

PRESIDENT'S REPORT

For the Annual General Meeting to be held on 26 October 2019

Fellow QJA members,

The formal Directors' Report and Financial Statements, contained within the *Spring 2019* (September) edition of the *QJA Journal* (and published on the QJA website), summarise the achievements of the last financial year and address those matters we are required to disclose as a company governed by the *Corporations Act 2001*. This report contains some additional information about the operation of the business in 2018-19.

Corporate Strategy

QJA is a membership association for Queensland Justices of the Peace (JPs) and Commissioners for Declarations (Cdecs). Of approximately 85,000 registered JPs and Cdecs in Queensland, about 6,000 (7%) are current QJA members.

The QJA Vision and Mission emphasise the organisation's strong focus on quality and best practice:

Vision: *A network of JPs & Cdecs who deliver a professional standard of services to their communities*

Mission: *To provide exceptional programs, services and products that enable our members to be highly competent and professional practitioners*

The related strategies adopted by QJA are:

- **Membership Enhancement** – optimise member recruitment, retention, services and satisfaction
- **Training and Professional Development** – enable QJA members to be best-practice JP practitioners
- **Member Accreditation** – develop and deliver a program that recognises and rewards a demonstrated standard of professional practice by members
- **Branch Network Development** – foster and enhance the role of the Branch Network in delivering the QJA vision and mission to all parts of Queensland
- **Marketing and Communication** – improve community awareness of the QJA brand and the value of QJA membership

Each program has a working group of directors with an assigned leader who regularly reports to the Board on initiatives undertaken and progress achieved. Twice a year (March and November), the company's Board and executive undertake intensive strategic planning workshops to review the progress of the business in delivering on its vision and mission and to develop new and innovative strategies to improve business operations going forward.

Financial management

The annual budget process is a core function of the Board and we have a responsibility to ensure that we deliver a financial result which makes us sustainable in the long term and enables us to improve and expand our services to you, our Members, to the community, and to our Students. We must achieve this outcome by delivering financial results that acknowledge the challenges, provide for the needs and expectations of our Membership and plan for the future.

Our budget for the 2018-2019 financial year (which included expenses associated with the Centennial Year Conference in November 2018) forecast a *deficit* of some **(-\$30,000)** and your Board is very pleased to report that as a result of careful financial management through cost containment, delivering savings and increasing sales, the final result was a *deficit* of less than **(-\$3,500)**. The budget forecast for the year ahead is for a very moderate surplus. Fortunately, QJA has accumulated a healthy financial reserve and retained funds remain at approximately \$400,000.

Corporate Governance

To complement the monthly meetings of the QJA Board of directors, several governance sub-committees have been established to give more detailed consideration and attention to crucial corporate governance aspects of the business. Each of these committees is chaired by a different director, assigned with the responsibility for facilitating the committee business:

PRESIDENT'S REPORT

- **Board Governance**
- **Business Risk Management**
- **Finance and Audit**
- **RTO Compliance**

These committees meet at least quarterly and regularly report progress to the monthly Board meetings.

Project groups

Other working groups of directors have also been put in place to oversight various single-purpose or ongoing business projects. These project groups also meet at least quarterly and some meet monthly. The committees meet at least quarterly and regularly report progress to the Board meetings:

- Annual State Conference
- Information Technology
- QJA Journal
- HR / OHS

Succession Planning

The functions of the Board's various business program work-groups, compliance committees and project work-groups allow all directors to have some detailed involvement across a broad cross-section of the company's operations and to acquire experience in the responsibilities of group chairmanship. This is a crucial component of succession planning for the Board.

Training business

In addition to being a membership association business, QJA is also a Registered Training Organisation (RTO). As such, QJA is authorised to offer pre-appointment training courses for JPs and Cdecs throughout Queensland and is the largest provider of these courses. Details of the courses conducted in 2018-19 are contained in the Directors' Report.

Surplus funds generated by the training business are added to overall financial reserves for the company. Again in 2018-19, the revenue generated by pre-appointment training courses marginally exceeded membership fee revenue for QJA.

Because the training business is now such a significant component of the whole company's operations, there is a separate Board sub-committee (RTO Compliance Committee) dedicated to ensuring its probity and sustainability. In the early part of 2019, the training industry regulator (ASQA) renewed QJA's licence as an RTO for another seven (7) years.

The success of QJA's training business is due in no small part to the high quality and committed involvement of our contracted trainers and assessors. QJA trainers and assessors are not only QJA members, they are experienced and well-informed JP practitioners. Students within the QJA training program are privileged to be tutored and advised by best-practice proven specialists in this calling.

QJA's trainers and assessors have also been involved in developing the unique training resources used within the company's pre-appointment training program. The extent and quality of these resources is another point of differentiation that sets the QJA training course apart from its competitors. Annually, the QJA trainers and assessors are gathered together for a workshop dedicated to maintaining the currency and quality of the trainers' competence / qualifications and the course resource materials.

