

Redfern Legal Centre

ABN: 31 001 442 039

Financial report

For the year ended 30 June 2023

TABLE OF CONTENTS

Directors' report	1 - 4
Auditor's independence declaration	5
Statement of profit or loss and other comprehensive income	6
Statement of financial position	7
Statement of changes in equity	8
Statement of cash flows	9
Notes to financial statements	10 - 20
Directors' declaration	21
Independent auditor's report	22 - 24

REDFERN LEGAL CENTRE

ABN: 31 001 442 039

DIRECTORS' REPORT

The Directors present their report together with the financial report of Redfern Legal Centre for the year ended 30 June 2023 and auditor's report thereon.

Directors names

The names of the Directors in office at any time during or since the end of the year are:

Kerry O'Brien Chair

Tamara Sims (resigned 22 November 2022)

Alexandra Finley

Gregory Masters

Craig Young

Linda Tucker

Ben Lipschitz

Naysla Edwards

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

Principal activities

The principal activity of the company during the year was to provide legal advice and advocacy to persons otherwise unable to afford legal services, to promote community education in matters relating to law and the legal system and to contribute to law reform which will bring about social and legal change to enhance respect for human rights.

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

Results

The surplus of the company for the year amounted to \$97,957.

Review of operations

The company continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

REDFERN LEGAL CENTRE

ABN: 31 001 442 039

DIRECTORS' REPORT

Company objectives

Redfern Legal Centre has four major strategic goals and related performance targets. To assist in achieving our strategic goals and performance targets, we have also identified a small number of key supporting strategies.

Company performance

The company has established performance targets for each strategic goal. These targets focus the efforts of the Board, management and staff and help us measure success in achieving the strategic goals stated below.

Strategic Goals

Strategic Goals	Supporting Strategies
Equal access to justice, by ensuring people experiencing disadvantage have increased capacity to understand and address their legal issues	Provision of legal services to our clients including: <ul style="list-style-type: none">- Legal Advice, information, and referrals- Legal representation and casework- Holistic support, working closely with non-legal providers where required
A just and fair legal system, by addressing systemic injustices	Leading reform and advocacy in the system including: <ul style="list-style-type: none">- Building partnerships and coalitions- Media and campaign work- Submissions- Strategic litigation and test cases
Improved wellbeing for individuals and communities, by promoting empowered and resilient communities	Engaging and building capacity in the community through: <ul style="list-style-type: none">- Volunteer and professional training program- Community legal education- Partnerships and community outreach- Legal publications and information- Media engagement

REDFERN LEGAL CENTRE

ABN: 31 001 442 039

DIRECTORS' REPORT

Information on directors and company secretary

Kerry O'Brien	Solicitor
Qualifications	BA, JD, GDLP, LLM
Experience	Special Counsel, McCullough Robertson Senior Associate, Colin Biggers & Paisley, Lawyer, Fair Work Ombudsman
Special responsibilities	Chair
Tamara Sims	Solicitor
Qualifications	BA LLB
Experience	Head of Pro Bono & Responsible Business, Colin Biggers & Paisley.
Alexandra Finley	Lawyer and Senior Executive
Qualifications	MLM, Dip Law, Exec MBA
Experience	Executive Director - Commercial, Energy Corporation of NSW (DPIE)
Gregory Masters	Management Consultant
Qualifications	B SC (Psych) Hons, UNSW, Masters of Management, UTS
Experience	Director of Nexus Management Consulting Pty Ltd and part-time lecturer at the Queensland University of Technology
Craig Young	Marketing Services Consultant
Qualifications	B. Econ (UQ), Grad Dip. Asian Studies (ANU), M. Indigenous Studies (UNSW)
Experience	Australian Managing Director of Big Village and serves on the board of Australian Data and Insights Association
Linda Tucker	Solicitor
Qualifications	BA/ LLB (UNSW) PhD (UoW)
Experience	Senior Lawyer, Shoalcoast Community Legal Centre
Ben Lipschitz	Chief Executive Officer
Qualifications	BA, LLB (Hons) UNSW (2008)
Experience	FoodByUs, CEO & co-founder (2016 – Present).
Special Responsibilities	Treasurer
Naysla Edwards	Vice President, Marketing & Member Experience, American Express
Qualifications	Bachelor Business Management
Experience	Business Development, Partnerships & Marketing E2E

