



AMD
CHARTERED ACCOUNTANTS

**SOUTH WEST COMMUNITY LEGAL CENTRE INC.
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

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SOUTH WEST COMMUNITY LEGAL CENTRE INC.
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	2023 \$	2022 \$
MEMBERS FUNDS		
Retained Earnings	112,963	111,419
Reserves	95,746	95,745
Closing Balance	208,709	207,164
Represented By:		
CURRENT ASSETS		
General Cheque Account	198,633	125,041
Cash Reserve	101,340	200,297
Debit Mastercard	1,609	739
Term Deposit	105,736	104,619
Petty Cash	264	292
Security Bond	3,217	3,217
Accrued Income	-	100
Sundry Debtors	5,881	-
Prepayments	31,484	33,112
	448,164	467,415
NON CURRENT ASSETS		
Office Furniture & Equipment	39,266	39,266
Less: Accumulated Depreciation	(39,161)	(38,482)
Computer Equipment	56,840	56,712
Less: Accumulated Depreciation	(52,146)	(44,956)
Demonstration Equipment	6,794	6,794
Less: Accumulated Depreciation	(6,794)	(6,794)
Motor Vehicle	24,342	24,342
Less: Accumulated Depreciation	(24,342)	(20,995)
	4,799	15,887
TOTAL ASSETS	452,963	483,303
CURRENT LIABILITIES		
Creditors and Accrued Expenses	23,785	30,862
Unexpended Grants	63,492	65,186
Accrued Wages	16,628	-
GST Payable/ (Receivable)	8,708	7,784
PAYG Liability	10,252	19,681
Provision for Annual Leave	54,000	70,843
Provision for Long Service Leave	8,360	8,865
	185,225	203,221
NON CURRENT LIABILITIES		
Provision for Long Service Leave	59,029	72,918
	59,029	72,918
TOTAL LIABILITIES	244,254	276,138
NET ASSETS	208,709	207,164

The accompanying notes form part of these financial statements.

SOUTH WEST COMMUNITY LEGAL CENTRE INC
COMBINED STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 30 JUNE 2023

	2023 \$	2022 \$
INCOME		
Funding Received	1,169,597	1,228,367
Funding Brought Forward	65,186	126,490
Funding Carried Forward	(63,492)	(65,186)
Boosting Apprenticeship Payment	17,916	16,446
Sundry Income and client contribution	2,474	1,575
Donations - Legal, Bunbury	105	1,113
Interest Received	2,161	244
Gain on Disposal of Asset	545	-
Total Income	1,194,492	1,309,049
EXPENDITURE		
Rent and Room Hire	51,951	51,338
Premises Repairs & Maintenance	12,872	12,459
Premises Security	2,204	2,575
Utilities and Miscellaneous	3,069	3,639
Staff Training & Recruitment	9,625	16,028
Telecommunications	6,892	11,921
IT Expenditure	27,070	21,358
Office Overheads	6,955	6,235
Insurance	12,544	9,911
Accounting, Bank and FBT Fees	7,562	7,142
Library and Resources	21,903	23,615
Client Disbursements	167	337
Travel and Accommodation - Conf/Training	2,811	1,276
Program, Planning & Promotion	29,995	49,466
Asset Expenses, including running costs	2,052	3,063
Depreciation	13,087	14,503
Other - Outreach Travel	4,575	1,405
Wages	857,539	936,253
Traineeship	30,403	44,372
Superannuation	89,671	89,618
Total Expenses	1,192,947	1,306,514
Net Surplus	1,545	2,535

The accompanying notes form part of these financial statements.

SOUTH WEST COMMUNITY LEGAL CENTRE INC
JOB PROFIT AND LOSS
FOR THE YEAR ENDED 30 JUNE 2023

Account Name	2023
	\$
Advocacy WA Inc	
ADVWA	
 Income	
Sundry Income	1,755
Total Income	<u>1,755</u>
 Expenditure	
Wages - All staff	1,755
Total Expenses	<u>1,755</u>
	<u> </u>
Net Surplus	<u><u>-</u></u>

The accompanying notes form part of these financial statments..

