

The National Justice Project Ltd

ABN 23 609 620 028

Financial Statements

For the Year Ended 30 June 2022

The National Justice Project Ltd
ABN 23 609 620 028

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Directors' Report

30 June 2022

The Directors present their report on The National Justice Project Ltd for the financial year ended 30 June 2022.

Information on Directors

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

Larissa Behrendt (*appointed 24 June 2021*)

Experience and expertise Distinguished Professor Larissa Behrendt OA is the Director of Research at the Jumbunna Indigenous House of Learning at the University of Technology Sydney. She has a LLB and B.Juris from UNSW and a LLM and SJD from Harvard Law School. Larissa has a legal background with a strong track record in the areas of Indigenous law, policy, creative arts, education and research. She has held numerous judicial positions and sat on various community and arts organisation boards. Larissa is a Fellow of the Academy of Social Sciences of Australia and a Foundation Fellow of the Australian Academy of Law. She chaired the national review of Indigenous Higher Education, was the inaugural chair of National Indigenous Television (NITV), the Chair of the Bangarra Dance Theatre, founding director of Sydney Story Factory (literacy program in Redfern) and director of Jimmy Little Foundation. She is a member of the Metropolitan Local Aboriginal Land Council an Land Commissioner, for New South Wales Land and Environment Court. She is currently Chair of the Cathy Freeman Foundation, on the board of Sydney Festival, is a board member of Sydney Community Fund, a Trustee of the Australian Museum, a member of the UTS Council and a director of Jimmy Little Foundation. She is a member of the Metropolitan Local Aboriginal Land Council. Larissa is also an award-winning author, filmmaker and host of Speaking Out on ABC Radio. She chaired the national review of Indigenous Higher Education, was the inaugural chair of National Indigenous Television (NITV), has been the Chair of the Bangarra Dance Theatre and was a founding director of Sydney Story Factory (literacy program in Redfern) In 2020 she received an Order of Australia for distinguished service to Indigenous education and research, to the law, and to the visual and performing arts. In 2009 she was NAIDOC Person of the Year award and 2011 NSW Australian of the Year.

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.

Directors' Report

30 June 2022

Information on Directors (*continued*)

George Benjamin Newhouse (*continued*)

Experience and expertise 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 and all forms of discrimination.

George is an Adjunct Professor of Law at Macquarie University and with the Jumbunna Institute at the University of Technology, Sydney.

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.

Steven Castan

Experience and expertise Steven is the current Chair of the National Justice Project. Steven is an experienced Barrister based in Melbourne, Victoria primarily practising in the area of Human Rights and Social Justice Law. He has appeared in Coronial Inquests in relation to Aboriginal deaths in Custody and Asylum seeker detainees in detention centres. He is known for utilising his legal and negotiation skills to fight for justice for vulnerable Australians, including the mentally ill, LGBTI Australians, survivors of domestic violence, immigrants, prisoners, asylum seekers, youth detainees, and Aboriginal Australians. Steven is a Nationally Accredited Mediator and Family Dispute Resolution Practitioner (FDRP) facilitating non-confrontational conflict resolution across civil, commercial and family law. Steven is a sessional lecturer at Monash University in Human Rights & Social Justice Law and Criminal 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.

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 and student lawyers with respect to the law, their rights and responsibilities
- iii) improving access to justice for marginalised peoples through technology
- iv) 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.

Directors' Report

30 June 2022

How Principal Activities Assisted in Achieving the Objectives

Our activities assisted vulnerable individuals generally and particularly 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 and Torres Strait Islander peoples 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, five (5) meetings of Directors were held. Attendances by each Director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Larissa Behrendt	5	3
George Benjamin Newhouse	5	5
Duncan Fine	5	5
Steven Castan	5	5
Michael Dante Mori	5	5

Events Occurring After the Reporting Date

The Company's operations are significantly dependent on private and public donations from individuals and other organisations. The COVID-19 outbreak is expected to have a continued impact on the economic and market conditions and could trigger a period of economic slowdown. This situation is expected to depress donations in general which could have a material effect on the Company's results of future operations and financial position during the financial year ending 30 June 2022.