DIRECTORS' REPORT

Meetings of directors

Directors	Directors' meetings	
	Number eligible to attend	Number attended
Kerry O'Brien	5	5
Tamara Sims	2	2
Alexandra Finley	5	5
Gregory Masters	5	5
Craig Young	5	4
Linda Tucker	5	5
Ben Lipschitz	5	3
Naysla Edwards	5	4

Members guarantee

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute to a maximum of \$20 each towards meeting any outstandings and obligations of the company. At 30 June 2023 the number of members was 21. The combined total amount that members of the company are liable to contribute if the company is wound up is \$420.

Auditor's independence declaration

A copy of the auditor's independence declaration under the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit for the financial year is provided with this report.

Signed on behalf of the board of directors.

Chair: 
Kerry O'Brien

Dated this 2nd day of November 2023

Level 16, Tower 2 Darling Park
201 Sussex Street
Sydney NSW 2000

Postal Address
GPO Box 1615
Sydney NSW 2001

p. +61 2 9221 2099
e. sydneypartners@pitcher.com.au

REDFERN LEGAL CENTRE
ABN: 31 001 442 039

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF REDFERN LEGAL CENTRE**

In relation to the independent audit for the year ended 30 June 2023, to the best of my knowledge and belief there have been no contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

- (i) no contraventions of the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012*; and
- (ii) no contraventions of any applicable code of professional conduct.



Mark Godlewski
Partner

Pitcher Partners

2 November 2023

REDFERN LEGAL CENTRE

ABN: 31 001 442 039

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023**

	Note	2023 \$	2022 \$
Revenue	3,4	4,226,663	3,901,232
Less: expenses			
Employee benefits expense	5	(3,408,320)	(3,209,060)
Depreciation and amortisation	5	(203,533)	(204,998)
Occupancy expense		(77,321)	(29,942)
IT support		(43,443)	(29,573)
IT software		(32,646)	(20,955)
Consultancy fees		(38,785)	(10,235)
Telephone and internet		(28,926)	(32,645)
Insurance		(26,924)	(19,012)
Travel and accommodation		(17,108)	(1,313)
Staff training and development		(17,667)	(5,153)
Professional memberships		(13,562)	(12,769)
Advertising		(13,459)	(9,315)
Interpreters		(9,298)	(6,775)
Finance costs - leases	5	(8,927)	(8,676)
Repairs and maintenance		(6,128)	(12,133)
Other expenses		<u>(182,659)</u>	<u>(142,606)</u>
		<u>(4,128,706)</u>	<u>(3,755,160)</u>
Surplus from operations		97,957	146,072
Other comprehensive income for the year		<u>-</u>	<u>-</u>
Total comprehensive income		<u><u>97,957</u></u>	<u><u>146,072</u></u>

The accompanying notes form part of these financial statements.

REDFERN LEGAL CENTRE
ABN: 31 001 442 039

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	Note	2023 \$	2022 \$
Current assets			
Cash and cash equivalents	8	3,452,583	2,011,103
Receivables	9	40,161	36,809
Other financial assets	10	-	1,000,000
Other assets	13	<u>61,148</u>	<u>31,057</u>
Total current assets		<u>3,553,892</u>	<u>3,078,969</u>
Non-current assets			
Lease assets	12	45,980	46,680
Property, plant and equipment	11	<u>50,294</u>	<u>22,604</u>
Total non-current assets		<u>96,274</u>	<u>69,284</u>
Total assets		<u>3,650,166</u>	<u>3,148,253</u>
Current liabilities			
Payables	14	1,722,215	1,241,307
Lease liabilities	12	53,734	52,317
Provisions	15	<u>392,966</u>	<u>462,315</u>
Total current liabilities		<u>2,168,915</u>	<u>1,755,939</u>
Non-current liabilities			
Provisions	15	<u>113,651</u>	<u>122,671</u>
Total non-current liabilities		<u>113,651</u>	<u>122,671</u>
Total liabilities		<u>2,282,566</u>	<u>1,878,610</u>
Net assets		<u>1,367,600</u>	<u>1,269,643</u>
Equity			
Reserves	17	215,025	262,500
Retained surplus	16	<u>1,152,575</u>	<u>1,007,143</u>
Total equity		<u>1,367,600</u>	<u>1,269,643</u>

