

# Centre Against Violence

## Special Purpose Financial Statements

For the year ended 30 June 2022

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## Auditors' Independence Declaration

For the year ended 30 June 2022

### Auditors' Independence Declaration

As lead auditor for the audit of Centre Against Violence 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 auditor 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.



Stephen Clarke  
Director

Albury  
18 November 2022

**Statement of profit or loss and other comprehensive income**

For the year ended 30 June 2022

	Notes	2022 \$	2021 \$
<b>Revenue</b>	2	8,056,834	5,727,143
<b>Expenses</b>			
Accounting fees		(1,800)	(4,000)
Administration expenses		(33,131)	(28,188)
Advertising expenses		(5,568)	(7,769)
AGM & Board expenses		(42,067)	(67,121)
Assets purchased < \$1,000		(4,399)	(6,781)
Audit fees		(12,128)	(12,128)
Client costs		(739,330)	(886,060)
Computer Costs		(58,066)	(62,473)
Depreciation	5	(119,013)	(137,925)
Donations paid		(14,740)	(4,604)
Motor vehicle & maintenance		(35,866)	(35,787)
Other expenses		(148,536)	(4,162)
Rental and property costs		(351,328)	(222,542)
Profit/(Loss) on sale of assets		-	(13,693)
Quality assurance costs		(22,071)	(11,362)
Repairs & maintenance – office equipment		(10,394)	(11,476)
Resources		(2,791)	(598)
Telephones		(40,336)	(41,176)
Utilities		(28,031)	(34,800)
Employee related costs		(3,971,724)	(3,721,688)
Total Expenditure		<u>(5,641,519)</u>	<u>(5,314,334)</u>
<b>Surplus/(Deficit) before income tax expense</b>		2,415,315	412,808
Income tax expense	1(c)	-	-
<b>Net Surplus/(Deficit)</b>		<u><b>2,415,315</b></u>	<u><b>412,808</b></u>
<b>Other comprehensive income</b>		-	-
<b>Total comprehensive result for the year</b>		<u><b>2,415,315</b></u>	<u><b>412,808</b></u>

*The statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.*

**Statement of financial position**

As at 30 June 2022

	Notes	2022 \$	2021 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash on hand	3	6,341,026	4,222,418
Other assets	4	18,661	15,784
<b>Total current assets</b>		<b>6,359,687</b>	<b>4,238,202</b>
<b>Non-current assets</b>			
Property, plant and equipment	5	1,232,596	1,171,783
<b>Total non-current assets</b>		<b>1,232,596</b>	<b>1,171,783</b>
<b>Total assets</b>		<b>7,592,283</b>	<b>5,409,985</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable	6	280,540	330,365
Provisions	7	361,828	337,896
Grants in advance	8	-	206,124
<b>Total current liabilities</b>		<b>642,368</b>	<b>874,385</b>
<b>Non-Current liabilities</b>			
Provisions	9	79,949	79,949
		<b>79,949</b>	<b>79,949</b>
<b>Total liabilities</b>		<b>721,317</b>	<b>954,334</b>
<b>Net assets</b>		<b>6,870,966</b>	<b>4,455,651</b>
<b>EQUITY</b>			
Retained earnings		6,870,966	4,455,651
<b>Total Equity</b>		<b>6,870,966</b>	<b>4,455,651</b>

*The statement of financial position should be read in conjunction with the accompanying notes.*

**Statement of changes in equity**

For the year ended 30 June 2022

		<b>Retained Surplus \$</b>	<b>Total \$</b>
Balance at 1 July 2020		3,964,177	4,338,119
Effect of change in accounting policy	1 (n)	78,666	78,666
Net surplus for the year		412,808	412,808
Balance at 30 June 2021		<u>4,455,651</u>	<u>4,455,651</u>
Net deficit for the year		2,415,315	2,415,314
Balance at 30 June 2022		<u><b>6,870,966</b></u>	<u><b>6,870,966</b></u>

*The statement of changes in equity should be read in conjunction with the accompanying notes.*

