



Eastern Community Legal Centre Inc.

ABN 89 833 124 364

Financial Statements

For the Year Ended 30 June 2020

Eastern Community Legal Centre Inc.

ABN 89 833 124 364

Contents

For the Year Ended 30 June 2020

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Working as One

Eastern Community Legal Centre Inc.

ABN 89 833 124 364

Auditor's Independence Declaration under Section 60-40 of the Charities and Not-for-profits Commission Act 2012 to the Responsible Persons of Eastern Community Legal Centre Inc.

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2020, there have been:

- (i) no contraventions of the auditor independence requirements as set out in section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

LDB Audit Services Pty Ltd

LDB Audit Services Pty Ltd
1-3 Albert Street
BLACKBURN VIC 3130

Hilton Miller
Director

Signed this2nd..... day of.....November..... 2020

Eastern Community Legal Centre Inc.

ABN 89 833 124 364

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2020

	Note	2020 \$	2019 \$
Revenue		4,465,367	3,321,445
Finance income		24,527	22,122
Employee benefits expense		(3,942,626)	(2,833,653)
Property and equipment expenses		(187,167)	(150,020)
Administration expenses		(129,924)	(88,641)
Program expenses		(198,352)	(215,078)
Finance expenses		(1,464)	-
Surplus before income tax		30,361	56,175
Income tax expense		-	-
Surplus for the year		30,361	56,175
Other comprehensive income, net of income tax			
Total comprehensive income for the year		30,361	56,175

The Association has initially applied AASB 15 and AASB 1058 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 111, AASB 118, AASB 1004 and related interpretations.

The Association has initially applied AASB 16 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 117 and related interpretations.

Eastern Community Legal Centre Inc.

ABN 89 833 124 364

Statement of Financial Position

As At 30 June 2020

	Note	2020 \$	2019 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	234,895	294,264
Trade and other receivables	7	434,769	157,461
Other financial assets	8	823,458	1,312,322
TOTAL CURRENT ASSETS		<u>1,493,122</u>	<u>1,764,047</u>
NON-CURRENT ASSETS			
Property, plant and equipment	9	220,074	121,534
Right-of-use assets	10	160,386	-
TOTAL NON-CURRENT ASSETS		<u>380,460</u>	<u>121,534</u>
TOTAL ASSETS		<u>1,873,582</u>	<u>1,885,581</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	836,007	1,120,943
Lease liabilities	10	38,050	-
Short-term provisions	12	464,933	407,055
TOTAL CURRENT LIABILITIES		<u>1,338,990</u>	<u>1,527,998</u>
NON-CURRENT LIABILITIES			
Lease liabilities	10	127,857	-
Long-term provisions	12	91,521	72,730
TOTAL NON-CURRENT LIABILITIES		<u>219,378</u>	<u>72,730</u>
TOTAL LIABILITIES		<u>1,558,368</u>	<u>1,600,728</u>
NET ASSETS		<u>315,214</u>	<u>284,853</u>
EQUITY			
Accumulated surplus		315,214	284,853
TOTAL MEMBERS' FUNDS		<u>315,214</u>	<u>284,853</u>

The Association has initially applied AASB 15 and AASB 1058 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 111, AASB 118, AASB 1004 and related interpretations.

The Association has initially applied AASB 16 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 117 and related interpretations.

Eastern Community Legal Centre Inc.

ABN 89 833 124 364

Statement of Changes in Equity For the Year Ended 30 June 2020

2020

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2019	284,853	284,853
Surplus attributable to members	30,361	30,361
Balance at 30 June 2020	315,214	315,214

2019

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2018	228,678	228,678
Surplus attributable to members	56,175	56,175
Balance at 30 June 2019	284,853	284,853

The Association has initially applied AASB 15 and AASB 1058 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 111, AASB 118, AASB 1004 and related interpretations.

The Association has initially applied AASB 16 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 117 and related interpretations.

The accompanying notes form part of these financial statements.

Eastern Community Legal Centre Inc.

