the junction
for better mental health
Registered NDIS Provider

The Junction Clubhouse Cairns Ltd

Annual Report

For the Year to 30 June 2022

A right to a place to come
A right to meaningful work
A right to meaningful relationships
A right to a place to return

Contents

1. Chairperson's Commentary

Chair Cathy Zeiger

It has been a pleasure and a privilege to have been involved with the Junction since 2016. Having been engaged for this time has given me the opportunity to have seen and continue to see the growth and maturation of this incredible member driven organisation.

With acknowledgement and great thanks to Dorothy Dunne who initially managed The Junction and then with the generosity of the Mangano family who donated the premises here at Miller Street, we are flourishing. The Clubhouse has gone from an initial small group of people – a mixture of members and leaders in the community meeting every month in a Board format to now being a fully registered and highly regarded NFP Organisation – operating as The Junction Clubhouse and now also a profitable NDIS provider offering much needed mental health services and support.

I must give huge thanks also to Marcus Hill, whose knowledge and skills have been invaluable during his time as Chair. Marcus took over the reins from Dorothy and led us as we moved into fully independent status, involving a lot of documentation, accountability, policy & procedural documents which is no small feat. The Junction was fortunate enough to secure Leonie Shawcross as CEO during this time also, which enabled us to tap into her vast experience and strong advocacy for funding, and to identify the many gaps in the mental health sector that The Junction could provide support in.

Leonie assisted in expanding the role of the Junction, highlighted and in a way boosted by Covid. Mental health issues became more acknowledged due to Covid, very few providers could assist in the way the Junction could, so Leonie jumped right in and chased down more funding!

This year has been one of changing of the guard/s – Leonie has moved on into new things, but we are grateful Leonie remains on as an advisor, as in her words, “The Junction will always be in my heart”; so she’s of course one of the family and always with us, whether away or here.

We have welcomed Robert Cooper into the role of CEO, bringing with him his own expertise. Able to build on what has commenced at the junction, Robert’s previous experience in taking organisations to the next level is just the right fit for where we are and where we are heading.

Marcus has also stepped across – whilst having to resign from his Chairman role due to work commitments and annoyingly not being able to clone himself, he continues to offer his expertise but through a general Board Member capacity. I personally am grateful to Marcus for assisting me take on the Chair role with his advice and input. We have an amazing Board, welcoming new members Sokar Philpot & Raoul Wilson recently to join our Junction Board family which includes Marcus Hill, Robert Scott, Suzanne Hadley, Esther Ritchie, Jasmen Youdale & Con Carbone and myself.

Robert has some amazing reports to tell you of where the Junction has come this year, the programs, amazing staff and members that make up The Junction, but I could not finish without highlighting my favourite project that I believe is setting The Junction apart and providing wonderful positive outcomes for all involved…. The LEMI (Lived Experience Mental Illness) program.

The LEMI Program began in June 2020. The aim is to support and guide those with chronic mental health challenges into education and employment, to overcome learning barriers by developing new skills, interests and coping strategies. There have been amazing outcomes as this program provides flexible support during learning; with Qld Mental Health Commissioner Mr Ivan Frkovic describing the outcomes as ‘Phenomenal’. Mr Frkovic visited Cairns in April this year for the Report Launch. This has of course assisted in LEMI securing more funding!

Junction Board Member Con Carbone and Peer Support Coordinator Mariana discussing LEMI

2. The Junction Clubhouse Vision, Mission and Priorities

The Junction Vision

People with a lived experience of mental illness reclaim self-esteem, skills and dignity needed to enjoy a productive role in our society, through their membership of The Junction Clubhouse.

The Junction Mission

The Junction is a community based centre for mental health recovery, which offers members opportunities for friendship, employment, training, housing support and social interaction: as well as access to medical, physical and mental health services through a single caring, fun and safe environment.

