

# **South-East Monash Legal Service Inc.** (formerly known as Springvale Monash Legal Service Inc.)

Registered No: A0013997D

ABN: 96 206 448 228

## **Financial Report**

For the Year Ended 30 June 2022

# South-East Monash Legal Service Inc.

Registered No: A0013997D  
ABN: 96 206 448 228

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For the Year Ended 30 June 2022

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# South-East Monash Legal Service Inc.

Registered No: A0013997D  
ABN: 96 206 448 228

## Board's Report

### For the Year Ended 30 June 2022

Your Board members submit the financial report of South-East Monash Legal Service Inc for the financial year ended 30 June 2022.

#### Board Members

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

Dona Tantirimudalige (Chair)	John Longo (Vice Chair)
Jared Heath (Treasurer)	Sonia Parisi (resigned: November 2021)
Jessica Lightfoot	Stratos Savvas (formerly Hatziefstratiou) (Secretary)
Fiona Bygraves	Caroline Henckels (resigned: August 2021)
Caroline Edwards	Becky Batagol (appointed: October 2021)
Stephane Sheperd (appointed: February 2022)	Kristen Wallwork (ED)
Ashleigh Newnham (Staff Representative)	

#### Principal Activities

The principal activities of the Association during the financial year were to provide free legal advice and casework to the general public, whilst maintaining a strong community development focus.

#### Significant Changes

Coronavirus (COVID-19): The Association was continually impacted by the Victoria Government orders issued during the 2021/22 year as part of the measures to reduce the spread of Coronavirus (COVID-19).

Additionally, there was a change in name of the Association to South-East Monash Legal Service Inc. on 17 November 2021 (formerly known as Springvale Monash Legal Service Inc.).


Other than the above, there were no significant changes in the state of affairs of the Association other than those referred to in the financial statements and notes thereto.

#### Operating Result

The operating surplus after providing for income tax amounted to \$207,688 (2021: \$263,778 surplus).

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

Chairperson

  
.....  
D Tantirimudalige

Treasurer

  
.....  
J Heath

Dated this 6<sup>th</sup> day of October 2022

### Auditor's Independence Declaration

To South-East Monash Legal Service Inc,

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, as lead auditor for the audit of South-East Monash Legal Service Inc for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

- (a) No contraventions of the independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (b) No contraventions of any applicable code of professional conduct in relation to the audit.

Dated at Frankston this 6<sup>th</sup> day of October 2022



Shepard Webster & O'Neill Audit Pty Ltd  
Certified Practising Accountant  
Authorised Audit Company No 415478  
31 Beach Street Frankston 3199, PO Box 309 Frankston Victoria 3199  
Telephone (03) 9781 2633 – Fax (03) 9781 3073  
Email [dszepfalusy@shepard.com.au](mailto:dszepfalusy@shepard.com.au)



David A Szeptalusy  
**Director**

# South-East Monash Legal Service Inc.

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## Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2022

	Note	2022 \$	2021 \$
<b>Continuing Operations</b>			
<b>Income</b>			
Grant Funding	2	3,374,097	2,743,992
Other Income	3	91,829	226,187
<b>Total Income</b>		<b>3,465,926</b>	<b>2,970,179</b>
<b>Expenses</b>			
Depreciation Expense		29,863	31,168
Employment Expenses		2,897,999	2,346,344
Occupancy Expenses		171,567	165,456
Office & Administrative Expenses		128,929	98,149
Resources Expenses		29,767	64,830
Travel Expenses		113	454
<b>Total Expenses</b>		<b>3,258,238</b>	<b>2,706,401</b>
<b>Net Surplus/(Deficit) From Continuing Operations</b>		<b>207,688</b>	<b>263,778</b>
<b>Other Comprehensive Income</b>			
- Items that may be reclassified subsequently to profit or loss when specific conditions are met		-	-
- Items that will not be reclassified subsequently to profit or loss		-	-
<b>Total Comprehensive Income</b>		<b>207,688</b>	<b>263,778</b>

