



LEAD Loddon Murray

Annual Report 2022

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Chair's Report

In 2022, Victorian regional communities continued to face the impacts of natural events. Our region's community leaders continue to build and strengthen the resolve of their communities in rising to meet these challenges.



I am proud to have represented LEAD Loddon Murray as its Chairperson for another year, a business whose business is empowering and transforming these community leaders.

We have been working on meeting our own challenges and remain committed to serving our region into the future through the delivery of the Loddon Murray Community Leadership Program. While this was our sole focus in 2022, we are positioning to provide access to alternative development opportunities across our region that grow resilience and build our community's capacity to deliver grass-roots initiatives.

Many community-based organisations are feeling the pinch of working tirelessly for the betterment of their communities. We have experienced significant turnover on the Board as a result of changing circumstances in the lives of our members and directors. I would like to thank Sandra Hamilton, Adam Place, Nicky Haslinghouse, Sharon Burdeu, Sharon Morrison and Rob Stevenson who have moved on from the Board during 2022 having contributed to the governance and strategic management of LEAD Loddon Murray.

One of LEAD's strengths is the number of people who wish to contribute and be a part of our business. Outgoing Board members have been



replaced with new Directors during 2022 including Lisa Renato and Vicky Mason, as well as retaining the services of Megan Kreutzer, Adrian McMahon, Jenny Stillman, Ric Raftis and Mark Costello.

The staff team of Executive Officer Keith McQueen and LMCLP Program Director Jude Hannah have kept the delivery of the LMCLP on track and facilitated yet another transformative year for participants across the Loddon Murray region. Our members can remain proud that our program is one of the leading Community Leadership Development Programs in the state. At the end of 2022 Keith announced his retirement and we wish him well for the years ahead. We know Keith will enjoy putting time into his music and have received recent reports of Keith and wife Karen enjoying the sights and tastes of Europe.

Keith's departure saw the arrival of our new Executive Officer, 2019 LMCLP graduate Brett Thompson. We are excited by Brett's enthusiasm and passion for ensuring the long-term security and sustainability of the LMCLP and reinstating our other community programs.

We again acknowledge the continued support of many longstanding program partners and

sponsors including the State Government of Victoria through Regional Development Victoria, the many local governments of our region, semi-government, and community-based sponsors; our members and participants thank you for ensuring our programs can continue to build capacity in our communities, grass-roots leadership, and community-led projects.

This year marks 25 years since I participated in our region's first community leadership program. The next twelve months will provide significant challenges in ensuring our programs continue to change lives for many more years. Our Board and staff remain committed to LEAD's purpose, and we hope to connect and reconnect with you throughout a successful 2023.

COLLEEN CONDLIFFE
CHAIR, LEAD LODDON MURRAY

Executive Officer's Report

It is thanks to belief, commitment and dedicated hard work that LEAD Loddon Murray celebrates another year of community capacity building across our region.



In 2022, Keith and Jude delivered another transformational year of the Loddon Murray Community Leadership Program (LMCLP). Jude continues to evolve the LMCLP which has become an immersive journey of self-discovery that develops strength-based leaders with heart.

This program changes lives. This program saves lives.

The end of 2022 brought with it the end of Keith's tenure as Executive Officer. Keith led LEAD through a tumultuous time and steered the business through many challenges. We thank Keith for his time and contribution and wish him well in retirement.

As LEAD's new Executive Officer, I thank the Board for the opportunity to contribute to a business that gave me permission to be my authentic self through the LMCLP. I have enjoyed my first six months and am looking forward to delivering our renewed Strategic Plan and embracing the challenges ahead.

And there will be challenges.

Our organisation is led and supported by people from our communities who strive to grow and support local leaders. Sometimes this is hard,



particularly when significant contributions are made voluntarily, by people facing their own personal challenges, and yet remain determined to lift others up.

This includes our Board Directors, sponsors, program partners and advocates who have participated in past programs or witnessed transformation in others. The staff, participants and members thank you for the unwavering and longstanding contributions of time, funding and in-kind support.

We are disappointed that state government funding for Regional Community Leadership programs will cease from 30 June 2023, however we will work with Regional Development Victoria to secure any available support for the continued delivery of LMCLP through 2023 and beyond.