SOUTH WEST COMMUNITY LEGAL CENTRE INC
JOB PROFIT AND LOSS
FOR THE YEAR ENDED 30 JUNE 2023

Account Name	2023
	\$
Dept of Justice	
DOJ	
Income	
Funding - General	703,741
Funds/Grants Brought Forward	58,029
Funds/Grants Carried Forward	(53,931)
Bank Interest Received	2,079
Donations - Legal	105
Sundry Income	525
Boosting Apprenticeship Payment	13,079
Total Income	<u>723,626</u>
Expenditure	
Rent and Room Hire	31,993
Premises Repairs & Maintenance	9,769
Premises Security	482
Staff Training & Recruitment	7,535
IT and Telecommunications	21,591
Office Overheads	4,446
Insurance	7,733
Accounting	4,840
Library and Resources	14,096
Travel and Accommodation - Conf/Training	3,512
Program Planning & Promotion	29,104
Asset Expenses	174
Depreciation	6,459
Wages	521,157
Superannuation	60,736
Employee Entitlement	-
Total Expenses	<u>723,626</u>
Net Surplus	<u>-</u>

The accompanying notes form part of these financial statements..

SOUTH WEST COMMUNITY LEGAL CENTRE INC
JOB PROFIT AND LOSS
FOR THE YEAR ENDED 30 JUNE 2023

Account Name	2023 \$
DPIRD Security Grant	
DPIRD-Security	
Income	
Funds/Grants Brought Forward	1,603
Total Income	1,603
Expenditure	
Repairs & Maint Buildings	1,603
Total Expenses	1,603
Net Surplus	-
FASS	
FASS	
Income	
Funding - General	61,291
Funds/Grants Carried Forward	(9,561)
Total Income	51,730
Expenditure	
Rent and Room Hire	1,979
Premises Repairs & Maintenance	507
Premises Security	30
Staff Training and Recruitment	239
IT & Telecommunications	1,350
Office Overheads	279
Insurance	471
Accounting	302
Library and Resources	849
Travel and Accommodation - Conf/Training	95
Program Planning & Promotion	305
Asset Expenses	11
Depreciation	390
Wages	44,921
Total Expenses	51,730
Net Surplus	-

The accompanying notes form part of these financial statements..

SOUTH WEST COMMUNITY LEGAL CENTRE INC
JOB PROFIT AND LOSS
FOR THE YEAR ENDED 30 JUNE 2023

Account Name	2023
	\$
Legal Health Check-CLCWA	
LHC	
Income	
Funds/Grants Brought Forward	4,554
Total Income	<u>4,554</u>
Expenditure	
Rent and Room Hire	390
IT & Telecommunications	187
Office Overheads	9
Insurance	45
Library & Resources	115
Depreciation	67
Wages	3,741
Total Expenses	<u>4,554</u>
	<u> </u>
Net Surplus	<u><u>-</u></u>

The accompanying notes form part of these financial statements..

SOUTH WEST COMMUNITY LEGAL CENTRE INC
JOB PROFIT AND LOSS
FOR THE YEAR ENDED 30 JUNE 2023

Account Name	2023
	\$
Outreach	
PPT OUT	
Income	
Funding - General	165,000
Bank Interest Received	51
Sundry Income	122
Boosting Apprenticeship Payment	3,046
Total Income	<u>168,219</u>
Expenditure	
Rent and Room Hire	9,171
Premises Repairs & Maintenance	1,905
Premises Security	1,564
Staff Training and Recruitment	827
IT and Telecommunications	5,076
Office Overheads	1,040
Insurance	2,322
Accounting	1,135
Library and Resources	2,598
Travel and Accommodation - Conf/Training	2,818
Asset Expenses	1,821
Depreciation	4,516
Wages	122,171
Superannuation	11,254
Total Expenses	<u>168,219</u>
Net Surplus	<u><u>-</u></u>

The accompanying notes form part of these financial statements..

