



Eastern Community Legal Centre Inc

ABN 89 833 124 364

Financial Statements
For the year ended 30 June 2018

Eastern Community Legal Centre Inc
ABN 89 833 124 364

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Eastern Community Legal Centre Inc
ABN 89 833 124 364
Board's Report
For the year ended 30 June 2018

Your board members submit the financial accounts of the Eastern Community Legal Centre Inc for the financial year ended 30 June 2018.

Board Members

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

Janet Matton
 Tony Monley
 Jose Abalo
 Christine Cowen
 Malcolm Cumming
 Jeanette Mc Rae
 Guy Masters
 Luong Ta
 Katherine Dowson

Principal Activities

The principal activities of the association during the financial year were: Community legal services.

Significant Changes

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

Operating Result

The profit from ordinary activities after providing for income tax amounted to

Year ended 30 June 2018	Year ended 30 June 2017
\$	\$
4,847	25,625

Signed in accordance with a resolution of the Members of the Board on November 7, 2018



Janet Matton



Tony Monley

Eastern Community Legal Centre Inc
ABN 89 833 124 364
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2018

	Note	2018 \$	2017 \$
Revenue		2,824,994	2,775,335
Gross profit		2,824,994	2,775,335
Staffing Expenses		(2,466,142)	(2,392,927)
Program Expenses		(124,672)	(140,049)
Property & Equipment Expenses		(141,253)	(130,864)
Administration expenses		(88,080)	(85,870)
Surplus before income tax		4,847	25,625
Income tax (credit) expense			
Surplus for the year		4,847	25,625
Other comprehensive income:			
Items that will not be reclassified subsequently to profit or loss:			
Items that will be reclassified subsequently to profit or loss when specific conditions are met:			
Total other comprehensive income for the year, net of tax			
Total comprehensive income for the year		4,847	25,625

The accompanying notes form part of these financial statements.

Eastern Community Legal Centre Inc
ABN 89 833 124 364
Statement of Financial Position as at 30 June 2018

	Note	2018 \$	2017 \$
Assets			
Current Assets			
Cash assets	2	161,358	135,307
Receivables	3	49,547	
Other	5	915,831	961,402
Total Current Assets		1,126,736	1,096,709
Non-Current Assets			
Other financial assets	4	5	5
Property, plant and equipment	6	138,870	58,033
Total Non-Current Assets		138,875	58,038
Total Assets		1,265,611	1,154,747
Liabilities			
Current Liabilities			
Payables	7	101,676	108,925
Current tax liabilities	8	45,263	29,279
Provisions	9	301,279	209,685
Other	10	535,941	491,958
Total Current Liabilities		984,159	839,847
Non-Current Liabilities			
Provisions	9	52,774	91,069
Total Non-Current Liabilities		52,774	91,069
Total Liabilities		1,036,933	930,916
Net Assets		228,678	223,831
Equity			
Retained earnings		228,678	223,831
Total Members' Funds		228,678	223,831

The accompanying notes form part of these financial statements.

Eastern Community Legal Centre Inc
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Statement of Cash Flows
For the year ended 30 June 2018

	2018	2017
	\$	\$
Cash Flow From Operating Activities		
Receipts from grants and others	2,755,143	2,850,564
Payments to Suppliers and employees	(2,684,817)	(2,843,374)
Interest received	20,304	22,985
Net cash provided by (used in) operating activities (note 2)	90,630	30,175
Cash Flow From Investing Activities		
Payment for:		
OtherAssets	3,695	(6,855)
Payments for property, plant and equipment	(129,490)	(8,831)
Receipts for property, plant and equipment	17,212	
Net cash provided by (used in) investing activities	(108,583)	(15,686)
Net increase (decrease) in cash held	(17,953)	14,489
Cash at the beginning of the year	1,087,455	1,072,966
Cash at the end of the year (note 1)	1,069,502	1,087,455

The accompanying notes form part of these financial statements.

Eastern Community Legal Centre Inc
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Statement of Cash Flows
For the year ended 30 June 2018

2018

2017

Note 1. Reconciliation Of Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.

Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

Bank Australia Debit Card	1,108	9,274
Cash at Bank - Salary Packaging A/C	500	500
Cash at Bank - Bendigo Operating	153,205	124,515
Bendigo Bank - Debit Cards	5,757	
Petty Cash - Box Hill	454	425
Petty Cash - Boronia	37	339
Petty Cash - Healesville	208	76
Petty Cash - Sage	89	179
Short term deposits - Bendigo Bank	908,144	952,147
	1,069,502	1,087,455

Note 2. Reconciliation Of Net Cash Provided By/Used In Operating Activities To Net Profit

Operating profit (loss) after tax	4,847	25,625
Depreciation	31,257	25,020
Loss on disposal of fixed assets	183	
Changes in assets and liabilities:		
(Increase) decrease in trade and term debtors	(49,547)	98,214
(Increase) decrease in prepayments	(2,127)	
Increase (decrease) in trade creditors and accruals	109	(18,124)
Increase (decrease) in other creditors	36,625	(84,988)
Increase (decrease) in employee entitlements	53,299	7,178
Increase (decrease) in sundry provisions	15,984	(22,750)
Net cash provided by operating activities	90,630	30,175

The accompanying notes form part of these financial statements.

Eastern Community Legal Centre Inc
ABN 89 833 124 364
Notes to the Financial Statements
For the year ended 30 June 2018

Note 1: Statement of Significant Accounting Policies

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Associations Incorporation Reform Act 2012 and the Australian Charities and Not-for-profits Commission Act 2012..

The financial report covers Eastern Community Legal Centre Inc as an individual entity. Eastern Community Legal Centre Inc is an association incorporated in Victoria under the Associations Act 2012.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the economic entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Income tax

The Association is a Public Benevolent Institution and is exempt from Australian Income Tax. It is endorsed as a Deductible Gift Recipient and donations of \$2 or more are tax deductible.

Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation.

a) Property

Freehold land and buildings are measured on the fair value basis, being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction. It is a policy of Eastern Community Legal Centre Inc to have an independent valuation every three years, with annual appraisals being made by the directors.

The revaluation of freehold land and buildings has not taken account of the potential capital gains tax on assets acquired after the introduction of capital gains tax.

b) Plant and equipment

The carrying amount of plant and equipment is reviewed annually to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining the recoverable amounts.

c) Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to Eastern Community Legal Centre Inc commencing from the time the asset is held ready for use. Properties held for investment purposes are not subject to a depreciation charge. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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Notes to the Financial Statements
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The depreciation rates used for each class of depreciable asset are:

Class of Asset	DepreciationRate %
Plant and equipment	40%
Other plant and equipment	40%
Motor vehicles	25%
Other	20%

Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to Eastern Community Legal Centre Inc are classified as finance leases. Finance leases are capitalised recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual value.

Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that ownership of the asset will be obtained or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability. Lease payments received reduce the liability.

Investments

Shares in listed companies held as current assets are valued at those shares' market value at each balance date. The gains or losses, whether realised or unrealised, are included in profit from ordinary activities before income tax.

Non-current investments are measured on the cost basis. The carrying amount of non-current investments is reviewed annually to ensure it is not in excess of the recoverable amount of these investments. The recoverable amount is assessed from the quoted market value for listed investments or the underlying net assets for other non-listed investments.

The expected net cash flows from investments have not been discounted to their present value in determining the recoverable amounts.

Employee entitlements

Provision is made for the liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at their nominal amount. Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash out flows to be made for those entitlements.

Contributions are made by Eastern Community Legal Centre Inc to an employee superannuation funds and are charged as expenses when incurred.

Eastern Community Legal Centre Inc
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Notes to the Financial Statements
For the year ended 30 June 2018

Eastern Community Legal Centre Inc does not record, as an asset or a liability, the difference between the employer established defined benefit superannuation plan's accrued benefits and the net market value of the plans assets.

Cash

For the purpose of the statement of cash flows, cash includes cash on hand and in all call deposits with banks or financial institutions, investments in money market instruments maturing within less than three months, net of bank overdrafts.

Comparative Figures

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

Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Interest revenue is recognised on a proportional basis taking in to account the interest rates applicable to the financial assets.

Dividend revenue is recognised when the right to receive a dividend has been established. Dividends received from associates and joint venture entities are accounted for in accordance with the equity method of accounting.

