



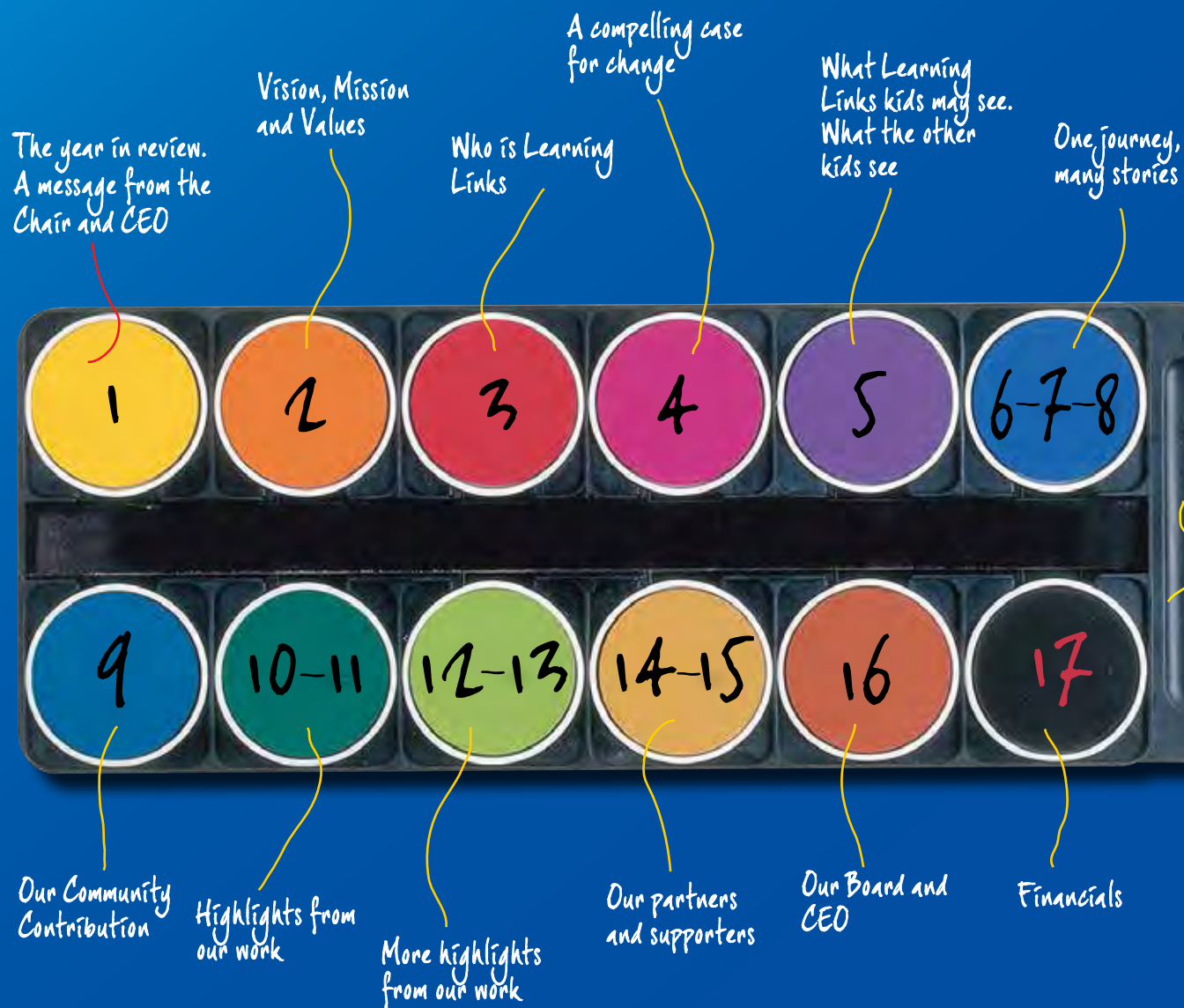
# Annual Report

2013/2014



*"Education is the most powerful weapon  
which you can use to change the world."*

*Nelson Mandela*





# The Year 2013/14 in Review...



## From the Chair and CEO

2013/14 was a time of change for Learning Links. We approach the new year ahead with confidence that the changes made will pave the way for a sustainable future for Learning Links.

With governments under pressure to reduce costs, reviews of funding arrangements are taking place across the not-for-profit sector. New market-driven conditions are becoming the norm, as individualised funding arrangements are introduced, placing money and decision-making in the hands of consumers. These changes present challenges for many not-for-profit organisations, however, they also offer substantial opportunities.

For Learning Links the past year was one of major reform, which began with our CEO of almost 12 years, Warren Johnson, moving on to pursue other interests. We took this opportunity to reflect and continued the process of aligning our organisation with this rapidly changing external environment. Hence, after an in-depth strategic planning

process, the Learning Links Board adopted a new Strategic Plan for 2014-16.

This new direction sees Learning Links gradually shifting our focus to working with children and young people with learning disabilities and difficulties, including those impacted by socio-economic disadvantage and children with developmental delays.

Learning Links has a long and proud history. We are recognised as a specialist in the field of children's disabilities, learning disabilities and difficulties. We have always provided excellent service and our staff are renowned for their expertise. The decision to shift our focus was therefore not easy. It was, however, necessary. It will allow us to channel our limited resources into providing the best possible services in a niche market and position Learning Links for future growth.

As part of our new Strategic Plan, we will be building alliances and expanding our partnerships with the corporate, community and government sector. Learning Links already has greater focus on community connection and leveraging the contributions of corporate and individual volunteers who have generously added their expertise to the team. A very big thank you to those professionals, funders and supporters who donated their time, talent and money to help us achieve our mission.

It will be necessary for Learning Links to invest in the human, technological and physical infrastructure that will enable us to become a stronger, more client-centric organisation. It will incorporate sound principles of evidence-based decision-making and impact measurement.

As part of this process, Learning Links undertook a substantive business review, investigating ways to increase our revenues, reduce costs and maximise our asset base. The review resulted in the decision to sell our long day care centre and our Penshurst property. Whilst the asset sales will have a short term impact on our financial performance and position for 2013/14, it will ensure our organisation is on the right financial course in the future.

Major gains have already been made in line with our Strategic Plan. New CEO Kate Frost brings valued commercial and not-for-profit expertise and we invested in our marketing capacity by establishing the role of General Manager Marketing and Business Development. As a result we have conducted market research, developed a Marketing and Fundraising Plan and implemented a new improved model for sourcing funding through corporate and club partners.

