

LGBTI LEGAL SERVICE INC.

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2025**

1.

LGBTI LEGAL SERVICE INC.
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025

	<u>Note</u>	<u>2025</u>	<u>2024</u>
Revenue	2	1,043,766	437,104
Employee benefits expense		(825,509)	(326,713)
Depreciation and amortisation expense		(40,756)	(18,951)
Insurance		(2,889)	(2,509)
Staff training and development expenses		(9,142)	(3,765)
Audit, legal and consultancy fees		(50,346)	(29,496)
Other expenses		(90,788)	(77,125)
Current year surplus before income tax		24,336	(21,455)
Income tax expense		-	-
Net current year surplus		24,336	(21,455)
Other comprehensive income		-	-
Total comprehensive income for the year		\$24,336	\$(21,455)
Total comprehensive income attributable to members of the entity		\$24,336	\$(21,455)

The accompanying notes form part of these financial statements.

LGBTI LEGAL SERVICE INC.
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 JUNE 2025

	<u>Note</u>	<u>2025</u>	<u>2024</u>
ASSETS			
Current Assets			
Cash and Cash Equivalents	3	169,988	245,938
Accounts Receivable and Other Debtors		63,847	19,269
Other Assets		17,750	17,750
Total Current Assets		251,585	282,957
Non-Current Assets			
Property, Plant & Equipment	4	23,303	5,958
Right-Of-Use Asset	5	-	36,817
Total Non-Current Assets		23,303	42,775
TOTAL ASSETS		\$274,888	\$325,732
LIABILITIES			
Current Liabilities			
Trade and Other Payables	6	30,397	40,326
Provisions		41,871	15,317
GST Payable		-	19,902
Lease Liability		-	37,229
Contract Liability		175,110	209,784
Total Current Liabilities		247,378	322,558
TOTAL LIABILITES		\$247,378	\$322,558
NET ASSETS		\$27,510	\$3,174
MEMBERS FUNDS			
Retained Surplus		27,510	3,174
TOTAL MEMBERS FUNDS		\$27,510	\$3,174

The accompanying notes form part of these financial statements.

3.

LGBTI LEGAL SERVICE INC.
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2025

	<u>Retained Surplus</u>	<u>Total</u>
Balance at 1 July 2023	\$33,629	\$33,629
Comprehensive Income		
Surplus for the year attributable to members of the entity	\$(21,455)	\$(21,455)
Adjustment prior year	\$(9,000)	\$(9,000)
Total comprehensive income attributable to members of the entity	\$(30,455)	\$(30,455)
Balance at 30 June 2024	\$3,174	\$3,174
Balance at 1 July 2024	\$3,174	\$3,174
Comprehensive Income		
Surplus for the year attributable to members of the entity	\$24,336	\$24,336
Total comprehensive income attributable to members of the entity	\$24,336	\$24,336
Balance at 30 June 2025	\$27,510	\$27,510

The accompanying notes form part of these financial statements.

LGBTI LEGAL SERVICE INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts		
Receipts from Government Funding	966,331	594,738
Receipts from Donations	6,344	8,217
Other Income	13,583	2,770
Payments		
Payments to Employees and Suppliers	(1,002,923)	(449,092)
Net cash provided by (used in) operating activities	<u>\$(16,665)</u>	<u>\$156,633</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for purchase of plant & equipment	(21,285)	(6,500)
Net cash provided by (used in) investing activities	<u>\$(21,285)</u>	<u>\$(6,500)</u>
CASH FLOWS FROM FINANCIAL ACTIVITIES		
Repayment of Lease Liability	(38,000)	(17,997)
Net cash provided by (used in) financing activities	<u>\$(38,000)</u>	<u>\$(17,997)</u>
Net increase/(decrease) in cash held	(75,950)	131,136
Cash at beginning of the reporting period	245,938	114,802
Cash at end of the reporting period	<u>\$169,988</u>	<u>\$245,938</u>
Reconciliation of Net Surplus/Deficit to Net Cash Provided by (Used in) Operating Activities		
Operating Result	24,336	(21,455)
- Depreciation	40,756	18,951
- Interest	771	1,003
- Adjustment prior year	-	(9,000)
- Increase/(Decrease) in Payables	(29,830)	(3,034)
- Increase/(Decrease) in Provisions	26,554	8,027
- (Increase)/Decrease in Debtors, Prepayments & Deposits	(44,578)	(27,080)
- Increase/(Decrease) in Contract Liability	(34,674)	189,221
Net cash provided by (used in) operating activities	<u>\$(16,665)</u>	<u>\$156,633</u>

The accompanying notes form part of these financial statements.

LGBTI LEGAL SERVICE INC.
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirement of the Associations Incorporated Act (Qld) and Australian Charities and Not-for-Profits Commission Act 2012. The committee has determined that the association is not a reporting entity.

The report is also prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

(a) Revenue and Other Income

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

Operating Grants, Donations and Bequests

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

When both these conditions are satisfied, the Entity:

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

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

Capital Grant

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

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

Interest Income

Interest income is recognised using the effective interest method.

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

LGBTI LEGAL SERVICE INC.
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

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

(b) Property, Plant and Equipment

Plant and Equipment are carried at cost less, where applicable, any accumulated depreciation.

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

The depreciation rates used are as follows:

<u>Class of Fixed Assets</u>	<u>Depreciation Rate</u>
Plant and Equipment	20%

(c) Impairment of Assets

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

(d) Employee Provisions

Provision is made for the Entity's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee Provisions have been measured at the amounts expected to be paid when the liability is settled.

