

JusticeNet SA Incorporated
Financial Report for the Year Ended 30 June 2016

BOARD OF MANAGEMENT'S REPORT

Your Board of Management submit the financial report of for the financial year ended 30 June 2016.

Board Members

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

Paula Stirling	President
Kerry Clark	Vice-President and Public officer
Nicholas Linke	Treasurer
Carolyn Mitchell	Secretary
Karen Lehmann	
Alan Merritt	
Jayne Stinson	
Simon Bourne	

Members of the Board have been in office since the start of the year unless otherwise stated. No other officer of the Association has received directly or indirectly from the association any payment or other benefit of a pecuniary value.

At no time during the year ended 30 June 2016 has any officer or related firm or body corporate, received or become entitled to receive a benefit arising from a contract between the officer, firm or body corporate and the association.

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the entity.

Principal Activities

JusticeNet SA operates free legal services for people with civil law matters who cannot afford legal representation, including a Pro Bono Referral Service, Refugee and Asylum Seeker Project and Self-Representation Services in the District Court and Supreme Court of South Australia and Federal Courts (Adelaide and Darwin registry).

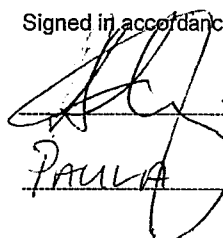
Significant Changes

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

Operating Result

The surplus for the year ended 30 June 2016 amounted to \$637 (2015 deficit \$ 25,368)

Signed in accordance with a resolution of the members of the Board.



PAULA STIRLING, PRESIDENT

Dated this 15th day of November 2016

JusticeNet SA Inc
Financial report for the year ended 30 June 2016

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
Revenue	2	509,100	371,673
Salaries, wages & employee costs		(431,084)	(322,087)
Fundraising expenses		(38,272)	(33,186)
Amortisation		(6,279)	(1,824)
Other operating expenses	2	(32,828)	(39,944)
Current year surplus/ (deficit) before income tax		<u>637</u>	<u>(25,368)</u>
Income tax expense		-	-
Net current year surplus/ (deficit)		<u>637</u>	<u>(25,368)</u>
Other comprehensive income		-	-
Total other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year, net of tax		<u>-</u>	<u>-</u>
Net current year surplus/ (deficit) attributable to members of the entity		<u>637</u>	<u>(25,368)</u>
Total comprehensive income attributable to members of the entity		<u>637</u>	<u>(25,368)</u>

The accompanying notes form part of these financial statements.

JusticeNet SA Inc
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

	Note	2016	2015
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash on hand	3	143,175	181,071
Trade and Other Receivables		10,692	8,243
TOTAL CURRENT ASSETS		153,867	189,314
NON-CURRENT ASSETS			
Intangible Assets	4	10,737	17,016
TOTAL NON-CURRENT ASSETS		10,737	17,016
TOTAL ASSETS		164,604	206,330
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and other payables		-	2,233
Other Accruals	5	34,123	35,621
Grants Received in Advance		80,138	121,757
Employee Provisions		18,182	15,195
TOTAL CURRENT LIABILITIES		132,443	174,806
TOTAL LIABILITIES		132,443	174,806
NET ASSETS		32,161	31,524
EQUITY			
Retained earnings		32,161	31,524
TOTAL EQUITY		32,161	31,524

The accompanying notes form part of these financial statements.

JusticeNet SA Inc
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2016

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2014	56,892	56,892
Comprehensive income		
Net surplus/ (deficit) for the year	(25,368)	(25,368)
Other comprehensive income for the year	-	-
Total comprehensive income attributable to members of the entity	<u>(25,368)</u>	<u>(25,368)</u>
Balance at 30 June 2015	<u>31,524</u>	<u>31,524</u>
Balance at 1 July 2015	31,524	31,524
Comprehensive income		
Net surplus/ (deficit) for the year	637	637
Other comprehensive income for the year	-	-
Total comprehensive income attributable to members of the entity	<u>637</u>	<u>637</u>
Balance at 30 June 2016	<u>32,161</u>	<u>32,161</u>

The accompanying notes form part of these financial statements.