The Junction Priorities

6. Service Delivery	5.Quality System	4.Supporters	3.Governance	2.Sustainablity	1.Members
Data is reviewed regularly to ensure compliance, contractual obligation and usefullness to understanding our community's need in the Mental Health services	The Quality Review Panel (QRP) conducts continous reviews on pollicy and procedures to ensure that they meet, or exceed, standards. This includes State and Federal guidelines, Human Services Quality Framework, National Disability Insurance Scheme and the International Clubhouse standards	The Director of the Junction will identify and develop opportunities to ensure the people who support the members have the skill, character and professionalism to meet the needs of the organisation	The Board will continue to develop its members' skills to ensure its appropriateness and ability to oversee the needs o the organisation.	The Board, through informed financial management, will work towards sustainabiblity by sourcing funding and exploring opportunities for financial independance. The Junction will provide quality services to meet the need of the community	The Junction will continue to engage members in a meaningful way that supports engagement, capacity building, social connectedness and wellbeing using the Clubhouse International Model

The clubhouse Recovery Facilitators catching up on their never ending paperwork.

3. Director of Operation's Commentary

Director of Operations Robert Cooper

Even though I only commenced as the Director of Operations for the Clubhouse in April of 2022, by the end of June I could tell this was going to be right up there as the most rewarding of the many career moves I have made.

Being part of the recovery journey of our Clubhouse members, providing a safe haven for their base camp, is an honour and a privilege. Every day I have the opportunity to observe the common bond that is the Clubhouse, and engage with our members as they exercise choice and control in managing their illness with the support of other members and the Clubhouse staff.

My focus for the remainder of the 2022 financial year was assessing the hopes of our members for the future of the Clubhouse, and then preparing a business plan and securing funding to support the members for the year.

My job was made much easier by my predecessor, Leonie Shawcross, who was so patient and thorough in making sure the transition from her management to mine went smoothly.

The Clubhouse is very much a community, and supporting that community is a team of committed and caring staff.

I am supported by a caring and competent management team comprising

- Greg Curtis-Hill, NDIS Manager
- Keira Fitzgerald, Compliance Administration Officer
- Lee Jarvis, Finance Manger
- Mariana Verdaasdonk, Peer Support Coordinator
- Sam Santarossa, Senior Recovery Facilitator and
- Susan Sucanji, Senior NDIS Support Coordinator

They in turn are supported by a part time and casual workforce who work alongside members every day to help them on their journey.

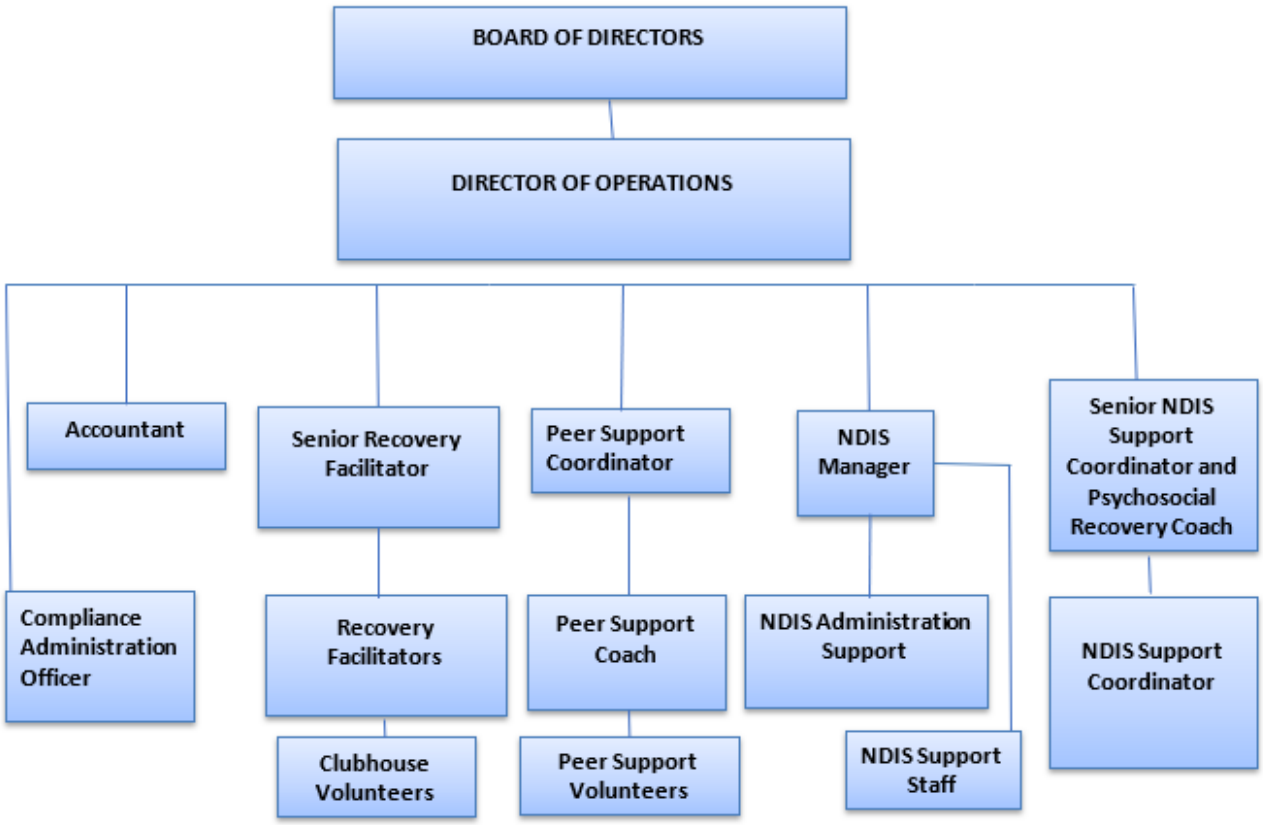
It is also appropriate to express my thanks to the Board for their ongoing support and commitment to encouraging a member focussed direction, so important to the journey our members are on.