SOUTH WEST COMMUNITY LEGAL CENTRE INC
JOB PROFIT AND LOSS
FOR THE YEAR ENDED 30 JUNE 2023

Account Name	2023
	\$
PPT VRO Support	
PPT VRO	
Income	
Funding - General	125,000
Bank Interest Received	30
Parental Leave Funds Received	72
Boosting Apprenticeship Payment	1,792
Total Income	<u>126,894</u>
Expenditure	
Rent and Room Hire	3,961
Premises Repairs & Maintenance	1,015
Premises Security	60
Staff Training & Recruitment	481
IT and Telecommunications	2,708
Office Overheads	555
Insurance	929
Accounting	605
Library and Resources	1,701
Travel and Accommodation - Conf/Training	194
Program Planning & Promotion	17,555
Asset Expenses	22
Depreciation	779
Wages	88,291
Superannuation	8,038
Total Expenses	<u>126,894</u>
Net Surplus	<u><u>-</u></u>

The accompanying notes form part of these financial statements..

SOUTH WEST COMMUNITY LEGAL CENTRE INC
JOB PROFIT AND LOSS
FOR THE YEAR ENDED 30 JUNE 2023

Account Name	2023
	\$
SWCLC	
SWCLC	
Income	
Funds/Grants Brought Forward	1,000
Gain/Loss on Disposal of Asset	545
Total Income	<u>1,545</u>
Net Surplus	<u><u>1,545</u></u>
Tenancy	
Tenancy	
Income	
Funding - General	114,565
Total Income	<u>114,565</u>
Expenditure	
Rent and Room Hire	4,457
Premises Repairs & Maintenance	1,143
Premises Security	68
Staff Training & Recruitment	542
IT and Telecommunications	3,050
Office Overheads	626
Insurance	1,044
Accounting	680
Library and Resources	1,922
Travel and Accommodation - Conf/Training	766
Asset Expenses	24
Depreciation	877
Wages	90,078
Superannuation	9,287
Total Expenses	<u>114,565</u>
Net Surplus	<u><u>-</u></u>

The accompanying notes form part of these financial statements..

SOUTH WEST COMMUNITY LEGAL CENTRE INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023

	NOTE	2023 \$	2022 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from funding bodies		1,165,342	1,229,869
Receipts from customers		20,595	19,034
Payments to suppliers and employees		(1,210,048)	(1,253,656)
Interest Received		2,161	244
Net cash (used in) operating activities	2(b)	<u>(21,950)</u>	<u>(4,509)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of plant & equipment		545	-
Payments for plant & equipment		(2,001)	(4,138)
Net cash (used in) investing activities		<u>(1,456)</u>	<u>(4,138)</u>
Net (decrease) in cash held		(23,406)	(8,647)
Cash at the beginning of the financial year		<u>430,988</u>	<u>439,635</u>
Cash at the end of the financial year	2(a)	<u>407,582</u>	<u>430,988</u>

The accompanying notes form part of these financial statements.

SOUTH WEST COMMUNITY LEGAL CENTRE INC.
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023

	Retained Earnings \$	Future Sustainability Reserve \$	Fundraising Reserve \$	Total \$
Opening Retained Earnings 1 July 2021	108,883	95,461	285	204,629
Surplus for the year	2,535	-	-	2,535
Transfers to / (from) reserves	-	-	-	-
Balance 30 June 2022	111,418	95,461	285	207,164
Opening Retained Earnings 1 July 2022	111,418	95,461	285	207,164
Surplus for the year	1,545	-	-	1,545
Transfers to / (from) reserves	-	-	-	-
Balance 30 June 2023	112,963	95,461	285	208,709

The accompanying notes form part of these financial statements.