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).

Eastern Community Legal Centre Inc
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Notes to the Financial Statements
For the year ended 30 June 2018

	<u>2018</u>	<u>2017</u>
Note 2: Cash assets		
Bank accounts:		
- Bank Australia Debit Card	1,108	9,274
- Cash at Bank - Salary Packaging A/C	500	500
- Cash at Bank - Bendigo Operating	153,205	124,515
- Bendigo Bank - Debit Cards	5,757	
Other cash items:		
- Petty Cash - Box Hill	454	425
- Petty Cash - Boronia	37	339
- Petty Cash - Healesville	208	76
- Petty Cash - Sage	89	178
	<u>161,358</u>	<u>135,307</u>

Note 3: Receivables**Current**

Trade debtors	<u>49,547</u>	
	<u>49,547</u>	

Note 4: Other Financial Assets**Non-Current**

Shares in other companies - at cost

- Unlisted	<u>5</u>	<u>5</u>
	<u>5</u>	<u>5</u>
	<u>5</u>	<u>5</u>

Eastern Community Legal Centre Inc
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Notes to the Financial Statements
For the year ended 30 June 2018

	2018	2017
Note 5: Other Assets		
Current		
Short term deposits	908,144	952,147
Prepayments	2,127	
Other	5,560	9,255
	915,831	961,402
 Note 6: Property, Plant and Equipment		
Motor vehicles:		
- At cost	26,731	26,053
- Less: Accumulated depreciation	(2,228)	(9,566)
	24,503	16,487
Other property, plant and equipment:		
- At cost	204,873	142,603
- Less: Accumulated depreciation	(90,506)	(101,057)
	114,367	41,546
	138,870	58,033
 Note 7: Payables		
Unsecured:		
- Trade creditors	7,998	7,889
- Other creditors	93,678	101,036
	101,676	108,925
	101,676	108,925

The accompanying notes form part of these financial statements.

Eastern Community Legal Centre Inc
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Notes to the Financial Statements
For the year ended 30 June 2018

	<u>2018</u>	<u>2017</u>
Note 8: Tax Liabilities		
Current		
GST payable	57,450	39,920
Input tax credit	(12,187)	(10,641)
	<u>45,263</u>	<u>29,279</u>
 Note 9: Provisions		
Current		
Employee entitlements*	301,279	209,685
	<u>301,279</u>	<u>209,685</u>
 Non Current		
Employee entitlements*	52,774	91,069
	<u>52,774</u>	<u>91,069</u>
 * Aggregate employee entitlements liability	 354,053	 300,754
 There were 40 employees at the end of the year		
 Note 10: Other Liabilities		
Current		
VLA SAC's ERO Extra	97,161	112,797
VLA Carry forward surplus	(2,884)	2,923
VLA Grants In Advance		50,200
Income In Advance	441,664	326,038
	<u>535,941</u>	<u>491,958</u>

The accompanying notes form part of these financial statements.

Eastern Community Legal Centre Inc
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Notes to the Financial Statements
For the year ended 30 June 2018

2018

2017

Note 11: Capital and Leasing Commitments

Operating lease expenditure contracted for at balance date that is not cancellable and is not provided for in the accounts:

Payable:

No later than one year	46,069	14,093
Later than one year but not later than two years	57,023	450
	<u>103,092</u>	<u>14,543</u>

Eastern Community Legal Centre Inc

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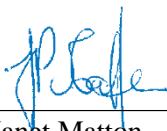
Statement by Members of the Board

For the year ended 30 June 2018

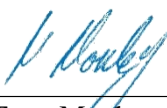
In the opinion of the Board the Statement of Financial Position, Statement of Financial Performance, Statement of Cash Flows and Notes to the Financial Statements:

1. Presents fairly the financial position of Eastern Community Legal Centre Inc as at 30 June 2018 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that the association will be able to pay its debts as and when they fall due.

