

# **JOY Melbourne Incorporated**

**A0027660E**

## **Financial Statements**

**For the Year Ended 30 June 2021**

# JOY Melbourne Incorporated

A0027660E

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For the Year Ended 30 June 2021

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**JOY Melbourne Incorporated**

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**Directors' Report**  
**30 June 2021**

The directors present their report on Joy Melbourne Incorporated for the financial year ended 30 June 2021.

**General information**

**Directors**

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

<b>Names</b>	<b>Position</b>
David McCarthy	President, Chair of Board
Helen Jentz	Vice-President, Member of FARC, Chair BCC
Priscilla Jeffery	Treasurer, Chair of FARC
Peter Holmes	Secretary, Member BCC
Mark Adams	Board Member, Member of FARC
Gary Singer	Board Member
Madeleine Swain	Board Member

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 LGBTQIA+ community and its allies.

**Significant changes**

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

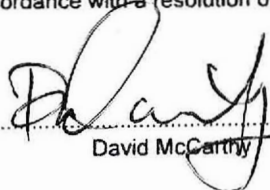
**Operating result**


The surplus of the Association for the financial year amounted to \$ 49,197(2020: \$ 120,808). No provision of Income tax was required as the Association is exempt.

**Auditor's independence declaration**

The auditor's independence declaration in accordance with section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012 for the year ended 30 June 2021 has been received and can be found on page 2 of the financial report.

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

Chairman:   
David McCarthy

Treasurer:   
Priscilla Jeffery

Dated this 4<sup>th</sup> day of NOVEMBER 2021

**JOY Melbourne Incorporated**

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**Auditor's Independence Declaration under section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012 to the directors of Joy Melbourne 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 section 60-40 of 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.



Andrew Fisher FCA, Partner (auditor registration number 306364) on behalf of  
Banks Group Assurance Pty Ltd, Chartered Accountants  
Authorised audit company registration number 294178 (ACN 115 749 598)

04 November 2021

Melbourne, Australia

**JOY Melbourne Incorporated**

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**Statement of Profit or Loss and Other Comprehensive Income  
For the Year Ended 30 June 2021**

		<b>2021</b>	<b>2020</b>
	<b>Note</b>	<b>\$</b>	<b>\$</b>
Revenue	4	<b>1,209,672</b>	1,045,126
Other income	4	<b>43,454</b>	43,454
Employee benefits expense		<b>(619,956)</b>	(525,066)
Depreciation expense		<b>(31,447)</b>	(52,959)
Other expenses		<b>(552,526)</b>	(389,747)
<b>Surplus for the year</b>		<b>49,197</b>	120,808

The accompanying notes form part of these financial statements.

# JOY Melbourne Incorporated

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## Statement of Financial Position

As At 30 June 2021

	Note	2021 \$	2020 \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	5	<b>616,800</b>	602,791
Trade and other receivables	6	<b>51,480</b>	27,911
Other assets	7	<b>10,200</b>	11,765
TOTAL CURRENT ASSETS		<b>678,480</b>	642,467
NON-CURRENT ASSETS			
Property, plant and equipment	8	<b>128,370</b>	69,082
TOTAL NON-CURRENT ASSETS		<b>128,370</b>	69,082
TOTAL ASSETS		<b>806,850</b>	711,549
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	9	<b>143,767</b>	139,604
Employee benefits	10	<b>20,390</b>	18,492
Other current liabilities	11	<b>256,912</b>	216,869
TOTAL CURRENT LIABILITIES		<b>421,069</b>	374,965
TOTAL LIABILITIES		<b>421,069</b>	374,965
NET ASSETS		<b>385,781</b>	336,584
<b>EQUITY</b>			
Accumulated surplus		<b>385,781</b>	336,584
TOTAL EQUITY		<b>385,781</b>	336,584

The accompanying notes form part of these financial statements.

