

Top End Women's Legal Service Incorporated

ABN: 42 830 944 178

Special Purpose Financial Report For The Year Ended

30 June 2022

Top End Women's Legal Service Incorporated

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Special Purpose Financial Report For The Year Ended 30 June 2022

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TOP END WOMEN'S LEGAL SERVICE INCORPORATED

ABN: 42 830 944 178

FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

COMMITTEE REPORT

The Committee Members submit the financial report of the Top End Women's Legal Service Incorporated for the financial year ended 30 June 2022.

Committee Members

The names of Committee Members throughout the year and at the date of this report are:

Chris Osborne (Chairperson)

Rose Mills (Treasurer)

Sim O'Callaghan (Secretary)

Carol Cummins

Danielle Everleigh

Emma Farnell

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

Principal Activities

The principal activities of the Association during the financial year were:

To provide legal services to women, with special concerns for women who face discrimination for reasons such as, but not limited to: race, culture, language, poverty, age, disability and sexuality;

To educate women and the community in general so that women can participate fully and confidently in legal matters which affect them;

To research and evaluate the impact of existing laws and legal processes on women's access to justice and work towards law reform in areas of particular relevance to women;

To work towards the empowerment of all women within the legal system and consequently within society; and

To support and uphold The principles of the UN Convention on The Elimination of All Forms of Discrimination against women, The UN International Covenant and Civil and Political Rights, and The UN Declaration on The Elimination of Violence against Women.

Significant Changes

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

Operating Result

The Association's operating profit for the financial year amounted to \$327,744 (2021: Profit: \$101,107).

Events After the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results of those operations, or the state of affairs of the Association in future financial years.

Chris Osborne (Chairperson)



Rose Mills (Treasurer)



Dated this

1st

day of

September

2022

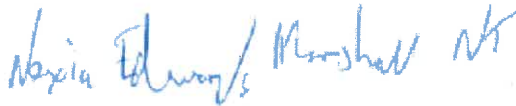
AUDITOR'S INDEPENDENCE DECLARATION

UNDER SECTION 60-40 OF THE AUSTRALIAN CHARTITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012

TO THE MEMBERS OF THE TOP END WOMEN'S LEGAL SERVICE INCORPORATED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2022 there have been:

- (i) No contraventions of the auditor independence requirements as set out in *Section 60-40 of the Australian Charities Not-for-profits Commission Act 2012*, in relation to the audit, and
- (ii) No contraventions of any applicable code of professional conduct in relation to the audit.



Nexia Edwards Marshall NT
Chartered Accountants



Noel Clifford
Partner

Dated: 02 September 2022

TOP END WOMEN'S LEGAL SERVICE INCORPORATED
ABN: 42 830 944 178
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 \$	2021 \$
Income			
Grant funding for the year		1,104,234	753,751
Legal Practitioners Fidelity Fund		17,142	17,142
Profit (Loss) on disposal of assets		-	(2,819)
Cash flow boost income		-	38,992
Interest		-	71
Other		113,810	20,273
Total operating revenues		1,235,186	827,410
Operating Expenses			
Accounting services		9,310	6,210
Audit fees		3,800	3,600
Cleaning		3,383	4,545
Computer expenses		15,826	3,683
Consultation costs		19,526	134
Depreciation on property plant and equipment		8,930	17,853
Depreciation on right of use assets		25,100	-
Insurance		5,067	6,254
Interest expense - lease liabilities		8,595	-
Leasing expense - low value assets		2,673	2,673
Legal costs		1,500	4,715
Motor vehicle expenses		3,576	2,940
Movements in employee provisions		(18,510)	(9,103)
Office equipment maintenance		3,112	2,475
Office improvement costs		67,035	-
Other employee expenses		3,975	1,370
Other expenses		16,455	2,474
Practising certificates		744	2,058
Printing and stationery		6,557	2,354
Rent and tenancy costs		17,093	-
Salaries		623,490	611,375
Superannuation expenses		59,781	47,799
Telephone and internet		7,042	5,319
Training fees		293	3,015
Travel and accommodation costs		7,819	-
Utilities		5,270	4,560
Total operating expenses		907,442	726,303
Net current year profit		327,744	101,107
Other comprehensive income		-	-
Total Other Comprehensive Income		-	-
Total Comprehensive Income for the year		327,744	101,107
PROFIT ATTRIBUTABLE TO MEMBERS OF THE ASSOCIATION		327,744	101,107
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO MEMBERS OF THE ASSOCIATION		327,744	101,107

The accompanying notes form part of these financial statements.