SOUTH WEST COMMUNITY LEGAL CENTRE INC.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Constitution, the *Australian Charities and Not-for-profits Commission Act 2012* and the *Associations Incorporation Act 2015*. The Management Committee has determined that the association is not a reporting entity.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values, or except where specifically stated, current valuations of non-current assets.

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report:

(a) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable.

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

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at reporting date.

Revenue from grant funding, provided under contractual arrangements is taken up on a proportionate basis net of GST, over the period to which the funding relates.

Grant funds received in advance at balance date are recognised as a liability within the balance sheet and carried forward to the next accounting period – refer Note 4 for further details.

(b) Taxation

The Australian Taxation office has endorsed South West Community Legal Centre Inc. as a Public Benevolent Institution and it is eligible for the following concessions:

- i) GST concession;
- ii) FBT rebate; and
- iii) Income taxation exemption.

No change in its tax status as a result of activities undertaken during the year is likely.

(c) Non Current Assets

Assets are recorded at cost within the asset register and depreciated over their useful lives.

SOUTH WEST COMMUNITY LEGAL CENTRE INC.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

(d) Employee Entitlements

Provision is made for annual leave at nominal rates, excluding leave loading and on-costs, estimated to be payable to employees on the basis of statutory and contractual requirements. Leave loading and on-costs have been provided for in the budget and it is the Management Committee's assessment that these costs do not represent the actual cost to the organisation.

Long service leave entitlement is thirteen weeks after seven years of service. The provision for long service leave is recorded at nominal rates, exclusive of on-costs. Long service leave is classified as current for employees with greater than seven years service, and non-current for employees with less than seven years service.

(e) 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. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or part of an item of the expense.

Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

(f) Grant Acquitted

For the purpose of acquitting grants provided by funding bodies, South West Community Legal Centre Inc. has adopted the following policies:

Grant income is acquitted after allowing for the following costs:

- Cost including labour and on costs directly associated with a specific grant;
- Administration and other related overhead costs (after excluding costs which are abnormal both in nature and value and therefore not representative of an appropriate level of costs that would be expected to be incurred) not related to a specific grant are allocated over the relevant grants, based on a proportion of the level of each grant and related income compared to total income.

Such allocations are reduced to take into consideration the lower level administrative burden a grant is likely to produce, such as in the case of capital grants.

Representations of management and internal documentation are used in determining to which grants a cost may be directly or indirectly attributed.

SOUTH WEST COMMUNITY LEGAL CENTRE INC.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

- (g) Comparative Figures
Where required, comparative figures are adjusted to conform to changes in presentation for the current financial year

NOTE 2 RECONCILIATION OF CASH

(a) Cash on Hand	2023	2022
	\$	\$
Cheque Account	198,633	125,041
Cash Reserve	101,340	200,297
Debit Master Card	1,609	739
Term Deposit	105,736	104,619
Petty Cash	264	292
	<u>407,582</u>	<u>430,988</u>

(b) Reconciliation of Net Cash to Surplus	2023	2022
	\$	\$
Surplus from ordinary activities	1,545	2,535
Non-cash flows in surplus from ordinary activities:		
Depreciation	13,087	14,503
Gain on disposal of asset	(545)	-
Changes in assets and liabilities:		
Decrease/(increase) in receivables and other current assets	(4,154)	1,402
Increase / (decrease) in creditors and accruals	1,050	23,176
Increase / (decrease) in unexpended grants	(1,695)	(61,304)
Increase / (decrease) in provisions	(31,238)	15,179
Net cash (used in) operating activities	<u>(21,950)</u>	<u>(4,509)</u>

NOTE 3 LEASING COMMITMENTS

14 Plaza Street, South Bunbury WA 6230

South West Community Legal Centre Inc. entered into a lease agreement commencing 5 June 2018 for 14 Plaza Street, South Bunbury 6230.

