

**JENNY'S PLACE INCORPORATED**

**ABN: 28 646 270 077**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2018**

**JENNY'S PLACE INCORPORATED**

**ABN: 28 646 270 077**

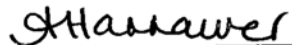
**DIRECTORS' DECLARATION**

In the directors' opinion:

- The Association is not a reporting entity because there are no users dependent on general purpose financial statements. Accordingly, as described in Note 1 to the financial statements, the attached special purpose financial statements have been prepared for the purposes of complying with the Associations Incorporated Act 2009 (NSW), Class Order 11/01 as issued by the NSW Fair Trading and the financial reporting requirements under the organisation agreement with the Department of Family and Community Services (DFACS);
- The attached financial statements and notes thereto give a true and fair view of the Association's financial position as at 30 June 2018 and of its performance for the financial year ended on that date; and
- There are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors.

On behalf of the directors

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

Dated: 30/10/18

**JENNY'S PLACE INCORPORATED**

ABN: 28 646 270 077

**STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 30 JUNE 2018**

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
<b>INCOME</b>		
Donations	85,082	67,593
Department of FACS Funding Grants	1,293,810	1,271,854
Department of Human Services One-Off Grants	-	31,075
Entertainment Books	1,477	3,315
Fees from Clients	52,847	55,391
Insurance Recoveries	-	4,928
Interest	6,301	7,192
Membership Fees	16	12
Nova Grant Income	11,071	-
FRRR Grant	10,196	-
Other Income	387	30
PWC Grant Income	80,000	-
Profit on Sale of Asset	-	25,433
Utilities Income	641	654
<b>TOTAL INCOME</b>	<u>1,541,829</u>	<u>1,467,477</u>
<b>EXPENDITURE</b>		
Accommodation/Outings	386	511
Advances to Women	3,741	4,345
Advertising	1,154	1,552
Assets < \$20000	-	19,417
Audit	7,000	6,750
Bank Charges	638	712
Books/Videos/Subscriptions	2,604	3,149
Child Support Expenses	270	610
Client Amenities	4,620	702
Client Brokerage	33,276	29,195
Conferences & Training	11,754	8,323
Consultancy Expenses	1,506	-
Depreciation	1,608	1,856
Depreciation Motor Vehicle	16,735	16,732
Electricity & Gas	10,655	7,887
Fundraising Expenses	662	1,576
Increase/Decrease Entitlements	7,749	62,367
Insurance	9,275	6,736
Motor Vehicle	10,048	16,588
Nova - Admin	2,250	-
Nova - Salary	7,713	-
Nova - Superannuation	730	-
Nova - W/C Insurance	379	-

**JENNY'S PLACE INCORPORATED**

**ABN: 28 646 270 077**

**STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 30 JUNE 2018**

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
<b>EXPENDITURE (CONT)</b>		
Office Supplies	13,147	22,932
Program - Food	10,131	12,214
Program - Replacements	14,515	15,502
Program - Servicing	8,381	8,505
Program - Special DV Line	-	1,817
PWC - Office	127	-
PWC - Salary	70,975	-
PWC - Superannuation	6,701	-
PWC - W/C Insurance	1,420	-
RC - Depreciation M/V	7,769	7,769
RC - Office Overheads	24,755	3,797
RC - Salary	58,358	42,203
RC - Superannuation	5,458	3,970
RC - Telecommunications	406	7,354
RC - W/C Insurance	1,068	-
Repairs & Maintenance	56,964	38,357
Salaries & Wages	964,548	963,937
Shopping Vouchers	9,583	3,420
Staff Amenities	3,268	2,088
Superannuation	88,299	85,440
Supervision	-	1,230
Telephone & Communications	20,328	26,586
Travel	3,631	5,846
Workers Compensation Insurance	37,286	25,502
<b>TOTAL EXPENDITURE</b>	<u>1,541,870</u>	<u>1,467,478</u>
 <b>SURPLUS / (DEFICIT) ORDINARY ACTIVITIES</b>	 <u>(41)</u>	 <u>(1)</u>

