

**NEW ENGLAND AND WESTERN TENANTS ADVICE AND
ADVOCACY SERVICE INCORPORATED
ABN 31 279 732 390**

**SPECIAL PURPOSE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

**New England and Western Tenants Advice and Advocacy Service
Incorporated (ABN 31 279 732 390)
(An Incorporated Association)**

Special Purpose Financial Report

For the year ended 30 June 2021

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New England & Western Tenants Advice & Advocacy Service Inc.

Committee's Report

Your committee members submit the financial statements of the New England and Western Tenants Advice and Advocacy Service Incorporated ("NEWTAAS") for the year ended 30 June 2021.

Committee Members

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

Anne Wolfenden (President)
Elizabeth Stahlut (Treasurer)
Christine Foord (Secretary)
Marjorie Henzell
Brian Humphreys
Jennifer Bourke
Noel Marshall

Principal Activities

No significant change in the principal activities occurred during the year. The service continued with its objectives of providing information, advice and advocacy services to tenants across the New England, North West, Western and Far West of New South Wales.

The core grant funding contract with the NSW Fair Trading was renewed as at September 2019 for a further 3 years until 30 June 2022.

Additional one-off funding as part of the NSW government response to the COVID-19 pandemic was also received from NSW Fair Trading for 1 FTE for one year commencing in May 2020.

After balance date events

An application for funding for an additional 0.5 FTE has been made to NSW Fair Trading which is likely to be approved for the 2021-2022 financial year.

A permanent increase in the core funding may be offered as part of the 2022 funding for the program.

Going Concern

The financial statements have been prepared on a going concern basis. The current funding contract expires on 30 June 2022.

It is expected that an application process will be run before the expiry of the contract for the funding period 1 July 2022-30 June 2025.

NEWTAAS has been offering TAAS services since 2002 and consistently meets funding criteria. It is therefore considered likely that NEWTAAS will be successful in their application.

However, should NEWTAAS be unsuccessful in their tender application then the organisation would be wound up, as it is dependent on Grant funding to operate.

New England & Western Tenants Advice & Advocacy Service Inc.

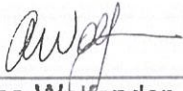
Committee Report Cont.

Operating Result

The operating deficit for the year ending 30 June 2021 is \$Nil, (2020 deficit of Nil).


Signed in accordance with a resolution of the members of the committee:

Chair



Anne Wolfenden

Member



Elizabeth Stahl

Dated: 25th August 2021

New England & Western Tenants Advice & Advocacy Service Inc.

Statement of profit or loss and other comprehensive income for the Year ended 30 June 2021

	2021	2020
	\$	\$
Revenue		
Grant – Core Funding	618,746	535,199
Grant – Non Core Funding	90,438	82,447
Reimbursable expenses	969	1,250
Other Income	14,721	8,926
Cash Flow Boost Government Funding	27,442	43,050
Interest	3,568	5,128
Total revenue	755,884	676,000
Expenditure		
Salary and Related Expenses		
Salaries and Wages	513,350	438,959
On-costs	135,779	135,167
Total Salary and Related Expenses	649,128	574,126
Other Operating Expenses		
Phones & Communication	20,385	13,489
Language or Cultural Services	878	1,535
Depreciation	12,371	7,873
Operating Management	14,977	21,276
Office Expenses	13,417	9,557
Consumables	2,066	2,005
Insurance	7,201	5,555
Rent	26,537	25,728
Staff/Volunteer Training	Nil	327
Transport and Motor Vehicle Costs	8,923	14,529
	106,756	101,874
Total Expenditure	755,884	676,000
Current year deficit before income tax	Nil	Nil
Income tax expense	Nil	Nil
Net Current year deficit	Nil	Nil

New England & Western Tenants Advice & Advocacy Service Inc.

Statement of profit or loss and other comprehensive income for the Year ended 30 June 2021 (Cont.)

Other comprehensive income

Items that will not be reclassified subsequently to profit or loss when specific conditions are met.

Nil

Nil

Items that will be reclassified subsequently to profit or loss when specific conditions are met

Nil

Nil

Total other comprehensive income for the year

Nil

Nil

Total comprehensive income for the year

Nil

Nil

Total comprehensive income attributable to members of the entity

Nil

Nil

The accompanying notes form part of these financial statements.

New England & Western Tenants Advice & Advocacy Service Inc.