On 6 June 2023, South West Community Legal Centre Inc. executed a Deed of Extension and variation to extend the lease for another 24 months ending 5 June 2023. Monthly lease payments are currently \$3,004.17 excluding GST.

SOUTH WEST COMMUNITY LEGAL CENTRE INC.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTE 4 UNEXPENDED GRANTS

Where grants are carried forward at 30 June to a subsequent financial year, a corresponding liability is recognised in the balance sheet, in relation to Unexpended Grants.

As at 30 June 2023, \$63,492 of funding was unspent and required to be carried over to the following year.

Accordingly, a corresponding "Unexpended Grants" liability of \$63,492 has been brought to account as at 30 June 2023, recognising that these funds are to be carried forward to the subsequent financial year, and expended in accordance with grant funding requirements. Unexpended grants held as at 30 June 2023 carried forward to the 2023/2024 year are as follows:

	\$
DOJ	53,931
FASS	9,561
TOTAL	63,492

NOTE 5 ECONOMIC DEPENDENCIES

The ongoing operation of the South West Community Legal Centre Inc. is dependent upon the continued financial support by way of grants and contributions from the Commonwealth Government, the Western Australian Government, the Law Society Public Purposes Trust and other funding bodies.

NOTE 6 FUTURE SUSTAINABILITY RESERVE

The South West Community Legal Centre Inc. Board believes the principles of financial sustainability are central to the long term security and viability of the association. To achieve strategy, the Board approved the establishment of a Future Sustainability Reserve within the 2019/2020 financial year. This reserve may be utilised to meet non funded capital expenditure, the capacity to undertake strategic research and innovation, or the ability to meet unforeseen expenditure that cannot legitimately be absorbed by funding without compromising service delivery.

The Future Sustainability Reserve is administered by the Board and requires approval, in all instances to support expenditure of these funds, all spending for the Future Sustainability Reserve requires a clear rationale for approving the expenditure and a clear demonstration that alternative financial solutions cannot be procured from traditional sources.

During the year ended 30 June 2023, no funds were transferred to the Future Sustainability Reserve with total reserve balance at 30 June 2023 being \$95,461. The Future Sustainability Reserve is cash backed being maintained in the term deposit cash asset held.

SOUTH WEST COMMUNITY LEGAL CENTRE INC.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTE 8 FUNDRAISING RESERVE

The South West Community Legal Centre Inc. Board believes the principles of financial sustainability are central to the long term security and viability of the association, to achieve its strategy, the Board approved the establishment of a Fundraising Reserve within the 2019/2020 financial year. This reserve may be utilised to meet fundraising expenses, non-funding capital expenditure, the capacity to undertake strategic research and innovation or the ability to meet unforeseen expenditure that cannot legitimately be absorbed by funding without compromising service delivery.

The Fundraising Reserve is administered by the Board and requires approval, in all instances to support the expenditure of these funds. All spending from the Fundraising Reserve requires a clear rationale for approving the expenditure and a clear demonstration that alternative financial solutions cannot be procured from traditional sources.

During the year ended 30 June 2023, no funds were transferred to the Fundraising Reserve with total reserve balance at 30 June 2023 remaining \$285. The Fundraising Reserve is cash backed being maintained in the term deposit asset held.

SOUTH WEST COMMUNITY LEGAL CENTRE INC.
STATEMENT BY MEMBERS OF THE MANAGEMENT COMMITTEE

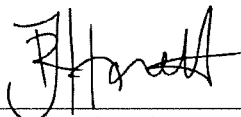
The Management Committee have determined that the association is not a reporting entity.

The Management Committee have determined that this special purpose financial report should be prepared in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, the *Association Incorporations Act (WA) 2015* and the accruals basis of accounting as outlined in Note 1 to the financial statements.

