

Joy Melbourne Incorporated

A0027660E

Financial Statements

For the Year Ended 30 June 2020

Joy Melbourne Incorporated

A0027660E

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For the Year Ended 30 June 2020

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Joy Melbourne Incorporated

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Directors' Report 30 June 2020

The directors present their report on Joy Melbourne Incorporated for the financial year ended 30 June 2020.

General information

Directors

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

Names

Mark Adams
Peter Holmes
Priscilla Jeffery
Helen Jentz
David McCarthy
Gary Singer
Madeleine Swain
Marcus King
Amanda Millar
Josh Pearson
Rachel Rees
Jane Smith

Appointed/Resigned

Appointed July 2019
Appointed October 2019
Appointed October 2018
Appointed October 2019
Appointed July 2019
Appointed December 2019
Appointed January 2020
Resigned August 2019
Resigned January 2020
Resigned October 2019
Resigned August 2019
Resigned August 2019

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

Principal activities

The principal activity of Joy Melbourne Incorporated during the financial year was the provision of a community media service to and for Australia's diverse LGBTIQ+ community and its allies.

Significant changes

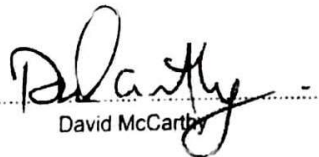
No significant change in the nature of these activities occurred during the year.

Operating result

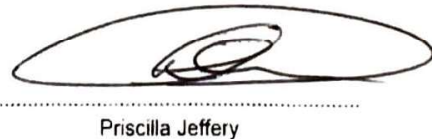
The surplus of the Association for the financial year amounted to \$ 120,808 (2019: deficit \$ (124,539)). No provision of income tax was required as the Association is exempt.

Signed in accordance with a resolution of the Board of Directors:

Chairman:


David McCarthy

Treasurer:


Priscilla Jeffery

Dated 19 November 2020

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Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2020

		2020	2019
	Note	\$	\$
Revenue	4	1,045,126	956,773
Other income	4	43,454	-
Employee benefits expense		(543,802)	(532,880)
Depreciation expense		(52,959)	(32,726)
Other expenses		(371,011)	(515,706)
Surplus/(Deficit) for the year		120,808	(124,539)

The accompanying notes form part of these financial statements.

Joy Melbourne Incorporated

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Statement of Financial Position

As At 30 June 2020

	Note	2020 \$	2019 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	602,791	200,416
Trade and other receivables	6	27,911	94,188
Other assets		11,765	19,876
TOTAL CURRENT ASSETS		<u>642,467</u>	<u>314,480</u>
NON-CURRENT ASSETS			
Property, plant and equipment	7	69,082	71,843
TOTAL NON-CURRENT ASSETS		<u>69,082</u>	<u>71,843</u>
TOTAL ASSETS		<u><u>711,549</u></u>	<u><u>386,323</u></u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	139,604	136,078
Employee benefits	9	18,492	19,469
Income in advance	10	216,869	15,000
TOTAL CURRENT LIABILITIES		<u>374,965</u>	<u>170,547</u>
TOTAL LIABILITIES		<u>374,965</u>	<u>170,547</u>
NET ASSETS		<u><u>336,584</u></u>	<u><u>215,776</u></u>
EQUITY			
Accumulated surplus		<u>336,584</u>	<u>215,776</u>
TOTAL EQUITY		<u><u>336,584</u></u>	<u><u>215,776</u></u>

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity For the Year Ended 30 June 2020

2020

	Accumulated Surplus	Special Reserve	Total
	\$	\$	\$
Balance at 1 July 2019	148,821	66,955	215,776
Surplus for the year	120,808	-	120,808
Balance at 30 June 2020	269,629	66,955	336,584

2019

	Accumulated Surplus	Special Reserve	Total
	\$	\$	\$
Balance at 1 July 2018	340,315	-	340,315
Deficit for the year	(124,539)	-	(124,539)
Bequests and Special purpose donation	(66,955)	66,955	-
Balance at 30 June 2019	148,821	66,955	215,776

The accompanying notes form part of these financial statements.

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Statement of Cash Flows For the Year Ended 30 June 2020

	2020	2019
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	1,412,303	1,062,385
Payments to suppliers and employees	(959,933)	(1,053,818)
Interest received	203	177
Net cash used in operating activities	11 <u>452,573</u>	<u>8,744</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	<u>(50,198)</u>	(2,399)
Net cash used in investing activities	<u>(50,198)</u>	<u>(2,399)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net (decrease)/increase in cash and cash equivalents held	402,375	6,345
Cash and cash equivalents at beginning of year	<u>200,416</u>	194,071
Cash and cash equivalents at end of financial year	5 <u><u>602,791</u></u>	<u><u>200,416</u></u>

The accompanying notes form part of these financial statements.

Joy Melbourne Incorporated

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Notes to the Financial Statements For the Year Ended 30 June 2020

1 Introductions

The financial report covers Joy Melbourne Incorporated as an individual entity. Joy Melbourne Incorporated is a not-for-profit Association, registered and domiciled in Australia.

The functional and presentation currency of Joy Melbourne Incorporated is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

2 Basis of Preparation

In the Directors' opinion the Association is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 *Presentation of Financial Statements*, AASB 107 *Statement of Cash Flows*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*, AASB 1031 *Materiality*, AASB 1048 *Interpretation of Standards* and AASB 1054 *Australian Additional Disclosures*.

3 Summary of Significant Accounting Policies

(a) Income Tax

The Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(b) Leases

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

(c) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Association and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Grant and donation income

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

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

Notes to the Financial Statements

For the Year Ended 30 June 2020

3 Summary of Significant Accounting Policies

(c) Revenue and other income

Grant and donation income

Donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

Membership subscriptions income

In accordance with generally accepted accounting principles for similar organisations, membership subscriptions are accounted for on a cash receipts basis.