The need to diversify our revenue streams resulted in a new focus on the development of commercial and social enterprises in the areas of child care and out of hours school care. We also reviewed our Housie operations and in the programs and services areas, we developed a Community Services Framework to support our new direction. This was underpinned by the development of a quality framework which includes an organisation-wide corporate manual and the establishment of a solid governance and risk management structure.

The first Learning Links Organisation Day took place early April 2014 bringing together many staff from across the organisation. Staff were briefed on the Strategic Plan, the budget process and programs through an internal trade show. This contributed to breaking down internal silos by sharing and celebrating our diversity. This will become an important annual event on the Learning Links calendar.

The process of transforming Learning Links continues. Every day our staff make a real difference in the lives of children and their families. We are a strong team and together we are committed to a vision of a community where difficulties learning and disadvantage are no longer a barrier to a fulfilling life.

You're invited to learn more about the wonderful children, families, communities and supporters behind Learning Links in this Annual Report.

We recognise and thank the Board members who left Learning Links during the past year. Thank you Rebecca Coates (2013-14) who served us well with her expert skills as

Jeanette

Treasurer. Thank you to long-serving Director and former Chair, Simon Osborn who retired from our Board, but not from the cause. Welcome and congratulations to the new Chair Jeanette Brooks who stepped into the role following our 2013 AGM.

Lastly but not least, a sincere thank you to the entire Learning Links Board for your hard work and dedication. The year required focus and innovative thinking and you delivered it throughout. Learning Links is grateful for your contribution and we look forward to another challenging but rewarding year ahead.



Jeanette Brooks, Chair



Kate Frost, CEO



# Vision

*A community where difficulties learning and disadvantage are no longer a barrier to a fulfilling life.*

# Mission

*To provide children and young people who have difficulties learning with the skills, services and family support that will enable them to realise their full potential.*



# Values

*Integrity, Collaboration, Excellence, Empowerment.*





# Who is Learning Links...

**Learning Links was established in 1972 by parents concerned about the lack of appropriate education and support services to meet their children's needs.**



Today, our focus is on helping children and young people with learning disabilities and difficulties. These children have conditions such as ADHD, high functioning autism, dyslexia, fine and gross motor delays and dyscalculia. They are often anxious, have trouble communicating and interacting with others.

Many have behavioural issues and struggle to keep up with their peers. In the later years they are often challenged by literacy, numeracy and comprehension, sometimes with severe long-term consequences for their ability to complete education, find employment, participate in the community and live fulfilling lives.

Learning Links works with these children throughout their early years and into young adulthood. Our work also involves their parents, carers and families, and we collaborate with other professionals who provide support in or outside school. An important part of our work involves support for children who experience developmental delays and require early intervention to mitigate the risk of poor educational outcomes later in life.

## **The need for our services is as great as ever...**

Today in Australia, a diagnosis of a learning disability and difficulty does not entitle a child or family to any financial assistance. This means their future is at the mercy of their family's financial situation – it is reliant on their ability to pay for critical assessments, therapies, educational supports and targeted behavioural interventions.



Minimal support is available at childcare facilities and schools; and whilst teachers do their best with the resources at hand, it is rarely sufficient to address the increasing development and learning gap between children with learning disabilities and difficulties and that of their peers.

This is particularly true for the many children in our community from socio-economically disadvantaged backgrounds. These children are part of families that not only lack the financial means to access the specialist interventions required, but who may also lack the ability to provide the practical and academic support their children need due to the often hereditary nature of their learning disabilities and difficulties.

Learning Links services range from educational and psychological assessments to targeted behavioural and therapeutic interventions including speech and occupational therapies. We address problems with comprehension, reading, numeracy and literacy and work 'one-on-one' or in small groups. We understand that every child is different and tailor our support services to meet individual needs.

Acknowledging the critical importance of the family and support network, Learning Links also delivers parent and family-focussed services. These

include counselling and workshops on topics ranging from child development and learning, to communication, social skills and educational support.

For professionals working in child care, education, social services and allied health, Learning Links offers professional development opportunities through our workshops. Here we aim to build the capacity of the community to provide the best support possible for children who have difficulties learning.

Learning Links raises funds through donations, partnerships and grants. We also generate independent revenue through our commercial and social enterprises. This allows us to provide our services at an affordable fee or free of charge to children and young people from disadvantaged backgrounds. Our Disadvantaged Children's Education Fund is set up specifically to help children from disadvantaged backgrounds. Here the community can give disadvantaged children who have difficulties learning hope for the future through direct donations for educational intervention.



A  
compelling  
case for  
change...

## Doing nothing is not an option...

The statistics are compelling. It is estimated that:

- 10-16% of all children are affected by learning disabilities and difficulties.\*
- 17.7% of all Australian children live in households in poverty.\*\*

## There is a strong correlation between financial disadvantage and learning disabilities and difficulties.

The financial supports available to assist children with learning disabilities and difficulties are minimal. This means that many never receive the help and intervention they require to stop them from falling behind.

Learning disabilities and difficulties can impact multiple generations within a family, creating a cycle of disadvantage. Learning Links works to intervene and break this cycle so that the children who are unable to afford help get the specialised intervention they need in order to overcome the significant barriers to their educational success.

\* Learning Difficulties Australia 2014

\*\* Australian Council of Social Service 2014

Full referencing for all sources on this page is available on request.

## There is a solid economic argument for helping.

There is clear evidence that children and young people who are affected by a learning disability or difficulty are at significantly increased risk of:

- **Depression**  
(Sideridis, 2007)
- **Learned helplessness**  
(Firth et al., 2007)
- **Poor memory**  
(Hay et al. 2005)
- **Disengagement from learning**  
(Rowe, 2006)
- **Low self-concept or esteem**  
(Nalavany & Carawan, 2011; Zarifiadis et al., 2005)
- **Frustration**  
(Watson, 2005)
- **Avoidance of risk-taking**  
(Twomey, 2006)
- **Decreased motivation**  
(Watson, 2005)
- **Negative behaviours**  
(Rowe, 2006)
- **Unemployment**  
(ABS 2006, Young & Browning, 2005)

By helping now, we are offering the children and young people affected by learning disabilities and difficulties hope now and for the future. We can offer them the opportunity to realise their potential and live a fulfilling life.



## About Dyslexia

Dyslexia is difficulty with reading accurately and fluently and can also be accompanied by spelling difficulties. Dyslexia affects approximately 10%\* of Australian children and can run in families. Dyslexia can have devastating consequences but with the right and timely intervention, children with dyslexia can overcome their difficulties.