We enter the new year confident that our membership base will continue to grow, our funding will be expanded and extended, and our relationships with stakeholders will be strengthened.

4. Board of Directors

Cathy Zeiger	Volunteer Director, Chairperson from 27 April 2022
Marcus Curtis-Hill	Volunteer Director, Chairperson to 27 April
Con Carbone	Patron Member, Deputy Chair from 27 April
Robert Scott	Community Member
Suzanne Hadley	Community Member
Esther Ritchie	Patron Member from 27 April 2022
Jasmen Youdale	Patron Member from 18 May 2022
Klaus Klages	Patron Member to 20 October 2021
Joe Mangano	Patron Member to 20 October 2021

5. The Junction Clubhouse Corporate Structure



Sue - Support Coordinator

Greg - NDIS Manager

6. Annual Highlights

Membership

Members with contact during year	151
Number of member contacts for year	11,028
Member groups being operated	14
New Peer Lived Experience members	19

Staff

Number of staff at year end	21
Staff turnover for year	24%

NDIS

Number of Clients during the year	36
NDIS Revenue	$926,050

Governance

New Directors appointed during the year	2
Board Meetings held during year	12

Financial

Total Revenue	$1,649,487
Surplus for year	$121,186
Members equity at year end	$922,900

Brett with some of the Junction garden produce

Mark D on a recent fishing trip as part of the fisheries grant

Enjoying Teds 50th Birthday

The Tuesday walking group

The group enjoying Social Rec

Firing up a healthy BBQ

The Junction Clubhouse Cairns Limited

Annual financial report
For the year ended 30 June 2022

Contents

Statement of comprehensive income

For the year ended 30 June 2022

	Note	2022 $	2021 $
Income			
Revenue	7	1,649,487	1,123,384
Other income	8	1,090	3,575
		1,650,577	1,126,959
Expenses			
Audit, accounting, and legal fees		18,057	15,685
Administration expenses		2,998	446
Bank fees		206	138
Community development and training expense		1,518	483
Computer expenses		8,875	14,107
Contractor and consulting fees		29,922	23,884
Depreciation and amortisation	11	30,878	23,789
Employee expenses		1,345,292	898,184
Hospitality and catering expense		17,913	19,069
Insurance		9,434	8,849
Loss on disposal of property, plant and equipment		-	4,545
Motor vehicle expense		6,843	5,905
Other expenses		34,519	20,802
Repairs and maintenance		14,022	5,644
Support service expenses		2,317	8,301
Utilities expenses		7,281	4,345
		1,530,075	1,054,176
Results from operating activities		120,502	72,783
Finance income		684	982
Net surplus before tax		121,186	73,765
Income tax expense	5.5	-	-
Net surplus		121,186	73,765
Other comprehensive income		-	-
Total comprehensive income		121,186	73,765

This statement should be read in conjunction with the notes to the financial statements.