The financial report was authorised for issue on 12 December 2022 by the Board of Directors. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Company for future periods and as such no adjustments were made in this financial report.

Other than the matters described in preceding paragraphs, no matter or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial year.

Directors' Report
30 June 2022

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2022 has been received and can be found on page 5 of the financial report.

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



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STEVEN CASTAN
Chairman

Dated in Sydney this 12th day of December 2022

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

Statement of Surplus or Deficit and Other Comprehensive Income
For the Year Ended 30 June 2022

	2022	2021
	\$	\$
Client fees received	256,500	342,914
Donations received	2,379,432	1,540,510
Grants received	168,639	238,689
Consulting fees	60,457	23,985
Interest income	6,354	6,267
COVID-19 income support	149,433	25,000
COVID-19 cashflow boost	-	178,500
Client disbursements	(223,166)	(276,967)
Depreciation expense	(8,284)	(8,257)
Depreciation expense - right-of-use asset	-	(39,973)
Employee expenses	(1,528,523)	(1,301,602)
Insurance expense	(12,677)	(13,267)
IT expenses	(29,478)	(51,366)
Interest expense - right-of-use asset	-	(1,857)
Other expenses	(187,488)	(157,692)
Surplus before income tax	1,031,199	504,884
Income tax expense	-	-
Surplus for the year	1,031,199	504,884
Other comprehensive income for the year	-	-
Total comprehensive surplus for the year	1,031,199	504,884

The accompanying notes form part of these financial statements.

Statement of Financial Position

As at 30 June 2022

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	1,703,157	842,165
Trade and other receivables	3	57,377	187,093
Financial assets	4	1,012,199	1,305,864
TOTAL CURRENT ASSETS		<u>2,772,733</u>	<u>2,335,122</u>
NON-CURRENT ASSETS			
Property, plant and equipment	5	8,503	16,513
TOTAL NON-CURRENT ASSETS		<u>8,503</u>	<u>16,513</u>
TOTAL ASSETS		<u>2,781,236</u>	<u>2,351,635</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	6	160,958	225,245
Unearned income		361,263	917,601
Employee benefits	7	67,292	48,265
TOTAL CURRENT LIABILITIES		<u>589,513</u>	<u>1,191,111</u>
TOTAL LIABILITIES		<u>589,513</u>	<u>1,191,111</u>
NET ASSETS		<u>2,191,723</u>	<u>1,160,524</u>
EQUITY			
Retained earnings		<u>2,191,723</u>	<u>1,160,524</u>
TOTAL EQUITY		<u>2,191,723</u>	<u>1,160,524</u>

The accompanying notes form part of these financial statements.

Statement of Changes in Equity
For the Year Ended 30 June 2022

	Retained Earnings \$
Balance at 1 July 2021	1,160,524
Surplus for the year	1,031,199
Balance at 30 June 2022	<u>2,191,723</u>
	 Retained Earnings \$
Balance at 1 July 2020	655,640
Surplus for the year	<u>504,884</u>
Balance at 30 June 2021	<u>1,160,524</u>

Statement of Cash Flows
For the Year Ended 30 June 2022

	2022	2021
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from grants and other revenue	3,507,955	2,404,513
Payments to suppliers and employees	(2,943,229)	(1,862,089)
Interest received	2,601	3,866
Interest paid	-	(1,857)
Net cash provided by operating activities	<u>8</u> 567,327	<u>544,433</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for investment in term deposits	<u>293,665</u>	<u>(805,864)</u>
Net cash used by investing activities	<u>293,665</u>	<u>(805,864)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of finance lease principal	<u>-</u>	<u>(40,734)</u>
Net cash provided by financing activities	<u>-</u>	<u>(40,734)</u>
Net increase/(decrease) in cash and cash equivalents held	860,192	(302,165)
Cash and cash equivalents at beginning of year	<u>842,165</u>	<u>1,144,330</u>
Cash and cash equivalents at end of financial year	<u>2</u> <u>1,703,157</u>	<u>842,165</u>

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2022

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 surplus or deficit 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 surplus or deficit and other comprehensive income.

Interest Revenue

Interest is recognised using the effective interest method.

Notes to the Financial Statements

For the Year Ended 30 June 2022

1 Summary of Significant Accounting Policies (*continued*)

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

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.