ABN 89 833 124 364

Statement of Cash Flows For the Year Ended 30 June 2020

	2020	2019
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from grants and others	3,764,667	3,583,979
Payments to suppliers and employees	(4,191,987)	(3,046,754)
Interest received	24,527	22,122
Net cash provided by/(used in) operating activities	13 <u>(402,793)</u>	<u>559,347</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of plant and equipment	20,909	-
Redemption/ (purchase) of investment	488,864	(404,174)
Purchase of property, plant and equipment	(166,349)	(22,267)
Net cash provided by/(used in) investing activities	<u>343,424</u>	<u>(426,441)</u>
Net increase/(decrease) in cash and cash equivalents held	(59,369)	132,906
Cash and cash equivalents at beginning of year	<u>294,264</u>	<u>161,358</u>
Cash and cash equivalents at end of financial year	6 <u>234,895</u>	<u>294,264</u>

The Association has initially applied AASB 15 and AASB 1058 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 111, AASB 118, AASB 1004 and related interpretations.

The Association has initially applied AASB 16 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 117 and related interpretations.

Eastern Community Legal Centre Inc.

ABN 89 833 124 364

Notes to the Financial Statements

For the Year Ended 30 June 2020

The financial report covers Eastern Community Legal Centre Inc. as an individual entity. Eastern Community Legal Centre Inc. is a not-for-profit Association, registered and domiciled in Australia.

The principal activities of the Association for the year ended 30 June 2020 were to provide multidisciplinary legal services that works to prevent problems, progress fair outcomes and support the wellbeing and resilience of communities and community members in Melbourne's East.

The functional and presentation currency of Eastern Community Legal Centre Inc. is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

In the opinion of those charged with Governance the Association is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 *Presentation of Financial Statements*, AASB 107 *Statement of Cash Flows*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* and AASB 1054 *Australian Additional Disclosures*.

2 Change in Accounting Policy

Revenue from Contracts with Customers - Adoption of AASB 15

The Association has adopted AASB 15 *Revenue from Contracts with Customers* and AASB 1058 *Income of Not-for-Profit Entities* for the first time in the current year with a date of initial application of 1 July 2019.

The Association has applied AASB 15 and AASB 1058 using the cumulative effect method which means the comparative information has not been restated and continues to be reported under AASB 111, AASB 118, AASB 1004 and related interpretations. All adjustments, if any, on adoption of AASB 15 and AASB 1058 have been taken to retained earnings at 1 July 2019.

Notes to the Financial Statements

For the Year Ended 30 June 2020

2 Change in Accounting Policy

Leases - Adoption of AASB 16

The Association has adopted AASB 16 *Leases* using the modified retrospective (cumulative catch-up) method from 1 July 2019 and therefore the comparative information for the year ended 30 June 2019 has not been restated and has been prepared in accordance with AASB 117 *Leases* and associated Accounting Interpretations.

Impact of adoption of AASB 16

The impact of adopting AASB 16 is described below:

Association as a lessee

Under AASB 117, the Association assessed whether leases were operating or finance leases based on its assessment of whether the significant risks and rewards of ownership had been transferred to the Association or remained with the lessor. Under AASB 16, there is no differentiation between finance and operating leases for the lessee and therefore all leases which meet the definition of a lease are recognised on the statement of financial position (except for short-term leases and leases of low value assets).

The Association has elected to use the exception to lease accounting for short-term leases and leases of low value assets, and the lease expense relating to these leases are recognised in the statement of profit or loss on a straight line basis.

Practical expedients used on transition

AASB 16 includes a number of practical expedients which can be used on transition, the Association has used the following expedients:

- contracts which had previously been assessed as not containing leases under AASB 117 were not re-assessed on transition to AASB 16;
- lease liabilities have been discounted using the Association's incremental borrowing rate at 1 July 2019;
- right-of-use assets at 1 July 2019 have been measured at an amount equal to the lease liability adjusted by the amount of any prepaid or accrued lease payments;
- a single discount rate was applied to all leases with similar characteristics;
- the right-of-use asset was adjusted by the existing onerous lease provision (where relevant) at 30 June 2019 rather than perform impairment testing of the right-of-use asset;
- excluded leases with an expiry date prior to 30 June 2020 from the statement of financial position and lease expenses for these leases have been recorded on a straight-line basis over the remaining term;
- used hindsight when determining the lease term if the contract contains options to extend or terminate the lease;
- for leases which were classified as finance leases under AASB 117, the carrying amount of the right-of-use asset and the lease liability at 1 July 2019 are the same value as the leased asset and liability on 30 June 2019.