Statement of financial position

As at 30 June 2022

	Note	2022 $	2021 $
Assets			
Cash and cash equivalents	9	780,479	535,549
Trade and other receivables	10	36,046	-
Prepayments		13,835	9,650
Current assets		830,360	545,199
Property, plant and equipment	11	576,638	598,617
Non-current assets		576,638	598,617
Total assets		1,406,998	1,143,816
Liabilities			
Trade and other payables	13	155,225	97,262
Contract liabilities		328,873	244,840
Current liabilities		484,098	342,102
Total liabilities		484,098	342,102
Net assets		922,900	801,714
Equity			
Retained surplus		922,900	801,714
Total equity		922,900	801,714

This statement should be read in conjunction with the notes to the financial statements.

Statement of changes in equity

For the year ended 30 June 2022

Retained surplus

	2022 $	2021 $
Balance at 1 July	801,714	727,949
Total comprehensive income		
Net surplus	121,186	73,765
Total other comprehensive income	-	-
Total comprehensive income	121,186	73,765
Balance at 30 June	922,900	801,714

This statement should be read in conjunction with the notes to the financial statements.

Statement of cash flows

For the year ended 30 June 2022

	Note	2022 $	2021 $
Cash flows from operating activities			
Cash receipts from customers		1,863,677	1,273,031
Cash paid to suppliers and employees		(1,610,276)	(1, 111,528)
Cash generated from operating activities		253,401	161,503
Interest received		634	982
Interest paid		(206)	(138)
Net cash from operating activities	16	253,829	162,347
Cash flows from investing activities			
Acquisition of property, plant and equipment		(8,899)	(69,390)
Net cash used in investing activities		(8,899)	(69,390)
Net increase in cash and cash equivalents		244,930	92,957
Cash and cash equivalents opening	9	535,549	442,592
Cash and cash equivalents at 30 June	9	780,479	535,549

This statement should be read in conjunction with the notes to the financial statements.

Notes to the financial statements

1 Reporting entity

The Junction Clubhouse Cairns Limited (the "Company") is domiciled in Australia. The Company's registered office is at 7 Miller Street, Cairns QLD, 4870. The Company is a not-for-profit entity and is primarily involved in health care and social assistance.

2 Basis of accounting

Statement of compliance

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards - Simplified Disclosures ("AASBs") adopted by the Australian Accounting Standards Board ("AASB") and the *Australian Charities and Not-for-profits Commission Act 2012*. The financial statements do not comply with International Financial Reporting Standards ("IFRSs") adopted by the International Accounting Standards Board. They were authorised for issue by the Board of Directors on the date shown on the directors' declaration.

Basis of measurement

The financial statements have been prepared on the historical cost basis.

Economic dependency and going concern

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

The Company is a not-for-profit entity and is reliant on government funding in order to continue its operations. Management has no reason to believe that the required funding will not be forthcoming for the foreseeable future. However, should future government funding be significantly reduced or curtailed, the Company would be unlikely to be able to continue its operations at current levels.

3 Functional and presentation currency

These financial statements are presented in Australian dollars, which is the Company's functional currency.

4 Use of judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in Note 11 - property, plant and equipment.

Assumptions and estimation uncertainties

Management is not aware of any assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year.

5 Significant accounting policies

New and amended standards adopted

The Company has adopted all the amendments to Australian Accounting Standards issued by the AASB which are relevant to, and effective for, the Company's financial statements for the annual period beginning 1 July 2021. None of the amendments have had a significant impact on the Company.

The following Accounting Standards and Interpretations are most relevant to the Company:

AASB 1060 *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities.* The Company has adopted AASB 1060 from 1 July 2021. The standard provides a new Tier 2 reporting framework with simplified disclosures that are based on the requirements of IFRS for SMEs. As a result, there is increased disclosure in these financial statements for key management personnel, related parties and financial instruments.