*This is what a dyslexic child might experience at school...*

\* Australian Dyslexia Association 2014





In a lush green garden in the tropical island of Bali live a dad-temperish, angry toad. He saw himself as the biggest, best, most beautiful animal on the whole wide world. But the birds, bees and insects who shared the garden with him knew all too well what he was really the creepiest, crawliest, bossiest creature alive.

This is what  
Learning Links  
kids may see..

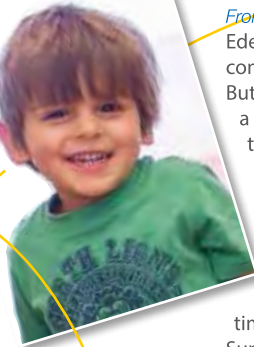
In a lush garden on the tropical island of Bali lived a bad-tempered, arrogant toad. He was convinced he was the biggest, best, most beautiful animal in the whole wide world. But the birds, beasts and insects who shared the garden with him knew all too well that he was really the creepiest, crawliest, bossiest creature alive.

This is what  
the other kids  
see..



One journey, many stories...

## Eden 4 Early Intervention turned things around.



*From Eden's parents...*

Eden was a gentle natured baby and people would comment on how quiet and well behaved he was. But it was when he remained quiet that this became a concern. He avoided other children, lined up toys for hours and walked on his toes. He was diagnosed with autism (ASD) at 2 ½. We weren't prepared for this and the next year came with many challenges.

I was referred to Learning Links who helped me get through an incredibly overwhelming time. We began with the Early Links Diagnosis Support program which provided the information, support and counselling we needed. The Speech Therapist came to our house to set up visuals and strategies to manage communication, sensory processing issues and challenging behaviours.

We also attended Little Links playgroup and Eden is now attending the inclusive Preschool. Being around other kids has been the best environment for Eden. He is much better at interacting and playing and has become more confident. He still needs prompting, but can now make choices and express what he wants through speech and visuals. He sits down at group time and even sings along to some songs! He has low muscle tone and writing can be tiring, but he can now trace the alphabet and write his name.

I have attended parenting programs at Learning Links over the last year and they have taught me so



much about parenting and made me realise that I'm not alone. I've now met a lot of other parents who are a great support network to socialise and share ideas with.

Learning Links has helped us so much, and I don't believe I would have been as proactive with Eden without them. They taught me how to embrace Eden's strengths and positively tackle his challenges. He now recognises his emotions and even told me recently with the aid of sign language "I love you." We are extremely proud of the progress he has made.



## Liam 6 Started school with confidence!

*From Liam's parents...*

Liam was born with Tuberous Sclerosis, a genetic disorder which meant he suffered epilepsy, some developmental delays and anxiety. We knew that early intervention would be crucial in preparing him for school and for his future. Over the last few years we accessed a wide range of Learning Links services, including early intervention playgroup, Preschool, occupational therapy and family counselling which have really helped Liam and the whole family.

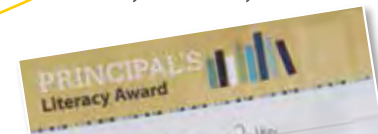
Liam started school this year and has had a fantastic start so far. He has proven us wrong in so many ways and matured so much. He walks to school every morning with his backpack on, greets friends along the way, whilst telling elaborate stories and collecting flowers for his teacher.

He has made friends and been invited to birthday parties, had play dates and even had a girl in his class insist on sitting next to him for every activity! He was one of the first two kids in his class to progress to a level 3 reader! He will often turn the TV off so that he can sit and write and draw. So different in so many ways...

We often think back to his time at Learning Links. His time there was precious. He learnt how to interact with his peers, follow routines in a group, be assertive when necessary, control impulses and not overreact to stimuli. The speech therapy got him talking and now he talks all day. The occupational therapy got him moving.

He still receives therapy for his stutter (which has almost resolved). He has keyboard lessons with his best friend. In the school holidays he did a 4-day drama class - he talked/sang non-stop for weeks about the Frozen movie, now (thankfully!) it's moved on to Matilda.

We feel we are now parents of a primary school child, with all of its routines and work. With the transition seemingly complete we wanted to share Liam's success which owes a lot to you all. We've been blessed to have been involved with Learning Links over the last 3 years. Thank you.





## Nathan 10 Josh 8

### Awarded "Most Improved"!

*From Nathan and Josh's mum...*

Both our boys have problems with learning. They just weren't progressing in the normal school environment and we knew we needed to find a new way of learning.

Josh's problems became clearer when he was about 5. We started to notice that something wasn't quite right. He was struggling to read and couldn't do his maths. We had him assessed and found he had learning difficulties in many areas including delayed processing speed and poor working memory. He also had dyslexia.

Things really started to improve when Josh started attending Learning Links, and the teachers commented that they had noticed a huge change in his school work.

Josh attends a one hour literacy and numeracy session each week. His literacy program has a strong focus on the mechanics of reading, learning to produce and manipulate all of the sounds appearing regularly in words. His maths program involves improving speed and accuracy. He also saw an Occupational Therapist to assist with hand writing and co-ordination.

Nathan did not have the same degree of difficulties as Josh, but he was also falling behind at school. He was getting 1/10 for his spelling tests and was well behind on his reading levels.

Nathan attends a half hour literacy session each week. He is mastering the sounds of English and using these when reading unknown words. Reading activities are supported by oral comprehension and follow-up writing activities. Nathan is now so proud to come home and

tell me what he has achieved at school. His spelling and reading has improved out of sight and he has now achieved two 10/10s in his spelling tests!

We understand that this is going to be an ongoing journey with our boys, and know we will need to continue with the tailored support that Learning Links provides. I have definitely seen a big improvement in both of them, their confidence has skyrocketed and they feel more like the other kids now.



*"Both Nathan and Josh recently received awards for "Most improved" at school and we couldn't be more proud!"*

## Sarah 11

### Progressing every year.

*From Sarah's mum...*

Sarah has always had difficulties learning but no specific diagnosis. Her day care centre first noticed concerns from the age of 2 when her speech wasn't developing in line with her peers. Sarah received speech therapy right up until she started school. Soon after starting school her teachers expressed further concerns that she was struggling, particularly with maths. Despite receiving extra help, including therapy and special education support in school, we knew we had to do more. We felt there was a real lack of communication between her support networks and no clear plan. We wanted to hear solutions, not just problems.

Learning Links was recommended to us, so we contacted them to find out how they could help. Right from the start they seemed to understand and made us feel normal!