Professional Development

To complement QJA's pre-appointment training program resources, the organisation has developed and maintained an extensive range of Branch and Members resources designed specifically to facilitate the continuous professional development of members. These resources were further enhanced in 2018-19.

For members, the now-available professional development resources (contained within a secure Member-only portal within the QJA website) include:

PRESIDENT'S REPORT

- Quizzes
- Professional development courses (known as the *Professional* series)
- Professional development role-play videos

For Branches, the resources (contained within a secure Branch-only portal within the QJA website) include:

- Frequently asked questions
- Forms and Guides
- PowerPoint presentations
- Activity samples and quizzes
- Workshop templates
- Videos
- Discussion forum

Member communication

During 2018-19, the quarterly *QJA Journal* continued as the dominant vehicle for member communications. More than 80% of QJA members now receive their journal in an electronic format which allows recipients to access (via hyperlinks) enhanced features like video files and external webpage documents. Periodic electronic newsletters and email campaigns to members are also used to supplement the journal content.

Annual Conferences

Since the turn of the century, the package of programs and services QJA has offered to its members has included an annual professional development conference at different locations throughout the State. The 2018 conference (also the QJA centennial year celebration) was held at the Brisbane Convention and Exhibition Centre in November. As reported elsewhere, it was an outstanding success attracting more than 300 very satisfied delegates and partners.

The 2019 State Conference (*21st Century JPs – Family / Technology / Society*) - to be held at the University of the Sunshine Coast Innovation Centre in late October - has a diverse and innovative program that promises to deliver something really special for attendees.

Branch Network

Arguably the company's most valuable business asset, the network of 29 Branches and 10 Contact Groups (at locations dotted throughout the length and breadth of the State) provide almost every QJA member, no matter where they reside, with access to a team of knowledgeable local practitioners – each an integral part of the QJA family – to guide, sustain and strengthen the network of honorary justices in regional communities.

From a strategic perspective, the Branch Network also gives the QJA brand, vision and values a hands-on penetration into communities and regions right across the State. To support the branch committees in performing this crucial role, the QJA Board has assigned each board member the role as Patron for a specific cluster of branches and contact groups. In this role, the patron is charged with the responsibility of interfacing regularly with regional committees and attending branch / group meetings and functions.

The regional Branch Leadership Forum program – commenced in 2019 - was reactivated in 2019 after being suspended for logistical reasons in 2018. Feedback from this year's attendees again confirmed the value of this program in building constructive and rewarding relationships between individual branch committees and head office / the board / neighbouring branch committees. The program which will be continued and enhanced into the future.

Awards

To recognise and reward significant achievements, QJA has established a range of awards as detailed hereunder:

- Honorary Life Membership (to recognise exemplary service to the company)

PRESIDENT'S REPORT

- QJA Member of the Year
- QJA Branch of the Year
- QJA Community Engagement initiative of the Year
- QJA Emerging Leader (for the first time in 2019)
- QJA membership milestone awards (to recognise the attainment of significant membership periods)

Award recipients for 2018-19 in each of the first five (5) categories will be announced and presented at the Gala Dinner following the State Conference on 26 October 2019. Membership milestone awards are distributed periodically throughout the year.

External Relationships

To effectively operate both the membership association and the training components of the business, it is crucial for QJA to have positive and constructive working relationships with relevant external agencies. In 2018-10, constructive interactions were conducted with the following agencies / individuals:

- The Chief Justice of Queensland (also QJA patron)
- The State Attorney-General and Shadow Attorney-General
- The Registrar and Manager of the Justice of the Peace Branch, Department of Justice
- The Australasian Council of Justices' Associations (QJA director Keith Revell is the ACJA Vice-president)

State Office

At this stage, the company's head office remains located at 751 Stanley Street, Woolloongabba. Our current lease expires in October 2020 and we do not intend to renew it. During the next 12 months we will explore suitable alternative locations for the office when we leave this address.

All the office work for the business (both the member association and training organisation parts) is undertaken by the four full-time employees led by Business Manager and Registrar, Wendy La Macchia. Work continues to improve the office systems and procedures (so as to enhance the services provided to members, Branches and students). Other than this ongoing development, there were no significant changes in 2018-19.

Summary

Although we incurred a small operating financial deficit in 2018-19, the organisation remains in a strong financial position. In addition to the almost \$400,000 of financial reserves reported in this year's audited financial statements, we estimate a further \$85,000 is held within the retained funds of the 29 QJA Branches across the State.

Although there was a small decline in membership numbers, overall membership remains in the vicinity of 6,000. The objective of QJA continues to be to support and facilitate the aspirations of these members to be the most accomplished Justice of the Peace or Commissioner for Declarations they can be. During the year, the organisation's programs, products and services continued to be enhanced in line with this goal.

For what has been achieved in 2018-19, thanks and credit goes to the hardworking State Office staff and the QJA directors (who have given so generously of their time and energy, without remuneration, for the privilege of being involved in the governance of this historic association).



John Carpendale

President and Chairman of the Board

Queensland Justices Association

DIRECTORS' REPORT

for the Year Ended 30 June 2018

Your directors present this report together with the financial statements of the company for the financial year ended 30 June 2019.

