit fees	5,000	5,000
Other fees	1,500	1,500
	<u>6,500</u>	<u>6,500</u>

#### Segment information

Tenancy WA Incorporated operates predominantly in one business and geographic segment, being in the provision of legal advice for residential tenancy issues.

### 13 Subsequent events

There have been no events since 30 June 2018 that have had a material effect on the financial statements.

### 14 Tenancy WA Incorporated details

The principal place of business of Tenancy WA Incorporated is:

2/18 Plain Street, EAST PERTH, WA 6004