

**SPECIFIC LEARNING DIFFICULTIES OF VICTORIA
INCORPORATED**

BOARD OF GOVERNANCE REPORT

Your Board of Governance submit the financial report of the Specific Learning Difficulties of Victoria Inc. for the financial year ended 30 June 2015.

Board Members

The names of board members that served during the financial year are:

Jason Henham	
Andy Minogue	
Maree Metcalfe	
Jenny Ward	(appointed November 2014)
Stephanie DeCampo	(appointed February 2015)
Guy Inbar	(appointed June 2015)
Zivit Inbar	(appointed June 2015)
Dr Ros Frankel	(resigned August 2014)
Elizabeth Knight	(resigned August 2014)
Francesca Manglaviti	(resigned February 2015)

Principal Activities

The principal activities of the association during the financial year were to provide professional assessment, educational assistance and information services for children and adults with specific learning difficulties.

Significant Changes

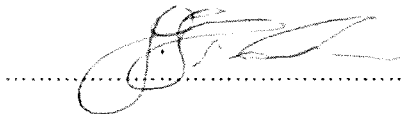
No significant change in the nature of these activities occurred during the year.

Operating Result

The loss for the year ended 30 June 2015 amounted to \$163,980. (year ended 30 June 2014: loss of \$36,697).

Signed in accordance with a resolution of the Members of the Board.


.....


.....

Dated this 7th day of October 2015

**SPECIFIC LEARNING DIFFICULTIES OF VICTORIA
INCORPORATED**

**INCOME STATEMENT
YEAR ENDED 30 JUNE 2015**

	Note	2015 \$	2014 \$
Revenues	2	838,398	675,671
Employee benefits expense	3	(255,134)	(219,559)
Depreciation and amortisation expenses	3	(4,842)	(8,795)
Other expenses		(742,402)	(484,014)
Profit/(loss) for the year		<u>(163,980)</u>	<u>(36,697)</u>

The accompanying notes form part of these financial statements

**SPECIFIC LEARNING DIFFICULTIES OF VICTORIA
INCORPORATED**

**BALANCE SHEET
AS AT 30 JUNE 2015**

	Note	2015 \$	2014 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	135,901	361,832
Receivables	5	8,133	22,510
Inventories	6	3,445	14,551
Other current assets	7	1,218	-
TOTAL CURRENT ASSETS		<u>148,697</u>	<u>398,893</u>
 NON-CURRENT ASSETS			
Property, plant and equipment	8	<u>1,125,862</u>	<u>1,124,490</u>
TOTAL NON-CURRENT ASSETS		<u>1,125,862</u>	<u>1,124,490</u>
 TOTAL ASSETS		 1,274,559	 1,523,383
 CURRENT LIABILITIES			
Trade and other payables	9	56,420	148,740
Employee benefits	10	20,553	13,077
TOTAL CURRENT LIABILITES		<u>76,973</u>	<u>161,817</u>
 TOTAL LIABILITIES		 76,973	 161,817
 NET ASSETS		 <u>1,197,586</u>	 <u>1,361,566</u>
 EQUITY			
Asset revaluation reserve	11a	853,159	853,159
Accumulated Surpluses/(Deficits)	11b	344,427	508,407
TOTAL EQUITY		<u>1,197,586</u>	<u>1,361,566</u>

The accompanying notes form part of these financial statements

**SPECIFIC LEARNING DIFFICULTIES OF VICTORIA
INCORPORATED**

**STATEMENT OF CASH FLOWS
YEAR ENDED 30 JUNE 2015**

	Note	2015 \$	2014 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Grant receipts from government		80,000	162,000
Membership		5,226	2,920
Donations received		18,566	26,619
Receipts from Assessment fees		622,954	480,863
Receipts from Complimentary Products and Services		10,666	20,553
Receipts from sundry activities		13,688	33,168
Payments to suppliers		(712,433)	(471,342)
Payments to employees		(247,658)	(219,869)
Net cash provided from operating activities	12b	(208,991)	34,912
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		4,111	7,684
Fixed asset purchases		(21,051)	(3,149)
Net cash provided by (used in) by investing activities		(16,940)	4,535
Net increase (decrease) in cash held		(225,931)	39,447
Cash at the beginning of year		361,832	322,385
Cash at the end of year	12a	135,901	361,832