The accompanying notes form part of these financial statements.

REDFERN LEGAL CENTRE

ABN: 31 001 442 039

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023

	Reserves \$	Retained Surplus \$
Balance as at 1 July 2021	190,000	933,571
Surplus for the year	<u>-</u>	<u>146,072</u>
Total comprehensive income for the year	<u>-</u>	<u>146,072</u>
Transfer from retained surplus	-	(72,500)
Transfer to Special reserve	<u>72,500</u>	<u>-</u>
Balance as at 30 June 2022	<u>262,500</u>	<u>1,007,143</u>
Balance as at 1 July 2022	262,500	1,007,143
Surplus for the year	<u>-</u>	<u>97,957</u>
Total comprehensive income for the year	<u>-</u>	<u>97,957</u>
Transfer to retained surplus	-	47,475
Transfer from Special reserve	<u>(47,475)</u>	<u>-</u>
Balance as at 30 June 2023	<u>215,025</u>	<u>1,152,575</u>

The accompanying notes form part of these financial statements.

REDFERN LEGAL CENTRE

ABN: 31 001 442 039

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 \$	2022 \$
Cash flow from operating activities			
Receipts from funding agreements, customers and donations		4,798,374	4,492,434
Donations received		109,057	140,963
Payments to suppliers and employees		(4,251,205)	(3,896,219)
Interest received		<u>6,664</u>	<u>4,393</u>
Net cash provided by operating activities		<u>662,890</u>	<u>741,571</u>
Cash flow from investing activities			
Payment for property, plant and equipment		-	(12,997)
Payment for (proceeds from) investments		<u>1,000,000</u>	<u>200,000</u>
Net cash provided by investing activities		<u>1,000,000</u>	<u>187,003</u>
Cash flow from financing activities			
Principal portion of lease payments		<u>(221,410)</u>	<u>(224,142)</u>
Net cash provided by / (used in) financing activities		<u>(221,410)</u>	<u>(224,142)</u>
Reconciliation of cash			
Cash at beginning of the financial year		2,011,103	1,306,671
Net increase in cash held		<u>1,441,480</u>	<u>704,432</u>
Cash at end of financial year		<u><u>3,452,583</u></u>	<u><u>2,011,103</u></u>

The accompanying notes form part of these financial statements.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and Australian Accounting Standards - Simplified Disclosures, Interpretations and other applicable authoritative pronouncements of the Australian Accounting Standards Board. This includes compliance with the recognition and measurement requirements of all Australian Accounting Standards, Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the disclosure requirements of AASB 1060 *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*.

The financial report covers Redfern Legal Centre as an individual entity. Redfern Legal Centre is a company limited by guarantee, incorporated and domiciled in Australia. Redfern Legal Centre is a not-for-profit entity for the purpose of preparing the financial statements.

The financial report was approved by the Directors at the date of the directors' report.

The following are the significant accounting policies adopted by the company in the preparation and presentation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) Basis of preparation of the financial report

Historical Cost Convention

The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets and liabilities as described in the accounting policies.

Significant accounting estimates and judgements

The preparation of the financial report requires the use of certain estimates and judgements in applying the company's accounting policies. Those estimates and judgements significant to the financial report are disclosed in Note 2 to the financial statements.