Sometimes you feel like you are alone when you have a child with difficulties. Learning Links gave us a clear plan for educational support and Sarah has been attending weekly literacy and numeracy classes which are tailored to suit her learning style and align with the school program. The classroom environment can be challenging for Sarah, but one-on-one she works well and we have seen a real improvement in her learning.

During her sessions with Learning Links she is learning to recognise and apply spelling rules and her maths program includes a focus on working skills with whole numbers and fractions, as well as applying these skills to written problems.

Sarah is a happy child, but as she gets older she seems to be more conscious of her difficulties. To help her address these issues, as well as her social skills, Sarah has also had sessions with a Learning Links Psychologist who assisted her in this area. I know with the support Sarah is now receiving, and her incredibly positive outlook, she will continue to grow academically.



## Grace 13 Got her first 'A' at high school.

*From Grace's mum...*

Looking back I think there was always something going on with Grace. She had a few challenges, like speech problems, slow fine motor development and poor eyesight. It wasn't until she started school that we really noticed her problems with learning. She was always in the reading recovery class and her report cards were usually the same. All subjects had the "Needs Assistance" box ticked. Grace was later diagnosed with dyslexia and attention deficit disorder at the age of 8 ½.

I did a lot of research on the options available for educational support. There are quite a few learning centres out there, but I found that often the teaching methods weren't suitable for kids with dyslexia and ADD. I eventually chose Learning Links because they provide specialist support for children with learning disabilities.

Grace had an assessment done by Learning Links to understand her strengths and needs. We were then given a tailored plan for educational support. From there, she attended group and then one-on-one literacy and numeracy sessions. Since starting with Learning Links Grace has made significant improvement in her academic grades. Grace's teacher has also taught her that her brain just works differently to other kids and helped her overcome the associated issues that come with it.

I must admit we were feeling anxious about Grace starting high school this year and how she would cope, but it feels like something has just clicked with her. Homework is often a challenge and we still have to work hard to maintain her concentration, but she really has come a long way. She actually got an 'A' in one of her assignments recently! She was so excited

that she took it into her old primary school teacher to show him how far she had come. A very proud moment for us all!



## John 17 Building social skills & beating anxiety.

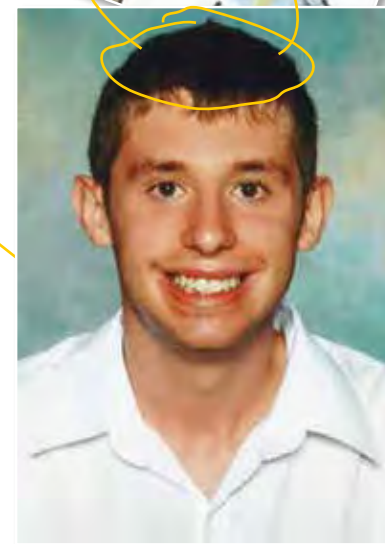
*From John and his mum...*

John was diagnosed with mild autism at an early age. We did a lot of early intervention and he has certainly come a long way. However, we found that high school presented its own new set of challenges. John's quite a smart boy, but he was finding it hard to concentrate working in the autism support unit at a mainstream school. We knew he needed some extra help if he was going to stay on track with school work. He has been attending weekly numeracy and literacy sessions at Learning Links for the past few years and has responded really well to these as he works much better in a one-on-one situation. He can find the school classroom environment quite challenging at times.

John suffers from anxiety in unfamiliar and noisy environments and does not cope well in some social situations. He was also having problems at school with some of the other kids in his year. In order for us to get this under control, John has been seeing a Psychologist at Learning Links. Lucy is teaching John strategies to handle social situations, including how to communicate with kids of his own age, catching public transport, dealing with money and even how to go to the movies. He has also participated in some social groups through Learning Links which has helped modify his social behaviour. He met one of his closest friends at these sessions.

In John's own words "I really like coming to Learning Links because the people are very friendly. Lucy has been helping me because I get a bit nervous inside at some things. I've now got more confidence to travel on public transport and I even went to the movies for the first time in 6 years! I really enjoyed it and want to go again soon."

John also completed work experience at Learning Links, where he did filing and some computer work. The staff really enjoyed working with John, and said he was a pleasure to be around. John's come such a long way that he is going to be the guest speaker at the Learning Links AGM.





# In 2013/2014 , Learning Links provided therapy, education and support services to...

5709	1083	135	2,200
Children	Families	Schools & Communities	Professionals
263	56	447	207
STAFF	SERVICES	VOLUNTEERS	DONORS AND FUNDERS

## Our Community Contribution

### Children

- **202** Children received early intervention through playgroups and preschool education.
- **345** Children received early childhood education through our inclusive preschool and long day care centre.
- **567** Children received therapy to develop communication, language, sensory motor and motor skills.
- **961** Children with conditions such as dyslexia, dyscalculia, dysgraphia and ADHD participated in programs to improve literacy and numeracy.

### Families

- **510** Families with children with a disability or developmental delay were provided with counselling and support to access appropriate service networks.
- **470** Children and families with social, emotional and behavioural concerns were provided support to reduce anxiety, build confidence, self esteem and stronger family relationships.
- **615** Parents and carers were provided with specialist knowledge and skills in children's learning development and family support.

### Schools & Communities

- **2355** Students from 7 schools were able to benefit from additional specialist educational and therapy expertise provided by our professionals.
- **763** Children and families in disadvantaged areas were assisted with early identification of learning and developmental issues and language development.

### Professionals

- **48** Provisional Psychologists gained expertise and skills working with children and families to fulfil the requirements to become fully registered.
- **2152** Professionals, including teachers and early childhood educators, were provided with specialist knowledge and skills in children's learning development and family support.

**531** Children participated in our Reading for Life Program. On average participants made the following learning gains and improved their:

### Reading Gains

READING ACCURACY	+ 8 months
READING COMPREHENSION	+ 9 months
SIGHT WORDS	+ 33 words
READING SELF-CONCEPT	+ 4 points out of 40
PHONOLOGICAL AWARENESS	+ ranking by 18/100



**40** Children participated in our Counting for Life Program. On average participants made the following learning gains and improved their:

NUMERICAL OPERATIONS	+ 9 months
MATHEMATICAL REASONING	+10 months
MATH SELF-CONCEPT	+ 5 points out of 40
ADDITION	+10 months
SUBTRACTION	+1 year 1 month
MULTIPLICATION	+ 7 months
DIVISION	+ 4 months

### Mathematical Gains



# Some highlights from our work...

## Learning Links works in communities across Sydney and NSW to help children and families improve their learning and life.