JusticeNet SA Inc
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016	2015
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating Grant Receipts		274,875	270,808
Receipts from Walk for Justice		70,323	61,634
Other receipts		149,310	102,757
Payments to suppliers and employees		(510,154)	(382,541)
Net GST paid		(22,250)	(22,027)
Net cash (used in)/provided by operating activities	8	<u>(37,896)</u>	<u>30,631</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Payments for Software		-	(18,840)
		<u>-</u>	<u>(18,840)</u>
Net (decrease)/increase in cash held		(37,896)	11,791
Cash on hand at beginning of financial year		181,071	169,280
Cash on hand at end of financial year	3	<u>143,175</u>	<u>181,071</u>

The accompanying notes form part of these financial statements.

JusticeNet SA Inc

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act 1985 and the Australian Charities and Not-for-profits Commission Act 2012. The Board of Management has determined that the association is not a reporting entity.

In order to satisfy Division 60 of the Australian Charities and Not-For-Profit Commission Act 2012 the financial report has been prepared in accordance with the following Australian Accounting Standards:

- AASB 101, Presentation of Financial Statements
- AASB 107, Statement of Cash Flows
- AASB 108, Accounting Policies, Changes in Accounting Estimates and Errors,
- AASB 1048, Interpretation of Standards
- AASB 1054, Australian Additional Disclosures

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

a. Income Tax

The association is exempt from income tax pursuant to section 50-40 of the Income Tax Assessment Act 1997.

b. Employee Provisions

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting periods. Employee Benefits have been measured at the amounts expected to be paid when the liability is settled.

The entity provides for long service leave once an employee reaches seven years' service.

c. Intangible Assets

Software

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

d. Cash on Hand

Cash on hand includes cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less.

e. Revenue and Other Income

Non-reciprocal grant revenue is recognised in profit or loss when the Association obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the association 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.

Interest revenue is recognised when it is received.

Donation revenue is recognised when it is received.

JusticeNet SA Inc

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

f. **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.

g. **Comparative Figures**

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

Where the association retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period is presented in addition to the minimum comparative financial statements.

h. **Accounts Payable and Other Payables**

Accounts payable 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 that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

i. **Economic Dependency – Going Concern**

The financial report has been prepared on the going concern basis. However attention should be drawn to the following matters:

- 1) The Association incurred an operating surplus for the year ended 30 June 2016 of \$637 and an operating deficit for the year ended 30 June 2015 of \$25,368.
- 2) The Statement of Cash Flows reports a net decrease in cash for the Association for the year ended 30 June 2016 of \$37,896, and a net increase in cash for the year ended 30 June 2015 of \$11,791.
- 3) The Statement of Cash Flows reports an operating cash outflow for the year ended 30 June 2016 of \$37,896 and an operating cash inflow for the year ended 30 June 2015 of \$30,631.
- 4) The Association currently has funding for the Federal Courts Self-Representation Service secured with the Commonwealth Government until 30 June 2017. However it is noted that the ability of the Association to continue as a going concern is dependent on securing future funding and achieving operating surpluses and positive operating cash flows.

No adjustments have been made to the amounts stated in this financial report.

JusticeNet SA Inc

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 2: INCOME AND EXPENSES

	2016	2015
	\$	\$
Income:		
Grant Income	287,018	200,232
Fundraising	80,034	91,272
Membership	39,231	37,481
Donations	100,510	39,980
Other income	2,307	2,708
Total income	509,100	371,673
Other operating expenses:		
Accounting Fees	850	350
Bank charges	245	399
Cleaning	536	844
Communication	-	14,189
Electricity and gas	869	514
Insurance	694	434
IT	2,430	2,882
LSSA Membership	-	(884)
NACLC Membership	6,783	1,213
Office Amenities	-	43
Office Equipment	6,344	1,918
OHS	22	38
Parking	-	400
Postage	594	663
Practising Certificate	-	2,046
Recruitment	255	255
Set Up Costs	-	661
Staff development	-	5,705
Stationery	4,700	1,630
Subscriptions	-	86
Sundry expenses	4,359	2,738
Telephone	2,555	2,292
Travel	1,592	1,528
	32,828	39,944

JusticeNet SA Inc

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 3: CASH ON HAND	2016	2015
	\$	\$
Operating cash account	82,355	27,303
ANZ Online Savings Account	60,804	153,497
Petty cash	16	271
	<u>143,175</u>	<u>181,071</u>

NOTE 4: INTANGIBLE ASSETS	2016	2015
	\$	\$
Software	18,840	18,840
Accumulated Amortisation	(8,103)	(1,824)
	<u>10,737</u>	<u>17,016</u>

NOTE 5: ACCOUNTS PAYABLE AND OTHER PAYABLES	2016	2015
	\$	\$
CURRENT		
Payroll Liabilities	10,175	13,368
Other Accruals	23,948	22,253
	<u>34,123</u>	<u>35,621</u>

NOTE 6: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Association has no contingent liabilities at 30 June 2016.