Centre Against Violence

## Statement of cash flows

For the year ended 30 June 2022

	Notes	2022 \$	2021 \$
<b>Cash flows from operating activities</b>			
Cash receipts in the course of operations		7,851,352	5,698,211
Cash payment in the course of operations		(5,552,276)	(5,043,286)
Interest received		1,387	4,034
<b>Net cash inflow from operating activities</b>	11	<u>2,300,463</u>	<u>658,959</u>
<b>Cash flows from investing activities</b>			
Proceeds from sales of property, plant and equipment		21,452	21,468
Payments for property, plant and equipment		(203,307)	(103,985)
<b>Net cash outflow from investing activities</b>		<u>(181,855)</u>	<u>(82,517)</u>
<b>Net increase in cash and cash equivalents held</b>			
Net increase (decrease) in cash held		2,118,608	576,442
Cash on hand at beginning of financial year		4,222,418	3,645,976
<b>Cash at the end at end of financial year</b>	3	<u><u>6,341,026</u></u>	<u><u>4,222,418</u></u>

*The statement of cash flows should be read in conjunction with the accompanying notes.*

## Notes to and forming part of the financial statements

For the year ended 30 June 2022

### Note 1. Summary of significant accounting policies

Centre Against Violence (“the Centre”) is an association incorporated in Victoria under the *Associations Incorporation Reform Act 2012* and has its principal place of business located at 29 Templeton Street Wangaratta, Vic.

#### (a) Basis of accounting

In the Board of Management’s opinion, the Centre is not a reporting entity because there are no users dependent on general purpose financial statements.

These special purpose financial statements that have been prepared for the sole purpose of complying with the requirements of the *Associations Incorporation Reform Act 2012* and the *Australian Charities and Not for Profits Commission Act 2012* to prepare and distribute financial statements to the members and must not be used for any other purpose. The Board of Management has determined that the accounting policies adopted are appropriate to meet the needs of the members.

The following is a summary of material accounting policies adopted by the entity in preparation of the financial statements. The financial statements have been prepared in accordance with applicable Australian Accounting Standards, Australian Accounting Interpretations and other authoritative pronouncements with the exception of the following:

- AASB 7 – Financial Instruments: Disclosures
- AASB 9 – Financial Instruments
- AASB 16 – Leases
- AASB 119 – Employee Benefits
- AASB 124 – Related Party Disclosures
- AASB 132 – Financial Instruments: Presentation

The financial statements are prepared in accordance with the historical cost convention. Unless otherwise stated, the accounting policies adopted are consistent with those of the previous year. Comparative information has been reclassified where appropriate to enhance comparability.

#### (b) Income

##### (i) Grants

Grants are generally recognised as income when the Centre obtains control over the granted asset. Control over granted assets normally occurs at the time they are received. However, where performance obligations under the relevant grant agreements remain unsatisfied the grants will be recognised as a liability until those obligations are satisfied.

##### (ii) Donations & other contributions

Donations and other contributions are recognised as income upon receipt of the related funds.

##### (iii) Interest

Interest income is recognised on an accrual basis taking into account the interest rates applicable to the financial assets.

#### (c) Income tax

Income tax is not provided for in the financial statements as the Centre is recognised as tax exempt under the Income Tax Assessment Act and therefore not subject to tax.

#### (d) Cash and cash equivalents

For the purposes of the statement of cash flows, cash includes deposits at call, which are readily convertible to cash on hand and are subject to an insignificant risk of change in value, net of any outstanding bank overdrafts.

#### (e) Trade and other receivables

Debtors are brought to account at their nominal amounts. A provision for doubtful debts is raised when some doubt as to collection exists.

## Notes to and forming part of the financial statements

For the year ended 30 June 2022

### Note 1. Summary of significant accounting policies (continued)

#### (f) Property, plant and equipment

Each class of property, plant & equipment is carried at cost or fair value as indicated, less where applicable, any accumulated depreciation. Assets acquired at nominal or no costs are brought to account at their fair value.

Plant and Equipment, leasehold improvements and landscaping are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Items with a value of less than \$300 are expensed in the year of purchase.

Depreciation is calculated on the prime costs basis in order to write off the cost of assets over their expected useful lives. Estimates of remaining useful lives are made on a regular basis for all assets with annual reassessments for major items. The expected useful lives are as follows:

Plant and Equipment	2 to 10 years
Leasehold Improvements	5 years
Motor Vehicles	5 years

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount exceeds its estimated recoverable amount. Gains and losses on disposal of assets are determined by comparing proceeds with the carrying amount of the assets disposed. The gains/losses are included in the statement of comprehensive income.

