

**ANIKA LEGAL LTD**

ACN 627 816 808

**SPECIAL PURPOSE FINANCIAL REPORT**

YEAR ENDED 30 JUNE 2021

**ANIKA LEGAL LTD**  
**ACN 627 816 808**

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# Directors' Report

Anika Legal Ltd

ACN: 627 816 808

For the year ended 30 June 2021

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2021.

## Information on directors

The names of the directors in office at anytime during or since the end of the year are

### 1. Noel Lim, Director

Noel is the Chief Executive Officer and co-founder of Anika Legal, and has led the founding team to become an organisation of 62 volunteers, and to receive successive AFR Client Choice Awards for Startup of the Year (2019, 2020).

### 2. Tessa Ramanlal, Director

Tessa has over four years of experience in legal and technology sectors. She has practiced as a Corporate lawyer / Innovation lawyer at Herbert Smith Freehills and is currently an Enterprise Partnerships Associate at DoorDash. She is also a co-founder of Anika Legal.

### 3. Daniel Poole, Director (resigned on 21 July 2021)

Dan is a pro-bono Lawyer at Hall & Wilcox, and Co-founder of Society Melbourne.

### 4. Perveen Maan, Director (resigned on 22 July 2021)

Perveen is a lawyer at White & Mason Lawyers working primarily in litigation and dispute resolution. Perveen has a strong social conscience and has volunteered at various community legal centres over the years (Springvale Monash Legal Service, Mental Health Legal Centre). In 2019, Perveen was a finalist in the Lawyers' Weekly 30 Under 30 Awards in the Pro Bono category and the Victorian Legal Awards as one of the Top 10 Rising Stars.

### 5. Aron Mazur, Director (resigned on 11 August 2020)

Aron is a final-year law student and works at a commercial law firm with a dedicated pro-bono practice. He has a strong social conscience and has had exposure to the pains of our justice system.

### 6. Nathan Ramanlal, Director (resigned on 26 July 2021)

Nathan has over six years of experience across legal, retail and technology sectors. He practiced as a Corporate lawyer at Allens and is currently the Strategic Partnerships Lead at DoorDash. He is also a co-founder of Anika Legal.

### 7. Michael Choong (appointed on 29 June 2021)

Michael has over five years of experience across the technology, retail, and not-for-profit sectors. He is currently a Strategy Manager at SEEK, responsible for supporting their Latin American businesses. He joined Anika Legal's leadership team in January 2020.

### 8. Denis Nelthorpe (appointed on 29 June 2021)

Denis joined the Board of Anika Legal in June 2021 and is the organisation's newly appointed President. He brings a wealth of experience from over 40 years in the legal assistance sector including as the CEO of WEstjustice and other leadership roles. He is currently also the Chair of St Kilda Legal Service and the Deputy Chair of the National Consumer Advisory Committee at the Insurance Council of Australia.

### 9. Marcia Pinski (appointed on 29 June 2021)

Marcia joined the Board of Anika Legal in June 2021 and is the organisation's newly appointed Chair. Marcia is an expert on good governance in the not-for-profit sector. She is a Fellow of the Australian Institute of Company Directors and has chaired numerous not-for-profit boards. Marcia is currently a Doctoral Candidate at Monash University, researching Leadership and Institutional Child Sexual Abuse.

## Meeting of directors

There were 4 meetings of directors held during the year ended 30 Jun 2021, which were attended by all directors except for Aron Mazur, who was absent for 2 meetings of directors during his time as a director (before his resignation).

## Audit Relief

The directors confirm that the financial report has been audited as Anika Legal Ltd is classified as a 'medium charity with annual revenue of \$250,000 or more, but under \$1,000,000'.

On behalf of the directors



Noel Lim - Director

22/12/2021

Date



# Collins & Co Audit Pty Ltd

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## AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF ANIKA LEGAL LTD ACN 627 816 808

I declare that to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2021 there has been:

- i. No contraventions of the auditor independence requirements as set out in the Australian Charities and Not-for-Profits Commission Act 2012 in relation to the audit; and
- ii. No contravention of any applicable code of professional conduct in relation to the audit.

