

ANNUAL REPORT

CITY WEST LOTTERIES HOUSE

www.cwlh.org.au
08 9420 7200
2 Delhi Street
West Perth WA 6005

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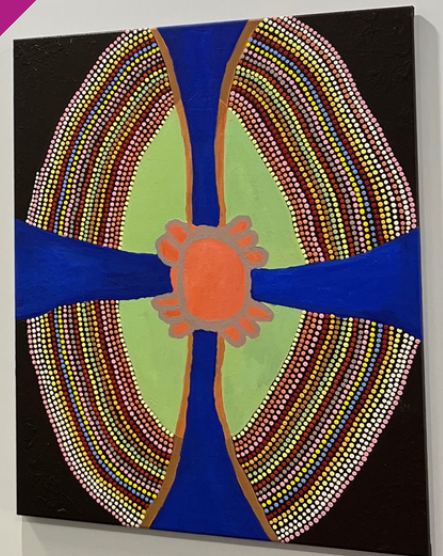


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ABOUT CITY WEST LOTTERIES HOUSE

We believe that communities are important and that meeting places are essential for effective collaboration, community engagement, and learning.

Lotteries Houses in this state were established to provide community organisations with affordable office rental space and a base in which to form supportive relationships. Organisations in our buildings are diverse and support many people in the community.

Tenants are provided with services, from reception to meeting rooms, photocopying and postal services. This enables our tenants to focus on delivering their unique value to their communities.

City West Lotteries House also has state-of-the-art conference and training rooms offering special rates for our tenants. The team at City West Lotteries House will do our best to assist in your day-to-day endeavours.



Vision

Purpose

A strengthened community sector with greater purposeful impact.

Connecting the community sector through a multi-purpose harmonious community hub.

Values

1

Harmony. Above all, we are a community. We show up for each other and act with empathy and humility.

2

Respect. We operate with transparency by communicating with honesty and integrity.

3

Diversity. We break down barriers, so our community can be free to think, create and innovate together.

Dear Members,

2022 was a year of change at CWLH.

We bid farewell to Tricia Slee (Executive Officer) and thank Trish for her service to CWLH. The Board took the opportunity and re-defined the 'Executive Officer' role and rebranded the role to 'General Manager'.

And so the search began for our new General Manager. The Board was patient in its search and appreciated the importance of finding the 'right person' that was the 'right fit' for the role.



I am pleased to see that the Board made a fine decision to appoint Nicky Quick as the General Manager for CWLH. From all the feedback that I have received thus far, Nicky has been an excellent General Manager that is receptive and responsive to the members' needs.

I am grateful for the work and commitment of Fiona Kibblewhite, Sun Ngamwisetkun and Dora De Luca in filling the void during the period when the Board was in search for its new General Manager. They 'steadied the ship' and kept CWLH running and operating.

I trust everyone is continuing to enjoy the benefits of the refurbishment works. The Board is committed to completing the rest of the refurbishment works that were planned and is looking at other sources of funding for the works.

The Board committed to examine creative ways for CWLH to reduce our operating costs and so provide outstanding value for our serviced offices at not-for-profit rates for our tenants. Members have seen reduced costs in internet and telephone charges in 2022.

2022 also saw a few changes in the composition of our members at CWLH. We bid farewell to Friends for Good and Carbon Positive.

We also welcome new members Australian Centre for Child Protection WA, Allergy Support Hub, Transfolk WA, Australian Marine Conservation Society, Project Humanity Australia Inc, Inclusions WA.

I would like to thank our outgoing Board members Tom Griffiths, Maxine Drake, Stephen Long and Paul O'Connor and their contribution to the Board and CWLH.

I welcome our new Board members this year – Steven Chau (Treasurer), Karen Brown (Independent Board member), Angela Rooney (Independent Board member) and Beth Marchbank (Tenant Board member). Lisa Hook (Tenant Board member) continues her term as a board member and Dora De Luca (Tenant Board member) returns to the Board after a brief hiatus.

I wish to thank all member tenants and their staff for their support of CWLH, the Board and the CWLH staff throughout 2022.

I wish you all a joyful festive season, safe holiday and safe travels and look forward to welcoming you all back in the New Year to CWLH – a vibrant, collaborative and community hub.

Yours sincerely

CITY WEST LOTTERIES HOUSE

A handwritten signature in black ink, appearing to be 'Peter Le', with a large loop at the start and a trailing flourish.

Peter Le

Chair of the Board

November 2022

Financial Statements and Independent Audit Report - Financial Year ended 30 June 2022



It is a great pleasure to present the Treasurer's report for City West Lotteries House Inc. (CWLH) for the year ending 30 June 2022.

CWLH. produced a surplus of \$70,182 which is a significant reduction from prior years (2021: 203,352; 2020: \$424,828). Rental income remained steady but financial performance has been negatively impacted by a 23 per cent increase in expenditure, primarily from increased depreciation. Furthermore, without the receipt of a capital grant at the end of the year, CWLH would have made a loss of \$176,131. CWLH continues to have a healthy balance sheet and there are reasonable grounds to believe that CWLH will be able to pay its debts as and when they become due and payable.

The 2022 Financial Statements prepared by CWLH were audited by AMW Audit (Anderson Munro and Wyllie - Chartered Accountants). AMW Audit have confirmed, in their opinion, that the special purpose financial report of CWLH has been prepared in accordance with the Australian Auditing Standards, including:

- 1.giving a true and fair view of the Association's financial position as at 30 June 2022 and of its financial performance for the year ended on that date; and
- 2.complying with Australian Accounting Standards and Australian Auditing Standards.