The accompanying notes form part of these financial statements

**SPECIFIC LEARNING DIFFICULTIES OF VICTORIA
INCORPORATED**

**STATEMENT OF CHANGES IN EQUITY
AS AT 30 JUNE 2015**

		Retained Earnings \$	Revaluation Surplus \$	Total \$
Balance at 1 July 2013	11	<u>545,104</u>	<u>733,159</u>	<u>1,278,263</u>
Profit/(loss) for the year		(36,697)	-	(36,697)
Total other comprehensive income for the year		-	120,000	120,000
Balance at 30 June 2014	11	<u>508,407</u>	<u>853,159</u>	<u>1,361,566</u>
Profit/(loss) for the year		(163,980)	-	(163,980)
Balance at 30 June 2015	11	<u>344,427</u>	<u>853,159</u>	<u>1,197,586</u>

SPECIFIC LEARNING DIFFICULTIES OF VICTORIA Inc.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 1 Statement of Significant Accounting Policies

This financial report is a special purpose financial report that has been prepared in accordance with relevant Australian Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Associations Incorporation Reform Act 2012 (Victoria).

The financial report covers Specific Learning Difficulties of Victoria Inc as an individual entity. The following is a summary of the material accounting policies adopted by the Association in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Specific Learning Difficulties of Victoria Inc is an association incorporated in Victoria under the Associations Incorporation Reform Act 2012.

Basis of Preparation

The financial report is prepared on an accruals basis in accordance with the historical cost convention. Cost is based on the fair values of the consideration given in exchange for assets.

In the application of A-IFRS, management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2015, and the comparative information presented in these financial statements for the year ended 30 June 2014.

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

a) Tax

The association is endorsed as an income tax exempt charity, therefore there is no liability to pay income tax on any profits of the association.

Specific Learning Difficulties of Victoria Inc is registered for Goods and Services Tax.

b) Revenue

Assessments, seminars, workshops and Learning Centre fees are only recognised in the year that the services are provided or performed. Fees for these services are usually billed in advance and this is recognised as "fees in advance" until such time that the service is provided.

Membership fees, donations and government grants are recognised in the year to which they relate.

It is the policy of the entity to treat grant monies as unexpended grants in the statement of financial position where the entity is contractually obliged to provide the services in a subsequent financial period to when the grant is received.

This approach is not in accordance with AASB 1004 Contributions.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

SPECIFIC LEARNING DIFFICULTIES OF VICTORIA Inc.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 1 Statement of Significant Accounting Policies (cont.)

c) 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.

d) Inventories

Inventories consist of book and learning aid stock.
Inventories are measured at the lower of cost and net realisable value.

e) 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 Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

f) Property, Plant and Equipment

Property holdings were reviewed throughout the year to ensure that carrying values were reflective of market values. Any increment arising was taken to a revaluation reserve.

Plant and Equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses. The carrying amount of plant and equipment is reviewed annually by the Association to ensure it is not in excess of the recoverable amount from those assets.

The Association has set a threshold of \$100 for asset recognition.
Assets costing less than \$100 are expensed during the year of purchase.

Depreciation

The depreciable amount of all fixed assets are depreciated on a diminishing value basis over the useful lives of the assets to the Association commencing from the time the asset is held ready for use.

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

Office Furniture & Fittings	15%
Office Equipment & Computers	20% to 50%

g) Comparative information

Where appropriate, comparative information has been restated to assist with user understanding.