TOP END WOMEN'S LEGAL SERVICE INCORPORATED
ABN: 42 830 944 178
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and bank	2	985,568	858,840
Other current assets	3	13,477	3,446
TOTAL CURRENT ASSETS		999,045	862,286
NON-CURRENT ASSETS			
Property, plant and equipment	4	2,266	11,196
Right of use assets	5	336,338	-
Intangible assets	6	-	-
TOTAL NON-CURRENT ASSETS		338,604	11,196
TOTAL ASSETS		1,337,649	873,482
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	7	109,269	65,931
Other current liabilities	8	-	229,951
Lease liabilities	9	49,474	-
Employee Provisions	10	38,387	56,897
TOTAL CURRENT LIABILITIES		197,130	352,779
NON-CURRENT LIABILITIES			
Lease liabilities	9	292,072	-
Employee Provisions	10	83,423	83,423
TOTAL NON-CURRENT LIABILITIES		375,495	83,423
TOTAL LIABILITIES		572,625	436,202
NET ASSETS		765,024	437,280
MEMBER'S FUNDS			
Retained earnings		765,024	437,280
MEMBERS' FUNDS		765,024	437,280

The accompanying notes form part of these financial statements.

TOP END WOMEN'S LEGAL SERVICE INCORPORATED
ABN: 42 830 944 178
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2022

	Retained Earnings	Total Equity
	\$	\$
Balance at 1 July 2020	336,173	336,173
Comprehensive income:		
Profit for the year	101,107	101,107
Other comprehensive income for the year	-	-
Total comprehensive income attributable to Members of the entity for the year	101,107	101,107
Balance at 30 June 2021	437,280	437,280
Balance at 1 July 2021	437,280	437,280
Comprehensive income:		
Profit for the year	327,744	327,744
Other comprehensive income for the year	-	-
Total comprehensive profit attributable to Members of the entity for the year	327,744	327,744
Balance at 30 June 2022	765,024	765,024

The accompanying notes form part of these financial statements.

TOP END WOMEN'S LEGAL SERVICE INCORPORATED
ABN: 42 830 944 178
STATEMENT OF CASH FLOWS FOR YEAR ENDED 30 JUNE 2022

	Note	2022 \$	2021 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from grants		874,283	973,512
Other receipts from customers		130,952	76,407
Payments to suppliers		(167,309)	(21,320)
Payments to employees		(682,711)	(659,174)
Interest received		-	71
Net cash provided by/(used in) operating activities	11	155,215	369,496
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		-	1,600
Purchase of property, plant and equipment and intangible assets		-	(5,602)
Net cash provided by/(used in) investing activities		-	(4,002)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments for lease liabilities		(28,487)	-
Net increase/ (decrease) in cash held		126,728	365,494
Cash on hand at beginning of financial year		858,840	493,346
Cash on hand at end of financial year	2	985,568	858,840

The accompanying notes form part of these financial statements.

TOP END WOMEN'S LEGAL SERVICE INCORPORATED
ABN: 42 830 944 178
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

Note 1 Summary of Significant Accounting Policies

Financial Reporting Framework

The Committee Members have prepared the financial statements on the basis that the Association is a non-reporting entity because there are no users dependent on general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the reporting requirements of the Northern Territory of Australia Association Act 2003 and the Australian Charities and Not for Profits Commission Act 2012. The Committee Members have determined that the Association is not a reporting entity. The Association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the Australian Charities and Not for Profits Commission Act 2012 and the significant accounting policies disclosed below, which the Committee Members have determined are appropriate to meet the needs of Members. Such accounting policies are consistent with those of previous periods unless stated otherwise.