(e) Cash and Cash Equivalents

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

(f) Leases

The Entity as lessee

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

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

LGBTI LEGAL SERVICE INC.
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

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

(f) Leases (cont'd)

The Entity as lessee (cont'd)

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

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

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

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

Concessionary Leases

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

(g) Goods and Services Tax (GST)

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

(h) Comparative Figures

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

LGBTI LEGAL SERVICE INC.
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

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

(i) Economic Dependence

LGBTI Legal Service Inc. is dependent on government funding to operate. As at the date of the report the committee has no reason to believe the government will not continue to support the entity.

(j) Significant Management Judgement in Applying Accounting Policies

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

LGBTI LEGAL SERVICE INC.
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

	<u>2025</u>	<u>2024</u>
2. REVENUE AND OTHER INCOME		
Revenue		
Revenue from Government Grants		
Funding	1,001,005	414,517
	\$1,001,005	\$414,517
Other Revenue		
Donations	6,344	8,217
Membership	583	350
Student Placement	-	6,000
Other Revenue	35,834	8,020
	\$1,043,766	\$437,104
TOTAL REVENUE AND OTHER INCOME		
3. CASH AT BANK		
Westpac A/C 409051	117,762	199,912
Westpac A/C 409721	51,771	45,024
Westpac A/C 431733	455	1,002
	\$169,988	\$245,938
4. PROPERTY, PLANT AND EQUIPMENT		
Office Equipment - at Cost	8,590	6,500
Less Accumulated Depreciation	2,186	542
	6,404	5,958
Computer Equipment - at Cost	19,194	-
Less Accumulated Depreciation	2,295	-
	16,899	-
	\$23,303	\$5,958

10.

LGBTI LEGAL SERVICE INC.
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

	<u>2025</u>	<u>2024</u>
5. RIGHT-OF-USE ASSETS		
<p>The Organisation has leased their head office for a term of 18 months. The Lease has now expired and the organisation is now on a month-to-month basis for rent.</p>		
i) AASB 16 related amounts recognised in the Balance Sheet:		
RIGHT-OF-USE ASSETS		
Leased Building	-	55,226
Accumulated Depreciation	-	18,409
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	-	36,817
	<hr/>	<hr/>
TOTAL RIGHT-OF-USE ASSETS	-	\$36,817
	<hr/>	<hr/>
ii) AASB 16 related amounts recognised in the Statement of Profit or Loss:		
Depreciation Charge related to Right-of-Use Assets	\$36,817	\$18,409
Interest Expense on Lease Liabilities	\$771	\$1,003
6. TRADE & OTHER PAYABLES		
Trade Creditors and Accruals	23,271	15,225
PAYG Withholdings Payable	798	5,527
Superannuation Payable	4,159	10,972
Wages Payable	2,169	8,602
	<hr/>	<hr/>
	\$30,397	\$40,326
	<hr/>	<hr/>

7. RELATED PARTY TRANSACTIONS

Transactions with Related Parties

There were no transactions with related parties during the current financial year.

There were no amounts receivable or payable during the current financial year.

8. EVENTS AFTER THE REPORTING PERIOD

There are no matters or circumstances that have arisen since 30 June 2025 that have significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

11.

LGBTI LEGAL SERVICE INC.

STATEMENT BY MEMBERS OF THE COMMITTEE

The committee has determined that the association 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.

1. In the opinion of the committee the financial report as set out on pages 1 to 10 are in accordance with the Australian Charities and Not-for-Profits Commission Act 2012 and:
 - (i) Comply with the Australian Accounting Standards applicable to the entity; and
 - (ii) Give a true and fair view of the association's financial position as at 30 June 2025 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
2. At the date of this statement, there are reasonable grounds to believe that LGBTI Legal Service Inc. will be able to pay its debts as and when they fall due.

This Declaration is signed in accordance with Subs 60.15(2) of the Australian Charities and Not-for-Profits Commission Regulation 2013.

President

Treasurer

Date

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

LGBTI LEGAL SERVICE INC.

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PARTNERS: GREG DORGE
PETER GESCH
PHIL ROBINSON

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of LGBTI Legal Service Inc., which comprises the statement of financial position as at 30 June 2025, the statement of profit & loss and other comprehensive income, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the certification by members of the committee on the annual statements giving a true and fair view of the financial position and performance of the association.

In our opinion, the accompanying financial report of LGBTI Legal Service Inc. has been prepared in accordance with Division 60 of the Australian Charities and Not-for-Profits Commission Act 2012 and the Associations Incorporation Act (QLD).

- 1) Giving a true and fair view of the associations financial position as at 30 June 2025 and of its performance for the year then ended; and
- 2) 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 association in accordance with the Auditor Independence Requirements of the ACNC Act and ethical requirements of the Accounting Professional and Ethical Standards Board's APES110: code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the association to meet the requirements of the Australian Charities and Not-for-Profits Commission Act 2012 and the Associations Incorporation Act (QLD). 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 Committee for the Financial Report

The committee is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the Australian Charities and Not-for-Profits Commission Act 2012 and the Associations Incorporation Act (QLD), and for such internal control as the committee determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the committee is responsible for assessing the association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the committee either intends to liquidate the association or to cease operations, or has 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 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 association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee.
- Conclude on the appropriateness of the committee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the association'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 association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the committee 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.



PETER GESCH
HAYWARDS CHARTERED ACCOUNTANTS
Level 1 / 488 Lutwyche Road
LUTWYCHE QLD 4030

Dated this 9th day of December 2025