We are confident that our program design and immersive experiences makes the LMCLP one of the highest quality community leadership programs in the country. To continue delivering this program we will diversify our funding streams and secure new and existing financial support of LEAD and its programs. This will start by working with FRRR as the Lead Organisation for delivering up to \$500K in drought resilience

programs in the Loddon Campaspe Region, cementing LEAD's position as a premier community leadership organisation.

With your support, and the achievements of our participants and graduates, I look forward to demonstrating the real results of our programs that exist within the communities we serve.

BRETT THOMPSON
EXECUTIVE OFFICER,
LEAD LODDON MURRAY

LMCLP Program Director's Report

As I reflect on the 2022 LMCLP year, it amazes me how instrumental this program is in changing participant's lives. It lifts them by building self-confidence, courage, and resilience. The ability to step out of their own limiting beliefs to be fully present for their communities is a quality of great leadership.



The growth trajectory of this year was immense. The format of our program is without a doubt working. We take participants on five, three-day intensive retreats which allows them to explore the topics, embrace the tools of leadership and get to know their fellow participants in an environment that supports their growth.

Our 2022 graduates powered through the year, listened, learnt, stepped up, leant in, came with

curiosity, lead from the heart, supported others and drank in the wisdom that was imparted upon them. They showed courage, dignity, respect, and vulnerability. No task was too great and their willingness to dig deep on critical issues in our communities, was an astounding credit to them all. They rallied around their values and came together as a group of leaders whom I believe will make profound impacts to the communities they serve.

In 2022, I often felt I was climbing a mountain and once at the top looked back to see if they were still following along. To my surprise they were not behind me but in fact had scaled the mountain ahead and were eagerly awaiting and thirsty for further knowledge to empower their communities.

Participants once again produced And, But and Therefore (ABT) evaluations after each retreat where

they reflected on their learnings, how it impacted or challenged them and what call to action they were committed to. Revelations from these evaluations were profoundly moving, moving far beyond observation to accountability and action.

A new addition to the 2022 LMCLP was the Community Asset Mapping exercise in which participants hosted their home team group in their community to meet with key stakeholders and discuss community achievements. This exercise was undertaken outside of program hours. All participants presented their findings at our third retreat in Swan Hill. This activity was again proof that the LMCLP empowers those who do the program. It was indeed next level.

I cannot deliver this program alone, so as we farewelled Keith MacQueen in December of 2022, we excitedly welcomed 2019 LMCLP graduate Brett Thompson as our new Executive Officer. Brett's program year was transformational, and we thrilled he has taken up the challenge to lead our organization. Brett brings great passion, honesty, integrity and I have no doubt we are in the best of hands.

Thank you also to the LEAD Loddon Murray Board, for your devoted service to our organisation and the heavy lift you have endured this year to ensure we can continue this great legacy. You are all volunteers, so I have the utmost respect for the tireless hours that you generously provide to LEAD Loddon Murray.

Our program also relies on the volunteering generosity of our graduate network. We are grateful for the contributions of graduates such as attending retreats as guest speakers or providing mentorship for participants. One person in particular I couldn't deliver our program without is 2020 LMCLP graduate Helen O'Donoghue who volunteered her time to support me at each and every program retreat. Helen is the eyes and ears to what's happening in the room, and her big heart is felt far and wide, within her community and by our LMCLP participants.

LMCLP graduates who kindly came to share their wisdom with our group in 2022 include Suzie Jacobs (2020), Suzi Birthisel (2021), Sharlene Crage (2016), Jenny Stillman (2019), Louise Scott (2017), Lucy Mayes (2007). Suzi Birthisel and Jenny Stillman were also the driving force behind our first Macedon Ranges Alumni event. Thank you for your service.

Our amazing 2022 line up of presenters and facilitators included Leah Sertori, Aunt Marilyn Nicholls, Rodney Carter, Indi Clarke, Bec Phillips, Mitch and their daughter, Glenn Pomeroy, Brian Westley, Darryn Hartnet, John Clarke, Geoffrey Caine, Rachel Murphy, Kerry Vaughan, Campaspe Mayor Cr. Chrissy Weller, Jason Warren, Peter Walsh MP, Lisa Smith, Peter Dhu, Swan Hill Rural City Council - Cr. Ann Young and the Cr. Les McPhee, Diva Weitman, Michelle Balthazaar, Emma Stevens, John Webb, Jenny Stillman, Jamie Paterson, Karlie Langdon, Macedon Ranges Shire Council - Cr. Janet Pearce, Mt. Alexander Shire Council - Darren Fuzzard, Lucy and Richard Mayes, Louise Scott. Thank you, you brought quality of leadership learnings to our group, and they are forever changed from your wisdom.