(b) Revenue and other income

The company derives revenue from the provision of services derived from the delivery of grant projects. Revenue is recognised as, or when, services are transferred to the customer, and is measured at an amount that reflects the consideration to which the company expects to be entitled in exchange for the service. Grant projects are delivered under contractual arrangements with external third parties that contain enforceable and specific performance obligations. Revenue from the provision of services is recognised over time, as performance obligations are satisfied, based on either cost incurred or service hours performed, consistent with the manner in which services are provided.

A transfer of an asset, including cash, under arrangements that do not contain enforceable and sufficiently specific performance obligations is referred to in the financial statements as an 'operating grant'. Assets arising from operating grants are recognised at fair value when the company obtains control of the asset and has met all the contractual requirements of the contract including providing services.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue from the rendering of services is recognised upon the delivery of the service to the clients.

A non-reciprocal donation is recognised when the right to receive a donation has been established.

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

Other revenue is recognised when the right to receive the revenue has been established.

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

(c) Income tax

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

(d) Cash and cash equivalents

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

(e) Financial instruments

Initial recognition and measurement

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

Financial instruments are initially measured at fair value adjusted for transaction costs, except where the instrument is classified as fair value through profit or loss, in which case transaction costs are immediately recognised as expenses in profit or loss.

Classification of financial liabilities

Financial liabilities are measured at amortised cost.

All other financial liabilities recognised by the company are subsequently measured at amortised cost.

Trade and other receivables

Trade and other receivables are measured at amortised cost.

Consistent with both the company's business model for managing the financial assets and the contractual cash flow characteristics of the assets, trade and other receivables are subsequently measured at amortised cost.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Property, plant and equipment

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

Plant and equipment

Plant and equipment is measured at cost. Where plant and equipment was acquired at no cost or for a nominal amount, cost is deemed to be the fair value as at the acquisition date.

Depreciation

The depreciable amount of all other property, plant and equipment is depreciated over their estimated useful lives commencing from the time the asset is held available for use, consistent with the estimated consumption of the economic benefits embodied in the asset.

Class of fixed asset	Depreciation rates	Depreciation basis
Office equipment at cost	13-33%	Straight line

(g) Leases

At the commencement date of a lease (other than leases of 12-months or less and leases of low value assets), the company recognises a lease asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

Lease assets

Lease assets are initially recognised at cost, comprising the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date of the lease, less any lease incentives received, any initial direct costs incurred by the company, and an estimate of costs to be incurred by the company in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. Subsequent to initial recognition, lease assets are measured at cost (adjusted for any remeasurement of the associated lease liability), less accumulated depreciation and any accumulated impairment loss. Lease assets are depreciated over the shorter of the lease term and the estimated useful life of the underlying asset, consistent with the estimated consumption of the economic benefits embodied in the underlying asset.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Leases (Continued)

Lease liabilities

Lease liabilities are initially recognised at the present value of the future lease payments (i.e., the lease payments that are unpaid at the commencement date of the lease). These lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, or otherwise using the company's incremental borrowing rate. Subsequent to initial recognition, lease liabilities are measured at the present value of the remaining lease payments (i.e., the lease payments that are unpaid at the reporting date). Interest expense on lease liabilities is recognised in profit or loss (presented as a component of finance costs). Lease liabilities are remeasured to reflect changes to lease terms, changes to lease payments and any lease modifications not accounted for as separate leases.

Variable lease payments not included in the measurement of lease liabilities are recognised as an expense when incurred.

Leases of 12-months or less and leases of low value assets

Lease payments made in relation to leases of 12-months or less and leases of low value assets (for which a lease asset and a lease liability has not been recognised) are recognised as an expense on a straight-line basis over the lease term.

(h) Employee benefits

(i) Short-term employee benefit obligations

Liabilities arising in respect of wages and salaries, annual leave and other employee benefits (other than termination benefits) expected to be settled wholly before twelve months after the end of the reporting period are measured at the (undiscounted) amounts based on remuneration rates which are expected to be paid when the liability is settled. The expected cost of short-term employee benefits in the form of compensated absences such as annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables in the statement of financial position.