The financial statements were authorised for issue on September 2022 by the Committee Members of the Association.

Statement of Compliance

The financial statements have been prepared in accordance with the Northern Territory of Australia Association Act 2003 and with the mandatory Australian Accounting Standards applicable to entities reporting under the Australian Charities and Not for Profits Commission Act 2012, the basis of accounting specified by all Australian Accounting Standards and Interpretations, and the disclosure requirements of Accounting Standards AASB 101: Presentation of Financial Statements, AASB107: Cash Flow Statements, AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors, AASB 1031: Materiality and AASB 1054: Australian Additional Disclosures; as appropriate for Not-for-Profit oriented entities.

The Association has concluded that the requirements set out in AASB 10 and AASB 128 are not applicable as the Association does not have any subsidiaries, associates or joint ventures. Hence the financial statements comply with all the recognition and measurement requirements in Australian Accounting Standards.

Basis of Preparation

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

(a) Revenue and Other Income

Contributed Assets

The Association receives assets from the government and other parties for nil or nominal consideration in order to further its objectives. These assets are recognised in accordance with the recognition requirements of other applicable accounting standards (AASB 9, AASB 16, AASB 116 and AASB 138).

On initial recognition of an asset, the Association recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer).

The Association recognises income immediately in profit or loss as the difference between initial carrying amount of the asset and the related amounts.

Operating Grants, Donations and Bequests

When the Association receives operating grant revenue, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

When both these conditions are satisfied, the Association :

- identifies each performance obligation relating to the grant;
- recognises a contract liability for its obligations under the agreement; and
- recognises revenue as it satisfies its performance obligations.

When the contract is not enforceable or does not have sufficiently specific performance obligations, the Association:

TOP END WOMEN'S LEGAL SERVICE INCORPORATED
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NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

Note 1 **Summary of Significant Accounting Policies (Cont.)**

(a) Revenue and Other Income (cont.)

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (AASB 9, AASB 16, AASB 116 and AASB138);
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer); and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If a contract liability is recognised as a related amount above, the Association recognises income in profit or loss when or as it satisfies its obligations under the contract.

Capital Grant

When the Association receives a capital grant, it recognises a liability for the excess of the initial carrying amount of the financial asset received over any related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer) recognised under other Australian Accounting Standards.

The Association recognises income in profit or loss when or as the Association satisfies its obligations under the terms of the grant.

Interest Income

Interest income is recognised using the effective interest method.

Dividend Income

The Association recognises dividends in profit or loss only when the right to receive payment is established.

Income from Sale of Goods

Revenue is recognised when control of the products has transferred to the customer. For such transactions, this is when the products are delivered to the customers. Discounts are not provided with the sale of these items.

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

(b) Property, Plant and Equipment

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

Leasehold improvements

Leasehold improvements are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any impairment losses.

Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses.

The carrying amount of leasehold improvements and plant and equipment are reviewed annually by Committee Members to ensure they are not in excess of the recoverable amount from these 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.

In the event the carrying amount of leasehold improvements and plant and equipment is greater than their estimated recoverable amount, the carrying amount is written down immediately to their estimated recoverable amount and impairment losses are recognised in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(e) for details of impairment).

Plant and equipment that have been contributed at no cost, or for nominal cost, are valued and recognised at the fair value of the asset at the date it is acquired.

TOP END WOMEN'S LEGAL SERVICE INCORPORATED
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NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

Note 1 **Summary of Significant Accounting Policies (Cont.)**

(b) Property, Plant and Equipment (cont.)

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Association commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Office equipment	10-67%
Motor Vehicles	25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(c) Leases

The Association as Lessee

At inception of a contract, the Association assess if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Association where the Association is a lessee. However all contracts that are classified as short term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating lease on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Association uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows :

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest. Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Association anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

Concessionary Leases

For leases that have significantly below market terms and conditions principally to enable the Association to further its objectives (commonly known as peppercorn / concessionary leases), the Association has adopted the temporary relief under AASB 2018-8 and measures the right of use assets at cost on initial recognition.

TOP END WOMEN'S LEGAL SERVICE INCORPORATED
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NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

Note 1

Summary of Significant Accounting Policies (Cont.)