Directors

The names of the directors in office at any time during or since the end of the year are:

John Carpendale JP(Qual)	President and Chairman of the Board	
Marian Vierveyzer JP(Qual)	Vice President	Until 31 December 2018
Graeme Moorhouse JP(Qual)	Board Member Vice President	Until 31 December 2018 From 1 January 2019
Keith Revell JP(Qual)	Board Member	
Carmelo Pasquale JP(Qual)	Board Member	
Garth Stephens JP(Qual)	Board Member	
Bronwyn McEntee JP(Qual)	Board Member	
Chris Lancaster JP(Qual)	Board Member	
Glenyce Hull JP(Qual)	Board Member	
Joan Kennedy JP(Qual)	Board Member	
Bruce Birtwell JP(Qual)	Board Member	From 1 January 2019

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Company Secretary

The following person held the position of company secretary at the end of the financial year:

Wendy La Macchia

Wendy has worked for Queensland Justices Association performing the functions of Business Manager, Registrar and Company Secretary since 28th July 2014.

Principal Activities

Queensland Justices Association (QJA) is the peak industry body that represents Justices of the Peace and Commissioners for Declarations throughout Queensland, Australia. It is the largest organisation supporting Honorary Justices in Australia, a major representative body in its field and is a Queensland representative on the Australasian Council of Justices' Associations.

Principal activities include providing members with a resource-rich member-only website, regular electronic newsletters, priority bulletins, a quarterly QJA Journal and professional development workshops to enhance the skills and professionalism of our members. In addition, as a Registered Training Organisation (RTO), QJA is licenced to deliver the accredited courses required for appointment as a Justice of the Peace (Qualified) and Commissioner for Declarations.

With a membership base of about 6,000, QJA also provides training, information and resources to its members through a network of 29 Branches and 9 Contact Groups.

Operating Results

The deficit of the company for the financial year amounted to \$3,450

The consequence of careful costs containment, the 2018-19 deficit is somewhat less than the amount forecast at the 2018 Annual General Meeting (\$31,000). Net Assets (retained funds) continue to approximate \$400,000.

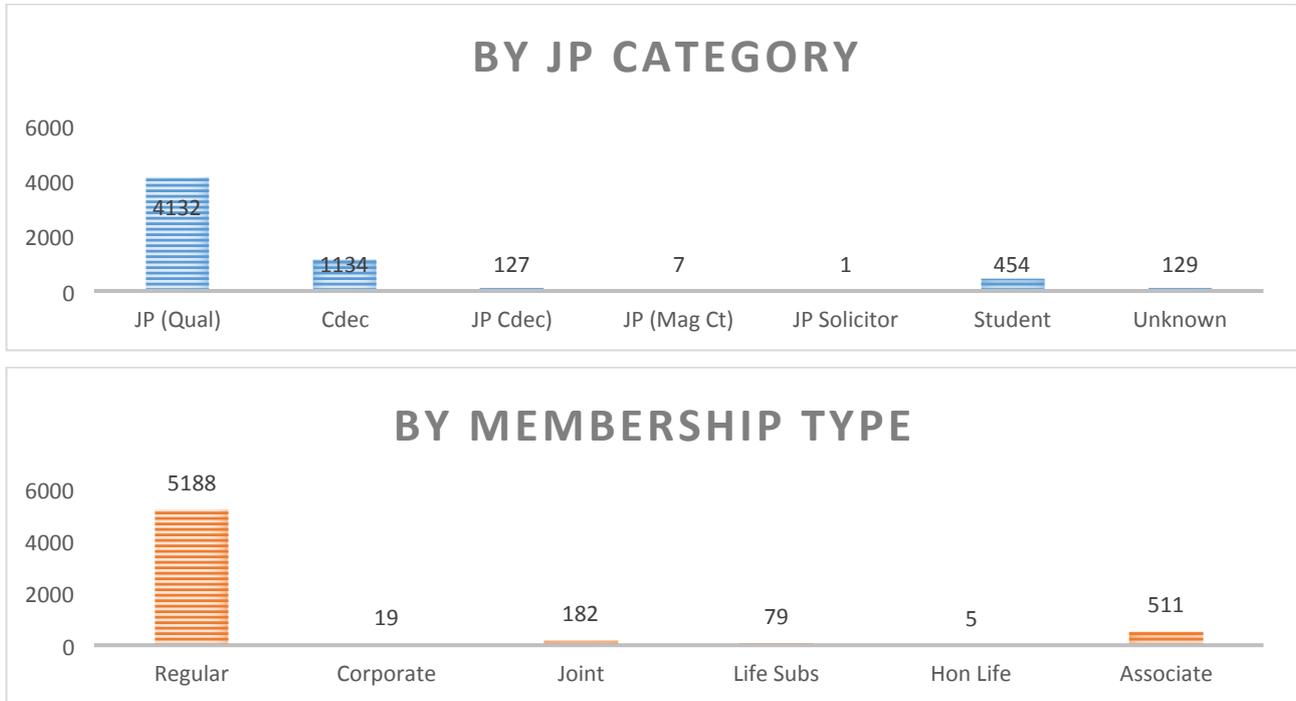
Review of Operations

In the opinion of directors, the company's operations during the year performed as expected. A review of the company's operations during the financial year, and the results of those operations, is as follows:

Membership

QJA oversees the operation of a network of 29 branches and 9 contact groups as at 30 June 2019. These branches and contact groups provide ongoing support for JPs to manage their needs on a local basis.