The Accompanying Notes Form Part of These Financial Statements

# South-East Monash Legal Service Inc.

Registered No: A0013997D  
ABN: 96 206 448 228

## Statement of Financial Position

As at 30 June 2022

	Note	2022 \$	2021 \$
<b>Current Assets</b>			
Cash and Cash Equivalents	4	2,147,195	1,369,693
Term Deposits		1,571,682	1,568,564
Trade and Other Receivables		279,731	37,401
<b>Total Current Assets</b>		<b>3,998,608</b>	<b>2,975,658</b>
<b>Non-Current Assets</b>			
Trade and Other Receivables		44,315	-
Plant and Equipment	5	80,030	69,627
<b>Total Non-Current Assets</b>		<b>124,345</b>	<b>69,627</b>
<b>Total Assets</b>		<b>4,122,953</b>	<b>3,045,285</b>
<b>Current Liabilities</b>			
Trade and Other Payables	6	188,319	179,966
Grants in Advance	7	1,338,095	536,498
VLA Unused Funds	8	230,350	221,251
Employee Entitlements	9	465,859	440,398
<b>Total Current Liabilities</b>		<b>2,222,623</b>	<b>1,378,113</b>
<b>Non-Current Liabilities</b>			
Employee Entitlements	9	96,159	70,689
<b>Total Non-Current Liabilities</b>		<b>96,159</b>	<b>70,689</b>
<b>Total Liabilities</b>		<b>2,318,782</b>	<b>1,448,802</b>
<b>Net Assets</b>		<b>1,804,171</b>	<b>1,596,483</b>
<b>Equity</b>			
Retained Earnings		1,804,171	1,596,483
<b>Total Equity</b>		<b>1,804,171</b>	<b>1,596,483</b>

The Accompanying Notes Form Part of These Financial Statements

# South-East Monash Legal Service Inc.

Registered No: A0013997D  
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## Statement of Changes in Equity For the Year Ended 30 June 2022

	Note	2022 \$	2021 \$
<b>Opening Balance of Retained Earnings</b>			
Opening Balance		1,596,483	1,332,705
Net Surplus/(Deficit) From Continuing Operations		207,688	263,778
Other Comprehensive Income		-	-
<b>Closing Balance of Retained Earnings</b>		<u>1,804,171</u>	<u>1,596,483</u>
<b>Total Equity</b>		<u>1,804,171</u>	<u>1,596,483</u>

# South-East Monash Legal Service Inc.

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## Statement of Cash Flows For the Year Ended 30 June 2022

	Note	2022 \$	2021 \$
<b>Cash Flows from Operating Activities</b>			
Receipts from Grants & Other Income		3,173,303	3,100,828
Payments to Suppliers and Employees		(2,358,624)	(2,592,781)
Interest Received		5,978	21,847
<b>Net Cash Provided by Operating Activities</b>	<b>11b</b>	<b>820,657</b>	<b>529,894</b>
<b>Cash Flows from Investing Activities</b>			
Payment for Plant and Equipment		(40,037)	(12,375)
Investment in Term Deposits		(3,118)	(15,451)
<b>Net Cash (Used In) Investing Activities</b>		<b>(43,155)</b>	<b>(27,826)</b>
Net Increase in Cash Held		777,502	502,068
Cash and Cash Equivalents at the Beginning of the Year		1,369,693	867,625
<b>Cash and Cash Equivalents at the End of the Year</b>	<b>11a</b>	<b>2,147,195</b>	<b>1,369,693</b>

The Accompanying Notes Form Part of These Financial Statements



# South-East Monash Legal Service Inc.

Registered No: A0013997D  
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## Notes to the Financial Statements

For the Year Ended 30 June 2022

### 1 Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **New or Amended Accounting Standards and Interpretations Adopted**

The Association has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Association.

#### **Basis of Preparation**

In the Board's opinion, the Association is not a reporting entity because there are no users dependent on general purpose financial statements.

These are special purpose financial statements that have been prepared for the purposes of complying with the *Australian Charities and Not-for-profits Commission Act 2012*. The Board have determined that the accounting policies adopted are appropriate to meet the needs of the members of South-East Monash Legal Service Inc.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the disclosure requirements of 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*' and AASB 1054 '*Australian Additional Disclosures*', as appropriate for not-for-profit oriented entities, with the exception of the following, where the Association has elected not to apply the recognition and measurement requirements in these Accounting Standards to these financial statements at this time:

- AASB 15 '*Revenue from Contracts with Customers*' & AASB 1058 '*Income of Not-for-Profit Entities*'; and
- AASB 16 '*Leases*'.