**Frederik Ryk Ludolf Eksteen CA**  
**ASIC Auditor Registration Number 421448**

**Collins & Co Audit Pty Ltd**  
**127 Paisley Street**  
**FOOTSCRAY VIC 3011**

**Dated this 22nd day of December 2021**

**ANIKA LEGAL LTD**  
**ACN 627 816 808**

**STATEMENT OF PROFIT OR LOSS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

	2021	2020
	\$	\$
<b>SALES</b>		
Donations and Fundraiser Revenue	35,167	11,710
Government Funding Grants	-	145,376
Private Funding Grants	69,058	81,702
Sales	20,000	-
	<u>124,225</u>	<u>238,788</u>
<b>GROSS PROFIT</b>	<u>124,225</u>	<u>238,788</u>
<b>LESS EXPENDITURE</b>		
Advertising	5,238	3,462
Depreciation expenses	278	-
Entertainment expenses	314	401
Insurance	1,839	1,474
Licences, memberships and registration fees	87	494
Meeting and training expenses	4,175	1,015
Postage, Printing and stationery	1,170	484
Professional fees	30	9,251
Subscriptions	10,294	2,733
Superannuation contributions	17,810	11,916
Telephone	94	158
Uniforms	-	135
Wages and salaries	194,663	122,942
	<u>235,992</u>	<u>154,465</u>
	<u>(111,767)</u>	<u>84,323</u>
<b>OTHER INCOME</b>		
Interest received	352	675
Government payments and subsidies	109,842	35,442
	<u>110,194</u>	<u>36,117</u>
<b>NET OPERATING PROFIT</b>	<u>(1,573)</u>	<u>120,440</u>
Retained Profits at the beginning of the financial year	<u>175,353</u>	<u>54,913</u>
<b>TOTAL AVAILABLE FOR APPROPRIATION</b>	<u>173,780</u>	<u>175,353</u>
<b>RETAINED PROFITS AT THE END OF THE FINANCIAL YEAR</b>	<u><u>173,780</u></u>	<u><u>175,353</u></u>

The accompanying notes form part of these financial statements.

**ANIKA LEGAL LTD**  
**ACN 627 816 808**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2021**

	NOTE	2021 \$	2020 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	2	258,297	175,913
Other assets	3	1,952	9,334
		260,249	185,247
<b>TOTAL ASSETS</b>		260,249	185,247
<b>CURRENT LIABILITIES</b>			
Withholding taxes payable		1,494	-
Provision for annual leave		13,897	8,582
Superannuation payable		-	1,312
Other liabilities	4	71,078	
		86,469	9,894
<b>TOTAL LIABILITIES</b>		86,469	9,894
<b>NET ASSETS</b>		<b>173,780</b>	<b>175,353</b>
<b>EQUITY</b>			
Retained Profits		173,780	175,353
<b>TOTAL EQUITY</b>		<b>173,780</b>	<b>175,353</b>

The accompanying notes form part of these financial statements.

**ANIKA LEGAL LTD  
ACN 627 816 808**

**STATEMENT OF CHANGES IN EQUITY  
AS AT 30 JUNE 2021**

**Equity**

<b>Retained Earnings</b>	<b>\$</b>
Opening Balance as at 1 July 2019	54,913
<b>Increases</b>	
Profit for the Period	120,440
<b>Total Increases</b>	<u>120,440</u>
<b>Closing Balance as at 30 June 2020</b>	<u><u>175,353</u></u>
Opening Balance as at 1 July 2020	175,353
<b>Increases</b>	
Profit for the Period	(1,573)
<b>Total Increases</b>	<u>(1,573)</u>
<b>Closing Balance as at 30 June 2021</b>	<u><u>173,780</u></u>

The accompanying notes form part of these financial statements.