The above standard and amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Significant accounting policies

Apart from the above, the accounting policies set out below have been applied consistently to all periods presented in these financial statements except if mentioned otherwise.

Accounting for Cloud computing or Software as a Service (SaaS) arrangement

IFRIC (the International Financial Reporting Interpretations Committee, a committee of the International Accounting Standards Board) has recently addressed in an Agenda Decision how a customer should account for costs of configuring or customizing a supplier's application software in a Cloud Computing or Software as a Service (SaaS) arrangement. It was determined by IFRIC that sufficient guidance exists within the relevant accounting standards that no amendments to Accounting Standards was required.

Management has assessed the impact of the Agenda Decision from IFRIC and has reviewed the accounting treatment of configuration costs vs customisation costs as outlined in the Agenda Decision.

Management confirmed there were no reclassification or change in amounts recognised in the statement of comprehensive income or statement of financial position, in either the current or prior period presented.

5.1 Revenue

Revenue arises mainly from rendering mental health services and operation of The Junction Clubhouse.

Revenue from contracts with customers is recognised by reference to each distinct performance obligation in the contract with the customer. Revenue from contracts with customers is measured at its transaction price, being the amount of consideration which the Company expects to be entitled to in exchange for transferring promised goods or services to a customer, net of goods and services tax, returns, rebates and discounts. The transaction price is allocated to each performance obligation on the basis of the relevant standalone selling price of each distinct good or service promised in the contract. Depending on the substance of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time.

The Company recognises other revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognised for the major business activities using the methods outlined below.

Sale of goods - hospitality and catering

Sales are recognised when the meals have been prepared and delivered to the customer and there is no unfulfilled obligation that could affect the acceptance of the products.

Revenue from sales is based on the price specified for the means.

Services - NDIS

Revenue from NDIS services is recognised at a point in time when the service is performed. This is when the performance obligation is fulfilled as each individual service for the client is distinct. The price for the service is based on a fixed hourly rate.

Contract balances

Contract assets are recognised when the Company has transferred goods or services to the customer but where the Company is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

Contract liabilities represent the Company's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Company recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Company has transferred the goods or services to the customer.

5.2 Grants and other contributions

Grants under AASB 15

Grants (other than certain capital grants) are accounted for under AASB 15 where the grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations. As such, the revenue is recognised when each performance obligation is satisfied.

Grants under AASB 1058

Other grants, including certain capital grants, are generally accounted for under AASB 1058.

The timing of income recognition under AASB 1058 is dependent upon whether the transaction gives rise to a liability or other performance obligation at the time of receipt. Income under the standard is recognised where:

- an asset is received in a transaction, such as by way of grant, bequest or donation;
- there has either been no consideration transferred, or the consideration paid is significantly less than the asset's fair value; and
- the intention is to principally enable the entity to further its objectives.

Assets arising from grants in the scope of AASB 1058 are recognised at the assets' fair values when the assets are received. Any related liability or equity items associated with the asset are recognised in accordance with the relevant accounting standard. Once the asset and any related liability or equity items have been recognised, then income is recognised for any remaining asset value at the time the asset is received.

For transfers of financial assets (usually cash and/or a receivable) to the Company which enable it to acquire or construct a recognisable non-financial asset, a liability is recognised for the excess of the fair value of the transfer received over any related amounts recognised. Related amounts recognised may relate to contributions by owners, AASB 15 revenue or contract liability recognised, lease liabilities in accordance with AASB 16, financial instruments in accordance with AASB 9, or provisions in accordance with AASB 137. The liability is brought to account as income over the period in which the Company satisfies its performance obligation.

Volunteer services

The Company has elected not to recognise volunteer services as either revenue or other form of contribution received. As such, any related consumption or capitalisation of such services is also not recognised.

5.3 Finance income and finance costs

Finance income and finance costs include interest income and interest expense. Interest income or expense is recognised using the effective interest method.