#### **Historical cost convention**

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

#### **Critical accounting estimates**

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires Management to exercise its judgement in the process of applying the Association's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 1(n).

#### **(a) Comparative Figures**

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

# South-East Monash Legal Service Inc.

Registered No: A0013997D  
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## Notes to the Financial Statements

For the Year Ended 30 June 2022

### 1 Summary of Significant Accounting Policies (Continued)

#### (b) Taxation

The Association is exempt under Division 50 of the Income Tax Assessment Act 1997 as a non-profit organisation. As such, no allowance has been made for Income Tax.

#### (c) Cash and Cash Equivalents

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

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

##### Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and any impairment losses.

The carrying amount of plant and equipment is reviewed annually by Board to ensure it is 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. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

In the event the carrying amount of plant and equipment is greater than the recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount. 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 recognised at the fair value of the asset at the date it is acquired.

##### Leasehold Improvements

Leasehold improvements is carried at cost less, where applicable, any accumulated depreciation.

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

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

##### 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:

<u>Class of Fixed Assets</u>	<u>Depreciation Rate</u>
Office, Furniture & Equipment	[10 - 40%]
Leasehold Improvements	[20 - 50%]

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 results from Continuing Operations 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 surplus.

# South-East Monash Legal Service Inc.

Registered No: A0013997D  
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## Notes to the Financial Statements

For the Year Ended 30 June 2022

### 1 Summary of Significant Accounting Policies (Continued)

#### (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 immediately in results from Continuing Operations.

Where the future economic benefits of the asset 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 it is not possible to estimate the recoverable amount of a class of asset, the Association estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued asset is identified, this is debited 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 same class of asset.

#### (f) Trade and Other Receivables

Accounts receivable and other debtors include amounts due from customers 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.

Accounts receivable 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.

#### (g) Revenue and Other Income

All grant income has been deferred upon receipt, and not recognised as revenue until the related expenses are incurred, without assessing whether enforceable performance obligations exist. This does not comply with AASB 15 '*Revenue from Contracts with Customers*', or AASB 1058 '*Income of Not-for-profit Entities*'.

Grant and donation income is recognised when the Association obtains control over the funds, which is generally at the time of receipt, unless otherwise stated. In the case of funding income received from the Victoria Legal Aid (VLA), revenue is recognised when the services have been rendered, and accordingly any unused funds are deferred to be used in future periods in accordance with the service agreement with the VLA.

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

#### (h) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the assets and liabilities statement.

#### (i) Trade and Other Payables

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

# South-East Monash Legal Service Inc.

Registered No: A0013997D  
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## Notes to the Financial Statements

For the Year Ended 30 June 2022

### 1 Summary of Significant Accounting Policies (Continued)

#### (j) Employee Entitlements

Provision is made for the liability for employee entitlements arising from services rendered by employees to balance date. These are in the form of Annual Leave for all employees and Long Service Leave accrued for all employees but not entitled until ten years of services (pro-rata after seven years of service), Personal Leave in line with management's estimate of the likelihood of individuals taking the leave, and Maternity Leave in line with management's estimates that individuals will take the leave allowed in line with the awards.

Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Association obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of accounts payable and other payables in the statement of financial position.

Contributions are made to employee superannuation funds and are charged as expenses when incurred.

#### (k) Provisions

Provisions are recognised when the Association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

#### (l) Leases

Payment for the lease or rental of fixed assets where substantially all of the risks and rewards of ownership of the asset remain with the lessor, are expensed when incurred (and the asset is not recognised on the balance sheet). The contractual commitment for the use of this type of asset (generally a rental or lease agreement) is not recognised as a liability. As such, recognition and measurement requirements of AASB 16 'Leases' are not complied with.

Leases of property plant and equipment, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the Association, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for that period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term. Lease payments for 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.