The total membership number as at 30 June 2019 was 5,984, the composition being:



In comparison, the total membership number at 30 June 2018 was 6,323. As the traditional QJA membership base ages year by year, membership numbers are slowly declining. Attracting and retaining the younger cohort of prospective members continues to be a major challenge and focus for the QJA board of directors.

QJA supports the “*JPs in the Community*” program managed by the Department of Justice and Attorney-General, JP Branch. QJA Branches have been involved in establishing and coordinating a number of signing facilities in local shopping centres, libraries, community organisations, and courthouses throughout the State. The public signing facility at QJA State Office continues to be well attended with a regular 5 day volunteer roster in place.

The provision of QJA-branded Merchandise continues to be an integral part of the business as new Members and Students acquire the essential tools of trade and new products are added to the range. On-site sale of merchandise at regional workshops, conferences and branch meetings is well received.

Professional Development

During the year, regular updates and improvements were made to the main public QJA website. Updates have also been applied to the members' site with the release of the revised Professional Series online refresher courses – available at no charge for QJA members.

To supplement the existing (and extensive) portfolio of QJA training and professional development resources, a range of additional role-play videos was produced in 2019.

The quarterly *QJA Journal* (issued to all members in either hard-copy or electronic format) continues to include content designed to satisfy the professional development needs of members. Periodic electronic newsletters are used to supplement the *Journal*.

The 2018 QJA Centennial Year Conference (together with an associated welcome function and conference dinner) was held in at the Brisbane Convention and Exhibition Centre on 2nd -3rd November and it proved to be a very successful and well-regarded event, attracting over 300 delegates and partners.

During the year, Professional Development workshops were organised by six Branches and six workshops delivered to over 190 members. It is pleasing to note that several Branches are now delivering activity-based workshops which provide a more hands-on experience for attendees.

DIRECTORS' REPORT

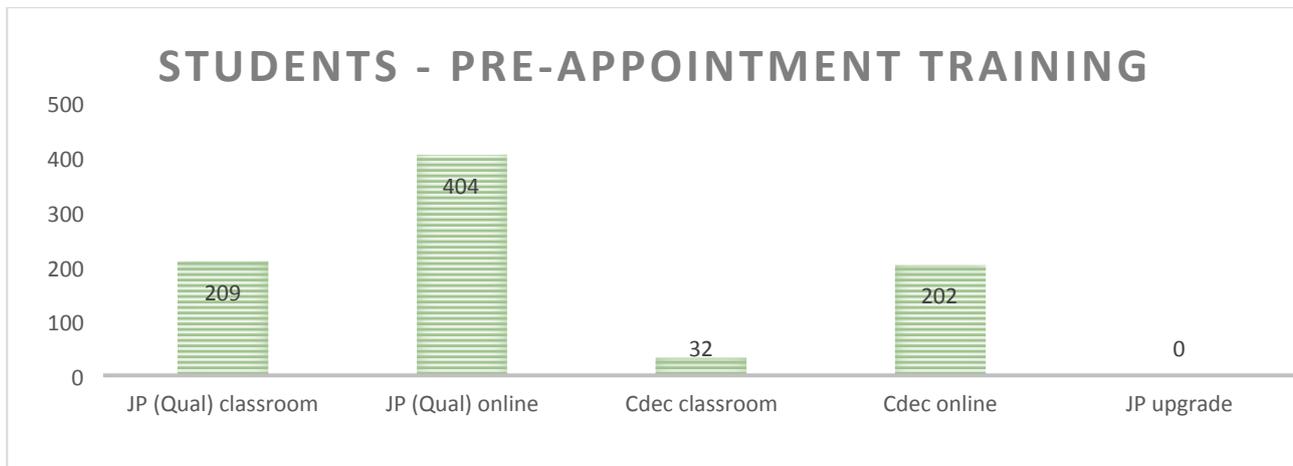
Training

In addition to being a membership association, QJA is a Registered Training Organisation (RTO). The national regulator of RTOs is the Australian Skills Quality Authority (ASQA).

Under the provisions of the *Justices of the Peace and Commissioners for Declarations Act 1991*, persons aspiring to hold office as a Justice of the Peace or Commissioner for Declarations are required to satisfactorily complete a course of study (if such a course is approved by the Minister for Justice). At 30 June 2019, the approved course was 10276NAT – Course in Community Justice Services (Commissioner for Declarations) (Justice of the Peace [Qualified]) which QJA is accredited to deliver. As at 30th June 2019, seven other RTOs were licenced to deliver this course.

