

The National Justice Project Ltd

ABN 23 609 620 028

Financial Statements

For the Year Ended 30 June 2019

Contents

For the Year Ended 30 June 2019

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Directors' Report

30 June 2019

The directors present their report on The National Justice Project Ltd for the financial year ended 30 June 2019.

Information on Directors

The names of each person who has been a director during the year and to the date of this report are:

David Radcliff

Experience and expertise

David's origins were in the construction industry as a loss adjuster, before moving into management and leadership roles. David was the CEO of Cunningham Lindsey Australia and then appointed as the Global Chief Operating Officer of the Cunningham Lindsey Group. Since leaving in 2013, David has been working as a Strategic Planning Consultant.

Special responsibilities

Chairman of the Board

George Benjamin Newhouse

Experience and expertise

George is well known for fighting for justice for vulnerable Australians, including the mentally ill, LGBTI Australians, survivors of domestic violence, immigrants, prisoners, asylum seekers, youth detainees, and Aboriginal Australians.

In 2006 he secured a legal victory for Vivian Solon, who was illegally deported from Australia to the Philippines and for Cornelia Rau who was wrongfully detained in an Australian detention centre for 10 months.

As an advocate for Aboriginal rights, George has contested government and corporate actions against Aboriginal communities. He is experienced in coronial legal practice and has appeared in many coronial inquests into Aboriginal and asylum seeker deaths in custody.

George is committed to improving access to justice for the most vulnerable in Australia and in neighbouring countries. He is active in projects that make it easier for Aboriginal litigants to exercise their rights and that help stamp out racism.

George is an Adjunct Professor of Law at Macquarie University.

Duncan Fine

Experience and expertise

Duncan has been a lawyer for over 30 years and is also an author, journalist, media advisor and social commentator. He has worked on Aboriginal Land Claims in the Northern Territory and for the Aboriginal Legal Service.

Elizabeth O'shea

Experience and expertise

Lizzie is a public interest lawyer, working on cases which address issues of community concern and further the public good.

Directors' Report

30 June 2019

Information on Directors (*continued*)

Steven Castan

Experience and expertise Steve is an experienced Barrister based in Margaret River, Western Australia who also operates as a Nationally Accredited Mediator and Family Dispute Resolution Practitioner (FDRP) facilitating non-confrontational conflict resolution across civil, commercial and family law.

Michael Dante Mori

Experience and expertise Dan is an American lawyer who attained the rank of lieutenant colonel in the United States Marine Corps. Mori was the military lawyer for Australian Guantanamo Bay detainee David Hicks.

Audrey Rodda De Lacey Sayers (*Resigned on 12 November 2018*)

Experience and expertise Entrepreneur Audrey Rodda Frack, the founder of Phonelink Communications, is one of the youngest and most successful business owners within Australia's male-dominated telecommunication industry. Ms Rodda has also turned her strategic, organisational, and sales skills to other areas including philanthropy and creative business restructures.

Jo Scard

Experience and expertise Jo has played a unique role as a senior adviser in the Australian Federal Government for over a decade. She's also worked as a communications strategist in London, a TV political journalist (Australia/UK) and as strategic adviser to countless corporates and Not-For-Profits across the globe.

Neil Singleton (*Appointed on 9 July 2019 and resigned on 28 October 2019*)

Experience and expertise Neil was a Chartered Accountant for 32 years and a Partner of various Accounting Firms during that time. He specialised in Corporate Recovery from 1980, retiring from full time practice in 2011. Since that time, Neil has undertaken various roles including as an ESL teacher and Financial Advisor to various Charities and Businesses.

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 activities of The National Justice Project Ltd during the financial year are focused on

- i) advancing human rights through advocacy and litigation*
- ii) advancing the education of the community with respect to the law, their rights and responsibilities*
- iii) fundraising to support The National Justice Project Ltd's mission.*

The National Justice Project Ltd is cognisant of the need to preserve every available dollar for its purposes and has limited the direct costs of its fundraising initiatives. The costs associated with development of the firm's marketing materials have largely been donated by our Partners to whom we are ever grateful.