(d) Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the Association becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the Association commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain significant financing component or if the practical expedient was applied as specified in AASB 15: Revenue from Contracts with Customers.

Classification and Subsequent Measurement

Financial liabilities

Financial liabilities are subsequently measured at: amortised cost; or fair value through profit or loss.

A financial liability is measured at fair value through profit or loss if the financial liability is: a contingent consideration of an acquirer in a business combination to which AASB 3: Business Combinations applies; held for trading; or initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is used to allocate interest income or interest expense over the relevant period. The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if it is: incurred for the purpose of repurchasing or repaying in the near term; part of a portfolio where there is an actual pattern of short-term profit taking; or a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in effective hedging relationships).

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial liability.

If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses should be taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.

Financial assets

Financial assets are subsequently measured at: amortised cost; fair value through other comprehensive income; or fair value through profit or loss

Measurement is on the basis of two primary criteria: the contractual cash flow characteristics of the financial asset; and the business model for managing the financial assets.

TOP END WOMEN'S LEGAL SERVICE INCORPORATED
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NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

Note 1 **Summary of Significant Accounting Policies (Cont.)**

(d) Financial Instruments (Cont.)

Impairment

The Association recognises a loss allowance for expected credit losses on :

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets (eg amount due from customers under contracts);
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for :

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability- weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The Association uses the following approach to impairment, as applicable under AASB 9 : Financial Instruments :

- the simplified approach.

Simplified Approach

The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times.

The approach is applicable to :

- trade receivables; and
- lease receivables.

In measuring the expected credit loss, a provision matrix for trade receivable is used, taking into consideration various data to get to an expected credit loss (ie diversity of its customer base, appropriate groupings of its historical loss experience, etc).

Recognition of Expected Credit Losses in Financial Statements

At each reporting date, the Association recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. The amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

For financial assets that are unrecognised (eg loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

TOP END WOMEN'S LEGAL SERVICE INCORPORATED
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NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

Note 1 Summary of Significant Accounting Policies (Cont.)

(e) Impairment of Assets

At the end of each reporting period, the Association reviews the carrying amounts 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 of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

Where the future economic benefits of the assets are not primarily dependent upon the asset's ability to generate net cash inflows and when the Association would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where the assets are not held primarily for their ability to generate net cash inflows – that is, they are specialised assets held for continuing use of their service capacity – the recoverable amounts are expected to be materially the same as fair value.

Where it is not possible to estimate the recoverable amount of an individual asset, the Association estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued individual asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

(f) Employee Benefits

Short-term employee benefits

Provision is made for the Association's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries, annual leave and superannuation. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Association's obligations for short-term employee benefits such as wages, salaries and superannuation are recognised as a part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

The Association classifies employees' long service leave, parental leave and redundancy entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the Association's obligation for other long-term employee benefits.

The Association's obligations for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the Association does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current liabilities.

The Association based on past experience records employee's long service leave entitlements when they have completed 5 years of continuous employment with the organisation.

Retirement benefit obligations

Defined contribution superannuation benefits

Contributions are made by the Association to employees superannuation funds and are charged as expenses when incurred.

(g) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

TOP END WOMEN'S LEGAL SERVICE INCORPORATED
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NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

Note 1 Summary of Significant Accounting Policies (Cont.)

(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.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(i) Income Tax

No provision for income tax has been raised as the Association is exempt from income tax under Div. 50 of the Income Tax Assessment Act 1997.

(j) 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 recognised represent the best estimate of the amounts required to settle the obligation at the end of reporting period.

(k) Comparative Figures

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

(l) Trade and Other Receivables

Trade and other receivables include amounts due from clients for fees and services provided, from donors and any outstanding grant receipts. 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.

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(e) for further discussion on the determination of impairment losses.

(m) Contract Assets

Contract assets are recognised when the Association has transferred goods or services to the customer and or completed required performance obligations, but has yet to establish unconditional rights to consideration. Contract assets are treated as financial assets for impairment purposes.