From 1 October 2019, course 10276NAT will be divided into separate courses for (a) Commissioner for Declarations (10793NAT) and (b) Justice of the Peace (Qualified) (10794NAT). The overall course content will remain unchanged and the impact on QJA operations to implement this change will be marginal.

In 2018-2019, pre-appointment training for new JPs and Cdecs continued to be a core component of QJA business with 847 students enrolled. The categories were:



Eleven of the students attended courses at their workplace.

Surplus funds generated by the training business are added to overall financial reserves for the company.

The Director with responsibility for Training together with the Immediate Past President (who continued in the role of Chief Executive of the RTO) are supported by the RTO Compliance Committee, the QJA Registrar and the Training Program Coordinator to oversee the RTO aspects of company operations.

Significant Changes in State of Affairs

No significant changes in the company's state of affairs occurred during the financial year.

Post Balance Date Events

No matters or circumstances have arisen in the interval between the end of the financial year and the date of this report which has 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 subsequent financial years.

Likely Developments and Future Results

The estimated value of QJA funds held in trust by QJA Branches has been disclosed in note 1(m) to the 2018-19 financial statements. Directors consider that this disclosure is warranted on the basis of the materiality of its value. For future years, consistent with the provisions of the company's Constitution, we anticipate that it will be our fiduciary responsibility to incorporate more elements of the Branches' finances within the overall company's financial statements reported to members.

Environmental Issues

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Share Options

No options over issued shares or interests in the company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

Meetings of Directors

During the financial year, 11 meetings of directors were held. Attendances by each director were:

Directors	Number eligible to attend	Number attended
John Carpendale JP(Qual)	11	11
Marian Vierveyzer JP(Qual)	5	3
Graeme Moorhouse JP(Qual)	11	10
Keith Revell JP(Qual)	11	9
Carmelo Pasquale JP(Qual)	11	11
Garth Stephens JP(Qual)	11	10
Bronwyn McEntee JP(Qual)	11	11
Chris Lancaster JP(Qual)	11	10
Glenyce Hull JP(Qual)	11	9
Joan Kennedy JP(Qual)	11	10
Bruce Birtwell JP(Qual)	6	6

Indemnification and Insurance of Directors and Officers

To safeguard its office bearers, QJA provides Directors and Officers insurance. In addition, QJA has made available a Deed of Indemnity and Access for each of the Directors and the Company Secretary. No indemnities have been given nor insurance premiums paid during or since the end of the financial year for any person who is or has been a Director or Officer of the company, that are prohibited by the *Corporations Act 2001*.

Proceedings on Behalf of the Company

No application has been made and no proceedings have been brought or intervened in, on behalf of the company under section 237 of the *Corporations Act 2001*.

Auditor's Independence Declaration

The Directors received the independence declaration from QJA's auditor. The independence declaration forms part of the Directors' Report for the year ended 30 June 2019 and is located on the page following the Directors' Report.

Signed in accordance with a resolution of the Directors.

Dated this 28th August, 2019



John Carpendale

President and Chairman of the Board



Bronwyn McEntee

Director and Chairman of the Finance and Audit Committee



Partners:
Emmanuel Georga
Elias Manicaros
Ben Odgers

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**AUDITOR'S INDEPENDENCE
 DECLARATION UNDER S 307C OF
 THE CORPORATIONS ACT 2001
 TO THE DIRECTORS OF QUEENSLAND JUSTICES
 ASSOCIATION ABN 41 009 666 559**

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Queensland Justices Association As the lead audit partner for the audit of the financial report of Queensland Justices Association for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- i. the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- ii. any applicable code of professional conduct in relation to the audit.

AH Jackson & Co

Elias Manicaros

Fortitude Valley, QLD

28 August 2019

INCOME STATEMENT
for the year ended 30th June 2019

	Note	2019	2018
Revenue	2	666,209	665,899
less			
Cost of Revenue			
Events		57,930	17,106
Training		218,081	174,412
Merchandise		66,865	87,028
Total		342,876	278,546
Gross Profit		323,333	387,353
less			
Expenses			
Overhead Expenses		116,827	109,495
Employment Expenses		114,487	129,696
Operating Expenses		95,469	109,945
Total		326,783	349,136
Profit Attributed to Members of the Entity	3	(3,450)	38,217

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019	2018
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from Customers		696,531	638,326
Payments to suppliers and employees		(636,227)	(606,229)
Net cash used in/generated from operating activities	11B	60,304	32,097
CASH FLOW FROM INVESTING ACTIVITIES			
Payment for property, plant & equipment		(5,521)	(3,688)
Proceeds of disposal of plant & equipment		-	-
Net cash used in investing activities		(5,521)	(3,688)
Net increase (decrease) in cash held		54,783	28,409
Cash at the beginning of the year		519,915	491,506
Cash at the end of the year	11A	574,698	519,915

