

TENANTS QUEENSLAND LTD

ACN 633 949 283

**FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2022**

TENANTS QUEENSLAND LTD
ACN 633 949 283
FOR THE YEAR ENDED 30 JUNE 2022

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1.

TENANTS QUEENSLAND LTD
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FOR THE YEAR ENDED 30 JUNE 2022

DIRECTORS' REPORT

The directors of Tenants Queensland Ltd are pleased to present this report on the Company for the year ended 30 June 2022. In order to comply with the provisions of the Australian Charities and Not-for-Profits Commission Act 2012 (ACNC Act), the directors report as follows:

Directors

The names of each person who has been a Director of Tenants Queensland Ltd during the year and to the date of this report are:

Scott Pardey
Damian Eckersley
Penelope Jane Gillespie
Seleneah Agnes More
Sally Watson
Rohan Patrick Tate – Resigned 21 March 2022
Maria Therese Leebeek – Resigned 20 September 2021

Principal Activities

Goal 1 Engaged and Capable People

Tenants Queensland Ltd aims to enable our people to commit and contribute to our vision by providing a positive and supportive environment, fostering innovation and optimisation of service delivery.

Goal 2 Quality Service Delivery

As the leading tenancy law advice and referral service, Tenants Queensland Ltd aims to deliver and enhance our services through a responsive, knowledgeable, professional and trustworthy method.

Goal 3 Maintain our Success and Growth

Tenants Queensland Ltd aims to successfully deliver our services while securing diversified and reliable income sources.

Goal 4 Partner and Network for Effect

Through building credibility and profile, Tenants Queensland Ltd aims to expand our reach and be a sought-after partner to deliver social outcomes.

Goal 5 Impact through Influence

As the credible and strong peak body for advice and support for renters, Tenants Queensland Ltd aims to leverage data and analytics to constructively influence government and law reform.

Review of operations

During the year, the Company continued to engage in its principal activity, the results of which are disclosed in the attached financial statements. The net surplus/(deficit) of the Company for the financial year ended 30 June 2022 amounted to \$8,655. The Directors assess the financial sustainability of the Company and whether it's short-term and long-term objectives are being achieved.

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FOR THE YEAR ENDED 30 JUNE 2022

DIRECTORS' REPORT (Cont'd)

Objectives

The objectives of the Company are to:

- improve private, public and community residential tenants' conditions;
- provide legal advice, advocacy and information to tenants, particularly those from disadvantaged socio-economic backgrounds in relation to their rights as residential tenants;
- enhance and protect residential tenants' rights, including those in private, public and marginal tenures;
- research common issues affecting residential tenants;
- coordinate and organise law reform activities affecting tenants' rights;
- educate the community about residential tenancy law and tenants' rights;
- educate residential tenants about residential tenancy law and procedures;
- advocate for safe, secure and affordable housing for all tenants; and
- support advice and advocacy services for tenants.

Strategy for achieving the objectives

The Strategic Plan for 2020-2023, available via the Tenants Queensland Ltd website, identifies the strategies the company employs to meet the objectives.

Information about the Directors

Damian Eckersley (Director and Company Secretary)

Damian joined the Tenants Queensland Ltd Board (then Steering Committee) in 2002 to be involved in an organisation which furthers the rights of people who rent their home.

He held the position of Convenor from 2003 to 2013 during a period of great growth in both the private rental market and in the services that Tenants Queensland Ltd provides.

Damian is an architect working in the private sector with a commitment to human rights. Damian has a Bachelor of Architecture and is a Registered Architect.

Penelope Jane Gillespie (Director and Acting Chair)

Penny joined Tenants Queensland Ltd Board (then Steering Committee) in 2019. She is a member of the Australian and New Zealand School of Government Executive Fellows and holds a Technical and Further Education Teachers Instructional Skills Certificate and a Bachelor of Arts (Honours) in Three-Dimensional Design from the University of Sussex, United Kingdom.

Penny has held Senior leadership roles in not-for-profit and government sectors and as a director of a sole trader consulting business. She has extensive professional experience in project and program management, review and evaluation, stakeholder engagement, organisational and service model design (community services and housing services), submission, report and tender development and writing and strategy development.

Penny has held previous Board directorships. Her field of expertise is in community services and housing and homelessness.

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DIRECTORS' REPORT (Cont'd)

Rohan Patrick Tate (Director)

Rohan joined the Board in 2014. He holds a Bachelor of Laws, a Bachelor of Arts majoring in Politics and History as well as an Honours in Politics.

