

Treasurers Report for Learning Difficulties Australia

As at 30 June 2022

Compliance Statement

In accordance with section 89 of the Associations Incorporation Reform Act 2012, Victoria (the Act), Learning Difficulties Australia has kept financial records that—

- correctly record and explain its transactions and financial position and performance;
- has enabled true and fair financial statements to be prepared in accordance with the Act; and
- are maintained for 7 years after each transaction covered by the records are completed.

For the purposes of the requirements under the Act, Learning Difficulties Australia is a Tier Two association.

The President submitted a representation letter to an independent auditor, Phillip Elliott of Elliott Assurance Pty Ltd, who holds a practicing certificate with the Institute of Chartered Accountants in Australia.

The financial statements have been reviewed by Phillip Elliott, who is a suitably qualified independent person. The review of the financial statements of Learning Difficulties Australia have been conducted—

- in accordance with the Auditing Standards on Review Engagements; and
- have resulted in the provision to the association of a written report.

As required under the Act, attached are:

1. Schedule 1, Form 1 – the prescribed certificate (section 96 of the Act);
2. The Annual Financial Statement as at 30 June 2022; and
3. The Independent Auditor’s Report.

Financial Performance

The Statement of Comprehensive Income shows total Revenue for Financial Year (FY) 2022 of \$315k compared to \$183k for FY 2021 or an increase of 72.1% on prior year. The bulk of this increase was a result of growth in Conference and Seminars income which increased by \$158k. It is noted that income for the Commonwealth’s Cashflow Boost & Jobkeeper schemes which totalled \$53k in FY 2021, was not payable in FY 2022.

The net surplus for FY 2022 was \$46k and this compared to a deficit for FY 2021 of \$93k, due to the impact of the COVID pandemic.

The Statement of Financial Position disclosed a net funds Position of \$406k for FY 2022, an increase of \$46k on FY 2021. This funds position was made up of cash or cash equivalents of \$452k plus other assets – Receivables of \$4k and Computer Equipment of \$2k less liabilities of \$52k.

Commentary

After two consecutive financial years impacted by the COVID19 pandemic, FY 2022 saw LDA resume a more normal level of operations. Consequently, there was strong performance against the key sources of the association’s activities. Membership revenue was up \$11k or 14.3% on prior financial year; Conference and Seminars Revenue was up \$158k or 376.2% on prior year; and Professional Development and Registrations was up \$13k.

Expenditure was managed prudently and saw a small decline of \$6k on FY 2021.

The strong financial performance for FY 2022 leaves LDA in a secure financial position. The Net Funds position of the association of \$406k is equivalent to slightly greater than 1.5 times the annual expenses for FY 2022, the bulk of these funds being held in cash or cash equivalents totalling \$451k.

Iain Rothwell
Treasurer

FORM 1

Associations Incorporation Act 1981
Sections 94(2)(b), 97(2)(b) and 100(2)(b)

ANNUAL STATEMENTS GIVE TRUE AND FAIR VIEW OF FINANCIAL POSITION OF INCORPORATED ASSOCIATION

I Iain Rothwell, Treasurer and Dr Robyn Wheldall, President, being members of the Committee of Learning Difficulties Australia, certify that—

The statements attached to this certificate, give a true and fair view of the financial position of the of Learning Difficulties Australia during and at the end of the financial year of the association ending on 30 June 2022.

Signed:



Iain Rothwell, **Treasurer**

Dated: 18th October 2022

Signed:



Robyn Wheldall, **President**

Dated: 18th October 2022

LEARNING DIFFICULTIES AUSTRALIA

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2022**

**LEARNING DIFFICULTIES AUSTRALIA INC
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022**

	Notes	2022 \$	2021 \$
Revenue from ordinary activities			
Membership revenue		88,710	77,331
Conferences and Seminars		199,624	41,930
Interest		26	2,095
Royalties		9,691	5,531
Professional Development - Registrations		13,600	163
Other Income - Cashflow Boost & Jobkeeper		-	53,078
Other revenue		3,744	2,498
		<u>315,395</u>	<u>182,626</u>
Less Expenses from ordinary activities			
Audit and Accounting		8,530	8,890
Annual Leave		(5,883)	1,335
Bank Charges		464	2,055
Bulletin		3,920	3,840
Conferences/Seminars		33,115	7,695
Insurance		4,562	1,843
Journal		23,426	29,581
Other Expenses		32,089	27,862
Postage		7,257	3,812
Printing		17,644	10,505
Secretarial		113,663	130,758
Stationery		1,213	90
Storage		2,264	2,111
Travel & Meetings		20,558	-
Website		6,297	45,088
		<u>269,119</u>	<u>275,465</u>
Net surplus/(deficit) from ordinary activities		<u>46,276</u>	<u>(92,839)</u>

