Joii Limited

ABN: 55 621 826 051

Consolidated Financial Statements

For the Year Ended 30 June 2023

Joii Limited

ABN: 55 621 826 051

Contents

For the Year Ended 30 June 2023

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Directors' Report

30 June 2023

The directors present their report, together with the consolidated financial statements of the Group, being the Company and its controlled entities, for the financial year ended 30 June 2023.

1. General information

Information on directors

The names of each person who has been a director during the year and to the date of this report are:

Alenta Kabamba - Chair
Jared Harder
Simon Lewis
Timothy Hanna
Mark Passfield - appointed 29 September 2022
Desley Scott - resigned 13 February 2023
Cathy Draeger - deceased 2 December 2022

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

Principal activities

The principal activities of the Group during the financial year were to generate funding through social enterprises to successfully operate an expanding social impact program focused on creating opportunities related to employment pathways and housing. These programs enable long term unemployed, those with disability and parolees to learn the required skills and character traits to be successful in a modern workplace. The funding also provide for the purchase of land and the contraction of a "share house" in the Ipswich region

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

Short term and Long-Term objectives

The Group's short term objectives are to structure and grow its Social Enterprises to ensure a long term and stable income source to operate the social impact.:

Long term objectives

The Group's long term objectives are to operate multiple social impact programs related to employment pathways and to build 'share houses' to support those with a disability or paroless needing accommodation.:

Strategy for achieving the objectives

To achieve these objectives, the Group has adopted the following strategies:

- Creating social impact programs that provide hope and opportunity for the disadvantaged and vulnerable. The programs focus on providing employment, pathways to emplyment and housing opportunities.

- Setting up sustainable funding creation social enterprises whose objective is to support the vision.

Joii Limited

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Directors' Report
30 June 2023

1. General information

Performance measures

The following measures are used within the Group to monitor performance:

- The entity measures its performance through the use of both quantitative and qualitative benchmarks. The benchmarks are used by the directors to assess the financial sustainability of the company and whether the entity's short-term and long-term objectives are being achieved.

Members' guarantee

Joii Limited is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to $ 1 for members that are corporations and $ NIL for all other members, subject to the provisions of the company's constitution.

At 30 June 2023 the collective liability of members was $ 6 (2022: $ 6).

Operating results

The consolidated loss of the Group amounted to $ (1,379,921) (2022: $ 1,034,877).

2. Other items

Future developments and results

Likely developments in the operations of the Group and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Group.

Meetings of directors

During the financial year, 8 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Alenta Kabamba - Chair	8	8
Jared Harder	8	5
Mark Passfield	6	4
Simon Lewis	8	7
Timothy Hanna	8	6
Cathy Draeger	4	1
Desley Scott	5	5

Joii Limited

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Directors' Report
30 June 2023

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, for the year ended 30 June 2023 has been received and can be found on page 4 of the consolidated financial report.

Signed in accordance with a resolution of the Board of Directors:

Director: .... Director: ....

Dated this ....31st.... day of ....October.... 2023

Integrated Audit Service Pty Ltd
Authorised audit company no.: 342577
A.B.N. 27 138 518 877
A.C.N. 138 518 877

Integrated AUDIT Service
Success through people, knowledge and understanding

Directors:
Bevin Schafferius CA
Johann Swanepoel CA

AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF JOII LIMITED AND CONTROLLED ENTITIES

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012001*, as auditor for the audit of Joii Limited for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

(i) No contravention 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.

Johann Swanepoel CA
Director
Registered Audit Company (No. 342577)
Registered Auditor (No. 549613)