**ANIKA LEGAL LIMITED**  
**ACN 627 816 808**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

	NOTE	2021	2020 \$
<b>Cash flows from operating activities</b>			
Receipts from customers		300,596	274,905
Payments to suppliers and employees		<u>(218,212)</u>	<u>(157,271)</u>
<b>Net cash provided by (used in) operating activities</b>		<u>82,384</u>	<u>117,634</u>
<b>Cash flows from investing activities</b>			
		<u>-</u>	<u>-</u>
<b>Net cash provided by (used in) investing activities</b>		<u>-</u>	<u>-</u>
<b>Cash flows from financing activities</b>			
		<u>-</u>	<u>-</u>
<b>Net cash provided by financing activities</b>		<u>-</u>	<u>-</u>
Net increase in cash held		82,384	117,634
Cash and cash equivalents at beginning of financial year		<u>175,913</u>	<u>58,279</u>
Cash and cash equivalents at end of financial year	<b>2</b>	<u><u>258,297</u></u>	<u><u>175,913</u></u>

The accompanying notes form part of these financial statements.



# Notes to the Financial

Anika Legal Ltd

ACN: 627 816 808

For the year ended 30 June 2021

## **Note 1. Significant accounting policies**

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### **New or amended Accounting Standards and Interpretations**

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

### **Basis of preparation**

In the directors' opinion, the company is not a reporting entity because there are no users dependent on general purpose financial statements.

These are special purpose financial statements that have been prepared for the purposes of complying with the Australian Charities and Not-for-profits Commission Act 2012 and Victorian legislation the Fundraising Appeals Act 1998 and associated regulations and the Corporations Act 2001 requirements to prepare and distribute financial statements to the stakeholders of Anika Legal Limited. The directors have determined that the accounting policies adopted are appropriate to meet the needs of the stakeholders of Anika Legal Limited.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the disclosure requirements of AASB 101 'Presentation of Financial Statements', AASB 107 'Statement of Cash Flows', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors', AASB 1048 'Interpretation of Standards' and AASB 1054 'Australian Additional Disclosures', as appropriate for not-for profit oriented entities.

### *Historical cost convention*

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

### **Income Tax**

As the company is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

### **Trade and Other Receivables**

Trade receivables and other receivables, including distributions receivable, are recognised at the nominal transaction value without taking into account the time value of money. If required a provision for doubtful debt has been created.

### **Trade and Other Payables**

Trade and other payables represent the liabilities for goods and services received by the company that remain unpaid at 30 June 2021. Trade payables are recognised at their transaction price. They are subject to normal credit terms and do not bear interest.

These note should be read in conjunction with the attached compilation report.

# Notes to the Financial

Anika Legal Ltd

ACN: 627 816 808

For the year ended 30 June 2021

## Employee Benefits

Provision is made for the liability for employee entitlements arising from services rendered by employees to 30 June 2021. Employee benefits have been measured at the amounts expected to be paid when the liability is settled, plus related costs.

## Provisions

Provisions are recognised when the entity has a legal or constructive obligation resulting from past events, for which it is probable that there will be an outflow of economic benefits and that outflow can be reliably measured.

Provisions are measured using the best estimate available of the amounts required to settle the obligation at the end of the reporting period.

## Cash and Cash Equivalents

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

## Revenue Recognition

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

Revenue from the rendering of services is recognised upon the delivery of the services to customers.

Revenue from commissions is recognised upon delivery of services to customers.

Revenue from interest is recognised using the effective interest rate method.

Revenue from dividends is recognised when the entity has a right to receive the dividend.

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

## Goods and Services Tax

Transactions are recognised net 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 balance sheet.

## Grants

Grant revenue is recognised in the income statement when the entity receives the grant, when it is probable that the entity will receive the economic benefits of the grant and the amount can be reliably measured.