These financial statements therefore accurately reflect CWLH's performance for the year ending 30 June 2022.¹

The Board wishes to:

- thank Amit Gadani from AMW Audit for his audit work and advice on financial matters relating to the financial statements;
- acknowledge the efforts of key staff involved with the financial reporting throughout the year including Fiona Kibblewhite who acted in the Executive Officer role, and the bookkeeper Pru Cameron of Benchmark Business Works.

RECOMMENDATION:

The Board support the reappointment of Anderson Munro and Wyllie (AMW Audit) as auditors for the 2023 financial year.

That the Financial Statements and Independent Audited Report for the financial year ended 30 June 2022 of CWLH be accepted as a true and accurate representation of its financial position.

Steven Chau

CWLH TREASURER

¹ *Note: CWLH Financial Report for the year ended 30 June 2022 is attached at the end of this document.*

I would like to take the opportunity to thank everyone for your welcome, support, and input and for creating this outstanding community environment which I have come to feel a part of over the last four months. Today is about acknowledging the achievements of the last 12 months which without the chairman Peter Le, the Board, (past and present) Fiona, Sun, and Dora and all our tenants would not have been possible.

Welcome to our new tenants and wishing a fond farewell to the Environmental Defenders Office who have been here for 6 years as a valued tenant, they leave us to move closer to the law courts with a view of the Supreme Court Gardens.



CWLH Western End Renovation

November 2021 saw the completion of the CWLH western end renovation. After 6 months of construction on site, the updated facilities with additional free meetings rooms, shared spaces, well-designed reception guest area and collaborative kitchen were open for business in January 2022. The external grounds of CWLH were significantly enhanced by new paving, landscaping and outdoor furniture and a lovely new portico at the main reception. Visitors to CWLH could hardly believe the transformation, making it a much more contemporary space for tenants, visitors, and external hirers.

The expansion of end of trip facilities with a state-of-the-art bicycle rack positioned at the front entrance (thanks to Maxine Drake) has already seen an increase in bicycle usage by tenants.

The first function held in the new conference room was the Inaugural WA Lotteries Houses Conference which was held on 18 & 19 of November 2021, with CWLH being the key organizer and host. City West Lotteries House took the lead bringing all the Lotteries Houses together but this would not have been possible without the generous \$35,000 grant from Lotterywest.

CWLH Staff

From the beginning of February to the end of July, Fiona with support from Sun managed the day to day running of City West Lotteries House within a Covid environment. Fiona and Sun

would like to acknowledge the steer and guidance of many of the tenants who assisted them whilst they were managing the building on their own, in particular –

- DDWA - Mary Butterworth, Maxine Drake, Leticia Grant, Sue Birch, Teresa Pracilio and Jenny Hough who offered their expertise and advice and gave freely of their time.
- CCWA -Paul Goonting and Rob Davies who were the go-to people to fix anything!
- The Board members Peter Le, Steven Chau, Beth Marchbank and Lisa Hook who were always there to bounce ideas off. And to also thank Tenant Board member Dora De Luca. Her commitment to CWLH was unwavering, and we are in a stronger position today because of her.

Tenant Networking

CWLH continues to have many crossovers between tenant organizations, and we try to promote the cross collaboration and sharing of ideas by having regular get togethers – whether it be a simple Donut Friday Morning tea, an Asian lunch, or a celebration of Australian Children's Day. These get togethers help our not-for-profit tenants to establish a sense of community which is the very DNA of our building and fundamental to our Lotterywest Charter.

As a result of listening to tenant feedback, we have actioned the following areas of concern:

- Accessibility Bays: We have re-marked our accessibility bays with the recommended hatching in between as part of our commitment to providing appropriate accessible services for our tenants and their visitors. I would like to thank Brendan Cullinan and Mark Hutson of PWdWA for their guidance and input. Mary Butterworth of DDWA for correct terminology.
- Accessible Toilet: We are installing a push button on our accessibility bathroom to ensure that all visitors to CWLH with varied mobility issues can access this facility seamlessly. I would like to thank Sarah Collins of Living Proud and Mark Hutson of PWdWA for their invaluable input
- Solar: With the rising costs of energy, and with the feedback from the many conservation groups in the building, we have obtained quotes for the installation of solar panels which should significantly reduce our energy costs and carbon footprint.
- Security: The old gate to water town has been noted by tenants as a security issue because it is permanently open. A lockable gate is now being manufactured to replace the old one.
- Internet and Telephone: After feedback from the tenants regarding the cost of internet packages and 3CX phone charges, the Board commissioned a report from our provider EPITS for options on how we may deliver our tenants a business/cost appropriate service tailored to their specific needs. Sun Ngamwisetkun of CWLH and Sean Robertson of EPITS created

a tenant audit survey, (after suggestion from Steven Chau, our Treasurer) and we now have a better understanding of our tenants needs and wants and have offered a free trial to our tenants on higher or lower band width packages as appropriate to their needs. This will be re-assessed early January.

- Lease Make Good: The tenant concern over lease makegood has been addressed in consultation by using 7 years as a carpet and paint replacement date. Carpet make good will be at \$10 per square meter per annum and paint work will have a similar equation applied to it so that a fixed sum for make good can be calculated for each tenancy dependent on the number of years of tenancy. This will be addressed in the leases.
- Air conditioning: Adjustments with an extractor fan link for the toilets has been set up along with several internal tenancy improvements. This is ongoing.
- Cleaning: We have changed our cleaning company and raised the level of cleanliness. We now welcome Pema and Dechen as our permanent cleaners through Steve at Shine Hospitality.

CWLH Western End Renovation

Lotterywest have met with us at CWLH and are excited by the renovation to-date, they have indicated that they would be supportive of phase 2 of the renovation on the provisos that CWLH can offer the required paperwork within the correct LotteryWest framework and monetarily cushion any renovation proposal. Lotterywest will also advise us of their position on our use of air rights for signage on our roof (which would be visible from the train line), and provide another potential advertising opportunity for our tenants.