Rohan is also an Accredited Specialist in Workplace Relations.

Rohan has 11 years' experience as an Employment and Industrial Lawyer and is currently employed by Maurice Blackburn Lawyers.

Scott Pardey (Director)

Scott joined the Board of Tenants Queensland Ltd (then Steering Committee) in 2019. Scott is a chartered accountant with experience in international aid & development as well as the Not-for-Profit sector in Australia.

He is a Bachelor of Business graduate from Queensland University of Technology, and enjoyed a 12-year career with advisory firm Grant Thornton in Australia, the UK and South East Asia.

Scott co-founded the community-led West End Film Festival. More recently he has worked within Indigenous affairs, through consulting projects and as the Chief Financial Officer and Company Secretary of a national Aboriginal not-for-profit.

With an interest in data analysis and impact measurement, Scott is keen to support Tenants Queensland Ltd to continue its exceptional client-focussed work for years to come, through sustainable and innovative approaches to governance and relevant emerging issues.

Seleneah Agnes More (Director)

Seleneah joined the Tenants Queensland Ltd Board (then Steering Committee) in 2018. She holds a Bachelor of Social Science with the Queensland University of Technology and a Graduate Diploma in Urban and Regional Planning with the University of Queensland Lakes Station.

The foundation of Seleneah's work is her belief in the expertise of local people and their resources to improve their communities. Seleneah has endeavoured to deliver improvements to the Urban environment as an Urban Planner for ten years and community development practitioner for 20 years.

Sally Watson (Director)

Sally joined the Tenants Queensland Ltd Board in 2021. Sally was previously a member of the Tenants Queensland Inc. Steering Committee between 2016 – 2019. Sally also worked for Tenants Union Queensland in its North Queensland office during the 2000's. Sally manages a large homelessness service in Cairns – Shelter Housing Action Cairns (SHAC). She has previously worked for James Cook University, Homelessness Australia and the National Youth coalition for Housing. Sally is a current Director of the Residential Tenancies Authority (RTA) and has been since 2015.

Sally has a Bachelor of Social Work (UQ), Bachelor of Laws (JCU) and a Master of Public Policy (ANU).

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TENANTS QUEENSLAND LTD
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FOR THE YEAR ENDED 30 JUNE 2022

DIRECTORS' REPORT (Cont'd)

MEETINGS ATTENDED BY DIRECTORS

NAME	MEETINGS ELIGIBLE TO ATTEND	NUMBER ATTENDED
Rohan Patrick Tate	5	4
Damian Eckersley	6	6
Penelope Jane Gillespie	6	6
Scott Pardey	6	6
Seleneah Agnes More	6	6
Sally Watson	2	2

FINANCE AND RISK SUBCOMMITTEE/COMMITTEE 2021/2022

NAME	MEETINGS ELIGIBLE TO ATTEND	NUMBER ATTENDED
Scott Pardey	5	5
Patrick Morgan (Non-Director)	5	5
Sally Watson	2	2

PEOPLE AND CULTURE SUBCOMMITTEE/COMMITTEE 2021/2022

NAME	MEETINGS ELIGIBLE TO ATTEND	NUMBER ATTENDED
Penelope Jane Gillespie	1	1
Seleneah Agnes More	1	1
Scott Pardey	1	1

Contribution on Winding Up

If the Company is wound up, the constitution states that "a present or past Member is liable to contribute to the property of the company an amount no more than \$2.00 (the Guarantee). A past Member need not contribute if they were not a member during the year ending on the day of the commencement of the winding up." At 30 June 2022, the total amount that Members of the company are liable to contribute if the Organisation is wound up is \$572.

Matters subsequent to the end of the financial year

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has had no effect on the Company up to 30 June 2022, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries.

5.

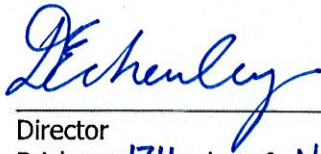
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DIRECTORS' REPORT (Cont'd)

Independence declaration

The independence declaration is included on page 6 of the Financial Statements.

This Directors' Report is signed in accordance with a resolution of directors and is signed in accordance with Subsection 60.15(2) of The Australian Charities and Not-For-Profits Commission Regulation 2013.



