

Tenancy WA Incorporated

ABN: 74 703 193 741

SPECIAL PURPOSE FINANCIAL REPORT
For the Year Ended 30 June 2015

Tenancy WA Incorporated

ABN: 74 703 193 741

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GREG LEDGER PTY LTD

CHARTERED ACCOUNTANT

ABN 83 066 718 134

PO Box 565
Wembley, WA 6913

Suite 3, 20 Altona Street
West Perth, WA 6005

Telephone+(08) 93221114
Facsimile + (08) 9322 1134

Liability limited by a scheme approved under Professional Standards Legislation.

15 December 2015

The Board of Management
Tenancy WA Inc.
2/ 18 Plain Street
East Perth WA 6004

AUDITOR INDEPENDENCE DECLARATION

This declaration is made in connection with the audit of the financial report of Tenancy WA Inc. for the year ended 30 June 2015 and in accordance with the requirements of Subdivision 60-C of the Australian Charities and Not-for-profits Commission Act 2012.

I declare that, to the best of my knowledge and belief, there have been:

- No contravention of the auditor independence requirements as set out in the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
- No contravention of any applicable code of professional conduct in relation to the audit.

Yours sincerely



Ross Gregory Ledger
Chartered Accountant
Registered Company Auditor

Independent Audit Report

To the members of Tenancy WA Inc.

Report on the Financial Report

We have audited the accompanying financial report of Tenancy WA Inc. which comprises the balance sheet as at 30 June 2015, the statement of income and expenditure, statement of comprehensive income, statement of changes in equity and statements of cash flows for the year then ended, a summary of significant accounting policies, other explanatory notes and the Board's Declaration.

The Responsibility of the Board of Management for the Financial Report

The Board of Management of the entity are responsible responsible for the preparation of the financial report that gives a true and fair view in accordance with relevant accounting standards and the financial reporting requirements of the Australian Charities and Not-for-profits Commission Act 2012. The Board of Managements responsibility also includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, 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 conducted our audit in accordance with Australian Auditing Standards. These Auditing 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 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 risks 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 and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board, 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.

Independence

In conducting our audit, we have complied with the independence requirements of the Australian Charities and Not-for-profits Commission Act 2012.

Audit opinion

In our opinion, the financial report of Tenancy WA Inc. is in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:

- a) giving a true and fair view of the entity's financial position as at 30 June 2015 and of its performance for the year ended on that date.
- b) complying with relevant accounting standards contained in Subdivision 60 of the Australian Charities and Not-for-profits Regulation 2013;

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describe the basis of accounting. The financial report has been prepared for the purpose of fulfilling the committee's financial reporting responsibility under the Constitution. As a result, the financial report may not be suitable for another purpose.


RG Ledger
Chartered Accountant
Registered Company Auditor

15 DECEMBER 2015

Tenancy WA Incorporated

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Board's Report

For the Year Ended 30 June 2015

The Board presents the report on Tenancy WA Incorporated for the financial year ended 30 June 2015.

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

The net surplus of Tenancy WA Incorporated for the financial year ended 30 June 2015 after providing for income tax amounted to \$146,717.

A review of the operations of the association during the financial year and the results of those operations are as follows: The principal activity of the association during the financial year was the provision of legal advice for residential tenancy issues.

During the period, Tenancy WA Incorporated applied the accounting policies described in note 1 to these financial statements.



Name: JUSTIN STEVENSON
Position: CHAIRPERSON
Date: 17 DECEMBER 2015

Tenancy WA Incorporated

ABN: 74 703 193 741

Statement by the Board For the Year Ended 30 June 2015

In the opinion of the Board of Tenancy WA Incorporated:

- The financial report presents a true and fair view of the financial position of Tenancy WA Incorporated as at 30 June 2015, and its performance for the year ended on that date, in accordance with the accounting policies described in note 1 to these financial statements.
- The operations of Tenancy WA Incorporated have been carried out in accordance with its constitution.
- At the date of this statement, there are reasonable grounds to believe that Tenancy WA Incorporated will be able to pay its debts as and when they fall due.

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



Name: JUSTIN STEVENSON
Position: CHAIRPERSON
Date: 17 DECEMBER 2015

Tenancy WA Incorporated

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Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2015

	Notes	2015	2014
		\$	\$
Grants		740,590	570,801
CLSP income		291,342	-
Conference income		22,859	-
Investment income		7,285	1,340
Other		7,582	50,000
Total revenue from operating activities		<u>1,069,658</u>	<u>622,141</u>
Employment		(718,917)	(195,803)
Conference expenses		(28,011)	(5,104)
Administration	2	(84,130)	(289,988)
Property		(76,810)	(33,079)
Depreciation		(15,073)	(6,172)
Total expenses from operating activities		<u>(922,941)</u>	<u>(530,146)</u>
Surplus from operating activities		<u>146,717</u>	<u>91,995</u>
Other comprehensive income		-	-
Total comprehensive income		<u>146,717</u>	<u>91,995</u>

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Statement of Financial Position

As at 30 June 2015

	Notes	2015 \$	2014 \$
Current assets			
Cash and cash equivalents	3	472,444	48,694
Receivables	4	<u>11,098</u>	<u>170,461</u>
Total current assets		<u>483,542</u>	<u>219,155</u>
Non-current assets			
Property, plant and equipment	5	<u>61,216</u>	<u>72,321</u>
Total non-current assets		<u>61,216</u>	<u>72,321</u>
Total assets		<u>544,758</u>	<u>291,476</u>
Current liabilities			
Payables	6	265,878	192,026
Current provisions	7	<u>24,333</u>	<u>7,455</u>
Total current liabilities		<u>290,211</u>	<u>199,481</u>
Non-current liabilities			
Non-current provisions	8	<u>15,835</u>	-
Total non-current liabilities		<u>15,835</u>	-
Total liabilities		<u>306,046</u>	<u>199,481</u>
Net assets		<u>238,712</u>	<u>91,995</u>
Equity			
Retained earnings		<u>238,712</u>	<u>91,995</u>
Total equity		<u>238,712</u>	<u>91,995</u>