Looking Forward 2023

My top priority for 2023 is to have regular tenant meetings, to cement solid working relationships, to achieve a welcoming, inclusive workspace where we can aspire to reach our own organizational goals, within a supportive community environment, and with facilities appropriate for our diverse range of tenants and their business models.

CWLH plans in 2023 to launch our conference and training room facilities to external not for profits and businesses by hosting a series of open days.

CWLH plans in 2023 to follow through delivering ongoing improvements/renovations and solar.

Wishing everyone an outstanding Festive Season and a great 2023.

Nicky Quick

CWLH General Manager

OUR PEOPLE

BOARD MEMBERS



Steven Chau
Treasurer



Peter Le
Chair of the Board



Dora De Luca
Tenant Board Member



Karen Brown
Board Member



Lisa Hook
Tenant Board Member



Angela Rooney
Board Member



Beth Marchbank
Tenant Board Member

STAFF MEMBERS



Nicky Quick
General Manager



Fiona Kibblewhite
Admin & Accounts



Sun Ngamwisetkun
Projects Co-ordinator

OUR TENANTS



Australian Centre for Child Protection WA

ACCP is Australia's premier research centre for child abuse and neglect prevention.



Australian Marine Conservation Society (AMCS)

AMCS is Australia's peak marine conservation organisation.



Centre For Women's Safety and Wellbeing

CWSW is the leading voice for women and children affected by gender-based violence in Western Australia.



CONSERVATION COUNCIL OF WA (CCWA)

CCWA is the State's foremost non-profit, non-government conservation organisation, representing more than 100 environmental organisation in WA.



DEVELOPMENTAL DISABILITY WA (DDWA)

DDWA is the State's most trusted source of advocacy, information, and support for people with developmental disabilities and their families.



HAEMOPHILIA FOUNDATION OF WESTERN AUSTRALIA

The Haemophilia Foundation's mission is to enhance the quality of life of West Australians with bleeding disorders.

OUR TENANTS



LIVING PROUD

Living Proud provides advocacy, leadership and training aimed at reducing disadvantage among LGBTIQ+ people.



MICROBOARDS AUSTRALIA

Microboards Australia specialises in helping people with disabilities to create a small network of trusted people, known as a microboard.



OVEREATERS ANONYMOUS

OA provides a safe space in which individuals who struggle with overeating can find the strength to lead healthier and happier lives.



PEOPLE WITH DISABILITIES (WA) INC.

PWdWA provides non-legal advocacy to people with disabilities to ensure that people can speak out, express their views, and uphold their rights.



PROJECT HUMANITY AUSTRALIA INC

Project Humanity Australia Inc is a charitable non-profit organisation that proudly funds various international community and development-based areas of need.



SPECIAL OLYMPICS WA

Special Olympics is the world's largest sports organization for children and adults with intellectual disabilities and, as with the Olympics and Paralympics.

OUR TENANTS



SEXUALITY EDUCATION COUNSELLING AND CONSULTANCY AGENCY

SECCA provides specialist counselling in the area of human relationships and sexuality to people who have a disability, as well as their families and carers.



TRANSFOLK WA

Transfolk is a peer support service for trans, gender diverse, and non-binary people and their loved ones in Western Australia.



THE URBAN BUSHLAND COUNCIL

The Council promotes sustainable policy development, lobbies for legislative change, and raises public awareness about the value of urban bushland.



WA ABORIGINAL LEADERSHIP INSTITUTE

WAALI was launched in 2018 with the purpose of inspiring and supporting Aboriginal people to take up leadership positions and strengthen their families and communities



WILDERNESS SOCIETY

The Wilderness Society's mission is to replace the environmentally destructive thinking of the past with a modern and sustainable vision that will benefit all people and all life on Earth.

1. INNOVATIVE SERVICE MODELS

Focusing on the needs of the community sector through regular engagement around developing services that meet changing needs.

- 1.1 Ensure regular and effective engagement with current and future tenants to better respond to demand for services.
- 1.2 Consult with current tenants and future users around the potential for them to access shared business support services via CWLH.
- 1.3 Develop model for shared business support services based on identified needs.

2. FINANCIAL SUSTAINABILITY

Strengthening financial sustainability through development of capital assets and diversification of revenue streams.

- 2.1 Develop a clear and realistic financial model to inform the budget and cash flow forecasts based on a clear understanding of costs, income and assumptions.
- 2.2 Diversification of income streams through providing a range of services to build a future fund.
- 2.3 Establish Future Fund to ensure sufficient capital to undertake future improvements and maintenance to key assets.

3. GOVERNANCE AND RISK

Ensuring that the governance structures and risk management processes are fit for purpose and ensure legal and regulatory compliance.

- 3.1 Review and align Constitution with purpose, values and objectives of the Strategic Plan.
- 3.2 Continue to develop a skills-based Board through regular review of the professional skills matrix and / or targeted recruitment.
- 3.3 Ensure that risk management is central to all strategic and operational activities.