(ii) Long-term employee benefit obligations

The provision for other long-term employee benefits, including obligations for long service leave and annual leave, which are not expected to be settled wholly before twelve months after the end of the reporting period, are measured at the present value of the estimated future cash outflow to be made in respect of the services provided by employees up to the reporting date.

Other long-term employee benefit obligations are presented as current liabilities in the statement of financial position if the company does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur. All other long-term employee benefit obligations are presented as non-current liabilities in the statement of financial position.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Goods and services tax (GST)

Revenues, expenses and purchased assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(j) Comparatives

Where necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.

NOTE 2: SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

In the process of applying the company's accounting policies, management makes various judgements that can significantly affect the amounts recognised in the financial statements. In addition, the determination of carrying amounts of some assets and liabilities require estimation of the effects of uncertain future events. Outcomes within the next financial year that are different from the assumptions made could require a material adjustment to the carrying amounts of those assets and liabilities affected by the assumption.

The following outlines the major judgements made by management in applying the company's accounting policies and/or the major sources of estimation uncertainty, that have the most significant effect on the amounts recognised in the financial statements and/or have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year:

(a) Long service leave provisions

Long service leave provisions are based on assumptions in accordance with AASB 119.

(b) Estimation of useful lives of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTE 2: SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(c) Leases assets and lease liabilities

At the commencement date of a lease (other than leases of 12-months or less and leases of low value assets), the company recognises a lease asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. In order to measure a lease asset and corresponding lease liability, the company is required to make a determination of the lease term. This determination includes an assessment of whether the company is reasonably certain to exercise an option to extend the lease or to purchase the underlying asset, or not to exercise an option to terminate the lease. In making this judgement, the company considers all relevant facts and circumstances that create an economic incentive for the company to exercise, or not to exercise, the option, including any expected changes in facts and circumstances from the commencement date of the lease until the exercise date of the option.

(d) Revenue and other income

The company derives revenue and other income from a range of activities and sources, including revenue from the sale of goods and the provision of services, and income from donations, operating grants and capital grants. In accordance with Australian Accounting Standards, the company is required to determine whether it is appropriate to recognise revenue and other income in the financial year in which cash or noncash assets are received or to defer the recognition of revenue and other income until associated obligations and/or conditions (if any) are satisfied. In making this judgement, the company considers the guidance outlined in AASB 15 *Revenue from Contracts with Customers* and AASB 1058 *Income of Not for Profit Entities* and, in particular, whether the arrangement contains enforceable and sufficiently specific performance obligations. Where the company identifies the existence of enforceable and sufficiently specific performance obligations, or the arrangement requires the company to use the funds received to acquire or construct items of property, plant and equipment to identified specifications, the recognition of revenue and other income is deferred until the identified obligations are satisfied.

REDFERN LEGAL CENTRE
ABN: 31 001 442 039

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$
NOTE 3: REVENUE		
Contract fees and consultancy	<u>65,388</u>	<u>60,936</u>
	<u><u>65,388</u></u>	<u><u>60,936</u></u>
 NOTE 4: OTHER REVENUE AND OTHER INCOME		
Other revenue		
Interest income	<u>6,664</u>	<u>4,393</u>
Donations	128,964	140,897
Grants - Commonwealth	987,489	256,691
Grants - NSW	1,452,798	1,861,426
Grants - Local	45,000	85,316
Grants - Philanthropic & Corporate	<u>1,470,894</u>	<u>1,214,801</u>
	<u>4,085,145</u>	<u>3,559,131</u>
Other revenue	<u>50,272</u>	<u>27,761</u>
	<u><u>4,142,081</u></u>	<u><u>3,591,285</u></u>
Other Income		
Tickets and seminars	19,194	13,176
Subsidies and grants - COVID	<u>-</u>	<u>235,835</u>
	<u>19,194</u>	<u>249,011</u>
 NOTE 5: OPERATING SURPLUS		
Surplus has been determined after:		
Finance costs		
- Lease liability	8,927	8,676
Depreciation		
- office furniture and equipment	19,613	18,279
Amortisation of non-current assets		
- leased assets	183,920	186,719
Employee benefits:		
- Superannuation	317,053	276,481
- Wages, salary and on-costs	<u>3,091,267</u>	<u>2,932,579</u>
	<u><u>3,408,320</u></u>	<u><u>3,209,060</u></u>