Other income

Other income is recognised on an accruals basis when the Association is entitled to it.

(d) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(e) Property, plant and equipment

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

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a reducing balance basis over the assets useful life to the Association, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

Notes to the Financial Statements
For the Year Ended 30 June 2020

3 Summary of Significant Accounting Policies

(f) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(g) 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 that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

4 Revenue and Other Income

Revenue from continuing operations

	2020	2019
	\$	\$
- Sponsorship income	337,871	498,746
- Grants received	340,358	32,459
- Donations	210,482	155,182
- Membership fees	110,235	170,551
- Fundraising	32,332	16,042
- Other income	10,714	16,659
- Interest received	2,520	179
- Bequests and Special purpose donation	614	66,955
Total Revenue	1,045,126	956,773
	2020	2019
	\$	\$
Other Income		
- CashFlow Boost	43,454	-

5 Cash and Cash Equivalents

	2020	2019
	\$	\$
Cash at bank and in hand	602,791	200,416
	602,791	200,416

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Notes to the Financial Statements For the Year Ended 30 June 2020

6 Trade and Other Receivables

	2020	2019
	\$	\$
CURRENT		
Trade receivables	27,911	94,188
Total current trade and other receivables	27,911	94,188

7 Property, plant and equipment

	2020	2019
	\$	\$
Office equipment		
At cost	404,470	389,129
Accumulated depreciation	(368,904)	(337,918)
Total office equipment	35,566	51,211
Computer equipment		
At cost	200,939	166,083
Accumulated depreciation	(167,423)	(145,451)
Total computer equipment	33,516	20,632
Leasehold Improvements		
At cost	135,892	135,892
Accumulated depreciation	(135,892)	(135,892)
Total leasehold improvements	-	-
Total property, plant and equipment	69,082	71,843

8 Trade and Other Payables

	2020	2019
	\$	\$
Current		
Accrued expenses	45,981	28,796
Trade payables	41,599	36,282
GST payable	24,243	24,866
Other payables	23,593	47,318
ANZ Visa card	4,188	(1,184)
Total	139,604	136,078

Joy Melbourne Incorporated

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Notes to the Financial Statements For the Year Ended 30 June 2020

9 Employee Benefits

	2020	2019
	\$	\$
Current liabilities		
Provision for annual leave	18,492	19,469
	<u>18,492</u>	<u>19,469</u>

10 Income in advance

	2020	2019
	\$	\$
CURRENT		
Income in advance	216,869	15,000

11 Cash Flow Information

Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2020	2019
	\$	\$
Surplus/(Deficit) for the year	120,808	(116,540)
Non-cash flows in profit:		
- depreciation	52,959	32,726
Changes in assets and liabilities:		
- (increase) in trade and other receivables	66,277	114,916
- decrease in other assets	8,111	(8,307)
- increase in trade and other payables	189,619	(27,980)
- (decrease)/increase in employee benefits	14,799	13,929
Cashflows from operations	<u>452,573</u>	<u>8,744</u>

12 Events after the end of the Reporting Period

The rapid outbreak of the coronavirus (COVID19) presents an alarming health crisis and has a significant impact on the economies of the affected countries. The extent of the impact of COVID19 on the Association's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on its customers, employees and vendors all of which are uncertain and cannot be predicted. This event will not individually or collectively cast a significant doubt on the Association's ability to continue as a going concern and the going concern assumption is still appropriate as a basis for the preparation of the Association's financial statements.

Except for the above, no other 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.

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Notes to the Financial Statements

For the Year Ended 30 June 2020

13 Statutory Information

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

Joy Melbourne Incorporated
Level 9, 225 Bourke Street
Melbourne VIC 3000

Joy Melbourne Incorporated

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Directors' Declaration

The directors declare that in the directors' opinion:

- there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes as set out on pages 2 to 11 satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Chairman: 
David McCarthy

Treasurer: 
Priscilla Jeffery

Dated 19 November 2020

Independent Audit Report to the members of Joy Melbourne Incorporated

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Joy Melbourne Incorporated, which comprises the statement of financial position as at 30 June 2020, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the financial report of Joy Melbourne Incorporated has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the Registered Entity's financial position as at 30 June 2020 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 2, and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

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 Registered Entity in accordance with the auditor independence requirements of 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* (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 2 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Registered Entity's financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Directors for the Financial Report

The directors of the Registered Entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 2 to the financial report is appropriate to meet the requirements of the ACNC Act and the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Registered Entity'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 the responsible entities either intend to liquidate the Registered Entity or to cease operations, or have no realistic alternative but to do so.

Independent Audit Report to the members of Joy Melbourne Incorporated

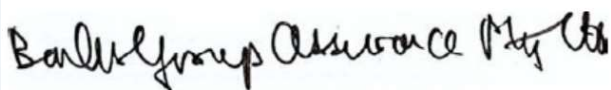
Auditor's Responsibilities for the Audit of the Financial Report

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 Registered Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the responsible entities.
- Conclude on the appropriateness of the responsible entities' 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 Registered Entity'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 Registered Entity 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.



Banks Group Assurance Pty Ltd, Chartered Accountants
Authorised audit company number 294178 (ACN 115 749 598)



Andrew Fisher, Partner
Registration number 306364

Melbourne, Australia

19 November 2020

801 Glenferrie Road Hawthorn Vic (Locked Bag 50 Hawthorn Vic 3122) Australia T +61 3 9810 0700 F +61 3 9815 1899 www.banksgroup.com.au

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