Statement of financial position as at 30 June 2021

	Note	2021	2020
ASSETS		\$	\$
CURRENT ASSETS			
Cash and Cash Equivalents		512,804	511,560
Accounts receivable and other debtors	2	2,760	28,465
Shares		10	10
Total Current Assets		<u>515,574</u>	<u>540,035</u>
NON-CURRENT ASSETS			
Plant & equipment	3	<u>23,980</u>	<u>21,542</u>
Total Non Current Assets		<u>23,890</u>	<u>21,542</u>
Total Assets		<u>539,554</u>	<u>561,577</u>
LIABILITIES			
CURRENT LIABILITES			
Accounts payable and other payables		20,836	28,789
Employee provisions	4	392,968	314,809
Other current liabilities	5	<u>11,918</u>	<u>99,711</u>
Total Current Liabilities		<u>425,722</u>	<u>443,309</u>
NON CURRENT LIABILITES			
Employee provisions	4	<u>99,073</u>	<u>103,509</u>
Total Non Current Liabilities		<u>99,073</u>	<u>103,509</u>
Total Liabilities		<u>524,795</u>	<u>546,818</u>
NET ASSETS		<u>14,759</u>	<u>14,759</u>
Equity		14,759	14,759
Retained surplus/(Deficit)		<u>Nil</u>	<u>Nil</u>
Total Equity		<u>14,759</u>	<u>14,759</u>

The accompanying notes form part of these financial statements.

New England & Western Tenants Advice & Advocacy Service Inc.

Statement of changes in equity for the Year ended 30 June 2021

	Equity
	\$
Balances at 1 July 2019	14,759
Comprehensive Income	
Deficit for the year attributable to members of the entity	Nil
Other comprehensive income for the year	Nil
Total comprehensive income attributable to members of the entity	14,759
Balance at 30 June 2020	14,759
Comprehensive Income	
Surplus for the year attributable to members of the entity	Nil
Other comprehensive income for the year	Nil
Total comprehensive income attributable to members of the entity	Nil
Balance at 30 June 2021	14,759

New England & Western Tenants Advice & Advocacy Service Inc.

Statement of cash flows for the Year ended 30 June 2021

	2021	2020
	\$	\$
Cash flows from operating activities		
Grant income	698,775	655,514
Interest received	3,568	5,128
Payments to employees	(565,501)	(483,845)
Payments to suppliers	(120,788)	(139,512)
Net cash (used in)/generated from operating activities	16,054	37,285
Cash flows from investing activities		
Payment for plant and equipment	(14,810)	(11,154)
Net cash used in investing activities	(14,810)	(12,268)
Net increase/ (decrease) in cash held	1,244	26,131
Cash on hand at the beginning of the financial year	511,560	485,429
Cash on hand at the end of the financial year	512,804	511,560

New England & Western Tenants Advice & Advocacy Service Inc.

Notes to the Financial Statements for the Year Ended 30 June 2021

Note 1 Summary of Significant Accounting Policies

Basis of preparation

These financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the *Australian Charities & Not for Profits Commission Act, 2012* ("ACNC") and grant funding conditions.

The financial statements have been prepared on an accruals basis and are based on historical costs and do not take into account changing money values or, except where specifically stated, current valuations of non-current assets. The financial statements are presented in Australian dollars.

NEWTAAS ("the Association") is a registered charity under the ACNC and is classified as a medium entity. Under the ACNC reporting requirements NEWTAAS is required to apply the following six accounting standards as a minimum to the extent that they are relevant:

- AASB 101 Presentation of Financial Statements;
- AASB 107 Statement of cash flows;
- AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors;
- AASB 1048 Interpretation of standards;
- AASB 1054 Australian Additional Disclosures.

The 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 and accordingly no provision has been made.

New England & Western Tenants Advice & Advocacy Service Inc.

Notes to the Financial Statements for the Year Ended 30 June 2021 (Cont.)

(b) Plant and Equipment (PPE)

Plant and 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.

When the written down value of PPE is Nil an assessment is made by management and a decision made to write off. Any subsequent profit on sale is recognised as revenue.

(c) Impairment of Assets

At the end of each reporting period, the Association reviews the carrying values of its tangible 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 statement of profit or loss and other comprehensive income.

(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.

(i) Redundancy

Redundancy provisions are measured in accordance with the minimum standards contained in the National Employment Standards and are essential given that NEWTAAS is dependent on cyclical government funding. These provisions may be required to be paid out immediately if the organisation was unsuccessful in winning one 3-year grant funding tender.