In the opinion of the Management Committee:

1. The financial statements and notes of South West Community Legal Centre Inc. are in accordance with the *Associations Incorporation Act (WA) 2015* and the *Australian Charities and Not-for-profits Commission Act 2012*, including:
 - a) Giving a true and fair view of its financial position at 30 June 2023 and of its financial performance and cash flows for the year ended on that date;
 - b) Complying with the accounting policies described in Note 1 to the financial statements and the *Australian Charities and Not-for-profits Commission Regulations 2022*; and
2. There are reasonable grounds to believe that South West Community Legal Centre Inc. will be able to pay its debts as and when they fall due and payable.

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



Committee member



Committee member

Dated this 16 day of October 2023

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF SOUTH WEST COMMUNITY LEGAL CENTRE INC.**

Report on the Audit of the Financial Report

Qualified Opinion

We have audited the financial report of South West Community Legal Centre Inc. (the association) which comprises the statement of financial position as at 30 June 2023, the statement of profit and loss, the statement of cash flows and the statement of changes in equity for the year then ended, notes comprising a summary of significant accounting policies, and the declaration by the Management Committee.

In our opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial report has been prepared in accordance with the *Associations Incorporation Act (WA) 2015* and Division 60 of the *Australian Charities and Not-for-profits Commissions Act 2012*, including:

- i) giving a true and fair view, in all material respects, of the financial position of South West Community Legal Centre Inc. as at 30 June 2023, and of its financial performance and its cash flows for the year then ended; and
- ii) complying with Australian Accounting Standards to the extent described in Note 1 Associations Incorporation Act (WA) 2015 and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

Basis for Qualified Opinion

As is common for organisations of this type, it is not practicable for South West Community Legal Centre Inc. to maintain an effective system of internal control over administrative fees, donations, fund raising activities and other income until their initial entry in the accounting records. Accordingly, our audit in relation to income was limited to amounts recorded in the financial records.

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 South West Community Legal Centre Inc. in accordance with the *Associations Incorporation Act (WA) 2015*, the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (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 qualified 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 South West Community Legal Centre Inc. to meet the requirements of the *Associations Incorporation Act (WA) 2015*, and the *Australian Charities and Not-for-profits Commissions Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Emphasis of Matter- Economic Dependency

We draw attention to Note 5 to the financial statements which outlines the ongoing operation of South West Community Legal Centre Inc. is dependent upon the continued receipt of funding and contributions. Our opinion is not modified in respect of this matter.

Other Information

Those charged with governance are responsible for the other information. The other information comprises the information included in South West Community Legal Centre Inc. annual report for the year ended 30 June 2023, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the *Associations Incorporation Act (WA) 2015*, the *Australian Charities and Not-for-profits Commissions Act 2012* and for such internal control as management determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing South West Community Legal Centre Inc.'s ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intend to liquidate South West Community Legal Centre Inc. or to cease operations, or has no realistic alternative but to do so.

Those Charged with Governance are responsible for overseeing South West Community Legal Centre Inc.'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 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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the 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 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.

AMD Chartered Accountants

A handwritten signature in black ink, appearing to read 'M Cavallo', with a stylized flourish underneath.

MARIA CAVALLO
Director

Level 1, 53 Victoria Street, Bunbury, Western Australia

Dated this 17th of October 2023

**AUDITOR'S INDEPENDENCE DECLARATION TO THE MANAGEMENT COMMITTEE OF
SOUTH WEST COMMUNITY LEGAL CENTRE INC.**

I declare that to the best of my knowledge and belief, during the year ended 30 June 2023, there have been no contraventions of:

- i) The auditor independence requirements as set out in Section 60.40 of the *Australian Charities and Not-for-profits Commission Act 2012* and section 80 of the *Associations Incorporation Act (WA) 2015* in relation to the audit; and
- ii) Any applicable code of professional conduct in relation to the audit.

AMD Chartered Accountants

A handwritten signature in black ink, appearing to read 'M Cavallo', with a stylized flourish underneath.

MARIA CAVALLO
Director

Bunbury, WA

Dated this 10th day of October 2023