Notes to the Financial Statements

For the Year Ended 30 June 2020

2 Change in Accounting Policy

Financial statement impact of adoption of AASB 16

The Association has recognised right-of-use assets of \$225,545 and lease liabilities of \$225,545 at 1 July 2019, for leases previously classified as operating leases.

The weighted average lessee's incremental borrowing rate applied to lease liabilities at 1 July 2019 was 0.90%.

3 Summary of Significant Accounting Policies

(a) Income Tax

The Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(b) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(c) Financial instruments

Financial instruments are recognised initially on the date that the Association becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Association classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)
- fair value through other comprehensive income - debt investments (FVOCI - debt)

Notes to the Financial Statements

For the Year Ended 30 June 2020

3 Summary of Significant Accounting Policies

(c) Financial instruments

Financial assets

Financial assets are not reclassified subsequent to their initial recognition unless the Association changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Association's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Fair value through other comprehensive income

Equity instruments

The Association has a number of strategic investments in listed and unlisted entities over which they do not have significant influence nor control. The Association has made an irrevocable election to classify these equity investments as fair value through other comprehensive income as they are not held for trading purposes.

These investments are carried at fair value with changes in fair value recognised in other comprehensive income (financial asset reserve). On disposal any balance in the financial asset reserve is transferred to retained earnings and is not reclassified to profit or loss.

Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at FVTPL.

Net gains or losses, including any interest or dividend income are recognised in profit or loss (refer to hedging accounting policy for derivatives designated as hedging instruments.)

The Association holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the

Notes to the Financial Statements

For the Year Ended 30 June 2020

3 Summary of Significant Accounting Policies

(c) Financial instruments

Financial assets

host contract is not a financial asset and certain criteria are met.

The Association's financial assets measured at FVTPL comprise derivatives [insert details of other financial assets carried at FVTPL] in the statement of financial position.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost
- debt investments measured at FVOCI

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Association considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Association's historical experience and informed credit assessment and including forward looking information.

The Association uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Association uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Association in full, without recourse to the Association to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Association in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Association has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Association renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Notes to the Financial Statements

For the Year Ended 30 June 2020

3 Summary of Significant Accounting Policies

(c) Financial instruments

Financial assets

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The Association measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Association comprise trade payables, bank and other loans and lease liabilities.

(d) Impairment of non-financial assets

At the end of each reporting period the Association determines whether there is an evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

(e) Leases

For comparative year

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

Notes to the Financial Statements

For the Year Ended 30 June 2020

3 Summary of Significant Accounting Policies

(f) Adoption of new and revised accounting standards

The Association has adopted all standards which became effective for the first time at 30 June 2020, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Association or refer to Note 2 for details of the changes due to standards adopted.

4 Critical Accounting Estimates and Judgments

Those charged with governance make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

5 Result for the Year

The result for the year includes the following specific expenses:

	2020	2019
	\$	\$
Other expenses:		
Employee benefits expense	3,942,626	2,833,653

6 Cash and Cash Equivalents

	2020	2019
	\$	\$
Cash on hand	1,135	806
Bank balances	233,760	293,458
	<u>234,895</u>	<u>294,264</u>

7 Trade and Other Receivables

	2020	2019
	\$	\$
CURRENT		
Trade receivables	381,650	140,250
Prepayments	48,874	7,590
Other receivables	4,245	9,621
Total current trade and other receivables	<u>434,769</u>	<u>157,461</u>

Eastern Community Legal Centre Inc.

ABN 89 833 124 364

Notes to the Financial Statements For the Year Ended 30 June 2020

8 Other Financial Assets

(a) Held-to-maturity investments

	2020	2019
	\$	\$
CURRENT		
Term Deposits	823,458	1,312,322
	<u>823,458</u>	<u>1,312,322</u>

9 Property, plant and equipment

PLANT AND EQUIPMENT

	2020	2019
	\$	\$
Furniture and equipment		
At cost	329,809	227,140
Accumulated depreciation	(137,193)	(123,984)
Total furniture and equipment	<u>192,616</u>	<u>103,156</u>
Motor vehicles		
At cost	27,458	26,731
Accumulated depreciation	-	(8,353)
Total motor vehicles	<u>27,458</u>	<u>18,378</u>
Total property, plant and equipment	<u>220,074</u>	<u>121,534</u>

10 Leases

Right-of-use assets

	Properties leased	Total
	\$	\$
Year ended 30 June 2020		
Depreciation charge	(65,159)	(65,159)
Additions to right-of-use assets	225,545	225,545
Balance at end of year	<u>160,386</u>	<u>160,386</u>

Eastern Community Legal Centre Inc.