SPECIFIC LEARNING DIFFICULTIES OF VICTORIA Inc.
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2015

Note 2	Revenue	2015	2014
		\$	\$
	Operating Activities		
	Fees and Charges	644,141	484,727
	Membership Subscriptions	5,226	2,920
	Book sales and video rentals	10,666	20,553
	Donations	18,566	26,619
	Government and other grants	<u>142,000</u>	<u>100,000</u>
		820,599	634,819
	Non-operating Activities		
	Interest received	4,111	7,684
	Other income	<u>13,688</u>	<u>33,168</u>
		17,799	40,852
	Total Revenue	<u><u>838,398</u></u>	<u><u>675,671</u></u>
Note 3	Expenses		
	a) Expenses		
	Remuneration of auditor		
	- audit services	2,200	2,000
	- other services	<u>-</u>	<u>-</u>
	Total remuneration	<u>2,200</u>	<u>2,000</u>
	b) Significant expenses		
	The following expense items are relevant in explaining the financial performance:		
	Cost of operations	507,351	362,155
	Write off of fixed assets	14,837	-
	Depreciation of property, plant & equipment	4,842	8,795
	Employee Costs	255,134	219,559
	Insurances	12,692	13,454
Note 4	Cash and Cash Equivalents		
	Cash on Hand	596	222
	Cash at Bank	<u>135,305</u>	<u>361,610</u>
		<u>135,901</u>	<u>361,832</u>
Note 5	Trade and Other Receivables		
	Debtors	8,133	22,510
	less Provision for Doubtful Debts	<u>-</u>	<u>-</u>
		<u>8,133</u>	<u>22,510</u>
Note 6	Inventories		
	Stock of Retail Outlets, at cost	<u>3,445</u>	<u>14,551</u>
		<u>3,445</u>	<u>14,551</u>
Note 7	Other Current Assets		
	Prepayments	<u>1,218</u>	<u>-</u>
		<u>1,218</u>	<u>-</u>

SPECIFIC LEARNING DIFFICULTIES OF VICTORIA Inc.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 8	Property, Plant and Equipment	2015 \$	2014 \$
	Freehold and Improvements, at market value	1,100,000	1,100,000
	less accumulated depreciation	<u>-</u>	<u>-</u>
		<u>1,100,000</u>	<u>1,100,000</u>
	Office Furniture & Fittings, at cost	19,047	20,503
	less accumulated depreciation	<u>11,979</u>	<u>9,829</u>
		7,068	10,674
	Office Equipment & Computers, at cost	24,201	34,720
	less accumulated depreciation	<u>5,407</u>	<u>20,904</u>
		<u>18,794</u>	<u>13,816</u>
		<u><u>1,125,862</u></u>	<u><u>1,124,490</u></u>
	a) Movements in Carrying Amounts		
	Movements in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:-		
	Freehold Land and Improvements		
	Balance at the beginning of the year	1,100,000	980,000
	Revaluation Increments		<u>120,000</u>
	Carrying amount at the end of the year	<u>1,100,000</u>	<u>1,100,000</u>
	Office Furniture & Fittings		
	Balance at the beginning of the year	10,674	12,561
	Additions	-	-
	Assets written off	(2,223)	-
	Depreciation expense	<u>(1,383)</u>	<u>(1,887)</u>
	Carrying amount at the end of the year	<u>7,068</u>	<u>10,674</u>
	Office Equipment & Computers		
	Balance at the beginning of the year	13,816	17,575
	Additions	21,051	3,149
	Assets written off	(12,614)	-
	Depreciation expense	<u>(3,459)</u>	<u>(6,908)</u>
	Carrying amount at the end of the year	<u>18,794</u>	<u>13,816</u>
Note 9	Trade and Other Payables		
	Trade creditors	41,360	22,693
	Credit cards	2,131	371
	Statutory payables	7,430	13,112
	Fees billed in advance	-	35,564
	Accruals	5,499	15,000
	Grants received in advance	<u>-</u>	<u>62,000</u>
		<u>56,420</u>	<u>148,740</u>
Note 10	Employee Benefits		
	Current		
	Superannuation Payable	5,960	2,675
	Provision for Annual Leave	14,593	10,402
	Provision for Long Service Leave	<u>-</u>	<u>-</u>
		<u>20,553</u>	<u>13,077</u>