(ii) Personal/Carers Leave

The Association records a potential liability for personal leave for all permanent part-time and full-time employees. The amount is measured at its nominal value at balance date and includes related on-costs. Although this provision does not comply with Accounting Standards, it represents the liability of NEWTAAS to employ casual staff or increase part time employee hours to cover time lost as part of their commitment to continuity of service delivery from a small organisation.

New England & Western Tenants Advice & Advocacy Service Inc.

Notes to the Financial Statements for the Year Ended 30 June 2021 (Cont.)

(iii) Locum

The Association's funding contract requires that a service be deliverable to all residential tenants in the New England, North West, Western and Far West areas of New South Wales. The entity records a potential liability for casual staff that may be required to satisfy periods of high demand. This includes ensuring continuity of service delivery during periods of orientation and training as new staff learn their roles. This provision does not comply with Accounting Standards and is measured by management's best estimate.

(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

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed.

Interest revenue is recognised when received.

Grant and Donation income is recognised when the Association obtains control over funds. Control over core grant income received occurs when it is applied in accordance with funding guidelines as set down in the funding agreement. The Association has no right to recognise funds as income unless they are applied in accordance with the funding agreement guidelines. Any excess funds remaining at the end of the grant period are to be repaid to the funding body. If grant conditions are not satisfied the revenue is deferred and recognised as a liability.

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

(h) Leases

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.

(i) 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.

(j) New and Amended Accounting Standards Adopted

During the current year the Association adopted all new and amended Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

New England & Western Tenants Advice & Advocacy Service Inc.

Notes to the Financial Statements for the Year Ended 30 June 2021 (Cont.)

(k) New Accounting Standards applicable in future periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods.

The committee members have decided against early adoption of these Standards, but do not expect the adoption of these standards to have any impact on the reported position or performance of the Association. If the Association in the future enters into a long term rental lease, a right to use asset might emerge.

(l) Going Concern and Economic Dependence

NEWTAAS is dependent on NSW Fair Trading - Department of Finance and Services for the majority of its revenue used to operate the business. There is a current funding contract in place ending 30 June 2022. At the date of this report the committee have no reason to believe the Commissioner for Fair Trading, Department of Finance and Services will not continue to provide funding to NEWTAAS into the foreseeable future. As a result, the financial statements have been prepared on a going concern basis.

New England & Western Tenants Advice & Advocacy Service Inc.

Notes to the Financial Statements for the Year Ended 30 June 2021 (Cont.)

Note 2 Accounts receivable and other debtors

	2021	2020
	\$	\$
Accounts Receivable	1,261	10,660
Prepayments	Nil	1,166
Reimbursable Expenses	146	146
Accrued Income	Nil	15,140
Power Bank Deposit	320	320
Bond Guarantee	1,033	1,033
Total Trade and Other Receivables	2,760	28,465

Note 3 Property, Plant and Equipment

	2021	2020
	\$	\$
Office Equipment	56,870	61,583
Less: Accumulated Depreciation	(32,890)	(40,041)
Total Property, Plant and Equipment	23,980	21,542

	2021
	\$
Carrying amount at 30 June 2020	21,542
Asset Purchases	14,809
Profit/Loss on disposal of Equipment	Nil
Depreciation	12,371
Closing Balance at 30 June 2021	23,980

New England & Western Tenants Advice & Advocacy Service Inc.

Notes to the Financial Statements for the Year Ended 30 June 2021 (Cont.)

Note 4 Employee Provisions

	2021 \$	2020 \$
Current		
Annual Leave	96,049	87,547
Long Service Leave	60,587	57,696
Personal/Carers Leave	30,635	28,911
Locum & Salaries	192,999	138,100
Time in Lieu	12,698	2,555
	<u>392,968</u>	<u>314,809</u>
Non Current		
Redundancy	90,287	88,049
Long Service Leave	8,786	15,460
	<u>99,073</u>	<u>103,509</u>

Note 5 Other Current Liabilities

	2021 \$	2020 \$
Income in Advance	Nil	87,698
Tax payable (GST)	11,918	12,013
	<u>11,918</u>	<u>99,711</u>

Note 6 Leasing Commitments

Operating Lease Commitments	2021 \$	2020 \$
Rent of offices in Armidale, Dubbo and Tamworth Payable		
– minimum monthly lease payments	2,251	2,198
– not later than 12 months	27,014	26,371
– between 12 months and five years	Nil	27,014
– greater than five years	Nil	Nil
	<u>29,265</u>	<u>55,582</u>

New England & Western Tenants Advice & Advocacy Service Inc.

Notes to the Financial Statements for the Year Ended 30 June 2021 (Cont.)