Directors' Report

30 June 2019

How Principal Activities Assisted in Achieving the Objectives

Our activities assisted vulnerable individuals in prison and detention obtain proper health care, justice and accountability. We assisted the families of individuals who died in detention or prison to deal with the Coroner or participate in the coronial process and we assisted Aboriginal Australians obtain better health outcomes by fighting against discrimination in the health system.

Members' Guarantee

The National Justice Project Ltd is a company limited by guarantee. In the event of, and for the purpose of the winding up of the Company, the amount capable of being called up from each member in the year prior to the winding up is limited to \$20.

Meetings of Directors

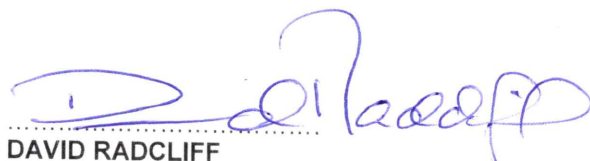
During the financial year, 3 meetings of directors were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Jo Scard	3	2
George Benjamin Newhouse	3	3
Duncan Fine	3	3
Elizabeth O'shea	3	2
Steven Castan	3	3
Michael Dante Mori	3	3
Audrey Rodda De Lacey Sayers (<i>Resigned on 12 November 2018</i>)	1	1
David Radcliff	3	3
Neil Singleton(<i>Appointed on 9 July 2019 and resigned on 28 October 2019</i>)	-	-

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2019 has been received and can be found on page 4 of the financial report.

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



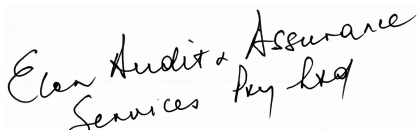
DAVID RADCLIFF
Chairman

Dated in Sydney this 26th day of November 2019

Auditor's Independence Declaration under section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* to the Board of Directors of The National Justice Project Ltd

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2019, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Econ Audit & Assurance
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George Venardos

GEORGE VENARDOS
Director

Dated in Sydney this 26th day of November 2019

Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 30 June 2019

	Note	2019 \$	2018 \$
Revenue	2	734,108	454,793
Project expenses		(455,741)	(314,978)
Depreciation expense		(7,431)	(8,257)
Employee benefits expense		(91,370)	(40,518)
Other expenses	3	(111,772)	(60,634)
Surplus before income tax		67,794	30,406
Income tax expense		-	-
Surplus for the year		67,794	30,406
Other comprehensive income / (loss) for the year		-	-
Total comprehensive surplus / (deficit) for the year		67,794	30,406

Statement of Financial Position

As at 30 June 2019

	Note	2019 \$	2018 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	170,355	243,041
Trade and other receivables	5	248,011	54,228
TOTAL CURRENT ASSETS		418,366	297,269
NON-CURRENT ASSETS			
Property, plant and equipment	6	33,026	41,282
TOTAL NON-CURRENT ASSETS		33,026	41,282
TOTAL ASSETS		451,392	338,551
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	7	112,901	68,069
Employee benefits	8	12,314	12,099
TOTAL CURRENT LIABILITIES		125,215	80,168
TOTAL LIABILITIES		125,215	80,168
NET ASSETS		326,177	258,383
EQUITY			
Retained earnings		326,177	258,383
TOTAL EQUITY		326,177	258,383

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the Year Ended 30 June 2019

	Retained Earnings \$
	<hr/>
Balance at 1 July 2018	258,383
Surplus for the year	<hr/> 67,794
Balance at 30 June 2019	<hr/> <hr/> 326,177

	Retained Earnings \$
	<hr/>
Balance at 1 July 2017	227,977
Surplus for the year	<hr/> 30,406
Balance at 30 June 2018	<hr/> <hr/> 258,383

Statement of Cash Flows

For the Year Ended 30 June 2019

	2019	2018
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from grants and other revenue	534,376	414,881
Payments to suppliers and employees	(609,606)	(357,982)
Interest received	2,544	1,372
Net cash provided by operating activities	11 (72,686)	58,271
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	-	(49,539)
Net cash used by investing activities	-	(49,539)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	-	-
Net cash provided by financing activities	-	-
Net increase in cash and cash equivalents held	(72,686)	8,732
Cash and cash equivalents at beginning of year	243,041	234,309
Cash and cash equivalents at end of financial year	4 170,355	243,041

Notes to the Financial Statements

For the Year Ended 30 June 2019

The financial statements are for The National Justice Project Ltd as a not-for-profit individual entity.