SPECIFIC LEARNING DIFFICULTIES OF VICTORIA Inc.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 11	Equity	2015 \$	2014 \$
	(a) Reserves		
	Property, Plant & Equipment Revaluation Reserve*		
	Balance at beginning of the reporting period	853,159	733,159
	Revaluation Increment/(Decrements)		
	- Land and Buildings	-	120,000
	Balance at end of the reporting period	<u>853,159</u>	<u>853,159</u>
	Represented by:		
	- Land and Buildings	<u>853,159</u>	<u>853,159</u>
		<u>853,159</u>	<u>853,159</u>
	* The property, plant & equipment asset revaluation reserve arises on the revaluation of property plant and equipment.		
	(b) Accumulated Surpluses/(Deficits)		
	Balance at beginning of the reporting period	508,407	545,104
	Net Result for the Year	<u>(163,980)</u>	<u>(36,697)</u>
	Balance at the end of the reporting period	<u>344,427</u>	<u>508,407</u>
	(c) Total Equity at end of financial year	<u>1,197,586</u>	<u>1,361,566</u>

Note 12 Cash Flow Information

a) Reconciliation of Cash

Cash on Hand	596	222
Cash at Bank	<u>135,305</u>	<u>361,610</u>
	<u>135,901</u>	<u>361,832</u>

b) Reconciliation of net cash provided by operating activities to profit from ordinary activities.

Profit from ordinary activities	(163,980)	(36,697)
Non cash flows in profit from ordinary activities:		
Depreciation	4,842	8,795
Interest received on investments	(4,111)	(7,684)
Net (profit)/loss on write off of fixed assets	14,837	-
Changes in assets and liabilities:		
Decrease/(Increase) in receivables	14,377	(4,820)
Decrease/(Increase) in prepayments and other assets	(1,218)	-
Decrease/(Increase) in inventories	11,106	(4,617)
Increase/(Decrease) in payables	5,244	17,289
Increase/(Decrease) in monies received in advance	(97,564)	62,956
Increase/(Decrease) in provisions	7,476	(310)
Net cash provided by operating activities	<u>(208,991)</u>	<u>34,912</u>

c) The association has no credit stand-by facilities in place.

d) There were no non-cash financing or investing activities during the period.

SPECIFIC LEARNING DIFFICULTIES OF VICTORIA Inc.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 13 Events Subsequent to Reporting Date

Since 30 June 2015 no events have occurred which would affect the financial position as at 30 June 2015 or any other matters disclosed in these financial statements.

Note 14 Contingent Liabilities and Contingent Assets

There are no contingent liabilities or contingent assets known to the association.

Note 15 Related Parties

In the normal course of trading:

Slate Consulting Pty Ltd provided services totalling \$28,400.00 (\$nil in 2014). Mr. Jason Henham is a member of the Specific Learning Difficulties of Victoria Inc. Board of Governance and has a beneficial interest in Slate Consulting Pty Ltd.

The Board believes that all related party transactions were conducted on equal or better terms than normal commercial arrangements.

There have been no other related party transactions during the reporting years.

Note 16 Segment Reporting

The Association operates mainly in one business and geographical area, being in the business of providing educational and support services to persons with specific learning disabilities in Victoria, predominantly Melbourne.

Note 17 Association Details

The principal place of business of the Association is:

Specific Learning Difficulties of Victoria Inc.
60 High Street
Preston VIC 3072

**SPECIFIC LEARNING DIFFICULTIES OF VICTORIA Inc.
STATEMENT BY MEMBERS OF THE BOARD**

In the opinion of the Board of Governance the financial report:

- 1 Presents a true and fair view of the financial position of Specific Learning Difficulties of Victoria Inc. as at 30 June 2015 and its performance for the year ended on that date in accordance with the accounting policies outlined in Note 1 to the accounts. The Board of Governance have determined that the association is not a reporting entity and therefore there is no requirement to apply Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Committee in the preparation of these financial statements.

- 2 At the date of this statement, there are reasonable grounds to believe that the association 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 Governance and is signed for and on behalf of the Board of Governance by :


_____

Dated this *9th* day of *October* 2015