Director
Brisbane, 17th day of NOVEMBER 2022

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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 Tenants Queensland Ltd**

In accordance with the requirements of Section 60-40 of the *Australian Charities and Not-for-Profits Commission Act 2012*, I am pleased to provide the following declaration of independence to the directors of Tenants Queensland Ltd. As lead auditor for the audit of the financial report of Tenants Queensland Ltd for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, during the year ended 30 June 2022 there have been no contraventions of:

- (a) the auditor independence requirements as set out in the *Australian Charities and Not-for-Profits Commission Act 2012* in relation to the audit, and
- (b) any applicable Code of Professional Conduct in relation to the audit.



Anthony Bryen
Registered Auditor (No 306025)
Haywards Chartered Accountants
Level 1 / 488 Lutwyche Road
LUTWYCHE QLD 4030

Dated this seventeenth day of November 2022

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TENANTS QUEENSLAND LTD
ACN 633 949 283
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022

	<u>Note</u>	<u>2022</u>	<u>2021</u>
Revenue	4	7,931,352	7,629,942
Other Income	4	6,334	67,999
Employee benefits expense		(4,647,207)	(4,397,889)
Auspiced QSTARS Expenses		(2,246,208)	(2,179,771)
Depreciation and amortisation expense		(343,731)	(199,803)
Insurance		(17,106)	(15,268)
Motor vehicle and travel expenses		(9,486)	(12,340)
Property Expenses		(48,329)	(125,196)
Staff training and development expenses		(16,868)	(15,849)
Audit, legal and consultancy fees		(132,096)	(42,015)
Client support services expense		(46,904)	(55,593)
Other operating costs		(421,097)	(422,422)
		<hr/>	<hr/>
Current year surplus before income tax		8,655	231,794
Income tax expense		-	-
		<hr/>	<hr/>
Net current year surplus		8,655	231,794
		<hr/>	<hr/>
Other comprehensive income		-	-
		<hr/>	<hr/>
Total comprehensive income for the year		8,655	231,794
		<hr/>	<hr/>
Total comprehensive income attributable to members of the entity		\$8,655	\$231,794
		<hr/> <hr/>	<hr/> <hr/>

The accompanying notes form part of these financial statements.

TENANTS QUEENSLAND LTD
ACN 633 949 283
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	<u>Note</u>	<u>2022</u>	<u>2021</u>
ASSETS			
Current Assets			
Cash and Cash Equivalents	5	2,379,908	2,623,121
Investments	6	750,000	770,000
Debtors & Prepayments		232,885	89,090
Deposits		18,675	11,175
Total Current Assets		3,381,468	3,493,386
Non-Current Assets			
Property, Plant & Equipment	7	185,881	210,415
Right of Use Assets	9	339,260	381,902
Total Non-Current Assets		525,140	592,317
TOTAL ASSETS		\$3,906,609	\$4,085,703
LIABILITIES			
Current Liabilities			
Creditors & Accruals		272,077	231,354
Employee Provisions		1,084,423	1,071,579
Contract Liability		422,795	601,065
Lease Liability		200,232	254,750
Total Current Liabilities		1,979,527	2,158,748
Non-Current Liabilities			
Employee Provisions		155,359	180,811
Lease Liability		148,689	131,766
Total Non-Current Liabilities		304,048	312,576
TOTAL LIABILITIES		2,283,575	2,471,325
NET ASSETS		\$1,623,033	\$1,614,379
MEMBERS FUNDS			
Retained Surplus		1,623,033	1,614,379
TOTAL MEMBERS FUNDS		\$1,623,033	\$1,614,379

The accompanying notes form part of these financial statements.

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TENANTS QUEENSLAND LTD
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022

	<u>Retained Surplus</u>	<u>Revaluation Surplus</u>	<u>Financial Assets Reserve</u>	<u>Total</u>
Balance at 1 July 2020	\$1,382,584	\$NIL	\$NIL	\$1,382,584
Comprehensive Income				
Surplus for the year attributable to members of the entity	\$231,794	-	-	\$231,794
Total comprehensive income attributable to members of the entity	\$231,794	-	-	\$231,794
Balance at 30 June 2021	\$1,614,378	\$NIL	\$NIL	\$1,614,378
Balance at 1 July 2021	\$1,614,378	\$NIL	\$NIL	\$1,614,378
Comprehensive Income				
Surplus for the year attributable to members of the entity	\$8,655	-	-	\$8,655
Total comprehensive income attributable to members of the entity	\$8,655	-	-	\$8,655
Balance at 30 June 2022	\$1,623,033	\$NIL	\$NIL	\$1,623,033

The accompanying notes form part of these financial statements.