The functional and presentation currency of The National Justice Project Ltd is Australian dollars.

1 Summary of Significant Accounting Policies

(a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012*.

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

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

(b) Income Tax

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

(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 entity 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.

Grant revenue

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.

The National Justice Project Ltd receives non-reciprocal contributions of assets from various organisations for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss and other comprehensive income.

Notes to the Financial Statements

For the Year Ended 30 June 2019

1 Summary of Significant Accounting Policies (*continued*)

(c) Revenue and Other Income (*continued*)

Interest revenue

Interest is recognised using the effective interest method.

Rendering of services

Revenue in relation to rendering of services is recognised dependent on whether the outcome of the services can be measured reliably. If this is the case then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period.

If the outcome cannot be reliably measured then revenue is recognised to the extent of expenses recognised that are recoverable.

Donations

Revenue arising from donations is recognised when control is obtained as it is impossible for the company to reliably measure these prior to this time. For example, cash donations are recognised when banked and other donations are recognised when title transfers to the company.

(d) Cash and cash equivalents

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

(e) Employee benefits

Provision is made for the Company'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 settled within one year have been measured at the amounts expected to be paid when the liability is settled.

The Company reviewed the annual leave liability to determine the level of annual leave which is expected to be paid more than 12 months after the end of the reporting period. Whilst this has been considered to be long-term employee benefits for the purpose of measuring the leave under AASB 119, the effect of discounting was not considered to be material and therefore has not been calculated.

Employee benefits are presented as current liabilities in the statement of financial position if the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119.

Notes to the Financial Statements

For the Year Ended 30 June 2019

1 Summary of Significant Accounting Policies (*continued*)

(f) Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured at the present value of management's best estimate of the outflow required to settle the obligation at the end of the reporting period. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the unwinding of the discount is taken to finance costs in the statement of profit or loss and other comprehensive income.

Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(g) New Accounting Standards and Interpretations

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 Company where the standard is relevant:

Standard Name	Effective date for the Company	Requirements	Impact
AASB 9 Financial Instruments and amending standards AASB 2010-7 / AASB 2012-6 / AASB 2014-7 / AASB 2014-8	1 July 2018	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.	This standard did not have an impact on the Company's financial report.
AASB 15 Revenue from Contracts with Customers	1 July 2018	This standard provides guidance on the recognition of revenue from customers.	This standard did not have an impact on the Company's financial report.

Notes to the Financial Statements

For the Year Ended 30 June 2019

1 Summary of Significant Accounting Policies (*continued*)

(g) New Accounting Standards and Interpretations (*continued*)

Standard Name	Effective date for the Company	Requirements	Impact
AASB 16 Leases	1 July 2019	Significant revisions to accounting for operational leases on balance sheet by leases of property and high value equipment. However, exemptions for short-term leases and leases for low value assets will reduce the impact.	The Company will perform an assessment of the effects of applying this new standard on the Company's financial statements, including the extent to which these commitments will result in the recognition of lease assets and liabilities for future lease payments and how this will affect the Company's net assets, profit and classification of cash flows.

2 Revenue and Other Income

	2019 \$	2018 \$
Client fees received	280,035	116,142
Donations received	387,366	324,943
Grants received	30,000	11,878
Consulting fees	27,592	-
Event fees	6,571	-
Interest income	2,544	1,830
	734,108	454,793

3 Other Expenses

Material items included as part of Other Expenses are as follows

	2019 \$	2018 \$
Service fees	60,580	28,869
Advertising expense	-	5,796
Insurance expense	8,071	7,585
General expense	10,665	1,576

Notes to the Financial Statements

For the Year Ended 30 June 2019

4 Cash and Cash Equivalents

	2019	2018
	\$	\$
Cash at bank	170,355	243,041
	170,355	243,041

The cash at bank balance includes a term deposit with maturity of three months and earning a 2.10% interest per annum.