#### (m) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Association's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Association's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

# South-East Monash Legal Service Inc.

Registered No: A0013997D  
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## Notes to the Financial Statements

For the Year Ended 30 June 2022

### 1 Summary of Significant Accounting Policies (Continued)

#### (n) Critical Accounting judgements, estimates and assumptions

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

##### *Coronavirus (COVID-19) pandemic*

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Association based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Association operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Association unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

##### *Estimation of useful lives of assets*

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

##### *Impairment of non-financial assets other than goodwill and other indefinite life intangible assets*

The Association assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets 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 of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

##### *Employee benefits provision*

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

# South-East Monash Legal Service Inc.

Registered No: A0013997D  
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## Notes to the Financial Statements

For the Year Ended 30 June 2022

	2022 \$	2021 \$
<b>2 - Grant Funding</b>		
Commonwealth Grants	1,028,703	582,586
State Grants	530,533	679,338
MBA/ERO Grant	145,287	250,713
Other Grants	1,204,488	776,306
Monash University Grant	465,086	455,049
<b>Total Grant Funding</b>	<b>3,374,097</b>	<b>2,743,992</b>
<b>3 - Other Income</b>		
ATO - Cash Flow Boost	-	50,000
Disbursements Reimbursed	23,765	74,935
Fundraising/Donations	4,910	1,096
Interest	5,978	21,847
LPM Royalties	46,476	61,727
Other Costs Recovered	10,700	16,582
<b>Total Other Income</b>	<b>91,829</b>	<b>226,187</b>
<b>4 - Cash and Cash Equivalents</b>		
<i>Current</i>		
Cash at Bank	2,147,090	1,369,025
Cash on Hand	105	668
	<b>2,147,195</b>	<b>1,369,693</b>
<b>5 - Plant and Equipment</b>		
<i>Non-Current</i>		
Office Furniture & Fixtures at Cost	259,664	235,410
Less Accumulated Depreciation (Office F&F)	(179,634)	(165,783)
<b>Total Plant and Equipment</b>	<b>80,030</b>	<b>69,627</b>

### Movement in the Carrying Amounts of Plant and Equipment Reconciliation of the Movement in Carrying Amounts

	Office Furniture & Fixtures \$	Total \$
<b>Opening Balance at the 1 July 2020</b>	88,420	88,420
Additions at cost	12,375	12,375
Disposals (net)	-	-
Depreciation expense	(31,168)	(31,168)
<b>Carrying amount at 30 June 2021</b>	<b>69,627</b>	<b>69,627</b>
Additions at cost	40,037	40,037
Disposals (net)	-	-
Depreciation expense	(29,634)	(29,634)
<b>Carrying amount at 30 June 2022</b>	<b>80,030</b>	<b>80,030</b>

# South-East Monash Legal Service Inc.

Registered No: A0013997D  
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## Notes to the Financial Statements

For the Year Ended 30 June 2022

	2022	2021
	\$	\$
<b>6 - Trade &amp; Other Payables</b>		
<b>Current</b>		
Trade Payables	8,318	17,051
GST Payable (Net)	106,572	58,528
PAYG Payable	42,627	61,725
Superannuation Payable	20,827	24,708
Other Payables and Accrued Expenditure	9,975	17,954
	<b>188,319</b>	<b>179,966</b>
<b>7 - Grants in Advance</b>		
<b>Current</b>		
DHHS - FWWorkProject	23,441	23,441
Department of Justice	225,333	85,352
ISF Sporting Change	179,815	132,626
Victorian Legal Services Board	55,000	-
VLA - COVID Frontline	-	177,952
VLA - ERS	18,818	9,757
VLA - FASS	24,244	-
VLA - FDRS Children	45,847	-
VLA - FDRS Property	12,757	-
VLA - ISEALS	97,564	50,540
VLA - NLAP SHS	321,563	-
VLA - NLAP SWW	237,146	-
Other Minor	96,567	56,830
	<b>1,338,095</b>	<b>536,498</b>
<b>8 - VLA Unused Funds</b>		
<b>Current</b>		
Allowable Surplus - VLA unused funds carried forward	230,350	221,251
	<b>230,350</b>	<b>221,251</b>
<p>In line with the VLA service agreement, any unused funds are required to be carried forward as a liability in the organisation's Statement of Financial Position. Any amounts of unused surplus funding that are in excess of 15% of the total VLA funding for the current year are to be classified as Excess Surplus, with the remaining to be classified as Allowable Surplus.</p>		
<b>9 - Employee Entitlements</b>		
<b>Current</b>		
Annual Leave	168,231	130,737
Personal Leave	49,900	61,324
Maternity Leave	108,900	108,900
Long Service Leave	138,828	125,297
Other	-	14,140
	<b>465,859</b>	<b>440,398</b>
<b>Non-Current</b>		
Long Service Leave	<b>96,159</b>	<b>70,689</b>