5.4 Employee benefits

Short-term benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Other long-term employee benefits

Employers in the community services industry in Queensland were required to register with Qleave from 1 January 2021. The Company is a registered employer with Qleave and completes the quarterly employer returns. No provision for long service leave is made, but rather payments made to Qleave are recognised in the statement of comprehensive income. The payments are based on 1.35% of total ordinary earnings per quarter.

Termination benefits

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognises costs of restructuring. If the benefits are not expected to be settled wholly within 12 months at the end of the reporting period, then they are discounted.

5.5 Income tax

The Company has been granted exemption from income tax under Division 50 of the *Income Tax Assessment Act 1997.*

5.6 Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in income or expense.

Subsequent expenditure

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation

Depreciation is calculated to write off the cost of property, plant and equipment less their estimated residual values using the straight line basis over their estimated useful lives. Land is not depreciated.

The estimated useful lives of property, plant and equipment are as follows:

- Buildings 40 years
- Computer and electronic equipment 3 years
- Furniture and fittings 5 years
- Motor vehicles 5 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

5.7 Financial instruments

Recognition, initial measurement and derecognition

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset, unless it is a trade receivable without a significant financing component, or a financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards of ownership are transferred.

A financial liability is derecognised when its contractual obligations are discharged, cancelled or expire.

Classification and subsequent measurement

Financial assets

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- amortised cost
- fair value through profit or loss
- equity instruments at fair value through other comprehensive income
- debt instruments at fair value through other comprehensive income

Classifications are determined by both:

- the Company's business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance income, finance costs or other financial items, except for impairment of trade receivables which is presented within other expenses.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows, and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Company has determined that all of its financial assets fall within the amortised cost category.

Financial liabilities

For the purpose of subsequent measurement, financial liabilities are classified as measured at amortised cost or fair value through profit or loss. A financial liability is classified as fair value through profit or loss if it is held-for-trading. Other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The Company has only financial liabilities classified as measured at amortised cost.

5.8 Impairment

Non-derivative financial assets

Financial assets and contract assets

The Company uses forward looking information to recognise expected credit losses - the 'expected credit losses (ECL) model'. Instruments within the scope of these requirements include loans and trade receivables.

The Company considers a broad range of information when assessing credit risk and measuring expected credit losses including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of' the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial assets that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- financial assets that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial asset.

Trade and other receivables and contract assets

The Company makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Company assesses impairment of trade receivables on a collective basis as they possess credit risk characteristics based on the days past due. The Company does not allow for write off of Government grants receivable, as a default has never occurred. The Company does not consider a provision necessary based on its historical experience.

Non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. As the Company is a not-for-profit entity, value in use is the written down current replacement cost of an asset as the future economic benefits of the asset are not primarily dependent on the asset's ability to generate net cash inflows and as the entity would, if deprived of the asset, replace its remaining future economic benefits.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount.

Impairment losses are recognised in expenses.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

5.9 Share capital

The Company is a company limited by guarantee. The Company has no share capital.

6 Standards issued but not yet effective

A number of new standards and amendments to standards are effective for annual periods beginning after 1 July 2022, and have not been applied in preparing these fi◆ancial statements. The following new standards may have an impact on the Company's financial statements, although any such impact has not yet been fully assessed.

The Company does not plan to adopt these standards early.

7 Revenue

Revenue streams

Revenue streams	2022 $	2021 $
Revenue from contracts with customers		
Grants and other contributions (under AASB 15)		
Department of Health - State (received)	373,523	239,924
Department of Health - Commonwealth (received)	270,000	270,000
Department of Social Services - Commonwealth (received)	198,050	198,050
Department Agriculture and Fisheries - State	4,600	-
Office of Liquor & Gambling Regulation	-	28,727
Grant balances at 1 July	244,840	252,010
Department of Health - State (repaid)	(39,654)	(120,509)
Department of Health - Commonwealth (repaid)	(37,300)	(30,085)
Grant balances at 30 June	(328,873)	(244,840)
	685,186	593,277
Queensland Mental Health Commission - Community Events Grant	500	-
Hospitality and catering	24,236	28,371
NDIS revenue	926,560	501,667
Other (under AASB 15)	17	70
	1,636,499	1,123,385
Other income		
Grants and other contributions (under AASB 1058)		
Community Benefit Fund - State	12,988	-
	12,988	-
	1,649,487	1,123,384

Grant funds returned

Total unspent grant funds from the prior year of $76,954 have been repaid during the year. These funds were in relation to amounts received from North Queensland Primary Healthcare Network ($37,300) and Department of Health ($39,654).