# JOY Melbourne Incorporated

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## Statement of Changes in Equity For the Year Ended 30 June 2021

2021

	Accumulated Surplus	Special Reserve	Total
	\$	\$	\$
<b>Balance at 1 July 2020</b>	<b>269,629</b>	<b>66,955</b>	<b>336,584</b>
Surplus for the year	49,197	-	49,197
Transfer of Special Reserve to Accumulated Surplus	66,955	(66,955)	-
<b>Balance at 30 June 2021</b>	<b>385,781</b>	<b>-</b>	<b>385,781</b>

2020

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

The accompanying notes form part of these financial statements.

# JOY Melbourne Incorporated

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## Statement of Cash Flows For the Year Ended 30 June 2021

	2021	2020
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from customers	994,922	1,056,477
Grants, Bequest, and CashFlow Boost	364,514	355,826
Interest received	215	203
Payments to suppliers and employees	(1,254,907)	(959,933)
Net cash used in operating activities	13 <u>104,744</u>	<u>452,573</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of property, plant and equipment	(90,735)	(50,198)
Net cash used in investing activities	<u>(90,735)</u>	<u>(50,198)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Net increase in cash and cash equivalents held	14,009	402,375
Cash and cash equivalents at beginning of year	602,791	200,416
Cash and cash equivalents at end of financial year	5 <u>616,800</u>	<u>602,791</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 2021

### 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.

In FY20, Contractor expenses of \$18,736 were shown on the Statement of Profit or Loss under Employee benefits expense. They have now been included in Other expenses.

### 2 Basis of Preparation

### 3 Summary of Significant Accounting Policies

#### (a) Income Tax

The tax expense recognised in the statement of profit or loss and other comprehensive income comprises of current income tax expense plus deferred tax expense.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (loss) for the year and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

#### (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) 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.

#### (d) 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.

#### (e) 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.

## **Notes to the Financial Statements**

### **For the Year Ended 30 June 2021**

#### **3 Summary of Significant Accounting Policies**

##### **(f) 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.

##### **Revenue from contracts with customers**

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Association expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Association have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

##### **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.

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.

## Notes to the Financial Statements For the Year Ended 30 June 2021

### 3 Summary of Significant Accounting Policies

(f) **Revenue and other income**

**Other income**

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

(g) **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.

<b>Fixed asset class</b>	<b>Depreciation rate</b>
Office Equipment	10-20%
Computer Equipment	20-25%
Leasehold improvements	17%

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.

(h) **Adoption of new and revised accounting standards**

The Association has adopted all standards which became effective for the first time at 30 June 2021, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Association.

## Notes to the Financial Statements

### For the Year Ended 30 June 2021

#### 3 Summary of Significant Accounting Policies

##### (i) New Accounting Standards

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The following table summarises those future requirements, and their impact on the Association where the standard is relevant. There has been no impact in the current year since the Lease at Victorian Pride Centre commenced on 1 July 2021.

Standard Name	Effective date for entity	Requirements	Impact
Leases - AASB16	1 July 2021	Under AASB 16, there is no differentiation between finance and operating leases for the lessee and therefore all leases which meet the definition of a lease are recognised on the statement of financial position (except for shortterm leases and leases of low value assets).	Lease liabilities will be discounted, Right-of-use assets will be measured, Lease liabilities will be recognised, Lease interest and Depreciation costs will be recognised.

#### 4 Revenue and Other Income

##### Revenue from continuing operations

	2021	2020
	\$	\$
<b>Grants received</b>		
- Department of Premier and Cabinet	252,275	311,758
- Department of Families, Fairness and Housing	12,500	-
- Community Broadcasting Foundation	12,204	15,000
<b>Other Revenue</b>		
- Bequests	56,284	614
- Donations and Fundraising	322,797	256,414
- Interest received	455	2,520
- Membership fees	136,601	110,235
- Other income	50,413	10,714
- Sponsorship income	366,143	337,871
<b>Total Revenue</b>	<b>1,209,672</b>	<b>1,045,126</b>
	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<b>Other Income</b>		
- CashFlow Boost	43,454	43,454

# JOY Melbourne Incorporated

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## Notes to the Financial Statements For the Year Ended 30 June 2021