#### (g) Trade and other payables

These amounts represent liabilities for goods and services provided to the Centre prior to the end of the financial year and which are unpaid. These amounts are unsecured and are usually paid within normal trading terms.

#### (h) Impairment of assets

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use. As the Centre is a not-for-profit entity for AIFRS purposes, the value in use is the depreciated replacement cost of the asset.

#### (i) Maintenance and repairs

Maintenance and repairs are charged as expenses as incurred, except where they relate to the replacement of a component of an asset, in which case are capitalized and depreciated in accordance with note 1(f).

#### (j) Goods and services tax (GST)

Income, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian 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 expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

#### (k) Employee Entitlements

##### (i) Annual leave

A liability for annual leave is recognised in respect of employees' services up to the reporting date and is measured at the amount expected to be paid when the liability is settled. All annual leave balances are classified as a current liability.



## Notes to and forming part of the financial statements

For the year ended 30 June 2022

### Note 1. Summary of significant accounting policies (continued)

#### (ii) Long Service Leave

Long service leave entitlements payable are assessed at balance date having regard to expected employee remuneration rates on settlement, employment related on-costs and other factors including accumulated years of employment. All long service leave which the entity does not have an unconditional right to defer settlement of the liability for at least twelve months after reporting date is disclosed as a current liability and is measured at nominal value based on the amount expected to be paid when settled. Long service leave expected to be paid later than one year has also been based on the amount expected to be paid when settled. Long service leave entitlements are recognised for all employees in full regardless of whether they have reached vesting date.

#### (l) Leases

Lease payments are charged to the statement of comprehensive income in the periods in which they are incurred as this represents the pattern of benefits derived from the leased asset.

#### (m) 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 incorporated Centre'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 the accounting policies.

#### (n) Effect of Change in accounting policy

In previous years the Association had recognised liabilities for the following items:

- Provision for personal/sick leave	\$52,723 - non-vesting and not a liability
- Provision for life event	\$12,554 - not a present obligation based on past event
- Provision for parental leave	\$52,255 - not a present obligation based on past event
	<b>\$117,532</b>

The impact of the correction of accounting error has been the restatement of the 2021 comparatives within the financial statements as detailed below.

<i>Statement of Profit or Loss and Other Comprehensive Income</i>	<b>Actual 2021</b>	<b>Effect of Error Correction</b>	<b>Restated 2021</b>
- Revenue	5,727,142	-	5,727,142
- Expenses	(5,353,200)	38,866	(5,314,334)
<b>Net surplus for the year</b>	<b>373,942</b>	<b>38,866</b>	<b>412,808</b>
 <i>Statement of financial Position</i>			
- Total Assets	5,409,986	-	5,409,986
- Total Liabilities	(1,071,866)	117,532	(954,335)
<b>Net Assets</b>	<b>4,338,120</b>	<b>117,532</b>	<b>4,455,651</b>
 <i>Statement of Changes in Equity</i>			
- Opening retained earnings	3,964,177	78,666	4,042,843
- Surplus/deficit for the year	373,942	38,866	412,808
<b>Total Equity</b>	<b>4,338,120</b>	<b>117,532</b>	<b>4,455,651</b>

**Notes to and forming part of the financial statements**

For the year ended 30 June 2022

<b>Note 2. REVENUE</b>	2022	2021
	\$	\$
<b>Revenue from operating activities</b>		
Victorian Department of Family, Fairness and Housing	7,948,025	5,606,658
Grants and contributions	2,565	-
	<b>7,950,590</b>	<b>5,606,658</b>
<b>Revenue from outside operating activities</b>		
Interest	1,387	4,034
COVID related Government subsidies	-	50,000
Donations received	41,076	14,138
Other revenue	63,781	52,313
	<b>106,244</b>	<b>120,485</b>
<b>Total revenue</b>	<b>8,056,834</b>	<b>5,727,143</b>

**Note 3. CURRENT ASSET - CASH ON HAND**

Petty cash	6,200	6,150
Hume Community Link account	5,759,636	3,659,420
Hume Community Link – Donations	70,371	52,912
Hume Bank – Term Investment	504,819	503,936
	<b>6,341,026</b>	<b>4,222,418</b>