ABN 89 833 124 364

**Notes to the Financial Statements
For the Year Ended 30 June 2020**

10 Leases

Lease liabilities

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year	1 - 5 years	Total undiscounted lease liabilities	Lease liabilities included in this Statement Of Financial Position
	\$	\$	\$	\$
2020				
Lease liabilities	38,050	127,857	165,907	165,907

11 Trade and Other Payables

	Note	2020	2019
		\$	\$
CURRENT			
Trade payables		38,242	14,964
Other payables		266,038	147,751
GST payable		60,703	69,050
VLA Carry forward deficit (surplus)		2,513	(1,320)
Income in Advance		468,511	890,498
		836,007	1,120,943

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

12 Provisions

	2020	2019
	\$	\$
CURRENT		
Provision for long service leave	138,694	166,737
Provision for annual leave	317,239	231,318
Provision for sick leave	9,000	9,000
	464,933	407,055
	2020	2019
	\$	\$
NON-CURRENT		
Provision for long service leave	91,521	72,730

Eastern Community Legal Centre Inc.

ABN 89 833 124 364

Notes to the Financial Statements For the Year Ended 30 June 2020

13 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

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

	2020	2019
	\$	\$
Profit for the year	30,361	56,175
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	48,305	39,604
-right of use asset net adjustment	5,522	-
- net (gain) loss on disposal of property, plant and equipment	(1,405)	-
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(277,308)	(100,227)
- increase/(decrease) in trade and other payables	(284,937)	438,062
- increase/(decrease) in provisions	76,669	125,733
Cashflows from operations	<u>(402,793)</u>	<u>559,347</u>

14 Events Occurring After the Reporting Date

During the financial year, the World Health Organisation declared COVID-19 as a global pandemic. To date there has been no financial impact on the Organisation. Management continue to monitor the ever evolving situation and should any adjustments be required, this will be reflected in the following financial year/s when an actual outcome, if any is known.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results of those operations, or the state of affairs of the Association in future financial years.

15 Statutory Information

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

Eastern Community Legal Centre Inc.
Suite 3, Town Hall Hub,
27 Bank Street
Box Hill VIC 3128

Eastern Community Legal Centre Inc.

ABN 89 833 124 364

Responsible Persons' Declaration

The responsible persons declare that in the responsible persons' opinion:

- there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Responsible person:



Janet Matton AM
Chairperson

Responsible person:



Luong Ta
Treasurer

Dated:

Tuesday 27th October 2020

LDB Audit Services Pty Ltd

ACN 123 774 569 ABN 59 123 774 569

1-3 Albert Street, Blackburn Vic 3130

PO Box 550, Blackburn Vic 3130

Telephone: 03 9875 2900

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Working as One

Eastern Community Legal Centre Inc.

Independent Audit Report to the members of Eastern Community Legal Centre Inc.

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Eastern Community Legal Centre Inc., which comprises the statement of financial position as at 30 June 2020, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the responsible persons' declaration.

In our opinion the financial report of Eastern Community Legal Centre Inc. has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the Registered Entity's financial position as at 30 June 2020 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1, 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 Registered Entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Registered Entity's financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Responsible Entities for the Financial Report

The responsible persons of the Registered Entity 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 responsible entities' responsibility also includes such internal control as the responsible entities determine is 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.

Liability limited by a scheme under approved by Professional Standards Legislation.

LDB Audit Services Pty Ltd

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Working as One

Eastern Community Legal Centre Inc.

Independent Audit Report to the members of Eastern Community Legal Centre Inc.

In preparing the financial report, the responsible persons are responsible for assessing the Registered Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the responsible entities either intend to liquidate the Registered Entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

LDB Audit Services Pty Ltd

LDB Audit Services Pty Ltd
1-3 Albert Street
BLACKBURN VIC 3130

Hilton Miller
Director

Dated this2nd..... day ofNovember.....2020

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