Lastly but not at all least - our wonderful sponsors who generously make this program possible - Victorian State Government and Regional Development Victoria, Lockington Business Centre, City of Greater Bendigo, Swan Hill Rural City Council, Buloke Shire Council, Loddon Shire Council, Gannawarra Shire Council, Mount Alexander Shire Council, Macedon Ranges Shire Council, CFA, NCCMA, Mineral Council of Australia, Fosterville Gold Mine, Gardiner Foundation, Hugh Williamson Foundation, Agriculture Victoria, Community Bank Gisborne and Coliban Water.

In closing, I believe an important aspect of our leadership program which underpins its success, is the learning in action through the community asset mapping and community projects. These initiatives continue to make a significant difference in varying arenas for the communities across the Loddon Murray Region.

I am deeply honoured to be the Program Director of the Loddon Murray Community Leadership Program. This program matters, the development of our participants and graduates' matter. They are the stewards of our communities and hold our future in their hands.



JUDE HANNAH

**PROGRAM DIRECTOR, LODDON MURRAY
COMMUNITY LEADERSHIP PROGRAM**

Treasurer's Report

In 2022 the Board and management worked tirelessly to achieve a surplus result, providing LEAD Loddon Murray with a profit of \$13,394.



After delivering such a disappointing result in 2021, the Board was committed to achieving a positive financial impact in 2022.

In 2022 the value of our extended funding from the Victorian State Government was reduced, from the usual \$190,000 to only \$134,000, this saw the team work hard to secure a number of additional smaller grants to balance this out.

Additionally, several sponsorship places were not secured, due to participants not meeting their criteria. Overall, this resulted in a decrease in overall revenue.

A range of expenses ballooning above budget in the first half of the year, saw the Finance & Audit committee undertake a full final and budget review and recast mid-year.

This resulted in closely monitoring expenditure moving forward, securing some consulting work to increase revenue slightly and negotiating and reducing costs to deliver. Savings were also made due to the vacancy of the Business Operations team member.

This risk mitigation and close financial management, paid off and gave LEAD Loddon Murray a positive financial position at the end of the 2022 year, delivering:



- A surplus of \$13,394, when revenue was lower than expected.
- Turned the financial position in 2021 from a (\$60,455) loss to a positive position.
- Increase equity by approx. 25%, from \$53,846 in 2021, to \$67,240 in 2022.
- Increased cash and equivalents by approx. \$18,000 year-on-year.

The board has continued their prudent oversight of the organisation's financial sustainability, performance, and responsibilities. Financial policies were reviewed as required throughout the year and appropriate changes put in place.

The organisation's accounts have been independently reviewed by AASB and a full financial report is included with this Annual Report.

The Board of Management continues to monitor financial performance and will closely manage the potential funding risks associated with our key funding through State Government grants. We have agreed to a variation and extension of the current agreement to the

end of 2023, and we continue to work with our fellow Community Leadership Programs across the state in negotiating with State Government for a new multi-year funding agreement to be instituted for 2023 and beyond.

LISA RENATO

TREASURER, LEAD LODDON MURRAY

Financial Statements

For the Year Ended 31 December 2022

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Lead Loddon Murray Inc.

Committee of Management Report

Your Committee of Management present their report on the Financial Accounts for the year ended 31 December 2022.

COMMITTEE OF MANAGEMENT

The following persons held office as Committee Members of LEAD Loddon Murray Inc. as at the date of this report:

C. Condliffe (Chair)	M. Costello
J. Stillman (Deputy Chair)	A. Place (Resigned May 2022)
R. Raftis (Secretary)	S. Burdeau (Resigned February 2022)
L. Renato (Treasurer)(Appointed May 2022)	N. Haslinghouse (Resigned December 2022)
A. McMahon	R. Stephenson (Resigned July 2022)
V. Mason (Appointed August 2022)	S. Hamilton (Resigned February 2022)
M. Kreutzer	S. Morrison (Resigned August 2022)

PRINCIPAL ACTIVITIES

The principal activities of the Association during the financial year were:

To develop leaders for vibrant and sustainable communities across Central and North-West Victoria by engaging, encouraging, and empowering members of the community in leadership roles.

SIGNIFICANT CHANGES

There were no significant changes in the nature of these activities during the period.