# South-East Monash Legal Service Inc.

Registered No: A0013997D  
ABN: 96 206 448 228

## Notes to the Financial Statements

For the Year Ended 30 June 2022

	2022	2021
	\$	\$
<b>10 - Trust Account</b>		
Money Held in Trust	10,882	13,214
Amounts owed to clients	(10,882)	(13,214)
	<u>-</u>	<u>-</u>

The Association maintains a Trust account regulated by the Legal Services Board of Victoria. This trust account is reconciled at the end of each month and the total amounts within the trust account agree to the liability of various account holders.

### 11 - Notes To Statement Of Cash Flows

#### (a) Reconciliation of Cash

Cash on Hand	2,147,195	1,369,693
	<u>2,147,195</u>	<u>1,369,693</u>

#### (b) Reconciliation of Cash Flows from Operations with Net Surplus/(Deficit)

Net Surplus/(Deficit)	207,688	263,778
<i>Add/deduct non-cash items:</i>		
Depreciation	29,634	31,168
<i>Changes in assets and liabilities</i>		
(Increase)/Decrease in Trade and Other Receivables	(286,645)	152,496
Increase/(Decrease) in Trade and Other Payables	809,950	12,881
Increase/(Decrease) in Employee Entitlements	50,931	(70,834)
Increase/(Decrease) in VLA Unused Funds	9,099	140,405
Net Cash Provided by Operating Activities	<u>820,657</u>	<u>529,894</u>

### 12 - Events Subsequent to Balance Date

The impact of the Coronavirus (COVID-19) pandemic is ongoing. It is not yet quantifiable to estimate the potential impact after the reporting date. The situation is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since 30 June 2022 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.

### 13 - Economic Dependence

The Association's ability to continue to carry out its current activities remains dependent upon future funding by the Monash University Law Faculty, as well as State and Commonwealth governments.



# South-East Monash Legal Service Inc.

Registered No: A0013997D  
ABN: 96 206 448 228

## Board's Statement

### For the Year Ended 30 June 2022


The Board have determined that the Association is not a reporting entity.

The Board have determined 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:

- a) the financial statements and notes of the Association are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:
  - i. Giving a true and fair view of its financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and
  - ii. Are prepared in accordance with the Accounting Policies described in Note 1 to the financial statements and the requirements of the *Australian Charities and Not-for-profits Commission Regulation 2013*; and
- b) There are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

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

Chairperson   
.....  
D Tantirimudalige

Treasurer   
.....  
J Heath

Dated this 6<sup>th</sup> day of October 2022

**Independent Audit Report  
to the Members of South-East Monash Legal Service Inc.  
Reg. No. A0013997D  
ABN : 96 206 448 228**

**Report on the Audit of the Financial Report**

**Opinion**

We have audited the financial report of South-East Monash Legal Service Inc, which comprises the Statement of Financial Position as at 30 June 2022, 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, notes comprising a summary of significant accounting policies and other explanatory information, and the Board's Statement.

In our opinion, the accompanying financial report gives a true and fair view of the financial position of South-East Monash Legal Service Inc as at 30 June 2022 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements and the requirements of Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

**Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the 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 other ethical responsibilities in accordance with the Code.

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

**Emphasis of Matter – Basis of Accounting**

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the Association to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

**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 2022, 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 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.

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 Board either intends to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

The Board of the Association is responsible for overseeing the Association's financial reporting process.

**Independent Audit Report (Continued)**  
**to the Members of South-East Monash Legal Service Inc.**  
**Reg. No. A0013997D**  
**ABN : 96 206 448 228**

**Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with 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 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.

Dated at Frankston this 6<sup>th</sup> day of October 2022



Shepard Webster & O'Neill Audit Pty Ltd  
Certified Practising Accountant  
Authorised Audit Company No 415478  
31 Beach Street Frankston 3199, PO Box 309 Frankston Victoria 3199  
Telephone (03) 9781 2633 – Fax (03) 9781 3073  
Email – [szeptalusy@shepard.com.au](mailto:szeptalusy@shepard.com.au)



David A Szeptalusy  
**Director**