REDFERN LEGAL CENTRE

ABN: 31 001 442 039

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

	2023	2022
	\$	\$
NOTE 6: REMUNERATION OF AUDITORS		
Remuneration of auditors for:		
Audit and assurance services		
- Audit or review of the financial report	<u>10,000</u>	<u>9,750</u>
Total remuneration of auditors	<u>10,000</u>	<u>9,750</u>
NOTE 7: KEY MANAGEMENT PERSONNEL COMPENSATION		
Total compensation paid or payable to key management personnel	<u>377,619</u>	<u>281,145</u>
Key management personnel include all Directors, and the management positions of Chief Executive Officer and Chief Operating Officer.		
NOTE 8: CASH AND CASH EQUIVALENTS		
Cash at bank	3,342,598	1,901,118
Cash on deposit	<u>109,985</u>	<u>109,985</u>
	<u>3,452,583</u>	<u>2,011,103</u>
NOTE 9: RECEIVABLES		
CURRENT		
Trade debtors	27,259	32,132
Grants and other receivables	<u>12,902</u>	<u>4,677</u>
	<u>40,161</u>	<u>36,809</u>
NOTE 10: OTHER FINANCIAL ASSETS		
CURRENT		
<i>Financial assets measured at amortised cost</i>		
Term deposits	<u>-</u>	<u>1,000,000</u>
Total financial assets measured at amortised cost	<u>-</u>	<u>1,000,000</u>

REDFERN LEGAL CENTRE
ABN: 31 001 442 039

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$
NOTE 11: PROPERTY, PLANT AND EQUIPMENT		
Plant and equipment		
Office equipment at cost	128,717	140,776
Accumulated depreciation	<u>(78,423)</u>	<u>(118,172)</u>
	<u>50,294</u>	<u>22,604</u>
Total property, plant and equipment	<u><u>50,294</u></u>	<u><u>22,604</u></u>
(a) Reconciliations		
Reconciliation of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year		
<i>Office equipment</i>		
Opening carrying amount	22,604	27,886
Additions	47,303	12,997
Depreciation expense	<u>(19,613)</u>	<u>(18,279)</u>
Closing carrying amount	<u><u>50,294</u></u>	<u><u>22,604</u></u>
NOTE 12: LEASE ASSETS AND LEASE LIABILITIES		
(a) Lease assets		
Lease Asset	735,681	560,157
Accumulated Amortisation	<u>(689,701)</u>	<u>(513,477)</u>
	<u>45,980</u>	<u>46,680</u>
Total carrying amount of lease assets	<u><u>45,980</u></u>	<u><u>46,680</u></u>
(b) Lease liabilities		
CURRENT		
Lease Liability	<u>53,734</u>	<u>52,317</u>
NOTE 13: OTHER ASSETS		
CURRENT		
Prepayments	39,815	29,609
Accrued income	<u>21,333</u>	<u>1,448</u>
	<u><u>61,148</u></u>	<u><u>31,057</u></u>

REDFERN LEGAL CENTRE

ABN: 31 001 442 039

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$
NOTE 14: PAYABLES		
CURRENT		
<i>Unsecured liabilities</i>		
Trade creditors	37,339	6,482
Other creditors	193,919	136,845
Accrued expenses	128,179	51,903
Income in advance	<u>1,362,778</u>	<u>1,046,077</u>
	<u>1,722,215</u>	<u>1,241,307</u>

Included in Income in advance is government grants totalling \$922,404.