Fortitude Valley, 1 November 2023

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Joii Limited

ABN: 55 621 826 051

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2023

	Note	2023 $	2022 $
Revenue	4	**27,003,365**	29,325,491
Finance income	5	**13,730**	93,986
Other income	4	**614,243**	2,726,594
Changes in inventories of finished goods and work in progress		**(13,746,381)**	(10,360,049)
Employee benefits expense		**(8,502,034)**	(12,798,645)
Depreciation and amortisation expense		**(137,756)**	(385,866)
Loan charges		**-**	(1,147,857)
Labour hire charges		**(5,250,037)**	(4,726,959)
Other expenses		**(1,340,361)**	(1,648,778)
Finance expenses	5	**(34,691)**	(43,038)
Profit before income tax		**(1,379,922)**	1,034,879
Income tax expense		**-**	-
Profit from continuing operations		**(1,379,922)**	1,034,879
Profit for the year		**(1,379,922)**	1,034,879
Other comprehensive income, net of income tax			
Items that will not be reclassified subsequently to profit or loss			
Items that will be reclassified to profit or loss when specific conditions are met			
Total comprehensive income for the year		**(1,379,922)**	1,034,879

The accompanying notes form part of these financial statements.

Joii Limited

ABN: 55 621 826 051

Consolidated Statement of Financial Position

As At 30 June 2023

	Note	2023 $	2022 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	**1,556,105**	2,692,050
Trade and other receivables	7	**2,526,377**	2,414,006
Inventories	8	**1,208,860**	1,289,366
Other assets	9	**1,316,861**	1,384,721
TOTAL CURRENT ASSETS		**6,608,203**	7,780,143
NON-CURRENT ASSETS			
Other financial assets	10	**3,505,538**	4,196,443
Property, plant and equipment	11	**494,608**	651,482
Intangible assets	12	**10,745**	14,874
TOTAL NON-CURRENT ASSETS		**4,010,891**	4,862,799
TOTAL ASSETS		**10,619,094**	12,642,942
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13	**2,089,803**	2,243,465
Borrowings	14	**141,441**	489,250
Employee benefits	15	**639,869**	768,735
TOTAL CURRENT LIABILITIES		**2,871,113**	3,501,450
NON-CURRENT LIABILITIES			
Borrowings	14	**1,893,906**	1,907,497
TOTAL NON-CURRENT LIABILITIES		**1,893,906**	1,907,497
TOTAL LIABILITIES		**4,765,019**	5,408,947
NET ASSETS		**5,854,075**	7,233,995
EQUITY			
Retained earnings		**5,854,075**	7,233,995
TOTAL EQUITY		**5,854,075**	7,233,995

The accompanying notes form part of these financial statements.

Joii Limited

ABN: 55 621 826 051

Consolidated Statement of Changes in Equity

For the Year Ended 30 June 2023

2023

	Note	Retained Earnings $	Total $
Balance at 1 July 2022		**7,233,995**	**7,233,995**
Loss attributable to members		**(1,379,922)**	**(1,379,922)**
Balance at 30 June 2023		**5,854,075**	**5,854,075**

2022

	Note	Retained Earnings $	Total $
Balance at 1 July 2021		6,199,116	6,199,116
Profit attributable to members		1,034,879	1,034,879
Balance at 30 June 2022		7,233,995	7,233,995

The accompanying notes form part of these financial statements.

Consolidated Statement of Cash Flows

For the Year Ended 30 June 2023

	Note	2023 $	2022 $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		**27,434,917**	35,502,000
Payments to suppliers and employees		**(28,376,008)**	(33,666,041)
Interest received		**13,730**	93,985
Interest paid		**(34,691)**	(39,463)
Net cash provided by/(used in) operating activities		**(962,052)**	1,890,481
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from sale of plant and equipment		**215,891**	729,337
Purchase of property, plant and equipment		**(28,384)**	-
Net cash provided by/(used in) investing activities		**187,507**	729,337
CASH FLOWS FROM FINANCING ACTIVITIES:			
Repayment of borrowings		**(361,400)**	(2,009,865)
Net cash provided by/(used in) financing activities		**(361,400)**	(2,009,865)
Net increase/(decrease) in cash and cash equivalents held		**(1,135,945)**	609,953
Cash and cash equivalents at beginning of year		**2,692,050**	2,082,097
Cash and cash equivalents at end of financial year	6	**1,556,105**	2,692,050

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2023

The consolidated financial report covers Joii Limited and its controlled entities ('the Group'). Joii Limited is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and the *Corporations Act 2001.*

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 Summary of Significant Accounting Policies

(a) Basis for consolidation

The consolidated financial statements include the financial position and performance of controlled entities from the date on which control is obtained until the date that control is lost.