(n) Intangible Assets

Software

Software is initially recognised at cost. It has a finite life and is carried at cost less any accumulated amortisation and impairment losses. Software has an estimated useful life of between one and three years. It is assessed annually for impairment.

(o) Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the Association during the reporting period that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(p) Contract Liabilities

Contract liabilities represent the Association's obligation to transfer goods or services to a customer or complete required performance obligations and are recognised when a customer pays consideration, or when the Association recognises a receivable to reflect its unconditional right to consideration (whichever is earlier), before the Association has transferred the goods or services to the customer and or completed required performance obligations.

TOP END WOMEN'S LEGAL SERVICE INCORPORATED
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NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

Note 1 **Summary of Significant Accounting Policies (Cont.)**

(q) Critical Accounting Estimates and Judgements

The Committee Members evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Association.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Key estimates

(i) Impairment- General

The Association assesses impairment at the end of each reporting period by evaluating conditions and events specific to the Association that may be indicative of impairment triggers.

Impairment of leasehold improvements and plant and equipment

The Association assesses impairment of leasehold improvements and plant and equipment at each reporting date by evaluating conditions specific to the Association and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs to sell or value-in-use calculations, which incorporate a number of key estimates and assumptions. There was no provision for impairment of leasehold improvements and plant and equipment at 30 June 2022 (2021: \$Nil).

Impairment of accounts receivable

The provision for impairment of receivables assessment requires a degree of estimation and judgement. The level of provision is assessed by taking into account the recent sales experience, the ageing of receivables, historical collection rates and specific knowledge of the individual debtors' financial position. Provision for impairment of receivables at 30 June 2022 amounted to \$Nil (2021: \$Nil).

Provisions for Redundancy

Included in current liabilities at the end of the reporting period are provisions for redundancy amounting to \$39,053 (2021: \$39,053). The Association expects that this would be the amount payable to employees should redundancy occurs in accordance with the National Employment Standards.

Provisions for Parental Leave

Provisions for parental leave amounting to \$27,925 (2021: \$27,925) is additional benefit provided for employees who are eligible for 12 months parental leave. As of reporting date, the Association believes that this would not happen in the next 12-month period and therefore this satisfies the definition of other long-term benefits.

(ii) Useful lives of property, plant and equipment

The Association reviews the estimated useful lives of leasehold improvements and plant and equipment at the end of each reporting period, based on the expected utility of the 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.

Key judgments

(i) Performance Obligations Under AASB 15

To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature / type, cost /value, quantity and the period of transfer related to the goods or services promised.

(ii) Lease Term and Option to Extend under AASB 16

The lease term is defined as the non-cancellable period of a lease together with both periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and also periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option. The options that are reasonably going to be exercised is a key management judgement that the Association will make. The Association determines the likelihood to exercise the options on a lease-by-lease basis looking at various factors such as which assets are strategic and which are key to future strategy of the entity.

(r) Economic Dependence

The Association is dependent on Commonwealth and NT Government grants for the majority of its revenue to operate its programs and business. At the date of this report, the Committee Members have no reason to believe that the above governments will not continue to support the Association. The operations and future success of the Association is dependent upon the continued support and funding by the government bodies, its members and donors and the achievement of operating surpluses and positive operating cash flows.

TOP END WOMEN'S LEGAL SERVICE INCORPORATED
ABN: 42 830 944 178
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

Note 1 **Summary of Significant Accounting Policies (Cont.)**

(s) New and Amended Accounting Standards and Policies Adopted By The Association

There were no new Accounting Standards or Interpretations issued by the Australian Accounting Standards Board (AASB) which were mandatory for the current reporting period that were applicable to the Association.