**JENNY'S PLACE INCORPORATED**

ABN: 28 646 270 077

**STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2018**

	Note	2018 \$	2017 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	2	640,621	688,733
Trade and other receivables	3	10,660	9,826
Prepayments		19,972	13,673
<b>TOTAL CURRENT ASSETS</b>		<u>671,254</u>	<u>712,232</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	4	53,247	79,359
<b>TOTAL NON-CURRENT ASSETS</b>		<u>53,247</u>	<u>79,359</u>
<b>TOTAL ASSETS</b>		<u>724,501</u>	<u>791,591</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	5	54,897	88,328
Other Liabilities	6	250,555	291,923
Employee provisions	7	325,461	317,711
<b>TOTAL CURRENT LIABILITIES</b>		<u>630,912</u>	<u>697,962</u>
<b>TOTAL LIABILITIES</b>		<u>630,912</u>	<u>697,962</u>
<b>NET ASSETS</b>		<u>93,589</u>	<u>93,630</u>
<b>EQUITY</b>			
Retained earnings		93,589	93,630
<b>TOTAL EQUITY</b>		<u>93,589</u>	<u>93,630</u>

**JENNY'S PLACE INCORPORATED**  
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**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	<b>Retained Earnings</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>
<b>Balance at 1 July 2016</b>	93,631	93,631
Net Profit/(Loss) for the financial year	(1)	(1)
Other comprehensive income	-	-
<b>Balance at 30 June 2017</b>	<u>93,630</u>	<u>93,630</u>
Net Profit/(Loss) for the financial year	(41)	(41)
Other comprehensive income	-	-
<b>Balance at 30 June 2018</b>	<u>93,589</u>	<u>93,589</u>

**JENNY'S PLACE INCORPORATED**  
**ABN: 28 646 270 077**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDING 30 JUNE 2018**

	Note	2018 \$	2017 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from clients, donors and government grants		1,521,053	1,639,769
Payments to suppliers and employees		(1,575,465)	(1,520,076)
Interest received		6,301	7,192
Net cash provided by (used in) operating activities	9	(48,112)	126,885
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of plant and equipment		-	(66,927)
Proceeds from disposal of plant and equipment		-	27,000
Net cash provided by (used in) investing activities		-	(39,927)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Net cash provided by (used in) financing activities		-	-
Net increase/(decrease) in cash held		(48,112)	86,958
Cash at beginning of the financial year		688,733	601,775
<b>Cash at end of the financial year</b>		<b>640,621</b>	<b>688,733</b>

**JENNY'S PLACE INCORPORATED**

**ABN: 28 646 270 077**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDING 30 JUNE 2018**

These financial statements are for Jenny's Place Incorporated as an individual entity, incorporated and domiciled in Australia. Jenny's Place Incorporated is an Association established under the Associations Incorporated Act 2009 (NSW).

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of preparation**

The financial statements are special purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations), the Associations Incorporated Act 2009 (NSW), Class Order 11/01 as issued by the NSW Fair Trading and the financial reporting requirements under the organisation agreement with the Department of Family and Community Services (DFACS). A statement of compliance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) cannot be made due to the Group applying not-for-profit specific requirements contained in the Australian Accounting Standards.

The financial statements have been prepared in accordance with applicable Australian Accounting Standards, Australian Accounting Interpretations and other authorised pronouncements with the exception of the following:

- AASB 119 - Employee benefits; and
- AASB 1004 - Contributions.

**Summary of Accounting Policies**

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified where applicable by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

**(a) Income Tax**

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

**(b) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits at call with banks, other short term highly liquid investments with original maturities of the three months or less and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance

**(c) Trade and Other Receivables**

Trade and other receivables are recognised as the net amounts receivable after the end of the financial year.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDING 30 JUNE 2018

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT)**

**(d) Trade and Other Payables**

Trade and other payables are recognised as the net amounts payable after the end of the financial year.

**(e) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised at the net amounts of GST. Receivables and payables in the statement of financial positions 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.

**(f) Revenue**

*Interest*

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

*Contributions*

Grants, donations and other contributions are generally recognised as revenue when the Association obtains control over the granted assets. Control over granted assets normally occurs at the time they are received. However, where any amounts of grants or donations are received remain unexpended at balance date and may be refunded, or were provided for a specific purpose, these amounts are not brought to account as revenue and are disclosed as an Other Liability.

