

Tenancy WA Incorporated
ABN 74703193741

Special Purpose Financial Report
for the year ended
30 June - 2019

**Tenancy WA Incorporated
Boards' report
30 June 2019**

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The Board presents the report on Tenancy WA Incorporated for the financial year ended 30 June 2019.

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

The net surplus of Tenancy WA Incorporated for the financial year ended 30 June 2019 amounted to \$6,232.

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.

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

Nigel Calver	Chairperson
Sue Pethick	Deputy Chairperson
Mitchell Skala-Brown	Treasurer
Adam Santa Maria	Board member to October 2018
Wendy Murray	Board member
Louise Hanniffy	Secretary
Jonine Collins	Board member
Kathy Blitz-Cokis	Board member

On behalf of the Board



Nigel Calver

Date: 01/11/2019

Tenancy WA Incorporated
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General information

The financial statements cover Tenancy WA Incorporated as an individual entity. The financial statements are presented in Australian dollars, which is Tenancy WA Incorporated's functional and presentation currency.

Tenancy WA Incorporated is an association, incorporated in Western Australia and domiciled in Australia.

Its registered office and principal place of business is :

2/18 Plain St Perth WA 6004 Australia

A description of the nature of the Association's operations and its principal activities are included in the officers' report, which is not part of the financial statements.

The financial statements were authorised for issue on October 2019.

Tenancy WA Incorporated
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2019

	Note	2019 \$	2018 \$
Revenue			
<i>Grants</i>			
Department of Mines, Industry Regulations and Safety (DMIRS) - Core funding		607,730	600,237
Department of Mines, Industry Regulations and Safety (DMIRS) - FDV funding		45,455	-
Department of Mines, Industry Regulations and Safety (DMIRS) - Law Reform		115,227	-
SAH Grant Income		184,825	210,408
Commonwealth Legal Service Program (CLSP)		159,643	133,297
Attorney-General's Department - Innovation Project		34,486	92,718
SAH Emergency Relief Funds		9,072	3,508
Piddington Justice Society		4,000	-
<i>Total grants</i>		<u>1,160,438</u>	<u>1,040,168</u>
<i>Other revenue</i>			
Conference		40,259	26,150
Other income		52,510	34,316
Interest		1,045	2,293
<i>Total other revenue</i>		<u>93,814</u>	<u>62,759</u>
Total revenue		<u>1,254,252</u>	<u>1,102,927</u>
Expenses			
Administration	3	(120,744)	(104,949)
Payroll		(898,261)	(862,307)
Program	4	(111,185)	(100,441)
Property		(88,008)	(86,721)
Depreciation		(6,099)	(7,930)
Conference		(23,616)	(8,359)
Total expenses		<u>(1,247,913)</u>	<u>(1,170,707)</u>
Surplus/(deficit) before income tax expense		6,232	(67,780)
Income tax expense		-	-
Surplus/(deficit) after income tax expense	11	6,232	(67,780)
Other comprehensive income for the year		-	-
Total comprehensive income for the year		<u>6,232</u>	<u>(67,780)</u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes and the accompanying Independent Auditor's Report

Tenancy WA Incorporated
Statement of financial position
As at 30 June 2019

	Note	2019 \$	2018 \$
Assets			
Current assets			
Cash and cash equivalents	5	335,697	304,414
Trade and other receivables	6	30,031	49,968
Total current assets		<u>365,728</u>	<u>354,382</u>
Non-current assets			
Property, plant and equipment	7	29,924	36,023
Total non-current assets		<u>29,924</u>	<u>36,023</u>
Total assets		<u>395,652</u>	<u>390,405</u>
Liabilities			
Current liabilities			
Payables	8	111,115	133,995
Employee benefits	9	63,292	41,397
Total current liabilities		<u>174,407</u>	<u>175,392</u>
Non-current liabilities			
Non-current provisions	10	37,161	37,161
Total non-current liabilities		<u>37,161</u>	<u>37,161</u>
Total liabilities		<u>211,568</u>	<u>212,553</u>
Net assets		<u>184,084</u>	<u>177,852</u>
Equity			
Retained surpluses		<u>184,084</u>	<u>177,852</u>
Total equity		<u>184,084</u>	<u>177,852</u>

The above statement of financial position should be read in conjunction with the accompanying notes and the accompanying Independent Auditor's Report

Tenancy WA Incorporated
Statement of changes in equity
For the year ended 30 June 2019

	Retained earnings \$	Total equity \$
Balance at 1 July 2018	245,632	245,632
Deficit after income tax expense for the year	(67,780)	(67,780)
Other comprehensive income for the year	<u>-</u>	<u>-</u>
Total comprehensive income for the year	<u>(67,780)</u>	<u>(67,780)</u>
Balance at 30 June 2018	<u>177,852</u>	<u>177,852</u>

	Retained earnings \$	Total equity \$
Balance at 1 July 2019	177,852	177,852
Surplus after income tax expense for the year	6,232	6,232
Other comprehensive income for the year	<u>-</u>	<u>-</u>
Total comprehensive income for the year	<u>6,232</u>	<u>6,232</u>
Balance at 30 June 2019	<u>184,084</u>	<u>184,084</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes and the accompanying Independent Auditor's Report