TOP END WOMEN'S LEGAL SERVICE INCORPORATED
ABN: 42 830 944 178
NOTES TO THE FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2022

Note 2 Cash and Bank

	2022	2021
	\$	\$
Cash on hand	-	-
Cash at bank - cheque account	985,568	858,840
Total Cash on hand and at Bank	985,568	858,840

Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Cash and Cash equivalents	985,568	858,840
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Note 3 Other Current Assets

	2022	2021
	\$	\$
CURRENT		
Prepayments	13,477	3,446
Total Other Current Assets	13,477	3,446

Note 4 Property, Plant and Equipment

	2022	2021
	\$	\$
NON CURRENT		
Office Equipment		
Office equipment at cost	33,276	33,276
Less accumulated depreciation	(31,809)	(23,146)
Total Office equipment	1,467	10,130
Motor Vehicles		
Motor vehicles at cost	31,917	31,917
Less accumulated depreciation	(31,118)	(30,851)
Total Motor vehicles	799	1,066
Total Property, Plant and Equipment	2,266	11,196

Note 5 Right of Use Assets

	2022	2021
	\$	\$
NON CURRENT		
Right of Use Assets :		
Leased building	361,438	-
Less Accumulated depreciation	(25,100)	-
Total Right of Use Assets	336,338	-

The Association's lease portfolio includes a building premises. This lease has 6 years as its lease term.

The option to extend or terminate is contained in the property lease of the Association. There were no leases for equipment or motor vehicles. These extension clauses provide the Association the opportunity to manage leases in order to align with its strategies. All of the extension or termination options are only exercisable by the Association. The extension or termination options which were probable to be exercised have been included in the calculation of the Right of Use Asset.

Note 6 Intangible Assets

	2022	2021
	\$	\$
NON CURRENT		
Computer software		
Computer software at cost	16,084	16,084
Less accumulated depreciation	(16,084)	(16,084)
Total Intangible Assets	-	-

TOP END WOMEN'S LEGAL SERVICE INCORPORATED
ABN: 42 830 944 178
NOTES TO THE FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2022

Note 7 Trade and Other Payables

	2022	2021
CURRENT	\$	\$
Trade creditors	58,254	6,402
Credit card liabilities	703	-
Accrued expenses	9,705	6,164
GST payable (receivable) - net	23,074	36,392
Payroll liabilities	17,533	16,973
Total Trade and Other Payables	<u>109,269</u>	<u>65,931</u>

Note 8 Other Current Liabilities

	2022	2021
CURRENT	\$	\$
Contract Liabilities - grant funded programmes	-	229,951

Note 9 Lease Liabilities

	2022	2021
CURRENT	\$	\$
Lease liabilities - building	49,474	-
	<u>49,474</u>	<u>-</u>
NON CURRENT		
Lease liabilities - building	292,072	-
	<u>292,072</u>	<u>-</u>
	<u>341,546</u>	<u>-</u>

The lease liabilities are secured by the underlying assets and are subject to the terms of their individual lease agreements.

Note 10 Employee Provisions

	2022	2021
CURRENT	\$	\$
Provision for annual leave	38,387	56,897
	<u>38,387</u>	<u>56,897</u>
NON CURRENT		
Provision for parental leave	27,925	27,925
Provision for Long service leave	16,445	16,445
Provision for redundancy	39,053	39,053
	<u>83,423</u>	<u>83,423</u>
Total Employee Provisions	<u>121,810</u>	<u>140,320</u>

Provision for Annual Leave

The provision for employee benefits includes amounts accrued for annual leave. Based on past experience, the Association does not expect the full amount of annual leave to be settled within the next 12 months. However, the amount must be classified as a current liability because the Association does not have an unconditional right to defer the settlement of the amount in the event employees wish to use their leave entitlements.

TOP END WOMEN'S LEGAL SERVICE INCORPORATED
ABN: 42 830 944 178
NOTES TO THE FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2022

Note 11 Cash Flow Information

	2022	2021
	\$	\$
Reconciliation of Cash Flow from Operating Activities		
Current year Profit attributable to Members of the entity	327,744	101,107
Non-cash flows in current year surplus:		
— Depreciation and amortisation	34,030	17,853
— Net (profit)/ loss on assets disposal	-	2,819
— Interest expense on lease liabilities	8,595	-
Changes in assets and liabilities		
— (Increase)/Decrease in other current assets	(10,031)	41
— Increase/(Decrease) in trade and other payables	43,338	37,018
— Increase/(Decrease) in other current payables	(229,951)	219,761
— Increase in employee provisions	(18,510)	(9,103)
Total Operating Cash Flows provided by (used in) operations	155,215	369,496

Note 12 Capital and Leasing Commitments

	2022	2021
	\$	\$
(a) Lease Commitments		
<i>Rental commitments : short term and low value assets</i>		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	3,950	5,049
One to five years	2,793	6,743
More than 5 years	-	-
	6,743	11,792
(b) Capital Expenditure Commitments		

The Association has no capital expenditure or consultancy commitments as at 30 June 2022 (2021: \$Nil).