### Educational Therapy

Educational therapy services are offered across our Learning Centres with therapists implementing specialist strategies and programs specific to the individual needs of children. Therapy is provided on an individual or small group basis and can also take place in schools and early childhood settings.

For many children, their therapy journey starts with a standardised assessment or screening test to help identify strengths and weaknesses and areas requiring intervention. Our Occupational Therapists and Speech Language Pathologists work closely with families and other professionals to provide comprehensive support.



Occupational Therapists help to develop skills including gross and fine motor coordination, visual perception, visual motor integration and sensory integration. This helps the children to better engage in functional daily living activities and in classroom learning.

Speech Language Pathologists develop skills across areas including receptive and expressive language, pragmatic language, articulation, voice and phonological awareness. This helps the children and young people process language and reproduce their thoughts as oral or written communication.

### Highlights

- At the St Hurmizd Assyrian Public School, staff and students benefitted from our Whole

School Therapy program. This innovative model of intervention offers specialist speech therapy services to the whole school population and staff and has resulted in significant learning progress by the students.

- Speech Pathology students from the University of Sydney accessed clinical supervision from Learning Links Speech Language Pathologists with great success. The students received praise for their interactions with parents and screened several students in kindergarten using the screening tool developed by Learning Links.

### Educational Support

Educational Support provides children and young people with learning difficulties and disabilities such as dyslexia, dyscalculia and ADHD with specialist intervention across all areas of literacy and numeracy. Sessions are conducted on an individual or small group basis in a supportive setting where students experience success at our Learning Centres.

A team of specialist teachers use a range of teaching resources and strategies which enable children and young people to confidently engage in their own learning. Programs are informed by evidence-based practice and can be supported by the team of multidisciplinary professionals working across Learning Links.

Learning Links identifies the needs of children and young people accessing educational support as they commence in our programs and then develops individual goals in collaboration with parents. During the intervention program regular reports on children's progress are provided and collaboration with the child's school and other professionals is encouraged to optimise educational outcomes.

### Highlights

- Learning Links featured in the ABC documentary "Kids on Speed?" in February 2014. "Kids on Speed?" shared the stories of four families whose children had been diagnosed with ADHD. Learning Links was featured as one of the support services providing educational support for the children. This documentary is available for purchase through iTunes and in ABC stores nationally.
- Learning Links' Reading for Life program was designed to give one-on-one assistance to children who are struggling in a classroom environment. In 2011, it was evaluated by the University of Western Sydney, demonstrating its efficacy in improving phonological awareness and reading self-concept outcomes for participating children. The results of these findings have now been published in the School Community Journal in 2014 and accepted for publication in the Australian Journal of Educational Psychology.





## Educational Psychology

Psychology programs are conducted across our Learning Centres where our Psychologists offer a range of specialist interventions and services to support the identified individual needs of children and families.

For many children, initial contact with Learning Links starts with an assessment of their cognitive and/or academic potential and level of function. This is in order to identify their learning abilities and to understand their strengths and support needs. Furthermore, our Psychologists are able to conduct a range of additional psychological tests including assessment of dyslexia, dyscalculia, memory, adaptive behaviour and anxiety.

Our Psychology Services are also delivered in school and community settings. We work closely with early childhood settings and schools to deliver specialist individual and group programs to support children's social emotional well-being. This can be facilitated by both registered and provisionally registered Psychologists, with specialist interventions targeting areas such as anxiety, depression, social skills and interactions, and anger management.

Counselling services are available to children, parents and family members and target a range of issues including anxiety, ADHD and difficulty with managing daily or life transitions. We utilise a number of evidence-based therapies including Cognitive Behaviour Therapy, brief solutions and play therapy.



## Highlights

- Our Psychology Services expanded the number of partners in early childhood settings, schools and agencies. We also increased our support to children in long day care centres. In addition, our provisionally registered Psychologists provided support to classroom staff through specialist programs and behavioural management plans for individual children.
- Learning Links Psychologists conducted assessment clinics in schools in the Randwick and Fairfield local government areas. These clinics enabled the partnering schools to access funded assessments for students with a range of individual needs.

## Psychologist Registration Program

This program provides a structured placement and supervision program for Provisional Psychologists. The placement meets the supervision and placement requirements for registration as a Psychologist, as specified by the Psychology Board of Australia. In providing this program, Learning Links plays a valuable role in helping our future Psychologists acquire experience and skills working with children and families.

Learning Links now offers a Psychologist Supervisor Training Program which offers both the Full Training and Master Classes which have been developed in accordance with the training framework and standards of the Psychology Board of Australia. The programs are designed to meet the needs of Registered Psychologists who seek, or wish to retain, supervisor endorsement for supervising.

## Workshops

The Learning Links Workshop Series offers innovative high quality training for parents and professionals. Parents and professionals receive practical hands-on training that reflects current expert knowledge and industry standards.



Topics include ADHD, High Functioning Autism; Behaviour; Child Development; Children's Learning; Children's Wellbeing; Communication; Family Support and Sensory Processing.

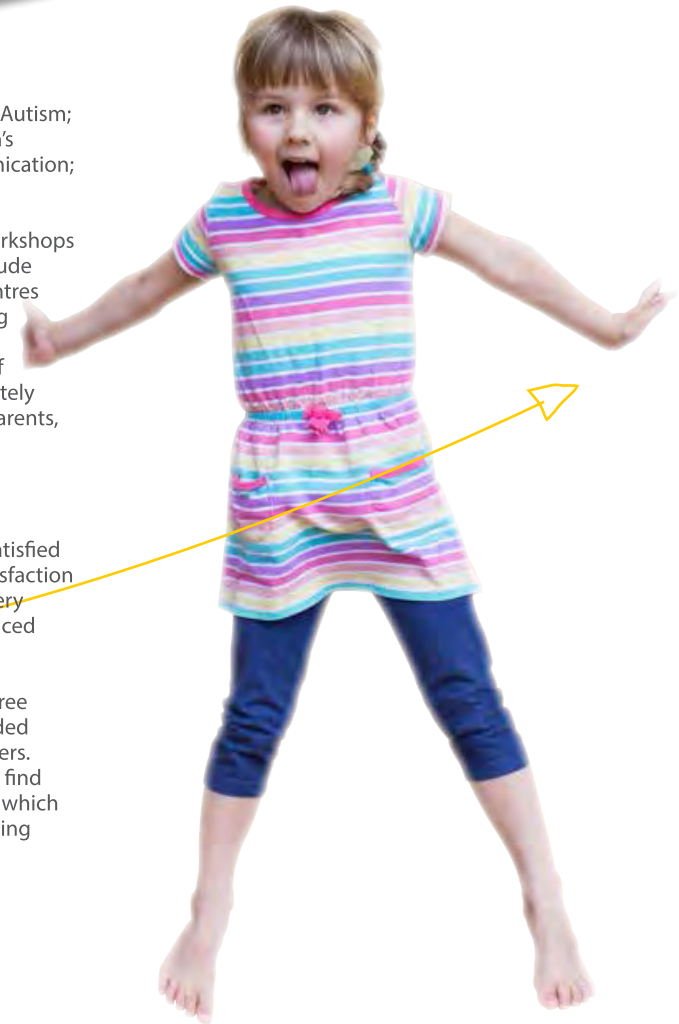
Learning Links also provides tailored workshops across Sydney and NSW. Our clients include community organisations, child care centres and corporations. Participants attending our workshops benefit from the use of real-life case studies and the inclusion of practical strategies that can be immediately applied to their work or, in the case of parents, their everyday life.