OPERATING RESULT

	2022 \$	2021 \$
Comprehensive Result For the Year	13,394	(60,455)

Signed on behalf of the Committee of Management.


.....
COMMITTEE MEMBER

Colleen Condliffe

NAME


.....
COMMITTEE MEMBER

Lisa Renato

NAME

Dated this 30th day of May 2023.

Lead Loddon Murray Inc.

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 December 2022

	Note	2022 \$	2021 \$
Revenue from Operating Activities	(2a)	345,277	376,444
Revenue from Non-Operating Activities	(2b)	(849)	-
Employee Expenses	(3)	(190,740)	(235,318)
Depreciation	(4)	(8,239)	(25,279)
Project Costs	(5)	(92,929)	(119,910)
Administration and Occupancy Costs	(6)	(38,379)	(54,386)
Finance Costs		(747)	(2,006)
Net Result for the year		13,394	(60,455)
Other Comprehensive Income		-	-
Total Other Comprehensive Income		-	-
Comprehensive Result For the Year		13,394	(60,455)
Total Comprehensive Income Attributable to the Members of the Association		13,394	- 60,455

The accompanying notes form part of these financial statements.

Lead Loddon Murray Inc.

Statement of Financial Position

As at 31 December 2022

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash & Cash Equivalents	(7)	151,926	133,533
Trade & Other Receivables		31,350	78,342
Security Deposits		120	1,517
TOTAL CURRENT ASSETS		183,396	213,392
NON-CURRENT ASSETS			
Property, Plant and Equipment	(9)	1,812	3,258
Right of Use Assets	(10)	-	40,181
TOTAL NON-CURRENT ASSETS		1,812	43,439
TOTAL ASSETS		185,208	256,831
CURRENT LIABILITIES			
Trade & Other Payables	(10)	18,442	19,367
Provisions	(11)	14,838	18,930
Other Liabilities	(12)	81,338	118,112
Lease Liabilities	(13)	-	20,894
TOTAL CURRENT LIABILITIES		114,618	177,303
NON-CURRENT LIABILITIES			
Provisions	(11)	3,350	2,727
Lease Liabilities	(13)	-	22,955
TOTAL NON-CURRENT LIABILITIES		3,350	25,682
TOTAL LIABILITIES		117,968	202,985
NET ASSETS		67,240	53,846
EQUITY			
Retained Earnings		67,240	53,846
TOTAL EQUITY		67,240	53,846
Commitments for Expenditure	(14)		
Contingent Liabilities and Contingent Assets	(15)		

The accompanying notes form part of these financial statements.

Lead Loddon Murray Inc.

Statement of Changes in Equity

For the Year Ended 31 December 2022

	<i>Retained Surplus \$</i>	<i>TOTAL \$</i>
Balance at 1 January 2021	114,301	114,301
Net Current Year Surplus	(60,455)	(60,455)
Other Comprehensive Income	-	-
Balance at 31 December 2021	53,846	53,846
Net Current Year Surplus	13,394	13,394
Other Comprehensive Income	-	-
Balance at 31 December 2022	67,240	67,240

The accompanying notes form part of these financial statements.

Lead Loddon Murray Inc.

Statement of Cash Flows

For the Year Ended 31 December 2022

	Note	2022 \$	2021 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Donations, Grants, Philanthropy and Sponsorships		355,495	360,636
Payments to Suppliers		(130,836)	(194,670)
Payments for Employees		(194,209)	(228,053)
Interest Paid		(747)	(1,595)
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	(18)	29,703	(63,682)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for Property, Plant & Equipment		(435)	(57,662)
NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES		(435)	(57,662)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of principal elements of lease payments		(10,875)	33,858
NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES		(10,875)	33,858
NET INCREASE/(DECREASE) IN CASH HELD		18,393	(87,486)
Cash and Cash Equivalents at Beginning of Period		133,533	221,019
CASH AND CASH EQUIVALENTS AT END OF PERIOD	(18)	151,926	133,533

The accompanying notes form part of these financial statements.

Lead Loddon Murray Inc.

Notes to the Financial Statements

For the Year Ended 31 December 2022

1. Statement of Significant Accounting Policies

The financial statements cover LEAD Loddon Murray Inc. as an individual entity. LEAD Loddon Murray Inc. is an Association incorporated and domiciled in Victoria.