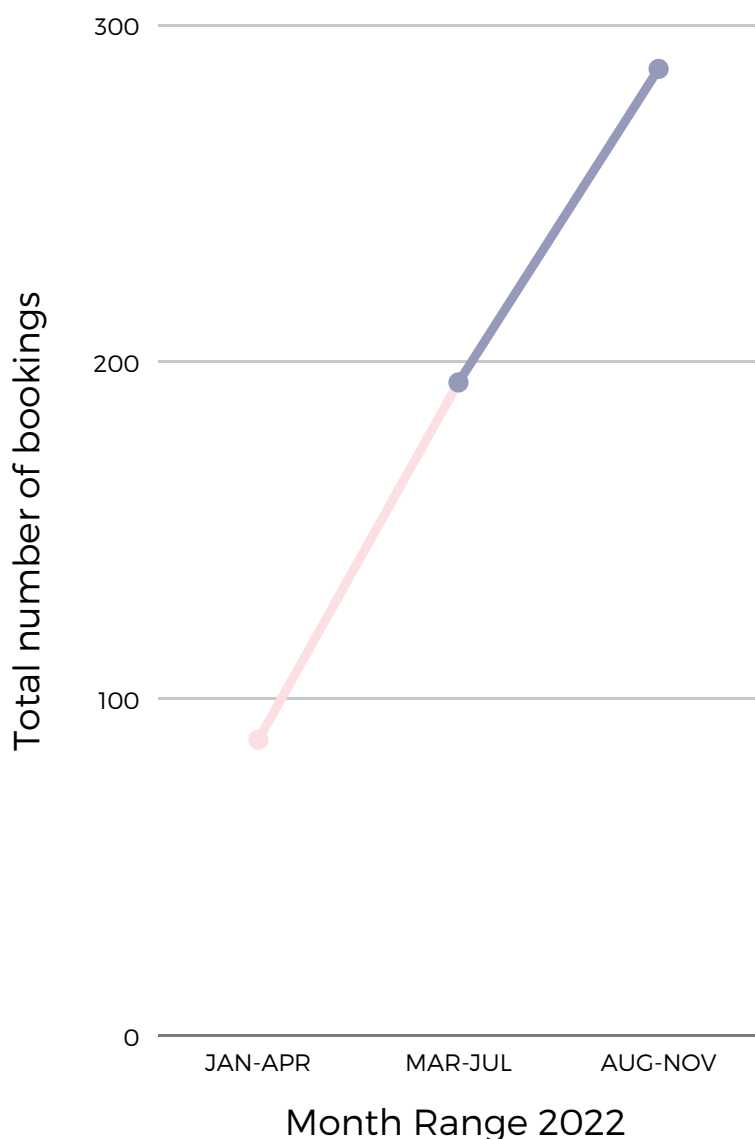
4. BUILDING PARTNERSHIPS

Building and maintaining strong partnerships to enhance and diversify the services that we offer.

- 4.1 Partnering with other service providers, to share knowledge, generate innovative ideas and ensure our services remain appropriate to meet the needs of our users.
- 4.2 Collaboration with other Lotteries Houses through coordination of a formal network aimed at achieving mutual benefit.
- 4.3 Marketing to raise awareness of the benefits of CWLH facilities and services (to generate new customers and supporters) to increase income and pro-bono support.

CWLH FACILITY'S USAGE REPORT

The frequency usage of CWLH's facility dramatically increased from January 2022. Specifically, there were a total of 88 bookings in Jan-Apr, while in Aug-Nov, this number increased more than three-fold to 287.



CWLH visitors utilising the hot-desking facility.



A Fragile X Seminar facilitated by Dr Johnathan and Rashelle Cohen

BIKE RACKS

In collaboration with Fiona and a continuous effort from Maxine Drake (DDWA), CWLH upgraded its bike racks to provide a better facility for our bike riders. The bike racks are now conveniently located at three entrances to the building. This has increased the bicycles' security and protection for our tenants.



[Maxine Drake (DDWA) proudly in support of the upgraded bike protection and a sustainable way to get to work.

IMPROVED LANDSCAPING

The outdoor area of CWLH has recently seen beautiful improvements. Rosemary was planted along the garden edging in the Eastern end parking area. Moreover, the conference room and patio garden are beautifully decorated with native Australian plants and flowers.



TENANT EVENTS

The upgraded premise has provided tenants with a welcoming location to meet and greet important guests. The new interior offered pleasant backdrops for many events, and CWLH saw an increase in the number of bookings, including various events, conferences, and filming this year.

CWSW along with Minister Simone McGurk MLA and Finance Minister Dr. Tony Buti MLA welcomed the release of the State Commissioning Strategy and Implementation Plan.



EVENT HIGHLIGHT

CWLH held various tenant gathering events whilst juggling with covid this year. The goal of the events was to encourage and create networking opportunities for tenants in the community. Before the renovation, this was not a regular occurrence, as the building lacked the appropriate space for social mingling.



A CWLH Tenant Gathering event



CWLH's GM Nicky (Middle), and her daughter, Katie (Left) attended a Fundraising event for Project Humanity (CWLH's newest tenant) at Churchland High School. Le Thu Phan-Tran (right) is the founder of the organisation.



Deep cleaning in response to a positive Covid-19 case in March.



[From left to right, Natasha, Danieka, and Jodie from WAALI attended one of the tenant gathering event at CWLH.

CWLH INTERNET AUDIT RESULT SUMMARY

OVERVIEW

- The online survey was distributed on Microsoft Forms throughout Sept-Oct 2022
- 17 out of 19 organisations completed the survey

KEY CONCERNS

- 8 tenants have an issue with slow internet
- 3 complained of unstable connection
- 1 expressed concerns about the cost
- 1 tenant said their issue was “connecting via cord in office”
- 4 tenants have no issues with the internet