BALANCE SHEET AS AT 30 JUNE 2019

	Note	2019	2018
ASSETS			
CURRENT ASSETS			
Cash and Other Equivalents	11	574,698	519,915
Trade and Other Receivables	4	3,352	20,339
Prepayments	5	3,863	4,330
Inventories		28,696	35,707
TOTAL CURRENT ASSETS		610,609	580,291
NON-CURRENT ASSETS			
Property, Plant & Equipment	6	13,678	14,014
TOTAL NON-CURRENT ASSETS		13,678	14,014
TOTAL ASSETS		624,287	594,305
CURRENT LIABILITIES			
Trade and Other Payables	7	202,964	177,535
Employee Entitlements		27,307	19,304
TOTAL LIABILITIES		230,271	196,839
NET ASSETS		394,016	397,466
EQUITY			
Retained Earnings		394,016	397,466
TOTAL EQUITY		394,016	397,466

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018	2017
	Retained Profits	Retained Profits	Retained Profits
	\$	\$	\$
Balance at 1 July	397,466	359,249	320,185
Profit attributable to the entity	(3,450)	38,217	39,604
Balance at 30 June	394,016	397,466	359,789

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependent on general purpose financial reports. This financial report is therefore a special purpose financial report that has been prepared in order to meet the requirements of the Corporations Act 2001.

The financial report covers the economic entity of Queensland Justices Association. Queensland Justices Association is a company limited by guarantee. The Constitution of the company provides for the formation of branches that operate autonomously but do not constitute separate legal entities. The financial performance and position of these branches have not been incorporated into this financial report, except to the extent they engage in transactions with the company.

The financial report has been prepared in accordance with the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The accounting policies that have been adopted in the preparation of this report are as follows:

Accounting Policies

a) Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Grant revenue is recognised in the income statement when the entity obtains control of the grant and 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.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

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 balance sheet as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Donations and bequests are recognised as revenue when received.

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

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers. Members of the Association are Justices of Peace and Commissioners for Declarations who pay an annual subscription fee. Subscription fees paid in advance at year end are treated as current liabilities. All revenue is stated net of the amount of goods and services tax (GST).

b) Inventories

Inventories are measured at the lower of cost and net realisable value. Inventories acquired at no cost, or for nominal consideration are valued at the current replacement cost as at the date of acquisition.

c) Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not more than the recoverable amount from these assets. The recoverable amount is assessed based on the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Plant and equipment that have been contributed at no cost or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

d) Depreciation

The depreciable amounts of all fixed assets are depreciated on a diminishing balance basis over the asset's useful life to the entity. It is estimated that the useful life of all assets are five years. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Assets are not depreciated until they are ready for use. Assets with a cost or written down value below \$300 are fully depreciated.

e) Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement. This requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

Leases where the lessor retains substantially all the risks and benefits of ownership are classified as operating leases. Finance leases, which transfer to the Entity substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as an expense in profit or loss.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term if there is no reasonable certainty that the Entity will obtain ownership by the end of the lease term. Operating lease payments are recognised as an expense in the Statement of profit or loss on a straight-line basis over the lease term. Lease incentives are recognised in the Statement of profit or loss as an integral part of the total lease expense.

f) Financial assets and financial liabilities*Initial recognition and measurement*

Financial assets and financial liabilities are recognised when the entity becomes a party to the contract.

Classification and subsequent measurement

Financial assets and financial liabilities are measured at amortised cost (using the effective interest rate method).

Amortised cost is calculated as:

- i. the amount at which the financial asset or financial liability is measured at initial recognition;
- ii. less principal repayments;
- iii. plus, or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and
- iv. less any reduction for impairment.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial asset or financial liability to their net carrying amounts. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

Loans and receivables

Receivables are recognised at amortised cost, less any provision for impairment.

Financial liabilities

Financial liabilities are subsequently measured at amortised cost.

All current financial assets and financial liabilities, except for employee benefits (see note i), are measured at cost.

Impairment

At each reporting date, the entity assesses whether there is objective evidence that a financial asset or financial liability has been impaired. Impairment losses are recognised in the Income Statement.

g) Derecognition

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement.

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset.

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying value of the financial liability, which is extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

h) Impairment of Assets

At each reporting date, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Income Statement.

i) Employee Benefits

Provision is made for the entity's liability for employee benefits arising from services rendered by employees to Balance Sheet date. Employee benefits expected to be settled within one year together with benefits arising from wages, salaries and annual leave which may be settled after one year, have been measured at the amounts expected to be paid when the liability is settled plus related on costs. Other employee benefits payable later than one year have been measured at the net present value.

Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

j) 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.

k) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense.

Receivables and payables in the Balance Sheet are shown inclusive of GST. The company follows the cash system of accounting for lodgement of BAS since GST receivable on Future subscriptions should be paid when collected and not when due.

Cash flows are presented in the Cash Flow Statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

l) Income Tax

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

m) Branches of QJA

The Constitution of the entity provides for the existence of branches, which have been established throughout Queensland and operate in accordance with By-Laws established by the entity. These branches are not separate legal entities and are considered to be part of the Queensland Justices Association.