Intragroup assets, liabilities, equity, income, expenses and cashflows relating to transactions between entities in the consolidated entity have been eliminated in full for the purpose of these financial statements.

Appropriate adjustments have been made to a controlled entity's financial position, performance and cash flows where the accounting policies used by that entity were different from those adopted by the consolidated entity. All controlled entities have a June financial year end.

(b) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Group expects to receive in exchange for those goods or services.

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Group have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Statement of financial position balances relating to revenue recognition

Contract assets and liabilities

Where the amounts billed to customers are based on the achievement of various milestones established in the contract, the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customer.

2 Summary of Significant Accounting Policies

(b) Revenue and other income

Statement of financial position balances relating to revenue recognition

When a performance obligation is satisfied by transferring a promised good or service to the customer before the customer pays consideration or the before payment is due, the Group presents the contract as a contract asset, unless the Group's rights to that amount of consideration are unconditional, in which case the Group recognises a receivable.

When an amount of consideration is received from a customer prior to the entity transferring a good or service to the customer, the Group presents the contract as a contract liability.

Contract cost assets

The Group recognises assets relating to the costs of obtaining a contract and the costs incurred to fulfil a contract or set up / mobilisation costs that are directly related to the contract provided they will be recovered through performance of the contract.

Costs to obtain a contract

Costs to obtain a contract are only capitalised when they are directly related to a contract and it is probable that they will be recovered in the future. Costs incurred that would have been incurred regardless of whether the contract was won are expensed, unless those costs are explicitly chargeable to the customer in any case (whether or not the contract is won).

The capitalised costs are amortised on a straight line basis over the expected life of the contract.

Set-up / mobilisation costs

Costs required to set up the contract, including mobilisation costs, are capitalised provided that it is probable that they will be recovered in the future and that they do not include expenses that would normally have been incurred by the Group if the contract had not been obtained. They are recognised as an expense on the basis of the proportion of actual output to estimated output under each contract. If the above conditions are not met, these costs are taken directly to profit or loss as incurred.

Costs to fulfil a contract

Where costs are incurred to fulfil a contract, they are accounted for under the relevant accounting standard (if appropriate), otherwise if the costs relate directly to a contract, the costs generate or enhance resources of the Group that will be used to satisfy performance obligations in the future and the costs are expected to be recovered then they are capitalised as contract costs assets and released to the profit or loss on an systematic basis consistent with the transfer to the customer of the goods or services to which the asset relates.

Other income

Other income is recognised on an accruals basis when the Group is entitled to it.

(c) Income tax

The Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

2 Summary of Significant Accounting Policies

(d) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

Cash flows in the consolidated statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(e) Volunteer services

No amounts are included in the financial statements for services donated by volunteers.

(f) Inventories

Inventories are measured at the lower of cost and net realisable value.

Inventories acquired at no cost, or for nominal consideration are valued at the current replacement cost as at the date of acquisition, which is the deemed cost.

(g) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

Items of property, plant and equipment acquired for significantly less than fair value have been recorded at the acquisition date fair value.

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Group, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Plant and Equipment	10% - 50%
Motor Vehicles	13% - 28.5%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

2 Summary of Significant Accounting Policies

(h) Financial instruments

Financial instruments are recognised initially on the date that the Group becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Group classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)
- fair value through other comprehensive income - debt investments (FVOCI - debt)

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets.

Amortised cost

The Group's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the consolidated statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost
- debt investments measured at FVOCI

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and

2 Summary of Significant Accounting Policies

(h) Financial instruments

Financial assets
available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Group's historical experience and informed credit assessment and including forward looking information.

The Group uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Group uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Group in full, without recourse to the Group to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Group in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Group has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Group renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The Group measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Group comprise trade payables, bank and other loans and lease liabilities.

2 Summary of Significant Accounting Policies

(i) Impairment of non-financial assets

At the end of each reporting period the Group determines whether there is evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

(j) Intangible assets

Software

Software has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of between one and three years.

Amortisation

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use.