**Note 4. CURRENT ASSET – OTHER ASSETS**

Prepayments	2,877	-
Security Bond	15,784	15,784
	<b>18,661</b>	<b>15,784</b>

**Note 5. NON-CURRENT ASSET - PROPERTY, PLANT AND EQUIPMENT**

Land	694,534	694,534
Plant & Equipment	425,140	358,316
Less: Accumulated depreciation	(227,207)	(172,114)
	<b>197,933</b>	<b>186,202</b>
Motor Vehicles	359,331	356,175
Less: Accumulated depreciation	(173,931)	(140,724)
	<b>185,400</b>	<b>215,451</b>
Leasehold Improvements	198,698	198,698
Leasehold Improvements – 52 Carrier St Benalla	85,750	-
Less: Accumulated depreciation	(138,219)	(123,100)
	<b>146,229</b>	<b>75,598</b>
Work In Progress – 19 Stanley Street Wodonga	4,500	-
Work In Progress – 11A Chisholm Street Wangaratta	4,000	-
	<b>8,500</b>	<b>-</b>
<b>Total Property, plant and equipment</b>	<b>1,232,596</b>	<b>1,171,785</b>

## Notes to and forming part of the financial statements

For the year ended 30 June 2022

### Note 5. NON-CURRENT ASSET - PROPERTY, PLANT AND EQUIPMENT (Cont)

#### Reconciliations

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current financial year are set out below:

	Carrying amount 1 July 2021	Additions	Disposals	Depreciation	Carrying amount 30 June 2022
Land	694,534	-	-	-	694,534
Plant & Equipment	186,202	66,625	-	(54,894)	197,933
Motor Vehicles	215,451	42,232	(23,283)	(49,000)	185,400
Leasehold Improvements	75,598	85,750	-	(15,119)	146,229
Work In Progress	-	8,500	-	-	8,500
	<u>1,171,785</u>	<u>203,107</u>	<u>(23,283)</u>	<u>(119,013)</u>	<u>1,232,596</u>

### Note 6. CURRENT LIABILITIES - ACCOUNTS PAYABLE

	2022	2021
	\$	\$
Trade payables	12,939	43,925
Superannuation payable	-	55,814
GST payable	148,677	138,967
PAYG	116,870	82,479
Salary Sacrifice	1,000	-
Business Credit Card	3,054	9,180
	<u>280,540</u>	<u>330,365</u>

### Note 7. CURRENT LIABILITIES - PROVISIONS

Provisions for annual leave	245,321	221,383
Provisions for long service leave	116,023	116,023
ETP Payable	484	490
	<u>361,828</u>	<u>337,896</u>

### Note 8. CURRENT LIABILITIES – OTHER LIABILITIES

Grants received in advance	<u>-</u>	<u>206,124</u>
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### Note 9. NON-CURRENT LIABILITIES - PROVISIONS

Provisions for long service leave	<u>79,949</u>	<u>79,949</u>
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**Notes to and forming part of the financial statements**

For the year ended 30 June 2022

**Note 11. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES WITH SURPLUS AFTER INCOME TAX**

	2022	2021
	\$	\$
Surplus for the year	2,415,315	412,808
Cash flows excluded from current year profits		
Depreciation	119,013	137,923
(Gain) / Loss on sale of fixed assets	2,029	13,725
Changes in assets and liabilities:		
(Increase)/Decrease in receivables	-	5,973
(Increase)/Decrease in prepayments	(2,878)	-
Increase/(Decrease) in provisions for leave entitlements	22,932	(17,631)
Increase/(Decrease) in trade payables	(49,825)	131,061
Increase/(Decrease) in Deferred Income	(206,124)	(24,897)
Net cash inflow from operating activities	<u>2,300,463</u>	<u>658,962</u>

**Note 12. CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

As at 30 June 2022 the Centre had no contingent liabilities or contingent assets.

**Note 13. COMMITMENTS**

	2022	2021
	\$	\$
<b>Operating Leases</b>		
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:		
Within one year	373,643	51,436
Later than one year but not later than 5 years	1,028,679	-
	<u>1,402,322</u>	<u>14,900</u>

**Note 14. EVENTS OCCURRING AFTER BALANCE DATE**

After balance date the sale of Parfitt Road Wangaratta land was settled for \$1.095 million, resulting in a \$400K profit on sale. No other matters or circumstances have arisen since balance date up to the date of the signing of these statements that has significantly affected or may significantly affect the Centre's operations in future financial years, or the results of those operations in future financial years, or the Centre's state of affairs in future financial years.