Tenancy WA Incorporated
Statement of cash flows
For the year ended 30 June 2019

	Notes	2019	2018
		\$	\$
Cash flows from operating activities			
Receipts from operations		1,264,281	950,910
Payments to suppliers and employees		(1,234,043)	(887,632)
Net cash generated by operating activities	10	<u>30,238</u>	<u>63,278</u>
Cash flows from investing activities			
Acquisition of property, plant and equipment		-	(658)
Interest received		1,045	2,295
Net cash generated by investing activities		<u>1,045</u>	<u>1,637</u>
Cash flows from financing activities			
Net cash generated by financing activities		-	-
Net increase in cash and cash equivalents		<u>31,283</u>	<u>64,915</u>
Cash and cash equivalents at the beginning of the financial year		304,414	239,499
Cash and cash equivalents at the end of the financial year	4	<u>335,697</u>	<u>304,414</u>

The above statement of cash flows should be read in conjunction with the accompanying notes and the accompanying Independent Auditor's Report

Note 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) 2015 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

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.

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).

Note 1. Statement of significant accounting policies (continued)

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.

l) New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Association for the annual reporting period ended 30 June 2019. The Association has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Estimation of useful lives of assets

The Association determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Employee benefits provision

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Tenancy WA Incorporated
Notes to the financial statements
30 June 2019

Note 3. Administration

	2019	2018
	\$	\$
Audit and accounting fee	29,065	14,500
Advertising	1,651	11,544
Cleaning	5,106	5,444
Computer	6,890	4,690
Consultancy	6,839	10,043
Insurance	7,353	5,048
Memberships	14,695	8,866
Telephone & internet	12,947	15,700
Printing	8,179	5,008
Staff expense	8,827	10,754
Other	19,192	13,352
	<u>120,744</u>	<u>104,949</u>

Note 4. Program

	2019	2018
	\$	\$
Safe as Houses Contract Expenses	95,660	88,157
Safe as Houses Emergency Relief Expenses	10,880	4,768
SAH website & database development Expenses	4,645	7,516
	<u>111,185</u>	<u>100,441</u>

Note 5. Current assets - Cash and cash equivalents

	2019	2018
	\$	\$
Cash on hand	238	238
Cash at bank	<u>335,459</u>	<u>304,176</u>
	<u>335,697</u>	<u>304,414</u>

Note 6. Current assets - Trade and other receivables

	2019	2018
	\$	\$
Trade receivables	6,380	27,655
Prepayments	23,651	7,662
Accrued income - Women and Children's Homelessness Intervention Project	<u>-</u>	<u>14,651</u>
	<u>30,031</u>	<u>49,968</u>

Tenancy WA Incorporated
Notes to the financial statements
30 June 2019

Note 7. Non-current assets - property, plant and equipment

	2019	2018
	\$	\$
Plant and equipment	86,131	86,131
Less: Accumulated depreciation	<u>(56,207)</u>	<u>(50,108)</u>
	<u>29,924</u>	<u>36,023</u>

Note 8. Current liabilities - payables

	2019	2018
	\$	\$
Creditors	3,407	22,736
Unspent grants	38,409	63,261
Other Payables	57,134	31,016
Accrued Expenses	<u>12,165</u>	<u>16,982</u>
	<u>111,115</u>	<u>133,995</u>

Note 9. Current liabilities - employee benefits

	2019	2018
	\$	\$
Annual leave	<u>63,292</u>	<u>41,397</u>

Note 10. Non-current liabilities - Non-Current provisions

	2019	2018
	\$	\$
Long service leave	<u>37,160</u>	<u>37,161</u>

Tenancy WA Incorporated
Notes to the financial statements
30 June 2019

Note 11. Related party transactions

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

	2019	2018
Note 12. Auditor's Remuneration	\$	\$
For the year ending 30 June 2019, the following remuneration (excluding GST) has been received or will be received by the auditor:		
Audit fees	5,000	5,000
Other fees	1,500	1,500
	<u>6,500</u>	<u>6,500</u>

Note 13. Segment information

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

**Tenancy WA Incorporated
Declaration of the Board
30 June 2019**

In the opinion of the Board:

- the incorporated association is not a reporting entity because there are no users dependent on general purpose financial statements. Accordingly, as described in note 1 to the financial statements, the attached special purpose financial statements have been prepared for the purposes of complying with the Australian Charities and Not-for-profits Commission Act 2012 and Western Australian legislation the Associations Incorporation Act 2015;
- the attached financial statements and notes comply with the Accounting Standards as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the incorporated association's financial position as at 30 June 2019 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the incorporated association will be able to pay its debts as and when they become due and payable.

On behalf of the Board



Nigel Calver

Date: 01/11/2019

Date:

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 Directors 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 2019, 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: 1 November 2019



DIRECTORS:

ROBERT CAMPBELL CA, CPA, RCA, MSW

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

ALASTAIR ABBOTT CA, RCA, M.FORENSIC ACCOUNTING

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 2019, 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 of Directors.

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:

- d) giving a true and fair view of the Entity’s financial position as at **30 June 2019**, and of its financial performance and its cash flows for the year then ended; and
- e) 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 Management and Those Charged with Governance for the Financial Report

Management 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 Management also includes such internal control as management 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, management 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 management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are 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: 1 November 2019