**(g) Employee Benefits**

*Wages and salaries, annual leave and sick leave*

Liabilities for wages and salaries, including non-monetary benefits, and annual, sick and stress leave are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

*Long service leave*

The liability for long service leave is recognised in current liabilities. The liability is measured as the amounts expected to be paid when the liability is settled. No consideration given to the expected future wage and salary levels, experience of employee departures and periods of service.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDING 30 JUNE 2018

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT)**

**(h) Plant and Equipment**

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight line basis to write off the net cost of each item of property, plant and equipment. It is policy of the Association that all plant and equipment be depreciated at 10% prime cost, with motor vehicles depreciated at a rate of 25%.

Any property, plant and equipment costing less than \$20,000 is immediately written off through Profit & Loss statement in the year when purchased. This is a policy of the Associations in regards to property, plant and equipment and is seen as the most appropriate way of aligning the timing difference that occurs at times in regards to funding and equipment expenditure.

**(i) Economic Dependency**

The Association is dependent upon the ongoing receipt of Federal Government grants and community and corporate donations to ensure the ongoing continuance of its programs. At the date of this report, management has no reason to believe that this financial support will not continue, with a signed agreement with the Federal Government until 2020.

**(j) Changes in accounting policies**

*New and revised standards that are effective for annual periods beginning on or after 1 July 2017*

A number of new and revised standards become effective for the first time to annual periods beginning on or after 1 July 2017. The adoption of these amendments did not have a material impact on the Association.

*Accounting Standards issued but not yet effective*

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2018 reporting periods and have not been early adopted. The Association's assessment of the impact of these new standards and interpretations is set out below.

**AASB 16: Leases (applicable for reporting periods beginning on or after 1 January 2019)**

AASB 16 will cause the majority of leases of an entity to be brought onto the statement of financial position. The calculation of the lease liability will take into account appropriate discount rates, assumptions about lease term and increases in lease payments. A corresponding right to use the asset will be recognised which will be mortised over that term of the lease. Rent expense will no longer be shown, the profit and loss impact of the leases will be through amortisation and interest charges.

Whilst the impact of AASB 16 has not yet been quantified, it is not anticipated that this will result in a material impact on the financial statements.

**JENNY'S PLACE INCORPORATED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDING 30 JUNE 2018****Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT)****(j) Changes in accounting policies (Cont)****AASB 15: Revenues from contracts with customers (applicable for reporting periods beginning on or after 1 January 2019)**

AASB 15 introduces a five step process for revenue recognition with the core principle being to recognise revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration to which the entity expects to be entitled in exchange for those goods or services.

The changes in revenue recognition requirements in AASB 15 is not expected to impact the Association.

**AASB 9: Financial instruments (applicable for reporting periods beginning on or after 1 January 2019)**

AASB 9 requires significant revisions to the classification and measurement of financial assets, reducing the number of categories and simplifying the measurement choices, including the removal of impairment testing of assets measured at fair value. The amortised cost model is available for debt assets meeting both business model and cash flow characteristics tests. All investments in equity instruments using AASB 9 are to be measured at fair value.

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
<b>Note 2: CASH AND CASH EQUIVALENTS</b>		
Cash on hand	1,200	1,200
Cash at bank	46,381	79,101
High interest investment accounts	593,040	608,432
	<u>640,621</u>	<u>688,733</u>
<b>Note 3: TRADE AND OTHER RECEIVABLES</b>		
Trade receivables	10,660	1,703
Other receivables	-	8,123
	<u>10,660</u>	<u>9,826</u>
<b>Note 4: PROPERTY, PLANT AND EQUIPMENT</b>		
Plant & Equipment	105,354	105,354
Less Accum Depreciation P&E	(92,035)	(90,427)
	<u>13,318</u>	<u>14,926</u>
Motor Vehicles at Cost	98,003	98,003
Less Accum Depreciation Motor Vehicles	(58,074)	(33,570)
	<u>39,929</u>	<u>64,433</u>
	<u>53,247</u>	<u>79,359</u>

**JENNY'S PLACE INCORPORATED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDING 30 JUNE 2018**

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
<b>Note 5: TRADE AND OTHER PAYABLES</b>		
Trade payables	5,818	40,524
GST and PAYG withholding payable	32,724	41,053
Other payables	16,355	6,750
	<u>54,897</u>	<u>88,328</u>
<b>Note 6: OTHER LIABILITIES</b>		
Grants and donations in advance	<u>250,555</u>	<u>291,923</u>
	<u>250,555</u>	<u>291,923</u>
<b>Note 7: EMPLOYEE PROVISIONS</b>		
Provision for annual leave	120,192	126,949
Provision for long service leave	149,269	135,827
Provision for other leave	55,999	54,936
	<u>325,461</u>	<u>317,711</u>

**Note 8: FINANCIAL RISK MANAGEMENT**

The Association's financial instrument consists only of deposits with banks. The total for cash and cash equivalent, measured in accordance with *AASB 139: Financial Instruments - Recognition and Measurement*, is outlined at Note 2 of the financial statements.