The Armidale office Minto property lease was entered into in May 2020 and commenced on the 1 July 2020, running until June 2022. It is a two year non-cancellable lease, with rent payable monthly in advance. There are contingent rental provisions within the lease agreement requiring that the minimum lease payments shall be increased by a maximum of the Consumer Price Index per annum.

The other offices are located in Dubbo and Tamworth. Both these offices have an informal Memorandum of Understanding ("MOU") in place.

A new MOU enabling NEWTAAS to co-locate offices with the Dubbo Neighbourhood Centre in Dubbo was entered into in September 2019 and runs until the end of the funding period June 2022. The rent is \$10,500 per annum including GST with a CPI or 3% increase each year. Rent is payable quarterly in advance.

The Tamworth office is a single office sublet under an MOU with Disability Advocacy NSW, with rent payable monthly in advance with CPI increments annually. This arrangement is reviewed annually. Disability Advocacy NSW is currently considering relocation of their Tamworth office, and NEWTAAS has been included into their considerations and will relocate with them.

Note 7 Contingent liabilities and capital commitments

Contingent liabilities

To the best of the manager's and members of the Committee's knowledge and belief there are no contingent liabilities at balance date.

Capital commitments

To the best of the manager's and members of the Committee's knowledge and belief there are no other capital commitments at balance date.

Note 8 Related Parties

There were no known related party dealings.

Note 9 Events after the end of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Association, the results of those operations, or the state of affairs of the Association in future financial years.

**Statement by Members of the Committee
For the Year Ended 30 June 2021**

The Committee has determined that the Association is not a reporting entity and that these special purpose financial statements should be prepared in accordance with the accounting policies outlined in Note 1 to the financial Statements.

In the opinion of the Committee and in accordance with the *Australian Charities & Not for Profits Commission Act, 2012*, the attached special purpose financial statements:

1. Present a true and fair view of the financial position of New England and Western Tenants Advice and Advocacy Service Incorporated as at 30 June 2021 and its performance for the year ended on that date.
2. At the date of this statement there are reasonable grounds to believe that New England and Western Tenants Advice and Advocacy Service Incorporated will be able to pay its debts as and when they become due and payable.

In determining their opinion above the committee have taken into consideration the going concern information set out in Note 1(l) to these accounts.

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

Chair



Anne Wolfenden

Member



Elizabeth Stahlnt

Dated:

25 August 2021

**New England and Western Tenants Advice
and Advocacy Service Incorporated
ABN 31 279 732 390**

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

**TO THE DIRECTORS OF NEW ENGLAND AND WESTERN TENANTS ADVICE AND
ADVOCACY SERVICES INCORPORATED**

- I declare that, to the best of my knowledge and belief, during the year ended 30 June 2021 there have been:
- i. no contraventions 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
 - ii. no contraventions of any applicable code of professional conduct in relation to the audit.

Forsyths



**Paul Cornall
Principal**

30 August 2021
121 Rusden Street, Armidale

ARMIDALE

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New England and Western Tenants Advice and Advocacy Service Incorporated ABN 31 279 732 390

Independent Auditor's Report

Report on the Financial Statements

We have audited the accompanying financial statements of New England & Western Tenants Advice and Advocacy Service Incorporated which comprises of, the statement of financial position as at 30 June 2021, 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 to the financial statements, and the statement by members of the committee.

Committee's responsibility for the Financial Statements

The committee of New England & Western Tenants Advice and Advocacy Service Incorporated is responsible for the preparation of the financial statements, and has determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the *Associations Incorporation Act (NSW) 2009* and *Australian Charities and Not-for-profits Commission Act 2012* and is appropriate to meet the needs of the funding body. The committee's responsibility also includes such internal control as the committee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. No opinion is expressed as to whether the accounting policies used as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, 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 statements 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 control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the members of the board, as well as evaluating the overall presentation of the financial statements.

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 Australian professional ethical pronouncements.

Opinion

In our opinion, the financial statements of New England and Western Tenants Advice and Advocacy Service Incorporated are in accordance with *The Associations Incorporations Act 2009* and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the association's financial position as at 30 June 2021 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1 and complying with the *Australian Charities and Not-for-profits Commission Regulations 2013*.

Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1 to the financial statements which describes the basis of accounting. The financial statements are prepared for the purpose of fulfilling the committee's financial reporting responsibilities under *The Associations Incorporations Act 2009* and *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial statements may not be suitable for another purpose.

Forsyths



Paul Cornall
Principal

121 Rusden Street, Armidale,

Dated this 30th August 2021