Basis of preparation

These general purpose financial statements have been prepared in accordance with the *Commission Regulations 2022* and Australian Accounting Standards - Reduced Disclosure Requirements as set out in AASB 1053 *Application of Tiers of Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board*. The Association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements, except for cash flow information, have been prepared on an accrual basis and are based on historically costs, modified where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Reporting Entity Report

The report includes all the controlled activities of LEAD Loddon Murray Inc.

Rounding Of Amounts

All amounts shown in the financial statements are expressed to the nearest \$1.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, deposits at call and highly liquid investments with an original maturity of 3 months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

For the Statement of Cash Flows presentation purposes, cash and cash equivalents includes bank overdrafts, which are included as current borrowings in the Statement of Financial Position.

Receivables

Receivables and other debtors include amounts due from members as well as receivables from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified non-current assets.

Receivables are initially recognised at fair value and subsequently measured at amortised cost, using the effective interest rate method, less any provision for impairment.

Property, Plant and Equipment

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

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present.

The cost of fixed assets constructed by the Association includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Association and the cost of the item can be measured reliably. All other repairs and maintenance are recognised in the profit or loss during the financial period in which they are incurred.

Lead Loddon Murray Inc.

Notes to the Financial Statements

For the Year Ended 31 December 2022

1. Statement of Significant Accounting Policies (continued)

Fair Value of Assets and Liabilities

The Association measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Association would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from the principal market for the asset (i.e. the market with the greatest volume and level of activity for the asset or liability). In the absence of such a market, information is extracted from the most advantageous market available to the entity at the reporting date (i.e. The market maximises the receipts from the sale of the asset or minimises the payment made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use, or sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the Association's own equity instruments (excluding those related to share-based payments) arrangements may be valued, where there is no observable market price in relation to the transfer of an identical or similar financial instrument, by reference to observable market information where identical or similar instruments are held as assets. Where the information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

Depreciation

The depreciable amount of all fixed assets, including buildings, is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is available for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

The following table indicates the depreciation rates of non current assets on which the depreciation charges are based.

Class of Fixed Asset	Rate
Computer Equipment	50%
Furniture & Equipment	25% to 50%

Impairment of Assets

At the end of each reporting period, the Association assesses whether there is any indication that an asset may be impaired. The assessment will consider both external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less cost of disposal and value-in-use, to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is immediately recognised in profit or loss.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the Association would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an individual asset, the Association estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

Comparative Figures

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

Lead Loddon Murray Inc.

Notes to the Financial Statements

For the Year Ended 31 December 2022

1. Statement of Significant Accounting Policies (continued)

Payables

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

Provisions

Provisions are recognised when the Association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Goods & Services Tax

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 (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 Statement of Financial Position.

Employee Benefits

Short-term employee benefits

Provision is made for the Association's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages and salaries. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Association's obligations for short-term employee benefits such as wages and salaries are recognised as a part of the current trade and other payables in the Statement of Financial Position.

Other long-term employee benefits

Provision is made for employees' annual leave entitlements not expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments are measured at present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to end-of-reporting-period market yields or Government bonds that have maturity dates approximating the terms of the obligations. Any remeasurements of other long-term employee benefit obligations due to changes in assumptions are recognised in profit or loss in the periods in which the exchanges occur.

On-Costs

Employee benefit on-costs, such as superannuation and workers compensation are recognised together with the provisions for employee benefits.

Superannuation

Contributions to contribution superannuation plans are expensed when incurred.

Lead Loddon Murray Inc.

Notes to the Financial Statements

For the Year Ended 31 December 2022

1. Statement of Significant Accounting Policies (continued)

Leases

Under AASB 16 *Leases*, at inception of a contract, the Association assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability are recognised by the Association, where the Association is a lessee. However, all contracts that are classified as short-term (lease with remaining lease term of 12 months or less) and leases of low value (where the value of the underlying asset when new is less than \$10,000) are recognised as operating expenses on a straight-line basis over the term of the lease.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Association used the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and any impairment losses.

Income Recognition

Revenue is recognised in accordance with AASB 15 *Revenue from Contracts with Customers* and AASB 1058 *Income for Not-for-Profit Entities*. Income is recognised as revenue to the extent it is earned. Unearned income at reporting date is reported as income in advance.

Amounts disclosed as revenue are, where applicable, net of returns, allowances and duties and taxes.