TENANTS QUEENSLAND LTD
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts		
Government Contracts	7,474,664	7,764,563
Interest	19,346	41,499
Other Income	147,170	91,397
Payments		
Auspice Payments	(2,246,208)	(2,180,785)
Wages & Salaries	(4,710,657)	(4,375,610)
Other	(621,094)	(671,022)
Net cash provided by (used in) operating activities	<u>\$63,220</u>	<u>\$670,042</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for purchase of plant & equipment	(54,622)	(148,795)
Net cash provided by (used in) investing activities	<u>\$(54,622)</u>	<u>\$(148,795)</u>
CASH FLOWS FROM FINANCIAL ACTIVITIES		
Repayment of Lease Liabilities	(271,811)	(179,284)
Net cash provided by (used in) financing activities	<u>\$(271,811)</u>	<u>\$(179,284)</u>
Net increase/(decrease) in cash held	(263,213)	341,963
Cash at beginning of the reporting period	3,393,121	3,051,158
Cash at end of the reporting period	<u>\$3,129,908</u>	<u>\$3,393,121</u>
Reconciliation of Net Surplus/Deficit to Net Cash Provided by (Used in) Operating Activities		
Operating Result	8,655	231,794
- Depreciation	343,731	199,803
- Interest on Right of use asset	12,285	6,439
- Increase/(Decrease) in Payables	40,723	(29,557)
- Increase/(Decrease) in Provisions	(12,608)	74,296
- (Increase)/Decrease In Deposits & Debtors	(151,295)	(1,461)
- Increase/(Decrease) In Contract Liability	(178,270)	188,728
Net cash provided by (used in) operating activities	<u>\$63,220</u>	<u>\$670,042</u>

The accompanying notes form part of these financial statements.

TENANTS QUEENSLAND LTD
ACN 633 949 283
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

The financial statements cover Tenants Queensland Ltd as an individual organisation, incorporated and domiciled in Australia. Tenants Queensland Ltd is a Company Limited by Guarantee.

The financial statements were authorised for issue on 3 November 2022 by the Directors of the Organisation.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or Amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

The Directors have prepared the financial statements on the basis that the Company is a non-reporting organisation because there are no users dependent on general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*. The Company is a not-for-profit organisation for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the *Australian Charities and Not-for-profits Commission Act 2012*, the basis of accounting specified by all Australian Accounting Standards and Interpretations, and the disclosure requirements of Accounting Standards AASB 101: *Presentation of Financial Statements*, AASB 107: *Cash Flow Statements*, AASB 108: *Accounting Policies, Changes in Accounting Estimates and Errors*, AASB 1031: *Materiality*, AASB 1048: *Interpretation of Standards* and AASB 1054: *Australian Additional Disclosures*, as appropriate for not-for-profit oriented entities

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs unless otherwise stated in the notes.

(a) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Operating Grants, Donations and Bequests

When the Organisation receives operating grant revenue, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance to AASB 15.

When both these conditions are satisfied, the Organisation:

- identifies each performance obligation relating to the grant
- recognises a contract liability for its obligations under the agreement
- recognises revenue as it satisfies its performance obligations.

If a contract liability is recognised as a related amount above, the Organisation recognises income in profit or loss when or as it satisfies its obligations under the contract.

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TENANTS QUEENSLAND LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(a) Revenue and Other Income (cont'd)

Capital Grant

When the Organisation receives a capital grant, it recognises a liability for the excess of the initial carrying amount of the financial asset received over any related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer) recognised under other Australian Accounting Standards.

The Organisation recognises income in profit or loss when or as the Organisation satisfies its obligations under the terms of the grant.

Interest Income

Interest income is recognised using the effective interest method.

All revenue is stated net of the amount of goods and services tax.

(b) Property, Plant and Equipment

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

Freehold property

Freehold land and buildings are shown at their fair value based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

In periods when the freehold land and buildings are not subject to an independent valuation, the directors conduct directors' valuations to ensure the carrying amount for the land and buildings is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in profit or loss.

Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Freehold land and buildings that have been contributed at no cost, or for nominal cost, are initially recognised and measured at the fair value of the asset at the date it is acquired.

Depreciation is calculated and is brought to account over the estimated economic lives of all fixed assets commencing from the time the asset is held ready for use.