Branches exist to provide representation to members within a specified area. Branches appoint their own office bearers, conduct their own limited operations with relative autonomy and hold no assets except to maintain any surplus funds in a specified bank account, which is not currently under the control of the entity. Branches are required to report their activities to the entity annually in accordance with the By-Laws. Historically, the reporting of branches has not been included in the income statement of the entity nor has their combined cash balances at year end been included in the balance sheet. Due to their increased operations and accumulation of cash held, the entity has resolved to consolidate the operations of branches into financial report of the entity. Until such time as systems and processes are implemented for this to occur for disclosure purposes, the total value of cash at bank held by the 29 branches as at 30 June 2019 that has not been included in the entity's balance sheet is approximately \$87,004

n) Comparatives

The entity has reclassified the reporting of employment expenses in the income statement to distinguish between direct and indirect employment expenses. In prior years, all employment expenses were reported as one amount in the income statement.

Direct employment expenses comprise employment expenses directly attributed to the assembly of inventory items and are reported as part of the cost of events, training and merchandise, respectively. Indirect employment expenses relate to all other employment expenses. The reclassification is intended to provide members with more reliable and relevant information concerning the employment costs and cost of goods sold.

In order to maintain comparability with the prior year operating results, affected items in the income statement have been reclassified and restated.

This reclassification does not result from a change in an accounting policy or a correction of an error.

o) New Accounting Standards and Interpretations – Issued but not yet Effective

The new lease standard (AASB 16) will become effective for the Entity from the annual reporting period commencing 1 July 2019. Although early adoption is permitted, the Group has not early adopted this standard or any other standards, interpretations or amendments that have been issued, but are not yet effective. The Entity intends to apply the exemptions available under AASB 16 for short term leases and low value underlying assets. In addition, the Entity intends to apply AASB 16 using the modified retrospective approach under paragraph C8(b)(ii), along with practical expedients permitted by the standard. The modified retrospective approach does not require the restatement of comparative financial information.

All leases will be recognised on the balance sheet at inception of the lease, with the exception of short-term leases and leases of low-value assets. The lessee must recognise a right-of-use asset and a corresponding lease liability in the amount of the present value of the remaining lease payments. Subsequent to this initial measurement, the right-of-use asset is depreciated over the lease term, whilst lease payments are separated into a principal and interest portion to wind up the lease liability over the lease term.

Upon initial application of AASB 16 on 1 July 2019, the Entity estimates that the modified retrospective approach will result in a right-of-use asset of \$56,727 and a lease liability of \$56,727 measured, at the present value of the remaining lease payments using each lessee's respective incremental borrowing rate. The Association also estimates that there will be an impact to retained earnings of \$0.

NOTE 2: REVENUE

	2019	2018
	\$	\$
OPERATING ACTIVITIES		
Members' Subscriptions	273,293	266,391
Sales of Merchandise	67,457	82,952
Training Fees Received	280,048	289,521
Event Revenue	35,167	16,977
Sundry Income	314	317
Fundraising	0	0
Interest Income	9,930	9,741
Grant Income	0	0
	<u>666,209</u>	<u>665,899</u>

NOTE 3: PROFIT FOR THE YEAR

	2019	2018
	\$	\$
Profit Before Income Tax	(3,450)	38,217
this is after provision for the following:		
Depreciation	5,411	7,852

NOTE 4: TRADE AND OTHER RECEIVABLES

	2019	2018
	\$	\$
Accounts Receivables	990	1253
Deposits Paid	2,362	19,086
Total Current trade and other receivables	<u>3,352</u>	<u>20,339</u>

NOTE 5: PREPAYMENTS

	2019	2018
	\$	\$
Other Prepayments	3,863	4,330
Total Prepayments	<u>3,863</u>	<u>4,330</u>

NOTE 6: PROPERTY, PLANT AND EQUIPMENT

	2019 \$	2018 \$
PLANT & EQUIPMENT		
Office Equipment at cost	10,535)	10,172)
less Accumulated Depreciation	(7,517)	(6,276)
Computer Equipment at cost	11,637)	22,990)
less Accumulated Depreciation	(10,108)	(20,697)
Coresoft Software	23,322)	23,322)
less Accumulated Depreciation	(19,323)	(17,323)
Training Library	7,154)	2,305)
less Accumulated Depreciation	(2,022)	(479)
Total Property Plant & Equipment	<u>13,678</u>	<u>14,014</u>

(a) Movements in carrying amounts:

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

	Opening Carrying Amount	Additions	Depreciation Expense & Disposal	Carrying Amount at 30 June 2019
Office Equipment	3,896	362	1,240	3,018
Computer Equipment	2,293	0	764	1,529
Coresoft Software	5,999	0	2000	3,999
Training Library	1,826	5158	1852	5,132
Total	14,014	5,520	5,856	13,678

Disposal relates to assets from earlier years no longer in existence based on physical existence testing of all assets held by the Association as at 30 June 2019.