Disaggregation of revenue from contracts with customers

In the table above, revenue from contracts with customers is disaggregated by major sources/types of revenue. All revenue from contacts with customers is derived in the one geographical region - Far North Queensland.

Performance obligations and revenue recognition policies

Revenue from contracts with customers is measured based on the consideration specified in the contracts. Revenue is recognised when control over a good or service is transferred to a customer.

The following provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms and the related revenue recognition policies.

Grants

Grants (other than certain capital grants) are accounted for under AASB 15 where the grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations. As such, the revenue is recognised when each performance obligation is satisfied. The performance obligations are varied based on the requirements under the relevant funding agreements and include and include contact hours, operational times etc. Payment terms also vary depending on the terms of the grant. Cash is received up front for some grants and on the achievement of certain payment milestones for others.

Each performance obligation is considered to ensure that the recognition of revenue reflects the transfer of control. Within funding agreements, there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract. Where control is transferred over time, generally the input methods, being either costs or time incurred, are considered to be the most appropriate methods to reflect the transfer of benefits.

8 Other income

Other income

	2022 $	2021 $
Other contributions (under AASB 1058)		
Fundraising	610	1,399
Donations	480	5,268
	1,090	6,667
Cash flow boost accrual/(adjustment)	-	(3,092)
	1,090	3,575

9 Cash and cash equivalents

	2022 $	2021 $
Bank balances	780,479	535,549
Cash and cash equivalents	780,479	535,549

1O Trade and other receivables

Current	2022 $	2021 $
Trade receivables	36,046	-
Less: Allowance for impairment losses	-	-
	36,046	-
	36,046	-

Allowance for impairment

The Company has not recognised any loss in the statement of comprehensive income in respect of the expected credit losses for the year ended 30 June 2022 (2021: nil).

11 Property, plant and equipll)ent

Reconciliation of carrying amount

	Land	Buildings	Motor vehicles	Computer equipment	Furniture and fittings	Total
	$	$	$	$	$	$
Cost						
Balance at 1 July 2020	335,000	185,000	17,000	19,096	18,161	574,257
Additions	-	-	33,810	2,983	32,597	69,390
Disposals	-	(4,545)	-	-	-	(4,545)
Balance at 30 June 2021	335,000	180,455	50,810	22,079	50,758	639,102
Balance at 1 July 2021	335,000	180,455	50,810	22,079	50,758	639,102
Additions	-	-	-	5,454	3,445	8,899
Disposals	-	-	-	-	-	-
Balance at 30 June 2022	335,000	180,455	50,810	27,533	54,203	648,001
Depreciation						
Balance at 1 July 2020	-	-	10,169	4,193	2,334	16,696
Depreciation for the year	-	4,625	7,114	7,796	4,254	23,789
Balance at 30 June 2021	-	4,625	17,283	11,989	6,588	40,485
Balance at 1 July 2021	-	4,625	17,283	11,989	6,588	40,485
Depreciation for the year	-	4,625	10,162	6,019	10,072	30,878
Balance at 30 June 2022	-	9,250	27,445	18,008	16,660	71,363
Carrying amounts						
At 30 June 2020	335,000	185,000	6,831	14,903	15,827	557,561
At 30 June 2021	335,000	175,830	33,527	10,090	44,170	598,617
At 30 June 2022	335,000	171,205	23,365	9,525	37,543	576,638

Land and Buildings represent the property at 7 Miller Street, Bungalow, 4870. The property was initially donated to the Company in 2020 and was recognised at its deemed fair value at that date. Subsequently, land and buildings have been tested for impairment on an annual basis.