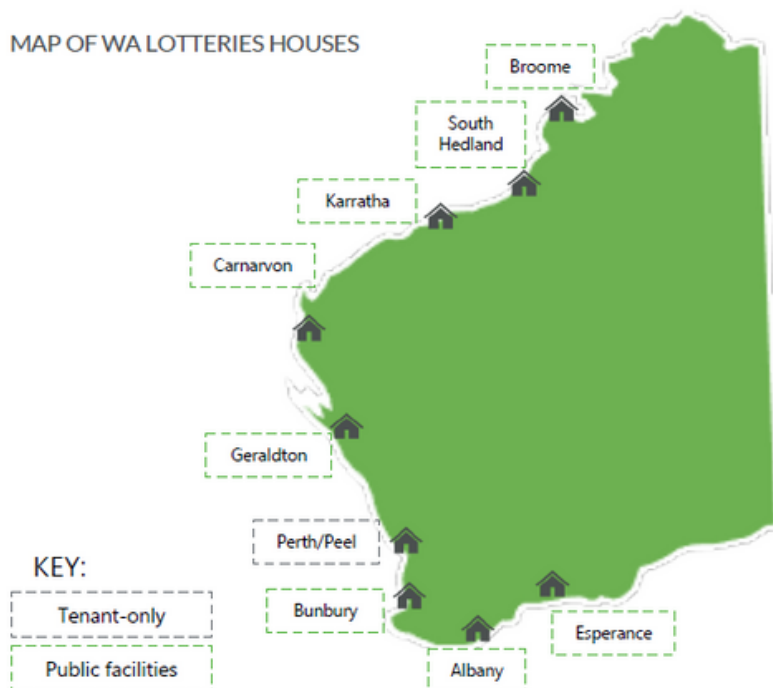
KEY FINDINGS

- Majority of the organisations (i.e., 10) use 1-5 computers, while 4 use 6-10 computers, and 3 (PWDWA, DDWA, SECCA) use 11-20 computers at any one time.
- Most tenants (i.e., 13) access their work files/data through cloud when working from home, while others use remote desktop
- Majority of the tenants are connected to the internet via a **wired connection**
- Three tenants (Microboards, Transfolk, Environmental Defenders) connect to the internet via **wireless connections only**
- Two tenants (PWDWA and SECCA) connect to the internet via **wired connections only**
- 8 tenants have external IT support, 3 have internal support, 2 use EPITS, and 3 have no formal IT support
- 8 tenants said they do not use WIFI on their phones, either because of connection issues or do not know the passwords
- 10 tenants said they use video calls multiple times a day, while others only use it a few times a week
- Only 3 organisations (CCWA, DDWA, PWDWA) use their landline regularly, while the majority uses it a couple of times a day or 1-2 a week
- 13 organisations use a continually synchronized system to back up (e.g., Cloud / Onedrive / Sharepoint)

LOTTERIES HOUSE CONFERENCE 2021

As a way to improve efficiency and increase collaboration in the Lotteries House Community, CWLH held a Lotteries House Conference post-renovation last year. We welcomed 17 out of 18 LHs across WA, and the theme of the event was 'Support + Sharing + Collaboration = Stronger Together'

MAP OF WA LOTTERIES HOUSES



180 DEGREES CONSULTING

BACKGROUND



Lotteries Houses provide affordable office facilities to not-for-profit organisations. They operate all across WA, in both regional and metropolitan areas.

Currently, all Lotteries Houses operate independently, with limited communication or resources sharing between houses. The lack of collaboration has limited organisational growth, with many Lotteries Houses facing similar challenges without leveraging the support and experience of others to overcome them.

In the past, attempts have been made to increase inter-house communication, however a lack of resources and lack of a cohesive strategy have prevented these attempts. In fact, many LHs are resistant towards the concept of increased collaboration and resource sharing.

LOTTERIES HOUSE CONFERENCE 2021

The conference provided an opportunity to gain insightful feedback on the venue and its equipment. The event was a big success as indicated by the positive feedback and evaluation received. Attendees were impressed with the modernity of the renovated space, and many commented on the high-quality AV equipment.



CWLH Chair, Peter Le, giving a speech at the LH Conference



Broome Lotteries House inspired us all with their energy and stories of Chilli Festivals and Community Engagement.

Presentation on 'Lotteries House Networking Event 2021'





4 November 2022

The Board of Directors
City West Lotteries House
2 Delhi Street
West Perth WA 6005

Dear Directors

MANAGEMENT LETTER

We advise that we have recently completed the audit of City West Lotteries House Inc. for the year ended 30 June 2022.

Our audit has been conducted in accordance with Australian Auditing Standards. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report and the evaluation of significant accounting estimates. While our procedures are designed to identify any material weaknesses and detect misstatements from fraud and error, there is an unavoidable risk that even some material misstatements may remain undiscovered. This unavoidable risk is due to the test nature and other inherent limitations of an audit, together with the inherent limitations of any accounting and internal control system.

We have the following matters to report to you arising from our audit.

Prepaid expenses

During our audit, we noted there were instances where the expenses relating to the 2022/2023 financial year had been fully expensed in the 2021/2022 financial year. We have since corrected these errors for the financial statements.

We recommend that all expenses be considered for adequate cut-off adjustments to ensure that the expense is included in the period in which the services and goods are received.

Accrued expenses

During our audit, we noted that the Electricity usage for May and June 2022 totalling \$5,825.51 inclusive of GST, paid in the 2022/2023 financial year had not been accrued at yearend. We have since corrected these missed accrued expenses in the financial statements.

We also noted that salaries and wages relating to services in June 2022 and paid in July 2022 had not been accrued. We have since corrected the error for the financial statements.

We recommend that in future you ensure that expenses and wage costs are considered for cut-off when preparing accrued expenditure workings to ensure that the cost and/or service is reported in the period to which the services received relate to.

PPE Stocktake and fixed assets register

We noted that it has been a long time since a stocktake were conducted of the fixed assets and a review of the asset register. We have since discussed this matter during the audit closing meeting held with the Treasurer, General Manager, and the Building Administrator.

We recommend that a stocktake of assets in the premises be conducted before the 2023 audit and compared against the fixed assets register and where required, adjustments made to the fixed assets register to ensure that only assets in existence are reported on the asset register.

During the audit closing meeting, we discussed that the fixed assets register be maintained and updated in-house. Historically, we have been assisting update the fixed assets register to calculate the depreciation and the written down values however to ensure we are not breaching our independence requirements as auditors, we would request that the fixed asset register is prepared by someone other than us. We are happy to assist with any information needed from our past audits and walkthrough with the preparer on how to update the current fixed assets register.