NOTE 7: TRADE AND OTHER PAYABLES

	2019 \$	2018 \$
Accounts Payable	18,245	22,231
Subscriptions in Advance	142,539	120,567
GST Payable	13,151	6,590
PAYG Withholding	3,066	3,192
Accrued Expenses	13,121	15,631
Superannuation Payable	8,100	5,469
Provision for Grant Monies	0	0
Sundry Creditors and Accruals	4,742	3,855
	<u>202,964</u>	<u>177,535</u>

NOTE 8: EVENTS AFTER THE BALANCE SHEET DATE

There were no significant events which occurred after the balance sheet date.

NOTE 9: COMPANY STATUS

The Company does not have a share capital as it is a company limited by guarantee. The liability of the members is limited to \$1 in the event of the Company being wound up. At the 30th June 2019, the number of members were 5,984 (2018 = 6,323 members)

NOTE 10: RELATED PARTY DISCLOSURE

The Directors of the Company during the year and payments made were:

	MV & Travel	Trainer	Other	total
President: John Carpendale	1,096		1,095	2,191
Vice President: Graeme Moorhouse				-
Vice President: Marian Vierveyzer	556	410	130	1,096
Director: Bruce Birtwell				-
Director: Glenyce Hull	123			123
Director: Joan Kennedy	259			259
Director: Chris Lancaster	832	9,330	- 289	9,874
Director: Bronwyn McEntee				-
Director: Carmelo Pasquale				-
Director: Keith Revell	303		223	526
Director: Garth Stephens				-
	3,169	9,740	1,159	14,069

NOTE 11: CASH FLOW INFORMATION

	2019	2018
A Reconciliation of Cash	\$	\$
Cash at Bank	574,227	519,716
Petty Cash	471	199
	574,698	519,915
B Profit\Loss before income tax	(3,450)	38,217
Non-cash flows in profit		
Depreciation of Fixed Assets	5,411	7,852
	1,961	46,069
Decrease (increase) in Trade and Other Debtors	16,988	(16,468)
Decrease (increase) in Prepayments	467	1,312
Decrease (increase) in Inventory	7,010	(20,207)
(Decrease)/Increase in Future Yr Subscriptions	21,972	18,018
(Decrease)/Increase in Trade Creditors and Accruals	3,457	(2,182)
(Decrease)/Increase in Employee Entitlements	8,003	5,555
(Decrease)/Increase in Fixed Assets	446	0
	58343	(13,972)
Net cash used/generated in operating activities	60,304	32,097

NOTE 12: ENTITY DETAILS

The registered office of the company is:

Queensland Justices Association
751 Stanley Street
WOOLLOONGABBA QLD 4102

The principal place of business is:

Queensland Justices Association
751 Stanley Street
WOOLLOONGABBA QLD 4102

NOTE 13: AUDITOR'S REMUNERATION

	2019	2018
	\$	\$
Remuneration of the auditor of the entity for auditing and reviewing the financial report	4,600	4,300

NOTE 14: FINANCIAL ASSETS AND LIABILITIES RISK EXPOSURE

(a) Interest rate risk

The company is not exposed to any significant interest rate risk.

(b) Credit Risk

The company is not exposed to any significant credit risk.

(c) Liquidity Risk

The company manages liquidity risk by maintaining adequate cash reserves by continuously monitoring actual and forecast cash flows.



QUEENSLAND JUSTICES ASSOCIATION
ABN: 41 009 666 559
DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Queensland Justices Association, the directors declare that:

1. The financial statements and notes attached herein, are in accordance with the Corporations Act 2001 and:
 - a. Have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.
 - b. give a true and fair view of the financial position of the company as at 30th June 2019 and of its performance for the year ended on that date.
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.

Dated this 28th August, 2019

John Carpendale
President

Bronwyn McEntee
Director & Chair of Finance and Audit Committee



Partners:
Emmanuel Georga
Elias Manicaros
Ben Odgers

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QUEENSLAND JUSTICES ASSOCIATION
ABN: 41 009 666 559
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
QUEENSLAND JUSTICES ASSOCIATION

Opinion

We have audited the financial report of Queensland Justices Association (the entity), which comprises the balance sheet as at 30 June 2019, the income statement, the statement of changes in equity and the cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of Queensland Justices Association is in accordance with the Corporations Act 2001, including:

- i. giving a true and fair view of the entity's financial position as at 30 June 2019 and of its performance for the year then ended; and
- ii. complying with Australian Accounting Standards to the extent described in Note 1 and the Corporations Regulations 2001.

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 entity in accordance with the auditor independence requirements of the Corporations Act 2001 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 confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Queensland Justices Association, would be in the same terms if given to the directors as at the time of this auditor's report.

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 Corporations Act 2001. 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 the Directors for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Corporations Act 2001 and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors 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.

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

Auditor's Responsibilities for the Audit of the Financial Report

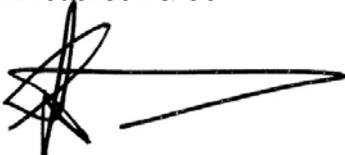
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with 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 the 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 entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the entity audit. We remain solely responsible for our audit opinion.

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.

AH Jackson & Co



Elias Manicaros
Fortitude Valley, QLD
28 August 2019

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