12 Financial instruments - fair values

Accounting classifications and fair values

The following table shows the carrying amounts of financial assets and financial liabilities. Since all financial assets and financial liabilities are not measured at fair value, i.e. they are measured at amortised cost, the carrying amounts are reasonable approximations of fair value.

	Carrying amount	
	2022	2021
	$	$
Financial assets measured at amortised cost		
Cash and cash equivalents	780,479	535,549
Trade and other receivables	36,046	-
	816,525	535,549
Financial liabilities measured at amortised cost		
Trade and other payables	107,669	55,167
	107,669	55,167

13 Trade and other payables

	2022 $	2021 $
Trade payables	56,328	31,104
GST	5,872	7,037
PAYG withholding	15,172	9,726
Superannuation	30,297	7,300
Provision for annual leave	43,783	36,649
Provision for time off in lieu	3,773	5,446
	155,225	97,262

14 Employee benefits

The Company makes contributions to defined contribution plans. The amount recognised as an expense was $111,993 for the year ended 30 June 2022 (2021: $72,771).

The Company makes contributions to Qleave - portable long service leave. The amount recognised as an expense was $11,503 for the year ended 30 June 2022 (2021: $5,842).

15 Capital and reserves

Company limited by guarantee

The Company is a company limited by guarantee. Accordingly, each member of the Company undertakes to contribute to the assets of the Company in the event of it being wound up while that person is a member or within one year after that person ceased to be a member for payment of the debts and liabilities of the Company contracted before that person ceased to be a member and of the costs, charges and expenses of winding up and for adjustment of the rights of the contributors amongst themselves, such amount as may be required, not exceeding $10.

16 Reconciliation of cash flows from operating activities

	2022 $	2021 $
Net surplus	121,186	73,765
Adjustments for:		
Depreciation	30,878	23,789
Loss on disposal of property, plant and equipment	-	4,545
	152,064	102,099
Changes in:		
Trade and other receivables	(36,046)	40,546
Prepayments	(4,185)	(2,565)
Trade and other payables	57,963	29,437
Contract liabilities	84,033	(7,170)
Net cash from operating activities	253,829	162,347

17 Related parties

Transactions with key management personnel

Key management personnel compensation

The key management personnel compensation comprised the following:

	2022 $	2021 $
Short-term employee benefits	203,959	199,506
Post-employment benefits	20,150	17,955
	224,109	217,461

Compensation of the Company's key management personnel includes salaries, non-cash benefits and contributions to a post-employment defined contribution plan.

Key management personnel and director transactions

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over these entities.

There were no transactions between key management personnel, or their related parties, with other entities that would be considered related parties.

From time to time directors of the Company, or their related entities, may buy goods from the Company. These purchases are on the same terms and conditions as those entered into by other Company employees or customers.

18 Auditor's remuneration

	2022 $	2021 $
Audit services		
Auditors of the Company - Grant Thornton		
Audit of financial statements	8,050	7,850
	8,050	7,850
Assurance services		
Auditors of the Company - Grant Thornton		
Other assurance services	2,725	2,650
	2,725	2,650

Directors' declaration

In the opinion of the directors of The Junction Clubhouse Cairns Limited (the "Company"):

a the financial statements and notes are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012,* including:

i giving a true and fair view of the Company's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and

i complying with Australian Accounting Standards - Simplified Disclosures; and

b there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

Signed in accordance with a resolution of the directors:

Director

28/9/22

Date

Grant Thornton

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Independent Auditor's Report

To the Members of The Junction Clubhouse Cairns Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of The Junction Clubhouse Cairns Limited (the "Company"), which comprises the statement of financial position as at 30 June 2022, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the financial report of The Junction Clubhouse Cairns Limited has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-Profits Commission Act 2012,* including:

a giving a true and fair view of the Company's financial position as at 30 June 2022 and of its financial performance for the year then ended; and

b complying with Australian Accounting Standards - AASB *1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* 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 Company in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (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.

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 in accordance with Australian Accounting Standards - *AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities.* The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of the 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 Company'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 Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the Company's financial reporting process.

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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

Grant Thornton

Grant Thornton Audit Pty Ltd
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A D Cornes
Partner - Audit & Assurance

Cairns, 28th September 2022