Grants

Grants are recognised as income when LEAD Loddon Murray Inc. gains control of the underlying assets in accordance with AASB 15. For reciprocal grants, LEAD Loddon Murray Inc. is deemed to have assumed control when the performance has occurred under the grant. For non-reciprocal grants, LEAD Loddon Murray Inc. is deemed to have assumed control when the grant is received or receivable.

Conditional grants may be reciprocal or non-reciprocal depending on the terms of the grant.

Interest

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

Other Income

Other income is recognised as revenue when the cash is received.

Scholarship & Participant Fees

The Association receives scholarships from various organisations, and participant fees from students participating in various leadership programs each year. When the Association receives these amounts before the program is completed, it recognises a liability for the amount. The Association recognises income in profit or loss as and when the Association satisfies its obligations under terms of the agreement.

Economic Dependence

The Association is dependant upon the ongoing receipt of State Government grants to ensure the ongoing continuance of its programs. This funding which has been provided since 2012.

The Committee has no reason to believe that this financial support will not continue.

Lead Loddon Murray Inc.

Notes to the Financial Statements

For the Year Ended 31 December 2022

2. Revenue

2a. Revenue from Operating Activities

Grant Revenue	192,000	170,667
Sponsorships	137,515	182,827
Other Revenue	15,762	22,950

Subtotal Revenue from Operating Activities

345,277	376,444
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Disaggregated Revenue

The Association has disaggregated revenue into various categories in the following table.

Programs

Loddon Murray Leadership Program	329,515	306,163
Power to the People	-	47,331
ADAPT Community Leaders	-	22,900
Consulting	15,750	-
Other	12	50

Subtotal Disaggregated Revenue

345,277	376,444
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2b. Revenue from Non-Operating Activities

Profit/(Loss) on Disposal of Assets	(849)	-
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Subtotal Revenue from Non-Operating Activities

(849)	-
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TOTAL REVENUE

344,428	376,444
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3. Employee Expenses

Salaries & Wages	174,440	215,368
Superannuation	16,300	19,950

TOTAL EMPLOYEE EXPENSES

190,740	235,318
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4. Depreciation

Computer Equipment	1,720	3,425
Furniture & Equipment at Cost	162	195
Right of Use Assets	6,357	21,659

TOTAL DEPRECIATION

8,239	25,279
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5. Project Costs

Community Leadership Program	92,929	82,250
Other Community Projects and Events	-	37,660

TOTAL PROJECT COSTS

92,929	119,910
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Lead Loddon Murray Inc.

Notes to the Financial Statements

For the Year Ended 31 December 2022

	2022 \$	2021 \$
6. Administration and Occupancy Costs		
Accountancy, Audit and Insurance	14,821	18,813
Computer and Communication Expenses	10,394	17,023
Office Supplies	2,126	8,687
Other Administration Expenses	<u>11,038</u>	<u>9,863</u>

7. Cash and Cash Equivalents

Cash at Bank	<u>151,926</u>	<u>133,533</u>
TOTAL CASH & CASH EQUIVALENTS	<u>151,926</u>	<u>133,533</u>

8. Property, Plant and Equipment

Computers Equipment at Cost	7,142	16,444
less Accumulated Depreciation	<u>(5,817)</u>	<u>(13,835)</u>
	1,325	2,609
 Furniture & Equipment at Cost	 2,044	 4,044
less Accumulated Depreciation	<u>(1,557)</u>	<u>(3,395)</u>
	487	649
 TOTAL PROPERTY, PLANT AND EQUIPMENT	 <u>1,812</u>	 <u>3,258</u>

Movement in the carrying amounts for each class of Property, Plant and Equipment between the beginning and the end of the current and prior financial years.

	Computer Equipment \$	Furniture & Equipment \$	Total \$
Balance at 1 January 2021	3,281	-	3,281
Additions	3,673	844	4,517
Disposals	(920)	-	(920)
Depreciation Expense	<u>(3,425)</u>	<u>(195)</u>	<u>(3,620)</u>
Balance at 1 January 2022	<u>2,609</u>	<u>649</u>	<u>3,258</u>
Additions	435		435
Depreciation Expense	<u>(1,719)</u>	<u>(162)</u>	<u>(1,881)</u>
Balance at 31 December 2022	<u>1,325</u>	<u>487</u>	<u>1,812</u>

Lead Loddon Murray Inc.