**Note 15. ECONOMIC DEPENDENCY**

The Centre is dependent on the ongoing receipt of government grant funding to the to provide its core services. At the time of signing the financial statements the Board of Management had no reason to believe that the government funding will not be ongoing.

Centre Against Violence

## Board of Management's declaration

For the year ended 30 June 2022

As stated in Note 1(a) to the financial statements, in the opinion of the Board of Management, the Centre 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 to meet the requirements of the *Associations Incorporation Reform Act 2012* and the *Australian Charities and Not for Profits Commission Act 2012*.

The financial statements have been prepared in accordance with applicable accounting standards and mandatory professional reporting requirements to the extent described in Note 1(a).

The Board of Management declares that the financial statements and notes set out on pages 3 to 12:

- a) comply with the Accounting Standards, as detailed above, and the *Associations Incorporation Reform Act 2012* and the *Australian Charities and Not for Profits Commission Act 2012*; and
- b) give a true and fair view of the Centre's financial position as at 30 June 2022, and of its performance, as represented by the results of its operations and its cash flows, for the financial year ended on that date.

In the opinion of the Board of Management, there are reasonable grounds to believe that the Centre will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Management.



Board member



Board member

Wangaratta, Vic.

8 November 2022

## Independent auditor's report to the members of Centre Against Violence

### Qualified Audit Opinion

We have audited the financial statements, being a special purpose financial statements of Centre Against Violence Inc. (CAV), which comprise the statement of financial position 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 ended on that date, a summary of accounting policies, other explanatory notes and the Board of Management's declaration.

In our opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements of CAV's are in accordance with:

- (a) the *Associations Incorporation Reform Act 2012* and the *Australian Charities and Not for Profits Commission Act 2012*, including:
  - (i) giving a true and fair view of the CAV's financial position as at 30 June 2022 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1; and
  - (ii) complying with Australian Accounting Standards to the extent described in note 1 and complying with the *Associations Incorporation Reform Regulations 2012* and the *Australian Charities and Not-for-profits Commission Regulation 2013*.

### Basis for Qualified Opinion

The Association has not completed an assessment of grant funding received in 2022 and associated funding agreements to determine whether any specific performance obligations remain unfulfilled at balance date and what amounts should be deferred to unearned grant funding in the balance sheet. The company has recognized all grant funding as revenue on receipt which is a departure from its stated accounting policy in relation to grant revenue.

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 Statements section of our report. We are independent of the Association in accordance with the auditor independence requirements of the *Australian Charities and Not for Profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants, including Independence Standards (the Code) that are relevant to our audit of the financial statements in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Australian Charities and Not for Profits Commission Act 2012*, which has been given to the Board of Management would be in the same terms if given at the time of this auditor's report.

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

Without modifying our opinion, we draw attention to Note 1 of the financial statements which describes the basis of accounting. The financial statements have been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Associations Incorporation Reform Act 2012* and the *Australian Charities and Not for Profits Commission Act 2012*. As a result, the financial statements may not be suitable for another purpose.

## Independent auditor's report to the members (continued)

### Responsibilities of the Board of Management for the Financial Statements

The Board of Management is responsible for the preparation and fair presentation of the financial statements and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial statements which are appropriate to meet the requirements of the *Associations Incorporation Reform Act 2012* and the *Australian Charities and Not for Profits Commission Act 2012* and are appropriate to meet the needs of the members.

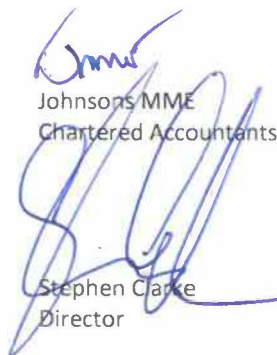
The Board of Management is also responsible for such internal control as the Board determine necessary to enable the preparation of the financial statements that is free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for assessing the CAV'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 management either intends to liquidate CAV's or to cease operations, or has no realistic alternative but to do so.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 these financial statements.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.



Johnsons MME  
Chartered Accountants

Stephen Clarke  
Director

Albury  
18 November 2022