The depreciation rates used are as follows:

Class of Fixed Asset	Depreciation Rate
Plant and equipment	20% - 50%

TENANTS QUEENSLAND LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(c) Impairment of Assets

At the end of each reporting period, the Organisation reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over to recoverable amount is recognized in the income and expenditure statement.

(d) Provisions

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

(e) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

(f) Leases

The Entity as Lessee

At inception of a contract, the Organisation assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Organisation where the Organisation is a lessee. However, all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Organisation uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options if lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

TENANTS QUEENSLAND LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(f) Leases (cont'd)

The Entity as Lessee (cont'd)

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest. Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Organisation anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

Concessionary Leases

For leases that have significantly below-market terms and conditions principally to enable the Organisation to further its objectives (commonly known as peppercorn/concessionary leases), the Organisation has adopted the temporary relief under AASB 2018-8.

(g) Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from Members as well as amounts receivable from donors. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

(h) Fair Value Measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

(i) Fair Value Measurement (cont'd)

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

(j) Goods and Services Tax (GST)

Revenues, expenses and assets are recognized net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the assets and liabilities statement.

TENANTS QUEENSLAND LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(k) Comparative Figures

Comparative figures, where necessary, have been reclassified in order to comply with the presentation adopted in the figures reported for the current financial year.

(l) Economic Dependence

Tenants Queensland Ltd is dependent on government funding to operate. As at the date of the report, the Board has no reason to believe the government will not continue to support the Organisation.

(m) Significant Management Judgement in Applying Accounting Policies

The Board evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Organisation.

(n) Income Tax

No provision for income tax has been raised as the Organisation is exempt from income tax under Section 50.5 of the Income Tax Assessment Act 1997 (Cth).

(o) Employee Provisions

Short-term Employee Benefits

Short-term employee benefits are benefits, other than termination benefits, that are expected to be settled wholly within twelve (12) months after the end of the period in which the employees render the related service. Examples of such benefits include wages and salaries, non-monetary benefits and accumulating personal leave. Short-term employee benefits are measured at the undiscounted amounts expected to be paid when the liabilities are settled.

Other Long-term Employee Benefits

The Organisation's liabilities for annual leave and long service leave are included in other long-term benefits as they are not expected to be settled wholly within twelve (12) months after the end of the period in which the employees render the related service. They are measured at the present value of the expected future payments to be made to employees. The expected future payments incorporate anticipated future wage and salary levels, experience of employee departures and periods of service, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the timing of the estimated future cash outflows.

Any re-measurements arising from experience adjustments and changes in assumptions are recognised in profit or loss in the periods in which the changes occur.

The Organisations obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the association does not have an unconditional right to differ settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

TENANTS QUEENSLAND LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2. CRITICAL ACCOUNTING JUDGEMENTS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Estimation of useful lives of assets

The Organisation determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the organisation based on known information. This consideration extends to the nature of the services offered, staffing and geographic regions in which the organisation operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the organisation unfavorably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Employee benefits provision

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

TENANTS QUEENSLAND LTD
ACN 633 949 283
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	<u>2022</u>	<u>2021</u>
3. EVENTS AFTER THE REPORTING PERIOD		
There are no matters or circumstances that have arisen since 30 June 2022 that have significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.		
4. REVENUE AND OTHER INCOME		
Revenue		
Revenue from Government Contracts	7,776,790	7,574,820
Other Revenue		
Non-Recurrent Funding	137,000	23,385
Interest	17,562	31,737
TOTAL REVENUE	7,931,352	7,629,942
Other Income		
Donations	2,083	16,157
Memberships	1,045	1,360
Sundry Income	3,206	50,482
TOTAL OTHER INCOME	6,334	67,999
TOTAL REVENUE AND OTHER INCOME	\$7,937,687	\$7,697,941
5. CASH AND CASH EQUIVALENTS		
TQ Ltd General Account	1,318,719	-
TQ Ltd Gift Fund Account	28,080	-
General Account	8,027	1,089,428
ME Bank Online Saver Account	1,025,082	1,505,764
TU Maximiser Account	-	150
Charitable Donations Account	-	7,073
Charitable Maximiser Account	-	20,706
	\$2,379,908	\$2,623,121
6. INVESTMENTS		
ME Bank Term Deposit	750,000	750,000
National Bank Term Deposit - Staff Liabilities	-	20,000
	\$750,000	\$770,000

18.