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



Janet Matton
Chairperson



Tony Monley
Treasurer

November 7, 2018

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Eastern Community Legal Centre Inc (the association), 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 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 Eastern Community Legal Centre Inc is in accordance with the Associations Incorporation Reform Act 2012 and the Australian Charities and Not-for-profits Commission Act 2012 including:

- (a) giving a true and fair view of the association's financial position as at 30 June 2018 and of its performance for the year then ended; and
- (b) that the financial records kept by the association are such as to enable financial statements to be prepared in accordance with Australian Accounting Standards.

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 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 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.

Information Other than the Financial Report and Auditor's Report Thereon

The board of the association is responsible for the other information. The other information comprises the information included in the association's annual report for the year ended 30 June 2018, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board for the Financial Report

The board of the association is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Associations Incorporations Reform Act 2012, the Australian Charities and Not-for-profits Commission Act 2012 and for such internal control as the board determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Director;
A.R Ager CA, BEc
Registered Company Auditor

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Authorised Audit Company
No. 453122

Eastern Community Legal Centre Inc

ABN 89 833 124 364

Independent Auditor's Report to the Members

In preparing the financial report, the board is responsible for assessing the association's ability to continue as a going concern, disclosing, as applicable, matters related 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 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 the 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 board.
- Conclude on the appropriateness of the board'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 board 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.

Eastern Community Legal Centre Inc
ABN 89 833 124 364
Independent Auditor's Report to the Members

Signed on : 9TH NOVEMBER, 2018.

ASSUR PTY LTD
ASSUR PTY LTD
Authorised Audit Company Number: 453122
Chartered Accountants


Anthony Ager
Director - Audit & Assurance
Chartered Accountant

Eastern Community Legal Centre Inc
ABN 89 833 124 364
Certificate by Member of the Board
For the year ended 30 June 2018

I, Janet Matton, and I, Tony Monley certify that:

- a. We attended the annual general meeting of the association held on 20 November 2018
- b. The financial statements for the year ended 30 June 2018 were submitted to the members of the association at its annual general meeting.

Dated 20 November 2018



Janet Matton
Board Member



Tony Monley
Board Member

Eastern Community Legal Centre Inc
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Income and Expenditure Statement
For the year ended 30 June 2018

	2018	2017
	\$	\$
Income		
CLSP - Commonwealth	920,656	920,953
CLSP - State	1,006,215	888,256
Local Government	143,039	93,466
Fundraising & Donations	25,744	25,091
Services & Other Income	26,370	29,165
Memberships	183	118
Community Partnerships	682,483	795,300
Interest received	20,304	22,986
Total income	2,824,994	2,775,335
Expenses		
Staffing Expenses		
- Wages	2,079,247	2,029,626
- Superannuation Contributions	200,576	190,664
- Training & On Costs	164,113	147,283
- Workcover	5,145	6,051
- Contractors	17,061	19,303
	2,466,142	2,392,927
Program Expenses		
- Legal Practice	27,636	16,902
- Community Partnerships	17,509	7,751
- Program Expenses	74,407	110,449
- Volunteer Expenses	5,120	4,947
	124,672	140,049
Property & Equipment Expenses		
- Building Costs: R & M	26,240	24,216
- Building costs: Rent	60,017	58,976
- Depreciation	31,257	25,020
- Equipment Costs: R & M	17,934	18,064
- Insurance	2,897	2,208
- Motor Vehicle Costs	2,725	2,380
- Loss on Disposal of Asset	183	
	141,253	130,864

Eastern Community Legal Centre Inc
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Income and Expenditure Statement
For the year ended 30 June 2018

	2018	2017
	\$	\$
Administration Expenses		
- Board Costs	1,638	585
- Finance Costs	427	408
- Postage & Couriers	3,535	4,058
- Printing & Stationery	42,930	41,869
- Telephone	35,610	34,091
- Audit	3,940	4,859
	<u>88,080</u>	<u>85,870</u>
Total expenses	<u>2,820,147</u>	<u>2,749,710</u>
Surplus from ordinary activities before income tax	4,847	25,625
Income tax revenue relating to ordinary activities		
Net surplus attributable to the association	4,847	25,625
Total changes in equity of the association	4,847	25,625
Opening retained earnings	223,831	198,206
Net surplus attributable to the association	<u>4,847</u>	<u>25,625</u>
Closing retained earnings	<u>228,678</u>	<u>223,831</u>