Audit Adjustments and Errors

During our audit we identified several errors/differences in the accounts that have been communicated and acknowledged in the representation letter.

If you would like to discuss any matter in relation to the audit, please do not hesitate to contact us.

We would like to take this opportunity to thank Steven, Nicky and Fiona for assisting us with our queries to enable us to finalise the audit.

Yours sincerely

AMW AUDIT

Chartered Accountants



MARTIN SHONE

Director

CITY WEST LOTTERIES HOUSE INC.
ABN 75 908 955 394

**FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2022**

CITY WEST LOTTERIES HOUSE INC.
ABN 75 908 955 394

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CITY WEST LOTTERIES HOUSE INC.
ABN 75 908 955 394

STATEMENT BY THE BOARD OF MANAGEMENT

Your Board of Directors submit the financial report of City West Lotteries House Inc. for the financial year ended 30 June 2022.

Board of Directors

The names of Board of Directors throughout the year and at the date of this report are:

Peter Le	Chairperson	1 July 2021 – 30 June 2022
Tom Griffiths	Deputy (Resigned)	1 July 2021 – 30 June 2022
Steve Long	Secretary (Resigned)	1 July 2021 – 21 Feb 2022
Steven Chau	Treasurer	9 March 2022 – 30 June 2022
Paul O'Connor	Treasurer (Resigned)	27 Nov 2021 – 20 February 2022
Maxine Drake	Treasurer (Resigned)	1 July 2021 – 26 November 2021
Lisa Hook	Director	1 July 2021 – 30 June 2022
Beth Marchbank	Director	27 Feb 2022 – 30 June 2022
Dora De Luca	Director	7 April 2022 – 30 June 2022
Karen Brown	Director	24 Feb 2022 – 30 June 2022
Paul O'Connor	Director (Resigned)	1 July 2021 – 26 November 2021

The principal activity of the Association during the financial year was to provide accommodation and services to registered charities and not-for-profit associations, in premises which has been funded by Lotterywest grants.

No significant change in nature of these activities occurred during the year.

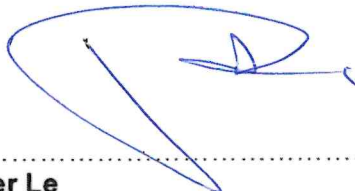
Operating Result

The surplus for the 2022 financial year amounted to \$70,182 (2021: \$203,352). The Association would have otherwise made a loss of \$176,131 (2021: \$34,579), had the capital grant income not been received.

Events after reporting period

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

Signed in accordance with a resolution of the Board of Management and signed on and or behalf of the Board of Management by:



Peter Le
Chairperson



Steven Chau
Treasurer

Dated this 25th day of October 2022

CITY WEST LOTTERIES HOUSE INC.
ABN 75 908 955 394

STATEMENT BY THE BOARD OF MANAGEMENT

The Board of Management have determined that the Association is not a reporting entity

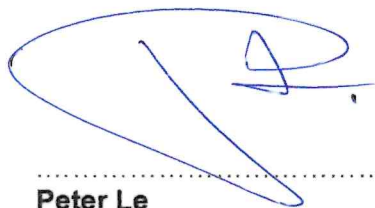
The Board of Management have determined that this special purpose financial report should be prepared in accordance with accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Board of Management the financial report as set out on pages 8 to 18:

1. Presents fairly the financial position of City West Lotteries House Inc. as at 30 June 2022 and its performance for the period ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that City West Lotteries House Inc. will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Board of Management and is signed for and on behalf of the Board of Management by:

Dated this 25th day of October 2022.



Peter Le
Chairperson

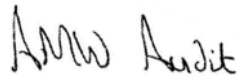


Steven Chau
Treasurer

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE MEMBERS OF CITY WEST LOTTERIES HOUSE INC.**

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2022 there have been:

- No contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- No contraventions of any applicable code of professional conduct in relation to the audit.



AMW AUDIT
Chartered Accountants



MARTIN SHONE
Director

Dated at Perth, Western Australia this 4th day of November 2022

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CITY WEST LOTTERIES HOUSE INC.

Opinion

We have audited the accompanying financial report of City West Lotteries House Inc. ("the Association") which comprises the balance sheet as at 30 June 2022, the income statement for the year then ended, statement of changes in equity, statement of cash flows, a summary of significant accounting policies, other explanatory notes and the statement by the Board Management.

In our opinion, the special purpose financial report of City West Lotteries House Inc. has been prepared in accordance with the Australian Auditing Standards, including:

- (i) giving a true and fair view of the Association's financial position as at 30 June 2022 and of its financial performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1, and Australian Auditing Standards.

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 Unit Trust in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, given to the Board of Directors of the Association, would be in the same terms if given to the Director as at the time of this auditor's report.

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

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. As a result, the financial report may not be suitable for another purpose, including fulfilling Director's financial reporting responsibilities under *Corporations Act 2001*. Our opinion is not modified in respect of this matter.

Board of Directors' responsibility for the financial report

The Board of Directors of the Association are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and for such internal control as the Board of Directors determines 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 Board of Directors are 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 Board of Directors' either intend to liquidate the Association or to cease operations, or have no realistic alternative to do so.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Association's preparation of the financial report that gives a true and fair view 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.

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.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Management, as well as evaluating the overall presentation of the financial report.

We conclude on the appropriateness of the Board of Management' 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.

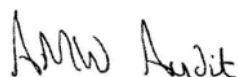
We evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Association to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Association's audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, amongst 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.

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. We also provide the Board of Management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Management, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



AMW AUDIT

Chartered Accountants



MARTIN SHONE

Director

Dated at Perth, Western Australia this 4th day of November 2022.