Notes to the Financial Statements

For the Year Ended 31 December 2022

9. Right of Use Assets

The Association's lease portfolio includes equipment and buildings. The lease terms for each type of lease arrangement are:

Class of Lease	Lease Term
Equipment	5 Years
Building	3 Years

Options to extend or terminate

The options to extend or terminate are contained in the Association's property leases. There were no extension options for the equipment lease. These clauses provide the Association opportunities to manage leases in order to align with its strategies. All of the extension or termination options are only exercisable by the Association. The extension options or termination options which were probable to be exercised have been included in the calculation of the Right of Use Asset.

(a) AASB 16 related amounts recognised in the Statement of Financial Position	2022	2021
Right of Use Assets	\$	\$
Leased Building	-	53,145
Accumulated Depreciation	-	(14,763)
	<u>-</u>	<u>38,382</u>
Leased Equipment	-	15,309
Accumulated Depreciation	-	(13,510)
	<u>-</u>	<u>1,799</u>
TOTAL RIGHT OF USE ASSETS	<u>-</u>	<u>40,181</u>

	Leased Building	Leased Equipment	Total
	\$	\$	\$
Balance at 1 January 2021	<u>3,069</u>	<u>5,626</u>	<u>8,695</u>
Additions	53,145	-	53,145
Depreciation Expense	(17,832)	(3,827)	(21,659)
Balance at 1 January 2022	<u>38,382</u>	<u>1,799</u>	<u>40,181</u>
Additions	-	-	-
Disposals	(32,477)	(1,347)	(33,824)
Depreciation Expense	(5,905)	(452)	(6,357)
Balance at 31 December 2022	<u>-</u>	<u>-</u>	<u>-</u>

(b) AASB 16 related amounts recognised in the Statement of Profit or Loss		
Depreciation Charge related to Right of Use Assets	6,357	21,659
Interest Expense on Lease Liabilities	747	1,980
	<u>7,104</u>	<u>23,639</u>

10. Trade & Other Payables

Credit Cards	792	1,024
Amounts Payable to ATO	17,650	18,343
TOTAL TRADE & OTHER PAYABLES	<u>18,442</u>	<u>19,367</u>

11. Provisions

Current		
Employee Benefits (refer Note 11a)	14,838	18,930
Non Current		
Employee Benefits (refer Note 11a)	3,350	2,727
TOTAL PROVISIONS	<u>18,188</u>	<u>21,657</u>

Lead Loddon Murray Inc.

Notes to the Financial Statements

For the Year Ended 31 December 2022

11. Provisions (continued)

	2022 \$	2021 \$
11a. EMPLOYEE BENEFITS		
Current		
Annual Leave	14,838	18,930
	<u>14,838</u>	<u>18,930</u>
Non Current		
Long Service Leave at present value	3,350	2,727
	<u>3,350</u>	<u>2,727</u>
TOTAL EMPLOYEE BENEFITS	<u>18,188</u>	<u>21,657</u>

12. Other Financial Liabilities

Current		
Grants and Scholarships in Advance	81,338	118,112
	<u>81,338</u>	<u>118,112</u>
TOTAL OTHER FINANCIAL LIABILITIES	<u>81,338</u>	<u>118,112</u>

If grants are enforceable and have sufficiently specific performance obligations in accordance with AASB 15, the amount received at that point in time is recognised as a contract liability until the performance obligations have been satisfied.

13. Lease Liabilities

Current		
Lease Liability	-	22,345
Unexpired Interest	-	(1,451)
	<u>-</u>	<u>20,894</u>
Non-Current		
Lease Liability	-	23,522
Unexpired Interest	-	(567)
	<u>-</u>	<u>22,955</u>
TOTAL LEASE LIABILITIES	<u>-</u>	<u>43,849</u>

14. Commitments for Expenditure

As at balance date, LEAD Loddon Murray Inc. had no contracted Capital commitments.

As at balance date, LEAD Loddon Murray Inc. had no other contracted loan or lease commitments, other than those disclosed at Note 13.

15. Contingent Liabilities and Contingent Assets

The Committee of Management were not aware on any contingent assets or liabilities as at 31 December 2022.

16. Events After Balance Sheet Date

There have been no other events that would materially effect the Financial Report at balance date.

Lead Loddon Murray Inc.

Notes to the Financial Statements

For the Year Ended 31 December 2022

17. Related Party Transactions

Transactions between related parties are on normal commercial terms and under conditions no more favourable than those available to other parties unless otherwise stated.