NOTE 7: EVENTS AFTER THE REPORTING PERIOD

The Board is not aware of any significant events since the end of the reporting period.

JusticeNet SA Inc

NOTE 8: CASH FLOW INFORMATION

	2016	2015
	\$	\$
Reconciliation of cash flow from operating activities with net current year surplus/ (deficit)		
Current year surplus/ (deficit) after income tax	637	(25,368)
Plus non-cash items: -		
Amortisation	6,279	1,824
Changes in assets and liabilities:		
- (increase) / decrease in Trade and other receivables	(2,449)	(7,050)
- increase/(decrease) in Trade and other payables	(2,233)	2,233
- Increase/ decrease in Other accruals	(1,498)	14,081
- Increase/(decrease) in Grants in Advance	(41,619)	39,629
- Increase/(decrease) in Employee Benefits	2,987	5,282
Net cash (used in)/provided by operating activities	(37,896)	30,631

NOTE 9: ASSOCIATION DETAILS

The registered office and principle place of business of the Association is:

The Law School

Ligertwood Building

The University of Adelaide SA 5005

JusticeNet SA Inc

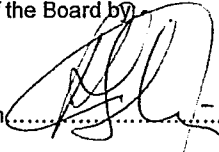
STATEMENT BY MEMBERS OF THE BOARD OF MANAGEMENT

The Board of Management has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Board of Management the financial report as set out on pages 2 to 9:

1. There are reasonable grounds to believe the registered entity is able to pay all its debts, as and when they become due and payable.
2. The attached financial statements and notes thereto satisfy the requirements of Division 60 of the Australia Charities and Not-for-profits Commission Act 2012; including giving a true and fair view of the financial position and performance of the registered entity in accordance with Australian Accounting Standards .

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

Chairperson.....

Treasurer

Dated this 15th day of November 2016

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF JUSTICENET SA INCORPORATED**

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of JusticeNet SA Incorporated ("JusticeNet"), which comprises the statement of financial position as at 30 June 2016, and the statement of profit and loss and other comprehensive income, statement of changes in equity, and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the statement by members of the Board.

The Responsibility of the Board for the Financial Report

The Board members of JusticeNet SA Incorporated are responsible for the preparation of the financial report that gives a true and fair view, and have determined that the basis of preparation described in Note 1, is appropriate to meet the requirements of the *Associations Incorporation Act 1985*, the *Australian Charities and Not-for-profits Commission Act 2012* and is appropriate to meet the needs of the members. The board members' responsibility also includes such internal control as the board members determine is necessary to enable the preparation of a financial report that is gives a true and fair view, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing the procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risk of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the board members, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF JUSTICENET SA INCORPORATED (CONT)****Opinion**

In our opinion, the financial report of JusticeNet SA Incorporated is prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and the *Associations Incorporation Act 1985*, including:

- i) giving a true and fair view of JusticeNet SA Incorporated's financial position as at 30 June 2016 and of its performance and cash flows for the year ended on that date;
- ii) complying with Australian Accounting Standards to the extent described in Note 1 and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

We have been given all information, explanations and assistance necessary for the conduct of the audit.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 1(i) of the financial report. These conditions, along with other matters as set forth in Note 1 (i), indicate the existence of a material uncertainty that may cast significant doubt about the Association's ability to continue as a going concern and therefore, the Association may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist JusticeNet SA Incorporated to meet the requirements of the *Associations Incorporation Act 1985* and the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose.

Nexia Edwards Marshall

Nexia Edwards Marshall
Chartered Accountants



Damien Pozza
Partner

Adelaide
South Australia

15 November 2016

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 60-40 OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012
TO THE MEMBERS OF JUSTICENET SA INCORPORATED**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2016 there has been no contraventions of the auditor independence requirements as set out in any applicable code of professional conduct in relation to the audit.

Nexia Edwards Marshall

Nexia Edwards Marshall

Chartered Accountants



Damien Pozza

Partner

Adelaide

South Australia

15 November 2016