**CITY WEST LOTTERIES HOUSE INC.
INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022**

	Note	2022 \$	2021 \$
Income			
Rental income		482,121	485,075
Tenant services income		82,605	95,561
		<u>564,726</u>	<u>580,636</u>
Less: Tenant Services Cost of Sales		(56,806)	(77,043)
Gross profit		<u>507,920</u>	<u>503,593</u>
Other Income			
Capital grant	2	246,313	202,831
Government stimulus packages	2	-	35,100
Associate membership fees		-	780
Interest income		1,458	18,077
	2	<u>247,771</u>	<u>256,788</u>
Expenditure			
Administration expenses		(49,619)	(45,394)
Building maintenance		(48,312)	(51,391)
Building repairs and maintenance		(36,212)	(42,072)
Depreciation		(212,729)	(115,429)
Utilities and Rates		(33,900)	(38,184)
Grant expenses		(26,859)	-
Insurance		(14,940)	(13,730)
Legal and professional fees		-	(1,155)
Personnel expenses		(248,987)	(236,152)
Rates & Charges		(13,951)	(13,522)
		<u>(685,509)</u>	<u>(557,029)</u>
Surplus for the year	3	<u>70,182</u>	<u>203,352</u>

The accompanying notes form part of these financial statements

CITY WEST LOTTERIES HOUSE INC.
BALANCE SHEET
AS AT 30 JUNE 2022

	Note	2022 \$	2021 \$
Current Assets			
Cash and cash equivalents	4	945,045	1,901,097
Trade and other receivables	5	52,551	60,509
Prepayments		7,864	8,579
Inventory	6	-	633
Total Current Assets		<u>1,005,460</u>	<u>1,970,818</u>
Non-Current Assets			
Property, plant, and equipment	7	<u>4,816,403</u>	<u>3,886,163</u>
Total Non-Current Assets		<u>4,816,403</u>	<u>3,886,163</u>
Total Assets		<u>5,821,863</u>	<u>5,856,981</u>
Current Liabilities			
Trade and other payables	8	116,647	166,310
Income in advance	9	80,883	79,447
Grants in advance	10	-	35,360
Provisions	11	<u>6,458</u>	<u>18,103</u>
Total Current Liabilities		<u>203,988</u>	<u>299,220</u>
Non-Current Liabilities			
Provisions	11	<u>2,879</u>	<u>12,947</u>
Total Non-Current Liabilities		<u>2,879</u>	<u>12,947</u>
Total Liabilities		<u>206,867</u>	<u>312,167</u>
Net Assets		<u>5,614,996</u>	<u>5,544,814</u>
Equity			
Retained Earnings		1,009,996	939,814
Capital Reserves	12	<u>4,605,000</u>	<u>4,605,000</u>
Total Equity		<u>5,614,996</u>	<u>5,544,814</u>

The accompanying notes form part of these financial statements

**CITY WEST LOTTERIES HOUSE INC.
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022**

	Capital Reserves \$	Retained Earnings \$	Total \$
Balance at 1 July 2020	4,605,000	736,462	5,341,462
Surplus for the year	-	203,352	203,352
Balance at 30 June 2021	4,605,000	939,814	5,544,814
Surplus for the year	-	70,182	70,182
Balance at 30 June 2022	4,605,000	1,009,996	5,614,996

The accompanying notes form part of these financial statements

**CITY WEST LOTTERIES HOUSE INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022**

	Note	2022 \$	2021 \$
Cash Flows from Operations Activities			
Receipts from tenants		574,120	610,216
Interest received		1,458	18,077
Receipts from Government Stimulus Packages		-	35,100
Payments to suppliers and employees		(599,614)	(390,380)
		<hr/>	<hr/>
Net cash (used in) / generated from operating activities	13(b)	<hr/> (24,036) <hr/>	<hr/> 273,013 <hr/>
Cash Flows from Investing Activities			
Receipts from Capital Grants		210,953	202,831
Purchase of property, plant & equipment		(1,142,969)	(197,722)
		<hr/>	<hr/>
Net cash (used in) / generated from investing activities		<hr/> (932,016) <hr/>	<hr/> 5,109 <hr/>
(Decrease)/ increase in cash held		(956,052)	278,122
Cash and cash equivalents at the beginning of the year		1,901,097	1,622,975
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year	13(a)	<hr/> <u>945,045</u> <hr/>	<hr/> <u>1,901,097</u> <hr/>

The accompanying notes form part of these financial statements

**CITY WEST LOTTERIES HOUSE INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

1 Statement of Significant Accounting Policies

The financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the *Associations Incorporation Act 2015* and the reporting requirements of Lotterywest, the principal funding body. The Board of Management have determined that the Association is not a reporting entity.

The financial report covers City West Lotteries House Inc. as an individual entity. City West Lotteries House Inc. is an association incorporated in Western Australia under the *Associations Incorporation Act 2015*.

The principal activity of the Association is the provision of accommodation and services to registered charities and not for profit associations, in premises which have been funded by Lotterywest grants

The report has been prepared in accordance with the requirements of the *Associations Incorporation Act 2015* and the following Australian Accounting Standards:

AASB 101	Presentation of Financial Statements
AASB 107	Cash Flow Statements
AASB 108	Accounting Policies, Changes in Accounting Estimates and Errors

No other applicable Accounting Standards, Australian Accounting Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The financial report has been prepared on an accrual basis and is based on historical costs. It does not take into account changing money values, or except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the economic entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Property, Plant and Equipment

Freehold land and buildings have been brought to account at cost.

The depreciable amount of all fixed assets are depreciated over their estimated useful lives commencing from the time the asset is held ready for use.