**Specific Financial Risk Exposures**

The main risks the Association is exposed to through its financial instruments is interest rate risk and foreign exchange risk.

**Interest Rate Risk**

Exposure to interest rate risk arises on the financial assets recognised at reporting date whereby a future change in interest rates will affect future cash flows. The Association is also exposed to earnings volatility on floating rate instruments.

**Foreign Exchange Rate Risk**

Exposure to foreign exchange rate risk arises on the financial assets recognised at reporting date whereby a future change in foreign exchange rates will affect future cash flows.

**Net Fair Values**

During the financial year, the Association did not invest in listed investments. For other assets and other liabilities net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form. Financial assets where the carrying amount exceeds net fair value have not been written down as the principal intends to hold these assets to maturity.

The aggregate net fair values and carrying amounts of the financial assets and financial liabilities are disclosed in the balance sheet and in the notes to the financial statements.

**JENNY'S PLACE INCORPORATED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDING 30 JUNE 2018****Note 8: FINANCIAL RISK MANAGEMENT (CONT)****Liquidity Risk**

The Association has a zero level of gearing and manages liquidity risk by closely monitoring forecast and actual cash flows.

**Sensitivity Analysis**

The Association performed a sensitivity analysis relating to financial risk exposures. This analysis identified that potential changes in risk exposures would not have a material impact on the financial position or performance of the Association.

	<b>2018</b>	<b>2017</b>
	\$	\$
<b>Note 9: CASH FLOW INFORMATION</b>		
<b>Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities after Income Tax</b>		
Profit/(loss) after income tax	(41)	(1)
Add/(Less) non-cash items:		
Depreciation expense	26,112	26,357
Profit on sale of assets	-	(25,433)
Movement in balance sheet accounts:		
(Increase)/decrease in trade and other receivables	(834)	1,366
(Increase)/decrease in prepayments	(6,299)	
Increase/(decrease) in trade and other creditors	(33,431)	4,558
Increase/(decrease) in other liabilities	(41,368)	
Increase/(decrease) in employee leave provision	7,749	4,298
	<u>(48,112)</u>	<u>11,145</u>

**Note 10: SUBSEQUENT EVENTS**

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

**Note 11: CONTINGENT ASSETS AND LIABILITIES**

In the opinion of the Directors, the Association did not have any contingencies at 30 June 2018 (30 June 2017: None).

**JENNY'S PLACE INCORPORATED**  
**A.B.N 28 646 270 077**

**INDEPENDENT AUDIT REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**Unqualified Opinion**

We have audited the financial report of Jenny's Place Incorporated (the Company), which comprises the balance sheet as at 30 June 2018, the profit and loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the statement by the Board.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Company as at 30 June 2018, and its financial performance, changes in equity and its cash flows for the year then ended in accordance with the accounting policies outlined at Note 1 to the financial report.

In addition, we have satisfied ourselves that:

- i. an amount equal to the grant paid has been expensed in the approved programme according to the conditions specified in the funding agreement with the Department of Community Services;
- ii. the establishment of provisions is justified and represents funds set aside for employee leave entitlements and other committed expenditure; and
- iii. the financial statements present a true and fair view of the operations of the Company.

**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 auditor independence and ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

**Emphasis of Matter – Basis of Accounting**

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the Company to meet the requirements of the applicable legislation. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

**Lambourne Partners**

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## **Responsibilities of Management and Those Charged with Governance for the Financial Report**

Management and Those Charged with Governance are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Company'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 the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance 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 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 the 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 those charged with governance 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.



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**Mr Scott Lucas**  
Registered Company Auditor (4384)  
Lambourne Partners  
Chartered Accountants  
Level 1, 56 Hudson Street  
HAMILTON NSW 2303

Dated: 30 October 2018