No Committee Members have entered into any material contract with the Association since the end of the previous financial year and there were no material contracts involving Committee Members interests subsisting at year end. There were no loans to Committee Members.

18. Cash Flow Information

For the purpose of the Statement of Cash Flows, cash includes cash on hand, in banks and investments. Cash at the end of the year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	2022 \$	2021 \$
Cash & Cash Equivalents - Operational Funds (refer Note 7)	151,926	133,533
TOTAL CASH	151,926	133,533
Reconciliation of Cash Flow from Operations with Profit from Operations		
Profit from Operations	13,394	(60,455)
Non-Cash Flows in deficit:		
Cash flows excluded from profit attributable to operating activities		
- Property, Plant and Equipment Depreciation Expense	1,882	3,620
- Right of Use Assets Depreciation Expense	6,357	21,659
- (Profit)/Loss on Sale of Assets excluding costs	849	-
Changes in Assets and Liabilities:		
- (Increase)/Decrease in Trade & Other Receivables	46,992	20,456
- (Increase)/Decrease in Deposits	1,397	28,433
- Increase/(Decrease) in Trade & Other Payables	(925)	(19,963)
- Increase/(Decrease) in Provisions	(3,469)	7,265
- Increase/(Decrease) in Other Liabilities	(36,774)	(64,697)
NET CASH FLOWS FROM OPERATING ACTIVITIES	29,703	(63,682)

Lead Loddon Murray Inc.

Annual Statements Give True and Fair View of Financial Position and Performance

For the Year Ended 31 December 2022

The Responsible Persons declare that in the Responsible Persons' opinion:


1. The financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Regulations 2022* and:

(a) comply with Australian Accounting Standards; and

(b) give a true and fair view of the financial position of the registered entity as at 31 December 2022 and of its performance for the year ended on that date.

2. There are reasonable grounds to believe that the registered entity will be able to pay its debts as and when they become due and payable.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulations 2022*.


.....
CHAIRPERSON -
.....
TREASURER -

Dated this 23rd day of May 2023.

Lead Loddon Murray Inc. Certificate by Members of the Board

For the Year Ended 31 December 2022

I, *hisa Renato*, being a member of the Committee of LEAD Loddon Murray Inc. certify that:

a) I attended the annual general meeting of the Association held on

and

b) The annual financial statements for the year ended 31 December 2022 were submitted to the members of the Association at the annual general meeting.

Dated this 30th day of May 2023.



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Lead Loddon Murray Inc. Independent Assurance Practitioner's Review Report

Report on the Financial Statements

We have reviewed the accompanying financial report of the Lead Loddon Murray Inc. which comprises of the Statement of Financial Position as at 31 December 2022, the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, Notes comprising a summary of significant accounting policies and other explanatory information, and the certification by members of the committee on the annual statements giving a true and fair view of the financial position of the Association.

Committee's Responsibility for the Financial Statements

The Committee of the Association is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Regulations 2022 (ACNC Regulations)*. The committee determines that internal controls are 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.

Assurance Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements. We conducted our Review in accordance with Standard on Review Engagements - *ASRE 2400, Review of a Financial Report Performed by an Assurance Practitioner Who is Not the Auditor of the Entity*. ASRE 2400 requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ASRE 2400 is a limited assurance engagement. The assurance practitioner performs procedures, primarily consisting of making enquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with Australian Auditing Standards. Accordingly, we do not express an audit opinion on these financial statements.

Independence

In conducting our Review, we have complied with the independence requirements of the Australian professional ethical pronouncements.

ACCOUNTING & AUDIT SOLUTIONS BENDIGO

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Conclusion

Based on our Review, which is not an audit, we have not become aware of any matter that makes us believe that the financial report of the Association is not in accordance with the *Division 60 of the Australian Charities and Not-for-profits Commission Regulations 2022*.

- a) giving a true and fair view of the registered entity's financial position as at 31 December 2022 and of its financial performance for the year ended on that date; and
- b) complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

Basis of Accounting and Restriction on Distribution and Use

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the Lead Loddon Murray Inc. to meet the requirements of the *Australian Charities and Not-for-profits Commission Regulations 2022*. As a result, the report may not be suitable for another purpose. Our report is intended solely for the Lead Loddon Murray Inc. and should not be distributed to or used by other parties.

Accounting & Audit Solutions Bendigo



Bradley Dowsey CA

Dated this 12th day of May, 2023.

LEAD

Loddon Murray

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