The following rates of depreciation have been applied on a straight-line basis:

Buildings	2%
Building Improvements	10-20%
Plant and fittings	10%-50%
Furniture and Equipment	20%-50%

**CITY WEST LOTTERIES HOUSE INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

Revenue

Revenue from rents is recognised on the supply of services to the tenant.

Non-reciprocal government support is recognised in the income and expenditure statement on an accrual basis.

Grant income is recognised when the Association obtains control over the funds, which is generally at the time of receipt.

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

Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset.

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

Income Tax

The financials have been prepared on the basis the Association is exempt from income tax.

Employee Benefits

A liability for long service leave is recognised and is measured as the present value of expected future payments to be made in respect of services provided by the employee up to the reporting date. No consideration is given to expected future wage and salary levels, nor experience of employee departures and period of service. A liability is treated as current where the employer has a present obligation based on services rendered by employees up to the reporting date.

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

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax 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.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the Balance sheet.

**CITY WEST LOTTERIES HOUSE INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

Trade and other receivables

Trade and other receivables are generally settled within 30 days and therefore carried at amounts due. A provision is established at the time a specific debt is considered doubtful. Bad debts are written off when identified.

Trade and other payables

Trade and other payables represent the liabilities for goods and services received by the Association during the reporting period that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

The Association as lessor

The Association leases rooms in their building to external parties.

Upon entering into each contract as a lessor, the Association assesses if the lease is a finance or operating lease.

Rental income received from operating leases is recognised on a straight-line basis over the term of the specific lease.

Critical accounting estimates and judgements

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

Comparative figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

**CITY WEST LOTTERIES HOUSE INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

	2022 \$	2021 \$
2 Other Income		
Capital grant	246,313	202,831
Government stimulus packages	-	35,100
Associate membership	-	780
Interest income	1,458	18,077
	<u>247,771</u>	<u>256,788</u>
The Association would have made a loss of \$176,131 (2021: \$34,579), had the following one-off items not been received:		
Capital grant	246,313	202,831
Government stimulus packages	-	35,100
Total one-off other income	<u>246,313</u>	<u>237,931</u>
3 Net profit		
The net profit is arrived at after charging the following specific items:		
Depreciation	212,729	115,429
Auditors' remuneration	5,750	3,534
4 Cash and cash equivalents		
Cash at bank	945,045	1,901,097
	<u>945,045</u>	<u>1,901,097</u>
5 Trade and other receivables		
Tenant debtors	52,551	60,509
	<u>52,551</u>	<u>60,509</u>
6 Inventory		
Reprographics stock	-	633

**CITY WEST LOTTERIES HOUSE INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

	2022 \$	2021 \$
7 Property, plant and equipment		
Land at cost	1,750,000	1,750,000
Buildings – at cost	4,780,514	3,652,306
Accumulated depreciation	(1,773,065)	(1,571,231)
	<u>3,007,449</u>	<u>2,081,075</u>
Total land and buildings	<u>4,757,449</u>	<u>3,831,075</u>
Plant, furniture & equipment – at cost	304,189	289,428
Accumulated depreciation	(245,235)	(234,340)
	<u>58,954</u>	<u>55,088</u>
Total Property, Plant and Equipment	<u>4,816,403</u>	<u>3,886,163</u>
<p>The land is held in the name of City West Lotteries House Inc. There exists a Deed of Trust between the Association and Lotterywest, whereby the Association is trustee and holds the property in trust for Lotterywest. Use of and title to the property is subject to certain trusts and conditions as specified in the Trust Deed dated 3rd December 1998.</p>		
8 Trade and other payables		
Trade creditors	20,905	68,464
Tenant Security deposit	49,252	52,035
GST liability	30,390	24,230
PAYG payable	2,730	4,356
Superannuation payable	5,283	5,550
Accrued expense	8,087	11,675
	<u>116,647</u>	<u>166,310</u>
9 Income in advance		
Rent in advance	62,165	62,746
Parking in advance	13,685	15,677
Storage in advance	441	1,024
Telephone and internet in advance	4,592	-
	<u>80,883</u>	<u>79,447</u>
10 Grants in advance		
Grants in advance	-	35,360
	<u>-</u>	<u>35,360</u>

Grants received in advance from Lotterywest towards the Lotteries House Conference 2020, which due to COVID-19 was postponed, has been expended following the Conference which was held in late 2021.

**CITY WEST LOTTERIES HOUSE INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

	2022 \$	2021 \$
11 Provisions		
Provision for annual leave	6,458	18,103
Provision for long service leave	2,879	12,947
	<u>9,337</u>	<u>31,050</u>
12 Capital Reserves		
The balance in this account represents funds advanced by the Lotterywest for the acquisition of land and buildings and reserves for future capital works.		
13 Cash Flow Information		
(a) Reconciliation of Cash		
Cash at the end of the financial years as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:		
Cash at bank	945,045	1,901,097
(b) Reconciliation of Cash Flows from operations with profit from ordinary activities		
Profit from ordinary activities after income tax	70,182	203,352
Non-cash flows in loss from ordinary activities		
- Depreciation	212,729	115,429
- Capital grant (non-operating)	(246,313)	(202,831)
Changes in assets & liabilities		
- (Increase)/decrease in receivables	7,958	8,573
- (Increase)/decrease in prepayments	715	9,856
- (Increase)/decrease in inventories	633	-
- Increase/(decrease) in payables	(49,663)	111,574
- Increase/(decrease) in income in advance	1,436	20,227
- Increase/(decrease) in provisions	(21,713)	6,833
Cash flows (used in)/ generated from operating activities	<u>(24,036)</u>	<u>273,013</u>
14 Association information		
Principal Place of business: City West Lotteries House 2 Delhi Street West Perth		
15 Capital commitments		
There are no capital commitments as at 30 June 2022.		



We thank you for
your ongoing
support



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