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Statement of Cash Flows For the Year Ended 30 June 2015

	Notes	2015 \$	2014 \$
Cash flows from operating activities			
Receipts from operations		1,269,554	606,363
Payments to suppliers and employees		(849,121)	(480,516)
Net cash generated by operating activities	9	<u>420,433</u>	<u>125,847</u>
Cash flows from investing activities			
Acquisition of property, plant and equipment		(3,968)	(78,493)
Interest received		7,285	1,340
Net cash generated by (used in) investing activities		<u>3,317</u>	<u>(77,153)</u>
Cash flows from financing activities			
Net cash generated by financing activities		<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents		<u>423,750</u>	<u>48,694</u>
Cash and cash equivalents at the beginning of the financial year		48,694	-
Cash and cash equivalents at the end of the financial year		<u>472,444</u>	<u>48,694</u>

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Statement of Changes in Equity

For the Year Ended 30 June 2015

	Retained earnings	Total
	\$	\$
Balance at 1 July 2013	-	-
Total comprehensive income for the 2014 year	91,995	91,995
Balance at 30 June 2014	91,995	91,995
Total comprehensive income for the 2015 year	146,717	146,717
Balance at 30 June 2015	238,712	238,712

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Notes to the Financial Statements

For the Year Ended 30 June 2015

1 Statement of significant accounting policies

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act (WA) 1987 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.

The financial statements have been prepared in accordance with the following 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 directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with those of previous periods unless stated otherwise.

AASB 101 - Presentation of Financial Statements

AASB 107 - Cash Flow Statements

AASB 108 - Accounting Policies, Changes in Accounting Estimates and Errors

AASB 1031 - Materiality

AASB 1048 - Interpretation of Standards

AASB 1054 - Australian Additional Disclosures

The following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

a) Income Tax

The Association is exempt from income tax under the provisions of Section 50-5 of the Income Tax Assessment Act 1997.

b) Property, Plant and Equipment (PPE)

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

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

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

c) Impairment of Assets

At the end of each reporting period, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is recognised in the income and expenditure statement.

d) Employee Benefits

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

e) Provisions

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

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Notes to the Financial Statements

For the Year Ended 30 June 2015

f) Cash and Cash Equivalents

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

g) Revenue and Other Income

Grant revenue is recognised in the statement of comprehensive income when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised as it accrues using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

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

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.

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Notes to the Financial Statements

For the Year Ended 30 June 2015

	2015	2014
	\$	\$
2 Administration		
Audit fee	5,000	2,300
Advertising	6,090	2,744
Cleaning	4,100	2,329
Computer	7,231	3,250
Consultancy	13,950	-
CRU sub contract	-	147,775
Insurance	4,808	4,547
Memberships	5,006	541
Set up cost	-	108,784
Telephone & internet	7,804	2,455
Printing	8,549	1,866
Staff expense	10,211	5,855
Other	11,381	7,542
	<u>84,130</u>	<u>289,988</u>
3 Cash and cash equivalents		
Cash at bank	472,292	48,676
Cash on hand	152	18
	<u>472,444</u>	<u>48,694</u>
4 Receivables		
Trade receivables	-	158,809
Prepayments	10,696	11,652
Accrued income	402	-
	<u>11,098</u>	<u>170,461</u>
5 Property, plant and equipment		
Plant and equipment	82,461	78,493
Less depreciation - plant and equipment	(21,245)	(6,172)
	<u>61,216</u>	<u>72,321</u>
6 Payables		
Creditors	4,058	2,084
Accrued expenses	36,240	21,992
Unspent grants	193,143	144,372
Other payables	32,437	23,578
	<u>265,878</u>	<u>192,026</u>
7 Current provisions		
Employee leave provision	24,333	7,455
	<u>24,333</u>	<u>7,455</u>
8 Non-current provisions		
Long service leave provision	15,835	-
	<u>15,835</u>	<u>-</u>

These notes should be read in conjunction with the attached audit report.

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Notes to the Financial Statements

For the Year Ended 30 June 2015

	2015	2014
	\$	\$
9 Reconciliation to Cash Flows from Operations		
Net surplus for the period	146,717	91,995
Non-operating cash flows in net profit (loss)		
Depreciation and amortisation	15,073	6,172
Interest received	(7,285)	(1,340)
Change in Assets and Liabilities		
(Increase)/decrease in receivables	159,364	(170,462)
Increase/(decrease) in payables	73,851	192,027
Increase/(decrease) in provisions	32,713	7,455
Net cash provided by operating activities	<u>420,433</u>	<u>125,847</u>

10 Auditor's Remuneration

In the course of the year ending 30 June 2015, the Auditor received the following remuneration (excluding GST):

Audit fees - RG Ledger Pty Ltd	<u>5,000</u>	<u>2,300</u>
	<u>5,000</u>	<u>2,300</u>

11 Segment information

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

12 Subsequent events

There have been no events since 30 June 2015 that have had a material effect on the financial statements.

13 Tenancy WA Incorporated details

The principal place of business of Tenancy WA Incorporated is:

2/18 Plain Street, EAST PERTH, WA 6004