Note 13 Contingent Liabilities

The Committee is not aware of any contingent liabilities as at 30 June 2022 (2021: Nil).

Note 14 Events After the Reporting Period

The Committee Members are not aware of any significant events since the end of the reporting period that has significantly affected, or may significantly affect the Association's operations, the results of those operations, or the Association's state of affairs in future financial years.

Note 15 Key Management Remuneration

	2022	2021
	\$	\$
The totals of remuneration paid to KMP of the Association during the year are as follows:		
Short- term employment benefits	97,493	208,714
Post employment benefits	9,749	10,641
Total Key Management Remuneration	107,242	219,355

Note 16 Other Related Party Disclosure

There were no related party transactions in 2022 (2021: Nil).

Note 17 Association Details

The registered office and principal place of the Association is: 2/17 Lindsay St, Darwin City NT 0800.

TOP END WOMEN'S LEGAL SERVICE INCORPORATED
ABN: 42 830 944 178
DECLARATION BY COMMITTEE MEMBERS
FOR THE YEAR ENDED 30 JUNE 2022

The Committee Members have determined that the Association is not a reporting entity and that this special purpose financial report is prepared in accordance with the accounting policies stated in Note 1 to the financial statements.

The Committee Members declare that the financial statements as set out on page 3 to 19 are in accordance with the requirements of the *Northern Territory of Australia Association Act* and with the *Australian Charities and Not for Profits Commission Act 2012* and:

- 1 Comply with Australian Accounting Standards as described in note 1 to the financial statements;
- 2 Give a true and fair view of the financial position of the Top End Women's Legal Service Incorporated as at 30 June 2022, its performance and cash flows for the year ended on that date; and
- 3 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 declaration is made in accordance with a resolution of the Committee Members and is signed for and on behalf of the Committee Members by:



Dated 1st September 2022

 (Treasurer)

Dated 1st September 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE TOP END WOMEN'S LEGAL SERVICE INCORPORATED
REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of Top End Women's Legal Service Incorporated (the "Association"), which comprises the statement of financial position as at 30 June 2022, 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 Declaration by Members of the Committee.

In our opinion, the accompanying financial report of Top End Women's Legal Service Incorporated is in accordance with the requirements of Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and the *Northern Territory of Australia Associations Act 2003*, including:

- (a) Giving a true and fair view of the Association's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
- (b) 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*.
- (c) the accounts of the Association have been properly prepared and are in accordance with the books of account of the Association.

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 *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants (including Independence Standards)* (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 for the purpose of fulfilling the Top End Women's Legal Service Incorporated financial reporting responsibilities under the Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and the *Northern Territory of Australia Associations Act 2003*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Committee Members' responsibility for the financial report

The Committee Members of the Association are responsible for the preparation of the financial report that gives a true and fair view – in accordance with Australian Accounting Standards to the extent described in Note 1 to the financial report and the *Northern Territory of Australia Associations Act 2003* and the *Australian Charities and Not-for-profits Commission Act 2012* and is appropriate to meet the needs of the members. The Committee Members are also responsible for such internal control as the Committee Members determine 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.

In preparing the financial report, the Committee Members are 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 Members either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE TOP END WOMEN'S LEGAL SERVICE INCORPORATED
REPORT ON THE AUDIT OF THE FINANCIAL REPORT (CONT.)

Auditor's responsibility 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 the 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 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 those charged with governance.
- Conclude on the appropriateness of the Committee Members' 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 and Management 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.



Nexia Edwards Marshall NT
Chartered Accountants



Noel Clifford
Partner
Dated: 2 September 2022