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

(k) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(l) Employee benefits

Provision is made for the Group's liability for employee benefits, those benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality

2 Summary of Significant Accounting Policies

(l) Employee benefits

corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

3 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these consolidated financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - impairment of property, plant and equipment

The Group assesses impairment at the end of each reporting period by evaluating conditions specific to the Group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Key estimates - fair value of financial instruments

The Group has certain financial assets and liabilities which are measured at fair value. Where fair value has not able to be determined based on quoted price, a valuation model has been used. The inputs to these models are observable, where possible, however these techniques involve significant estimates and therefore fair value of the instruments could be affected by changes in these assumptions and inputs.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

Notes to the Financial Statements

For the Year Ended 30 June 2023

4 Other Revenue and Income

Revenue from continuing operations

	2023	2022
	$	$
Revenue from contracts with customers (AASB 15)		
- trades revenue	**17,283,310**	15,313,269
- provision of services - labour hire	**9,720,055**	14,000,206
- equipment hire	**-**	12,016
	27,003,365	29,325,491
Total Revenue	**27,003,365**	29,325,491

	2023	2022
	$	$
Other Income		
- rental income	**17,044**	12,000
- other income	**506,010**	2,472,196
- donations	**11,000**	46,847
- grants	**9,870**	-
- net gain on disposal of property, plant and equipment	**70,319**	195,551
	614,243	2,726,594
Total Revenue and Other Income	**27,617,608**	32,052,085

5 Finance Income and Expenses

Finance income

	2023	2022
	$	$
Interest income		
other interest	**13,730**	93,986
Assets measured at amortised cost	**13,730**	93,986
Total finance income	**13,730**	93,986

Finance expenses

	2023	2022
	$	$
Net loss on financial assets at FVTPL	**15,031**	-
Other finance expenses	**19,660**	43,038
Total finance expenses	**34,691**	43,038

Notes to the Financial Statements

For the Year Ended 30 June 2023

6 Cash and Cash Equivalents

	2023 $	2022 $
Cash at bank and in hand	**1,556,105**	2,692,050
	1,556,105	2,692,050

7 Trade and Other Receivables

	2023 $	2022 $
CURRENT		
Trade receivables	**2,097,800**	2,007,202
GST receivable	**428,533**	333,162
Other receivables	**44**	73,642
Total current trade and other receivables	**2,526,377**	2,414,006

8 Inventories

	2023 $	2022 $
CURRENT		
At cost:		
Work in progress	**1,208,860**	1,289,366
	1,208,860	1,289,366

Write downs of inventories to net realisable value during the year were $ NIL (2022: $ NIL).

9 Other Non-Financial Assets

	2023 $	2022 $
CURRENT		
Prepayments	**1,250,333**	1,190,321
Accrued income	**66,528**	194,400
	1,316,861	1,384,721

10 Other Financial Assets

	2023 $	2022 $
NON-CURRENT		
Other financial assets	**3,505,538**	4,196,443
	3,505,538	4,196,443
Total	**3,505,538**	4,196,443

Notes to the Financial Statements
For the Year Ended 30 June 2023

11 Property, Plant and Equipment

	2023 $	2022 $
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	**570,205**	541,821
Accumulated depreciation	**(379,145)**	(317,972)
Total plant and equipment	**191,060**	223,849
Motor vehicles		
At cost	**747,164**	892,736
Accumulated depreciation	**(443,616)**	(465,103)
Total motor vehicles	**303,548**	427,633
Total plant and equipment	**494,608**	651,482
Total property, plant and equipment	**494,608**	651,482

12 Intangible Assets

	2023 $	2022 $
Patents, trademarks and other rights		
Cost	**1,550**	1,550
Net carrying value	**1,550**	1,550
Computer software		
Cost	**52,350**	52,350
Accumulated amortisation and impairment	**(43,155)**	(39,026)
Net carrying value	**9,195**	13,324
Total Intangible assets	**10,745**	14,874
Total Intangible assets	**10,745**	14,874