TENANTS QUEENSLAND LTD
ACN 633 949 283
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	<u>2022</u>	<u>2021</u>
7. PROPERTY, PLANT & EQUIPMENT		
Office Equipment - at Cost	417,782	404,048
Less Accumulated Depreciation	(295,981)	(235,570)
	121,800	168,479
Furniture & Fittings - at Cost	238,417	197,528
Less Accumulated Depreciation	(174,337)	(155,592)
	64,080	41,937
Motor Vehicles - at Cost	71,823	71,823
Less Accumulated Depreciation	(71,823)	(71,823)
	-	-
	\$185,881	\$210,415

MOVEMENTS IN CARRYING AMOUNTS

Movements in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

	<u>Furniture & Equipment</u>	<u>Office Equipment</u>	<u>Motor Vehicles</u>	<u>TOTAL</u>
Carrying Amount as at 1 July 2021	\$41,937	\$168,479	-	\$210,415
Additions at Cost	\$40,889	\$13,733	-	\$54,622
Depreciation Expense	\$(18,745)	\$(60,412)	-	\$(79,157)
Carrying Amount as at 30 June 2022	\$64,080	\$121,800	\$NIL	\$185,881

8. CONTINGENT LIABILITIES

Tenants Queensland Inc has in place facility backed bank guarantees in relation to rental premises.

Bank Guarantees	\$33,674	\$33,674
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TENANTS QUEENSLAND LTD
ACN 633 949 283
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

2022 **2021**

9. RIGHT-OF-USE ASSET

The Organisation has one head office, and seven regional offices. The lease terms are between one year and five years.

The Organisation has five motor vehicle leases for terms between forty-three and fifty-one months.

i) AASB 16 related amounts recognised in the Balance Sheet:

RIGHT-OF-USE ASSETS

Leased Buildings	623,666	447,721
Accumulated Depreciation	(302,250)	(100,274)
	321,416	347,447
Motor Vehicles	65,715	65,715
Accumulated Depreciation	(47,871)	(31,260)
	17,844	34,455
TOTAL RIGHT-OF-USE ASSETS	\$339,260	\$381,902

ii) AASB 16 related amounts recognised in the Statement of Profit or Loss:

Depreciation Charge related to Right-Of-Use Assets	264,574	142,071
Interest Expense on Lease Liabilities	12,285	6,439

10. MEMBERS GUARANTEE

The Company is limited by guarantee. If the Company is wound up, each member is required to contribute a maximum of two dollars towards meeting any outstanding obligations of the Company.

11. REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

Level 1
87 Wickham Terrace
SPRING HILL QLD 4000

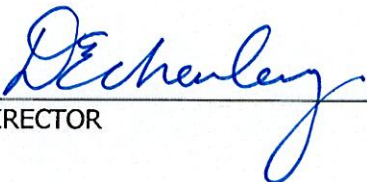
TENANTS QUEENSLAND LTD
ACN 633 949 283

DIRECTORS' DECLARATION

In the opinion of the Directors of Tenants Queensland Ltd:

- (a) the financial statements and notes as set out on pages 8 to 19 comply with Australian Accounting Standards and give a true and fair view of the financial position of the Organisation as at 30 June 2022 and of its performance for the year ended on that date, and
- (b) there are reasonable grounds to believe that the Organisation 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 and is signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2013*.



DIRECTOR



DIRECTOR

Dated this 17th day of NOVEMBER 2022

21.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
TENANTS QUEENSLAND LTD
ABN 38 025 321 260**

Report on the audit of the financial report

Opinion

We have audited the financial report of Tenants Queensland Ltd, which comprises the statement of financial position as at 30 June 2022, the statement of profit & loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the Directors' declaration.

In our opinion, the accompanying financial report of Tenants Queensland Ltd has been prepared 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 2022 and of its performance for the year then ended, and
- (b) 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 Organisation in accordance with the Auditor Independence Requirements of the ACNC Act and ethical requirements of the Accounting Professional and Ethical Standards Board's APES110: *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 to assist the Organisation to meet the requirements of the *Australian Charities and Not-for-profits Commission 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.

Responsibility of the Directors for the financial report

The Directors are responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the ACNC Act, and for such internal control as the Directors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

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

22.

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 this 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 Organisation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Organisation'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 Organisation 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.



Anthony Bryen
Registered Auditor (No 306025)
Haywards Chartered Accountants
Level 1 / 488 Lutwyche Road
LUTWYCHE QLD 4030

Dated this eighteenth day of November 2022