Notes to and forming part of the accounts are included in pages 5 to 7

LEARNING DIFFICULTIES AUSTRALIA INC
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	Notes	2022 \$	2021 \$
Current Assets			
Cash at Bank		100,345	188,780
Term Deposit		350,000	234,668
Stripe AUD		651	309
Trybooking		500	20,050
Trade and Other Receivables	2	3,618	2,590
Total Current Assets		455,114	446,397
Non Current Assets			
Computer Equipment		2,476	-
Total Non Current Assets		2,476	0
Total Assets		457,590	446,397
Current Liabilities			
Trade and Other payables		16,884	19,906
Bruce Wicking Award		1,282	1,282
Employee Entitlements		2,282	8,165
Income in Advance	3	31,301	57,478
Total Current Liabilities		51,749	86,831
Net Assets		405,841	359,565
Member's Funds			
Retained surplus		359,565	452,404
Net Surplus/(Deficit) current year		46,276	(92,839)
Total Member's Funds		405,841	359,565

Notes to and forming part of the accounts are included in pages 5 to 7

**LEARNING DIFFICULTIES AUSTRALIA INC
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2021**

	Notes	2022	2021
		\$	\$
Total equity at 30 June 2021		359,565	452,404
Surplus/(deficit) for the year		46,276	(92,839)
Total equity at 30 June 2022		<u>405,841</u>	<u>359,565</u>

Notes to and forming part of the accounts are included in pages 5 to 7

LEARNING DIFFICULTIES AUSTRALIA INC
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

	Notes	2022 \$	2021 \$
Cash flows from operating activities			
Receipts from operating activities		314,340	197,200
Payments to suppliers and employees		(304,200)	(272,221)
Interest received		26	2,095
Net cash inflow/outflow from operating activities	4b	10,166	(72,926)
Cash flows from investing activities			
Acquisition of Computer Equipment		(2,476)	-
Cash flows from financing activities			
Net increase/(decrease) in cash		7,690	(72,926)
Cash at beginning of the financial year		443,806	516,882
Cash at the end of the financial year	4a	451,496	443,956

Notes to and forming part of the accounts are included in pages 5 to 7

LEARNING DIFFICULTIES AUSTRALIA INC
NOTES TO THE FINANCIAL STATEMENTS FOR THE
YEAR ENDED 30 JUNE 2022

1. Summary of Accounting Policies

The financial report is a special purpose financial report that has been prepared in accordance with Australian Accounting Standards including the equivalents to International Financial Reporting Standards ("AIFRS's"), and the requirements of the Associations Incorporation Reform Act 2012 and Regulations (Victoria).

The financial report includes the Statement of Financial Position, Statement of Comprehensive Income and Statement of Cash Flows and Notes to and forming part of the accounts.

The report is for Learning Difficulties Australia Inc as an individual entity. Learning Difficulties Australia Inc is an Incorporated Association registered in Victoria.

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

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

Income recognition

All income in 2022 is recorded on an accrual basis.

Income Tax

The Association is exempt from tax under section 23 (e) of the Income Tax Assessment Act 1936.

2. Trade and Other Receivables

	2022	2021
	\$	\$
Trade Debtors	-	2,590
GST Credits Receivable	3,618	-
	<u>3,618</u>	<u>2,590</u>

3. Income in Advance

	2022	2021
	\$	\$
Membership	31,302	39,250
Seminars	-	18,227
Total Income in Advance	<u>31,302</u>	<u>57,477</u>

Income in advance represents monies received in the current financial year that constitute income to be taken up in the following financial year.