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

Where the entity incurs an obligation to deliver economic value back to the grant contributor, the transaction is considered a reciprocal transaction and the revenue is recognised as a liability in the balance sheet until the required service has been completed, otherwise the income is recognised on receipt.

Anika Legal Ltd receives non-reciprocal contributions of assets from the government and other parties for a nominal or zero value. These assets are recognised at their fair value on the date of acquisition in the balance sheet, with an equivalent amount of income recognised in the income statement.

Donations and bequests are recognised as revenue when received.

These notes should be read in conjunction with the attached compilation report.

# Notes to the Financial

Anika Legal Ltd

ACN: 627 816 808

For the year ended 30 June 2021

## Government Grants

Government grants received are recognised as revenue on a basis to match the recognition of revenue with costs

### Note 2. Cash and Cash Equivalents

	2021	2020
	\$	\$
<b>Cash at bank</b>		
Bank Australia - Account 1	2,659	10,881
Bank Australia - Account 2	255,125	156,066
Bank Australia - Account 3	513	8,966
	<u>258,297</u>	<u>175,913</u>

### Note 3. Other Assets

Prepayments	458	9,334
ATO Integrated Client Account	1,494	-
	<u>1,952</u>	<u>9,334</u>

### Note 4. Other Liabilities

Accrued Expenses	4,901	-
Grant Income Received in Advance	66,177	-
	<u>71,078</u>	<u>-</u>

These note should be read in conjunction with the attached compilation report.

# Directors Declaration

Anika Legal Ltd

ACN: 627 816 808

For the year ended 30 June 2021

In the directors' opinion:

- the company is not a reporting entity because there are no users dependent on general purpose financial statements. Accordingly, the attached special purpose financial statements have been prepared for the purposes of complying with the Australian Charities and Not-for-profits Commission Act 2012 and Victorian legislation the Fundraising Appeals Acts 1998 and associated regulations and the Corporations Act 2001 requirements to prepare and distribute financial statements to the stakeholders of Anika Legal Ltd;
- The attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- The attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2021 and of its performance for the financial year ended on that date; and
- 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 a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



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Noel Lim  
Director

Dated: 22/12/2021



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**ANIKA LEGAL LTD  
ACN 627 816 808  
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS**

## **Opinion**

I have audited the accompanying financial report of Anika Legal Ltd (the company), which comprises the statement of financial position as at 30 June 2021, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the statement by the Board of Directors.

In my opinion, the accompanying financial report of Anika Legal Ltd is in accordance with the ACNC Act 2012, including:

- i. giving a true and fair view of the company's financial position as at 30 June 2021 and of its performance and cash flows for the year ended on 30 June 2021; and
- ii. complying with Australian Accounting Standards and the ACNC Act 2012.

## **Basis for Opinion**

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of the Company in accordance with the auditor independence requirements of the ACNC Act 2012 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 my audit of the financial report in Australia. I have also fulfilled our other ethical responsibilities in accordance with the Code.

I confirm that the independence declaration required by the ACNC Act 2012, which has been given to the directors of the Company would be on the same terms if given to the directors as at the time of this auditor's report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## **Emphasis of Matter - Basis of Accounting and Restriction on Distribution**

I draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Anika Legal Ltd to meet the requirements of the *ACNC Act 2012*. As a result, the financial report may not be suitable for another purpose. My opinion is not modified in respect of this matter.

## **Responsibilities of Management and Those Charged with Governance for the Financial Report**

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the applicable legislation and for such internal control as management 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, management is responsible for assessing the company'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 management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.



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## **Auditor's Responsibilities for the Audit of the Financial Report**

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

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my 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 registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the responsible entities.
- Conclude on the appropriateness of the responsible entities 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 registered entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the registered 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.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that I identify during my audit.

**Frederik Ryk Ludolf Eksteen CA**  
**ASIC Auditor Registration Number 421448**

**Collins & Co Audit Pty Ltd**  
**127 Paisley Street**  
**FOOTSCRAY VIC 3011**

**Dated this 22nd day of December 2021**