## Highlights

- 97% of our participants were very satisfied with the quality of our training. Satisfaction surveys are conducted as part of every workshop delivered by our experienced and highly skilled presenters.
- Learning Links was able to offer 19 free programs to parents and carers funded through the generosity of our partners. Many parents and carers struggle to find money for seminars and workshops which can offer them help with critical coping strategies and support.

*"The counselling provided my son with practical strategies to cope with anxiety and apply these strategies to any situation in his life: The skills he learnt were life-changing."*

*Psychology Services Parent*



## Early Childhood and Intervention Services

Early Childhood Services offer support to young children with a developmental delay or disability. In providing early intervention to the children, they are given an optimal start that supports them and their families in the pursuit of their individual goals.

Early childhood intervention services provide families and carers of children with developmental delays access to a trans-disciplinary team including Early Special Educators, Speech Language Pathologists, Occupational Therapists, Physiotherapists, Child Care Teachers and Family Counsellors. Our team works with families to understand each child's needs and how best to support the child's development through play and everyday activities. Programs are offered on an individual and group basis at our Learning Centres, at playgroups, and in preschool and child care settings.

Our Preschool at Peakhurst provides an inclusive and nurturing environment where all children, irrespective of ability level, are supported to learn and grow according to their individual potential. Currently we have 25 children with additional needs who access specialised support alongside their peers, with all children enjoying learning through play on an individual and group basis. All children attending the Preschool benefit from the integration of Occupational and Speech Language Pathologists within the program.

The Preschool embraces the practices and principles of the Early Years Learning Framework and the National Quality Standards for Early Childhood and Care. During the 2013/14 year prioritisation was given to the development of the Quality Improvement Plan for the Preschool in order to ensure that it met all standards preparing it for third party accreditation.

## Highlights

- The Early Childhood Intervention and Inclusion Project in the South East and Inner West areas of Sydney was established and is receiving a significant number of referrals. The program supports families with a child aged 0-8 years diagnosed with a disability or developmental delay and helps to increase access and inclusion in mainstream settings.
- Our staff and families from the Koori Kids program took part in NAIDOC Week, providing information about our playgroup as well as activities for children on the day.
- The Share to Learn Program was developed in south west Sydney with workshops and the distribution of language and parenting resources to professionals and families. An outcome of this program was the development and distribution of language development resources in several languages including English, Chinese, Khmer, Arabic, Assyrian and Vietnamese.
- Our Early Education and Care long day care centre in the CBD continued to provide an innovative curriculum and outstanding services to our children and families. With a capacity of 64 places it consistently achieved an occupancy rate of over 90%. Our centre provides an active learning environment with fun and play-based activities and specialises in the home to school transition.



*"It helped me step back from the picture and review my parenting skills more objectively. It gave me practical strategies to implement and to improve my relationship with my kids."*

*Stepping Stones Parent*





## Family Services

Our Family Services programs provide a flexible, integrated and comprehensive approach to the delivery of counselling and support services. We support families in situations that test the strength of relationships, resilience of siblings and endurance of primary caregivers by offering case management, diagnosis support, family counselling and parenting support. Our programs are funded through the government but are also offered on a fee for service basis to families who have the means to pay.

Our staff work in partnership with families to help them develop a network of support, referral and self-help services that strengthen their families and promote resilience. We collaborate closely with other service providers to minimise duplication and fragmentation of services.

Of particular importance is our teamwork with early childhood settings and schools. This ensures a holistic approach to helping the child and family.

Our services are available at vulnerable stages; when children are newly diagnosed or facing transitions, when service access is limited or when needs are identified in other family members. Our services are family-centred and strengths-based and responsive to the cultural context and preferences of the families using the service.

## Highlights

- Learning Links developed and launched our Strengths in Schools program aimed at facilitating the inclusion of children with disabilities in mainstream schools. This acclaimed program builds the capacity of families and professionals working with a child to facilitate the transition into mainstream settings.
- We worked with the Kogarah Developmental Assessment team to develop a program to support families with children newly diagnosed with autism. The program addresses the information needs of families and includes the development of high quality early intervention resources for families.

- A wide range of group programs were offered across south east and south west Sydney. These included Parents as Case Coordinators, Stepping Stones, Circle of Security, parenting programs and workshops, Sibsworks, sibling activity days, Get Lost Mr Scary, PALS, ADHD parent support groups and transition to school support. The excellent feedback from participants was a testament to the value of the programs in developing skills and connectedness for the participants.

## Charity Housie

Learning Links relies on income generated from Charity Housie to support its charitable work. We operate sessions in clubs throughout metropolitan Sydney, the Central Coast, the Illawarra and Wagga Wagga. Our staff provide excellent service to patrons and Learning Links enjoys strong and mutually beneficial relationships with our partner clubs and other charities, including Firstchance.

The Learning Links team has worked hard to improve operational efficiencies. We are also proactively seeking to identify and develop new opportunities in order to help grow and diversify the income streams that Learning Links relies on.