LEARNING DIFFICULTIES AUSTRALIA INC
NOTES TO THE FINANCIAL STATEMENTS FOR THE
YEAR ENDED 30 JUNE 2022

4. Cash Flow Reconciliation

4a. Cash and other equivalents

For the purpose of the statement of cash flows, cash includes cash on hand, in banks net of outstanding bank overdrafts. Cash at the end of the financial year as shown in the statement of cash flow is reconciled to the related items in the Financial Position as follows:

	2022	2021
	\$	\$
Operating Account	2,417	188,780
WBC Trust account	6,038	-
Other bank account	91,890	-
Term Deposit	350,000	234,668
Strip AUD	651	309
Trybooking	500	20,050
	<hr/>	<hr/>
Cash on hand	451,496	443,807

4b. Reconciliation of cash flows from operations with surplus/(deficit) from ordinary activities

	2022	2021
	\$	\$
Net surplus/(deficit) from ordinary activities after income tax	46,276	(92,839)
Change in assets and liabilities		
(Increase)/Decrease in receivables	(1,028)	(1,710)
Increase/(Decrease) in payables and accruals	(35,082)	21,623
	<hr/>	<hr/>
Net cash provided by operating activities	10,166	(72,925)

5. Financial Instruments

Credit risk exposures

The credit risk of financial assets of the Association which have been recognised on the balance sheet is generally the carrying amount of each financial asset.

Interest rate exposures

The Association's exposure to interest rate risk and the effective weighted average interest rate for each class of financial assets and financial liabilities is set out below. Exposures arise predominantly from assets and liabilities bearing variable interest rates as the Association intends to hold fixed rate assets and liabilities to maturity.

LEARNING DIFFICULTIES AUSTRALIA INC
NOTES TO THE FINANCIAL STATEMENTS FOR THE
YEAR ENDED 30 JUNE 2022

5. Financial Instruments (continued)	Weighted Average interest %	Floating interest %	Non Interest Bearina	Total
<u>2021</u>				
<i>Financial Assets</i>				
Cash and liquid assets	1.1%	443,806	-	443,806
Total Financial Assets		443,806	0	443,806
<i>Financial Liabilities</i>				
Payables			86,831	86,831
Total Financial Liabilities			86,831	86,831
<u>2022</u>				
<i>Financial Assets</i>				
Cash and liquid assets	1.8%	451,496	-	451,496
Total Financial Assets		451,496	-	451,496
<i>Financial Liabilities</i>				
Payables		-	51,750	51,750
Total Financial Liabilities			51,750	51,750

All financial assets and liabilities are expected to mature within twelve months.

Net fair value of financial assets and liabilities

There is no material difference between the carrying value and the fair values of the financial assets and liabilities.

6. Key Management Personnel Disclosures

Learning Difficulties Australia operates with a voluntary Council and has one paid staff member who has no decision making authority. A number of consultants and contractors perform various duties but do not have decision making authority.

7. Segment Reporting

The Association operates as a not for profit organisation in Australia to assist members to improve professionally in the complex area of assisting people who experience difficulties with learning. The Association derives its income principally from annual subscriptions, seminars and conferences.

8. Related Parties

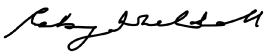
Council members received no remuneration or other benefits. All transactions between Council members and the Association were made on normal commercial terms and conditions.

**LEARNING DIFFICULTIES AUSTRALIA INC
STATEMENT BY THE EXECUTIVE
YEAR ENDED 30 JUNE 2022**

In the opinion of the Executive:

(a) the accounts of the Association are drawn up so as to give a true and fair view of the operating surplus of the Association for the financial year ended 30 June 2022 and the state of affairs of the Association as at 30 June 2022.

(b) at the date of this statement there are no reasonable grounds to believe that the Association will not be able to pay its debts as and when they fall due.



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President



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Treasurer

Date: 18/10/22



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Audit and Compliance Services

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Melbourne 3004
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LEARNING DIFFICULTIES AUSTRALIA INCORPORATED

Audit Opinion

I have audited the financial report of Learning Difficulties Australia Incorporated (the Association), which comprises the Statement of Financial Position as at 30 June 2022, the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended, Notes to the Financial Statements and the Statement by the Executive.

In my opinion, the accompanying financial report presents fairly, in all material respects, the financial position of Learning Difficulties Australia Incorporated as at 30 June 2022, and its financial performance and cash flows for the year then ended in accordance with Associations Incorporation Reform Act 2012

Basis for Opinion

I have conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the **Auditor's Responsibilities for the Audit of the Financial Report** section of this report. I am independent of the Entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter – Basis of Accounting

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

Responsibilities of the Executive for the Financial Report

The Executive is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the with Associations Incorporation Reform Act 2012 and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error. In preparing the financial report, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

The Executive is responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my 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

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE LEARNING DIFFICULTIES AUSTRALIA**

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, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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



Phillip Elliott *

Dated this 18th day of October 2022

105/620 St Kilda Road Melbourne