NOTE 15: PROVISIONS

CURRENT		
Employee benefits	<u>392,966</u>	<u>462,315</u>
NON CURRENT		
Employee benefits	48,657	95,290
Parental leave	<u>64,994</u>	<u>27,381</u>
	<u>113,651</u>	<u>122,671</u>

NOTE 16: RETAINED SURPLUS

Retained surplus at beginning of year	1,007,143	933,571
Net surplus	97,957	146,072
Transfers (to) / from reserves	<u>47,475</u>	<u>(72,500)</u>
	<u>1,152,575</u>	<u>1,007,143</u>

NOTE 17: RESERVES

Special reserve	<u>215,025</u>	<u>262,500</u>
	<u>215,025</u>	<u>262,500</u>

NOTE 18: MEMBERS' GUARANTEE

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute to a maximum of \$20 each towards meeting any outstandings and obligations of the company. At 30 June 2023 the number of members was 21.

REDFERN LEGAL CENTRE

ABN: 31 001 442 039

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTE 19: EVENTS SUBSEQUENT TO REPORTING DATE

There has been no matter or circumstance, which has arisen since 30 June 2023 that has significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 30 June 2023, of the company, or
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 30 June 2023, of the company.

NOTE 20: ECONOMIC DEPENDENCE

The company is reliant on various government agencies for funding.

NOTE 21: REVENUE FROM FUNDRAISING AND CHARITABLE ACTIVITIES

During the year, the company conducted general fundraising and the following information is provided to meet the reporting requirements of the *Charitable Fundraising Act 1991*.

Details of gross income and expenditure of fundraising activities:

	2023	2022
	\$	\$
Gross income from fundraising	56,864	140,897
Total costs of fundraising	<u>(404)</u>	<u>(1,593)</u>
Surplus from fundraising activities	<u>56,460</u>	<u>139,304</u>
Total charitable purpose expenditure	<u>-</u>	<u>-</u>
Net surplus funds from fundraising appeals	<u><u>56,460</u></u>	<u><u>139,304</u></u>

NOTE 22: COMPANY DETAILS

The registered office and principal place of business of the company is:

73 Pitt Street
REDFERN NSW 2016

DIRECTORS' DECLARATION

The directors of the company declare that:

1. In the directors' opinion, the financial statements and notes thereto, as set out on pages 6 - 20, satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*, including:
 - (a) complying with Australian Accounting Standards - Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Regulations 2022*; and
 - (b) giving a true and fair view of the financial position as at 30 June 2023 and performance for the year ended on that date of the company.
2. In the directors opinion, there are reasonable grounds to believe that the company is able to pay all of its debts, as and when they become due and payable.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2021*.

Chair: 
Kerry O'Brien

Dated this 2nd day of November 2023

Level 16, Tower 2 Darling Park
201 Sussex Street
Sydney NSW 2000

Postal Address
GPO Box 1615
Sydney NSW 2001

p. +61 2 9221 2099
e. sydneypartners@pitcher.com.au

REDFERN LEGAL CENTRE
ABN: 31 001 442 039

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF REDFERN LEGAL CENTRE**

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Redfern Legal Centre, which comprises the statement of financial position as at 30 June 2023, 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 directors' declaration.

In our opinion, the accompanying financial report of Redfern Legal Centre is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the Company's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards - Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

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 Company in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* "ACNC Act" 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.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2023 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.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF REDFERN LEGAL CENTRE**

Responsibilities of the Directors for the Financial Report

The Directors are responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the ACNC Act and for such internal control as the Directors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Directors are responsible for overseeing the Company's financial reporting process.

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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 Company'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 Company 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 Directors 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.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF REDFERN LEGAL CENTRE**

Report on Other Legal and Regulatory Requirements

In our opinion:

- (a) the financial statements of the company show a true and fair view of the financial results of charitable and fundraising activities for the year ended 30 June 2023;
- (b) the financial statements and associated records of the company have been properly kept during the year in accordance with the *Charitable Fundraising Act 1991*;
- (c) money received as a result of charitable and fundraising activities conducted during the year has been properly accounted for and applied in accordance with the Act; and
- (d) the internal controls exercised by the company are appropriate and effective in accounting for all income received and applied by the company from any of the fundraising appeals.



Mark Godlewski
Partner



Pitcher Partners
Sydney

2 November 2023