Notes to the Financial Statements

For the Year Ended 30 June 2023

13 Trade and Other Payables

	Note	2023 $	2022 $
CURRENT			
Trade payables		**1,058,235**	866,546
Deposits		**178,556**	147,260
GST payable		**558,994**	515,909
Employee benefits		**122,402**	103,880
Sundry payables and accrued expenses		**170,469**	605,152
Other payables		**1,145**	4,722
		2,089,801	2,243,469

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

14 Borrowings

	2023 $	2022 $
CURRENT		
Unsecured liabilities:		
Related party payables	**3,571**	159,599
	3,571	159,599
Secured liabilities:		
Lease liability secured	**137,870**	329,651
	137,870	329,651
Total current borrowings	**141,441**	489,250

	2023 $	2022 $
NON-CURRENT		
Unsecured liabilities:		
Other loans	**1,893,906**	1,907,497
Total non-current borrowings	**1,893,906**	1,907,497
Total borrowings	**2,035,347**	2,396,747

15 Employee Benefits

	2023 $	2022 $
Current liabilities		
Provision for employee benefits	**639,869**	768,735
	639,869	768,735

Notes to the Financial Statements

For the Year Ended 30 June 2023

16 Financial Risk Management

	2023	2022
	$	$
Financial assets		
Held at amortised cost		
Cash and cash equivalents	**1,556,105**	2,692,050
Trade and other receivables	**2,526,377**	2,414,006
Total financial assets	**4,082,482**	5,106,056
Financial liabilities		
Financial liabilities measured at amortised cost	**4,125,149**	4,640,216
Total financial liabilities	**4,125,149**	4,640,216

17 Members' Guarantee

The Company is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of $ 1 each towards meeting any outstanding obligations of the Company. At 30 June 2023 the number of members was 6 (2022: 6).

18 Key Management Personnel Disclosures

The remuneration paid to key management personnel of the Company and the Group is $ 710,000 (2022: $ 690,000).

19 Auditors' Remuneration

	2023	2022
	$	$
Remuneration of the auditor, for:		
- auditing or reviewing the financial statements	**32,976**	-
Total	**32,976**	-

20 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2023 (30 June 2022:None).

21 Related Parties

(a) The Group's main related parties are as follows:

Key management personnel - refer to Note 18.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

22 Events After the End of the 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 Group, the results of those operations or the state of affairs of the Group in future financial years.

23 Statutory Information

The registered office and principal place of business of the company is:

Joii Limited
U 5 8-12 Neville Street
UNDERWOOD QLD 4119

Joii Limited

ABN: 55 621 826 051

Directors' Declaration

The directors of the Company declare that:

1. The consolidated financial statements and notes, as set out on pages 5 to 21, are in accordance with the *Corporations Act 2001* and:

    a. comply with Australian Accounting Standards - Simplified Disclosure Standard; and

    b. give a true and fair view of the financial position as at 30 June 2023 and of the performance for the year ended on that date of the Company and consolidated group.

2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director .... Director ....

Dated 31/10/2023

Integrated Audit Service Pty Ltd
Authorised audit company no.: 342577
A.B.N. 27 138 518 877
A.C.N. 138 518 877

Directors:
Bevin Schafferius CA
Johann Swanepoel CA

Integrated AUDIT Service

Success through people, knowledge and understanding

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JOII LIMITED

Opinion

We have audited the accompanying financial report of Joii Limited (the Company) and its subsidiaries (the Group) which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidtated 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 Directors' declaration.

In our opinion, the financial report of the Group is in accordance with the *Corporations Act 2001* and with *Division 60 of the Australian Charities and Not-for-Profits Commission Act 2012 (ACNC Act)* including:

i. giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year ended on that date; and

ii. complying with Australian Accounting Standards – Simplified Disclosures and the *Corporations Regulations 2001* and *Division 60 of the Australian Charities and Not-for-Profits Commission Regulation 2022.*

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

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

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

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2023, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

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In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibility of the Directors for the Financial Report

The Directors of the Group are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for 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 Group'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 Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibility

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 Group to cease to continue as a going concern.

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

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors 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.

Johann Swanepoel CA
Director
Registered Audit Company (No. 342 577)
Registered Auditor (No. 549613)

Fortitude Valley, 1 November 2023