*"It helped each of us to work better as a family unit and for me to gain the skills, confidence and support I needed as a mum"*

*Case Management Parent*



# Our partners and supporters...

**Learning Links could not operate without the support and generosity of its many funders, donors, volunteers and partners. This support enables our vital programs and services to be delivered to children who have difficulty learning and their families.**

**You have invested in a better future for these children and for that we THANK YOU!**

## Foundations & Corporate Partners

- Australian Stockbrokers Foundation
- Bluescope Steel
- BSG Australia
- Cruise Express
- HSBC Bank Australia
- Morgans Foundation
- Myer Stores Community Fund (Roselands & Bondi Junction)
- Optus Communications
- Sydney Community Foundation (Kids in Philanthropy)
- The Good Guys Foundation (Wetherill Park)
- The Rali Foundation
- Write4fun International Pty Ltd

## Government Partners

### Federal

- Department of Prime Minister & Cabinet
- Department of Social Services (Previously the Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA))

### State

- NSW Department of Family & Community Services - Ageing, Disability and Home Care

- NSW Department of Family & Community Services – Community Services
- NSW Government Department of Education and Communities
- NSW Government Community Building Partnership Program

## Local

- Ashfield Council
- Auburn City Council
- Bankstown City Council
- City of Ryde Council
- Hurstville City Council
- Randwick City Council

## Registered Club Partners

- Ashfield RSL Club
- Auburn Soccer Sports Club
- Avalon Beach RSL Club
- Bankstown Trotting Club
- Bexley RSL Club
- Blacktown Workers Club
- Burwood RSL Club
- Cabramatta Rugby League Club
- Cabra-Vale Diggers
- Campbelltown Catholic Club
- Canley Heights RSL & Sporting Club
- Canterbury Hurlstone Park RSL Club
- Canterbury Leagues Club
- Cessnock Leagues Club
- Chester Hill RSL & Bowling Club
- City Tattersalls Club
- Club Central Hurstville
- Club Coffs
- Club Marconi
- Coffs Harbour Ex Services Club
- Collegians Balgownie
- Collegians Wollongong
- Commercial Club Wagga
- Dapto Leagues Club
- Dee Why RSL Club
- Diggers@ The Entrance
- Dooleys Lidcombe Catholic Club
- Dooleys Regents Park Sports Club
- Doyalson Wyee RSL Club
- Earlwood-Bardwell Park RSL Club
- Fairfield RSL Club

- Grandviews Bowling & Recreation Club
- Granville RSL Club
- Greystanes Football Club
- Guildford Bowling Club
- Hornsby RSL Club
- Ingleburn RSL Club
- Kemps Creek Sporting & Bowling Club
- Lakemba Services Club
- Lithgow & District Workmen's Club
- Magpie Sports Club
- Manly Warringah Rugby League Club
- Merrylands RSL Club
- Moorebank Sports Club
- North Sydney Leagues Club
- Orange Ex Services Club
- Paddington Woollahra RSL Memorial & Community Club
- Park Beach Bowling Club
- Parramatta Leagues Club
- Penrith Panthers
- Penrith RSL Club
- Pittwater RSL Club
- Ramsgate RSL Club
- Randwick Labor Club
- Richmond Club
- Rose Bay RSL Club
- Rules Club Wagga
- Sawtell RSL Club
- Seven Hills-Toongabbie RSL Club
- Smithfield RSL Club
- St George Masonic Club
- St Georges Basin Country Club
- St Johns Park Bowling Club
- St Marys Rugby League Club
- The Bay Sports Club
- The Galston Club
- The Greens The Entrance
- The Westport Club
- Tradies Caringbah
- Tradies Gymer
- Vincentia Golf Club
- Wagga RSL Club
- Wallsend Diggers
- Warilla Sports Club
- Wentworthville Leagues Club
- Wests Ashfield Leagues Club
- Woolgoolga Bowling Club
- Woolgoolga RSL Club
- Woy Woy Leagues Club



### Local Business Donors

- A Sweet Helping Hand
- Bendigo Bank (Hastings Branch)
- Chapman Home Industries
- Envy Jewellery
- IGA Community Chest Limited (Lugarno Store)
- Keyhelp
- Little Sails Preschool
- Lovely Care
- Moriah College
- R & D Batteries
- Rocks Brewing Company Pty Ltd
- Rotary Club of Hastings Western Port
- Smartline Home Loans Pty Ltd
- The Inner Wheel Club of Sutherland Inc.

### Individual Donors

Adrian Allingham, Amanda Ugo, Anita Frayman, Chris Conte, Chyrisse Heine, Clare Wearing, David Jones, David O'Connor, Emma McLaughlin, Heidi Hayden, Janine Baum, Jennifer Oates, Jo Smith, Joanne Breuer, John Knowles, Julia Swift, Kate Frost, Larissa Ricco, Lisa Kalman, Luke Mathers, Mary Papastavros, Melanie Maunz, Merlin Allan, Michele Adair, Natalie Jarvis, Nick Goddard, Nina Fairweather, Raema Walker, Rebecca Coates, Sandra Korn, Stephen Sandler, Suzanne Kagan, Tanya Serry, Trevor O'Leary, Vi Bui, Warren Johnson.

### In-kind Donors

Alex Timanyuk, Angela Mackay, Angelique Whitehouse, Australian Publishers Association, Bianca Warner, Bouncy Bounce Jumping Castle Hire, Brenda Hodgkinson, BSG Australia, Cabramatta West Public School, Carly & Graham Nancarrow, Chris & Fiona O'Mara, Dee Why Kindergarten, Directioneering, Emma Iacano, House at Pooh Corner, Hurstville City Council, Janette Allardyce Walker, Joanna Breinl, Kelly Hunt, Lence & Blagojce Apolevska, Mardi Haworth, Margetson Family, Maria Suarez, McDonald's Liverpool, Megan King, Na Zou, NACCO Materials Handling Group, Natalie & Vlado Acevski, Neighbours of Leigh & Victoria Syrakakis, O'Donnell Family, Padstow TAFE

Patisserie Department, Paint Our Town REaD, Rise Bakehouse Birkenhead Point, Robert Henry, Rosanne Forgione, Royal Caribbean, Sally & Gavin McLennan, Samantha Elliot, Shannon Stevens, Sharon Kelly, St George Masonic Club, Sue Ede, The Men's Shed, Tim Faulkner, Tina Webb, Vakina Nicholson, Whitlam Library, Yuexing Peng, Zorzit family.