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to items in the Statement of Financial Position as follows:

	2019	2018
	\$	\$
Cash and cash equivalents	170,355	243,041
	170,355	243,041

5 Trade and Other Receivables

	2019	2018
	\$	\$
Trade receivables	248,011	50,823
Other receivables- related parties	-	3,405
	248,011	54,228

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances. The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

6 Property, Plant and Equipment

	2019	2018
	\$	\$
Office furniture and fittings-at cost	49,539	49,539
Accumulated depreciation- Office furniture and fittings	(16,513)	(8,257)
	33,026	41,282

Notes to the Financial Statements

For the Year Ended 30 June 2019

7 Trade and Other Payables

	2019 \$	2018 \$
Trade payables	50,000	24,025
Other payables- related parties	27,470	-
Sundry payables and accrued expenses	35,431	44,044
	112,901	68,069

8 Employee Benefits

	2019 \$	2018 \$
Provision for annual leave	12,314	12,099
	12,314	12,099

9 Contingencies

In the opinion of the directors, the Company did not have any contingencies at 30 June 2019.

10 Related Parties

Total remuneration paid to key management personnel was \$40,733 (2018: \$24,000) for the year ended 30 June 2019.

11 Cash Flow Information

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

	2019 \$	2018 \$
Surplus for the year	67,794	30,406
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in surplus		
- depreciation	7,431	8,257
Changes in assets and liabilities:		
- increase in trade and other receivables	(197,188)	(29,506)
- increase in trade and other payables	49,061	41,170
- increase in employee benefits	216	7,944
Cashflow from operations	(72,686)	58,271

Notes to the Financial Statements

For the Year Ended 30 June 2019

12 Events Occurring after the Reporting Date

As at year-end, the Company made an individual assessment of the costs and related disbursements in relation to legal matters they are currently looking after and have estimated that approximately \$548k of combined time spent and disbursements are likely to be recouped once the matters are settled in the coming financial years. The amount which the Company expects to receive have not been recorded as at year end owing to the difficulty involved in estimating the amount to be received as well as the expected timing by which such legal matters will be settled.

Other than the above matters, there are no other circumstances that have arisen since the end of the year which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

13 Company Details

The registered office of the Company is:

The National Justice Project Ltd
5/22 Cooper Street
SURRY HILLS NSW 2010

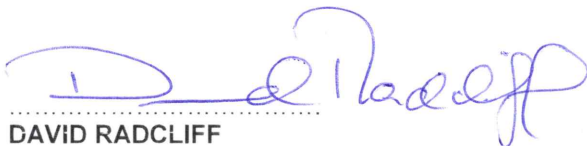
Directors' Declaration

For the Year Ended 30 June 2019

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 5 to 15, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
 - a. comply with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Regulation 2013*; and
 - b. give a true and fair view of the financial position as at 30 June 2019 and of the performance for the year ended on that date of the Company.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



DAVID RADCLIFF
Chairman

Dated in Sydney this 26th day of November 2019

Independent Auditor's Report to the members of The National Justice Project Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report of The National Justice Project Ltd, which comprises the statement of financial position as at 30 June 2019, the statement of surplus or deficit and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion the financial report of The National Justice Project Ltd is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act)*, including:

- (a) giving a true and fair view of the company's financial position as at 30 June 2019 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards 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 National Justice Project Ltd in accordance with 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.

Responsibility 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 and have determined that the basis of preparation described in Note 1 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 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.

Responsibility of Directors for the Financial Report (*continued*)

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

The directors are responsible for overseeing the company's financial reporting process.

Auditor's Responsibility 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 the 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.

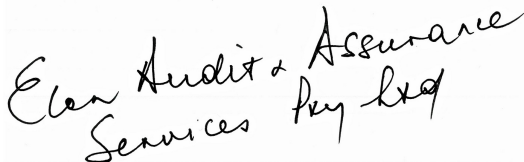
As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

Auditor's Responsibility for the Audit of the Financial Report (*continued*)

- 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 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.



ECON AUDIT AND ASSURANCE SERVICES PTY LTD



GEORGE VENARDOS
Director

Dated in Sydney this 26th day of November 2019