(f) Financial Assets

Term deposits with a maturity greater than three (3) months from year end are determined to be financial assets.

Notes to the Financial Statements

For the Year Ended 30 June 2022

1 Summary of Significant Accounting Policies (*continued*)

(g) 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 surplus or deficit 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.

(h) Right-Of-Use Assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to surplus or deficit as incurred.

(i) Lease Liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Lease payments comprise fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset or to surplus or deficit if the carrying amount of the right-of-use asset is fully written down.

Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Cash and Cash Equivalents

	2022	2021
	\$	\$
Cash at bank	1,703,157	842,165
Term deposit – short term	-	-
	<u>1,703,157</u>	<u>842,165</u>

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:

	2022	2021
	\$	\$
Cash and cash equivalents	1,703,157	842,165
	<u>1,703,157</u>	<u>842,165</u>

3 Trade and Other Receivables

	2022	2021
	\$	\$
Trade receivables	41,762	178,927
GST receivable	15,615	8,166
	<u>57,377</u>	<u>187,093</u>

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.

4 Financial Assets

	2022	2021
	\$	\$
Term deposit – medium maturity	1,012,199	1,305,864
	<u>1,012,199</u>	<u>1,305,864</u>

Medium-term investment represents a Term Deposit with St George Bank. This medium-term investment earns interest at 2.22% (2021: 0.40% p.a.) and matures more than three (3) months after year end.

Notes to the Financial Statements

For the Year Ended 30 June 2022

5 Property, Plant and Equipment

	2022	2021
	\$	\$
Office furniture and fittings-at cost	49,813	49,539
Accumulated depreciation	(41,310)	(33,026)
	<u>8,503</u>	<u>16,513</u>

6 Trade and Other Payables

	2022	2021
	\$	\$
Trade payables	101,654	147,179
Other payables- related parties	-	-
Sundry payables and accrued expenses	59,304	78,066
Total trade and other payables- current	<u>160,958</u>	<u>225,245</u>

7 Employee Benefits

	2022	2021
	\$	\$
Provision for annual leave	67,292	48,265
	<u>67,292</u>	<u>48,265</u>

Notes to the Financial Statements

For the Year Ended 30 June 2022

8 Cash Flow Information

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

	2022	2021
	\$	\$
Surplus for the year	1,031,199	504,884
Cash flows excluded from surplus attributable to operating activities		
Non-cash flows in surplus		
- depreciation	8,284	48,230
- employee entitlements	19,027	24,132
Changes in assets and liabilities:		
- increase in trade and other receivables	-	(37,949)
- increase in trade and other payables	(491,182)	5,136
Cashflow from operations	<u>567,327</u>	<u>544,433</u>

9 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2022.

10 Related Parties

Total remuneration paid to key management personnel was \$106,277 for the year ended 30 June 2022 made up as follows:

Directors	Salary	Superannuation	Total
	\$	\$	\$
George Newhouse	70,031	7,003	77,034
Duncan Fine	26,585	2,658	29,223
	<u>96,616</u>	<u>9,661</u>	<u>106,277</u>

Notes to the Financial Statements

For the Year Ended 30 June 2022

11 Events Occurring after the Reporting Date

The Company's operations are significantly dependent on private and public donations from individuals and other organisations. The COVID-19 outbreak is expected to have a continued impact on the economic and market conditions and could trigger a period of economic slowdown. This situation is expected to depress donations in general which could have a material effect on the Company's results of future operations and financial position during the financial year ending 30 June 2022.

The financial report was authorised for issue on 12 December 2022 by the Board of Directors. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Company for future periods and as such no adjustments were made in this financial report.

Other than the matters described in preceding paragraphs, no matter or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial year.

12 Statutory Details

The registered office of the Company is:

The National Justice Project Ltd
University of Technology Sydney,
National Justice Project, CB01.17,
15 Broadway
BROADWAY NSW 2007

Directors' Declaration
For the Year Ended 30 June 2022

In accordance with a resolution of the Directors of The National Justice Project Ltd (the "Company"), the Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 6 to 16, 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 2022 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.



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STEVEN CASTAN
Chairman

Dated in Sydney this 12th day of December 2022