### 5 Cash and Cash Equivalents

	2021	2020
	\$	\$
Cash at bank and in hand	<u>616,800</u>	<u>602,791</u>

### 6 Trade and Other Receivables

	2021	2020
	\$	\$
CURRENT		
Trade receivables	49,882	27,911
Other receivables	1,598	-
<b>Total current trade and other receivables</b>	<u>51,480</u>	<u>27,911</u>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

### 7 Other Assets

	2021	2020
	\$	\$
CURRENT		
Prepayments	<u>10,200</u>	<u>11,765</u>

### 8 Property, plant and equipment

	2021	2020
	\$	\$
Land and Buildings		
VPC Relocation - Capital WIP		
At cost	<u>86,834</u>	<u>-</u>
Office equipment		
At cost	406,917	404,470
Accumulated depreciation	(388,741)	(368,904)
Total office equipment	<u>18,176</u>	<u>35,566</u>
Computer equipment		
At cost	202,393	200,939
Accumulated depreciation	(179,033)	(167,423)
Total computer equipment	<u>23,360</u>	<u>33,516</u>
Leasehold Improvements		
At cost	135,892	135,892
Accumulated depreciation	(135,892)	(135,892)
Total leasehold improvements	<u>-</u>	<u>-</u>
<b>Total property, plant and equipment</b>	<u>128,370</u>	<u>69,082</u>

## Notes to the Financial Statements

### For the Year Ended 30 June 2021

#### 9 Trade and Other Payables

	2021	2020
	\$	\$
CURRENT		
Accrued expenses	88,443	45,981
ANZ Visa card	2,805	4,188
GST payable	6,343	24,243
Other payables	38,650	23,593
Trade payables	7,526	41,599
	<u>143,767</u>	<u>139,604</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

#### 10 Employee Benefits

	2021	2020
	\$	\$
CURRENT		
Annual leave	<u>20,390</u>	18,492

#### 11 Other current liabilities

	2021	2020
	\$	\$
CURRENT		
Income in advance	<u>256,912</u>	216,869

#### 12 Contingencies

In the opinion of the Directors, the Association did not have any contingencies at 30 June 2021 (30 June 2020:None).

#### 13 Cash Flow Information

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

	2021	2020
	\$	\$
Surplus for the year	49,197	120,808
Non-cash flows in profit:		
- depreciation	31,447	52,959
Changes in assets and liabilities:		
- (increase) in trade and other receivables	(21,972)	66,277
- decrease in other assets	(33)	8,111
- increase in trade and other payables	44,207	189,619
- (decrease)/increase in employee benefits	1,898	14,799
Cashflows from operations	<u>104,744</u>	<u>452,573</u>

## **JOY Melbourne Incorporated**

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### **Notes to the Financial Statements For the Year Ended 30 June 2021**

#### **14 Events after the end of the Reporting Period**

The Association relocated to Victorian Pride Centre on 1 July 2021. The lease term is 5 years and there are two further terms of five years' duration each.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it had not materially impacted the Association for the year ended 30 June 2021, it is not practical to estimate the potential impact (positive or negative) after the reporting date.

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.

#### **15 Statutory Information**

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

JOY Melbourne Incorporated  
Part Level 1, Victorian Pride Centre,  
79 - 81 Fitzroy St,  
St Kilda Victoria 3182

**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 Association 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 this 4<sup>th</sup> day of NOVEMBER 2021



## 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 (the Company), which comprises the statement of financial position as at 30 June 2021, 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 accompanying financial report of the Association is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Association's financial position as at 30 June 2021 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### 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 Association in accordance with the auditor independence requirements of the *Corporations Act 2001* 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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as 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.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

[Enter details here]

#### Responsibilities of Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the 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 Association'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 directors either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

#### 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

## **Independent Audit Report to the members of Joy Melbourne Incorporated**

economic decisions of users taken on the basis of the financial report.

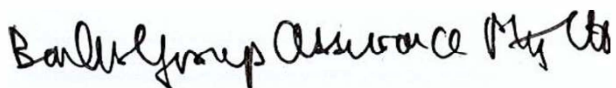
As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association'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 Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



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



Andrew Fisher FCA, Partner  
Registration number 306364

Melbourne, Australia

04 November 2021