### Volunteers and Pro Bono Support

- 180 Degrees Consulting (Management Consultancy)
- Adelaide Hoy (Marketing)
- Amanda Wong (Toy Library)
- Anna Birdsell (Early Childhood Services)
- Ashely Taylor (Early Childhood Services)
- Bruce Rogers (Handyman)
- Christina Bock (Preschool)
- Colette Murphy (Administration)
- Counting for Life Volunteers
- Dane Drca (Bus Driver)
- David Williams (Curtis Paige HR Consultancy)
- HWL Ebsworth Lawyers (Legal Advice)
- James Mould (HR, Quality Management)
- Janice Colley (Administration)
- Joanna Breinl (Speech Therapy)
- John Cavaleri (Administration)
- John Wicks (Audit)
- Judith Connelly (MyTime)
- Julie Boxhall (Early Childhood Services)
- Julie Ducrou (Administration)
- Lauren Parker-Smith (Early Childhood Services)
- Mary Axiak (Housie)
- Maria Suarez (Early Childhood Services)
- Maureen Ahern (Risk Management)
- Max Li (Administration)
- Melissa Lamb (Preschool)
- Mercy Timothy (HIPPY)
- Michelle Chen (Early Childhood Services)

- Peter Connors (Handyman)
- Peter Richards (Business Development and Management Consultancy)
- Peter Valanidas (Structum Construction)
- Rob Roche (IT Consultancy)
- St George Men's Shed (Maintenance)
- Stephanie Yeoh (HIPPY)
- Tina Monk (Team Building)
- Toni Brasch (Event Management)
- Warren Angel (Industrial Relations)
- Yennifer Elgueta (Toy Library)

### Community Partners

- Benevolent Society
- Bridges for Learning
- Brotherhood of St Laurence
- David Coleman MP, Federal Member for Banks
- Koorana
- KU Starting Points
- Mark Coure MP, State Member for Oatley
- Mission Australia
- Playgroups NSW
- SDN Scan South East Region
- The Smith Family
- Victorian Parenting Research Centre



*"I have a grandchild with a disability who has been helped by Learning Links. I know firsthand what a wonderful charity this is. It is nice to know that I am helping other children in some small way."*

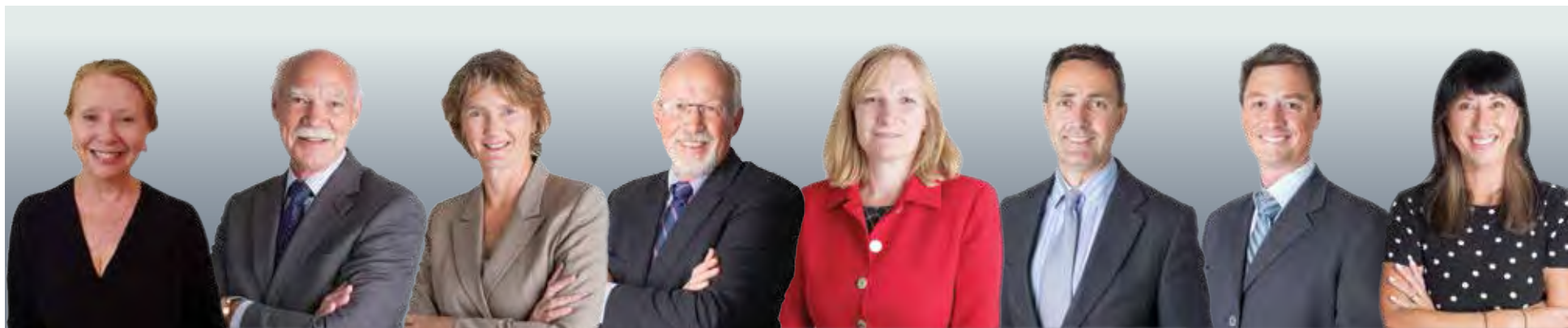
*Jan (Learning Links volunteer since 2010.)*



*"Thank you from Learning Links"*

*to everyone who has supported us over the past year.*





Professor Lorraine Graham

Martyn Berry

Michele Adair

Rodney Watson

Jeanette Brooks

Gregory Wallace

Darryl Easton

Kate Frost

## Our Board and CEO...

### Jeanette Brooks, Chair

Jeanette was appointed to the Learning Links Board in October 2007. She has served as the Chair since November 2013. Jeanette is currently Regional Manager at Australian Unity and prior to this was CEO of INS Group, an Australian healthcare company. Jeanette has held senior management roles in the Information and Communications Technology sector, and currently serves as a Director on the Board of the Cape Credit Union. She has a passion for the contribution Learning Links makes to the community.

### Rodney Watson, Deputy Chair

Rod was appointed to the Learning Links Board in May 2010 and is deputy Chair. Starting his career as a psychologist, Rod moved into HR roles before undertaking an MBA program in the USA. He then moved into consulting, where his achievements included leading the Asia Pacific Region for a major HR consulting firm. Rod moved to Executive Search where he focused on senior executive and Board appointments. Rod's work has been strongly aligned to the way people make a difference in organisations.

### Michele Adair, Secretary

Michele Adair was appointed to the Learning Links Board in February 2013 and is currently Secretary. Michele has made sustainable contributions at executive level on Boards and advisory committees in complex community, health and social environments. Michele serves as a Member, Scope of Practice Advisory Groups for ED Nurses & Physiotherapists and Paramedics. Michele is currently the CEO of Cystic Fibrosis NSW.

### Martyn Berry, Director

Martyn joined the Board of Learning Links in October 2007. Over a 35-year career in the financial services industry, Martyn held senior executive positions in general management, sales and marketing. He has also served as a Director on the Board of a number of large financial corporations including Westpac Financial Services Limited, Westpac Securities Administration Limited and MLC Client Services Limited. He is dedicated to creating a community where all children have access to equal learning opportunities.

### Rebecca Coates, Treasurer (retired July 2014)

Rebecca Coates served on the Learning Links Board from September 2013 to July 2014 and held the role of Treasurer. Rebecca has over 15 years banking experience in finance and treasury and is currently Country Controller (AU & NZ) at Citi. Her areas of business expertise include capital and balance sheet management, forecasting and budget preparation, statutory financial reporting and audit management, development and implementation of governance frameworks.

### Darryl Easton, Director

Darryl Easton was appointed to the Learning Links Board in August 2008. Darryl is a telecommunications engineering specialist with a diverse 25-year career in the industry across Australia and abroad. He holds post-graduate qualifications from the University of Technology Sydney and his expertise encompasses end to end business and delivery management. Darryl's family benefited from the services provided by the original Association for Children with Learning Disabilities, now Learning Links.

### Professor Lorraine Graham, Director

Professor Lorraine Graham was appointed to the Learning Links Board in December 2012. Lorraine has a PhD in Instructional Psychology and Master of Arts (Education) along with teaching and special education degrees. She is Professor of Learning Intervention at the University of Melbourne. Past positions include Professor of Inclusion and Educational Psychology at the University of New England, Associate Director (student diversity) of the SiMERR National Research Centre and co-developer of the QuickSmart Numeracy and Literacy Programs. Lorraine's career has focused on the effective teaching of students with learning disabilities/difficulties.

### Simon Osborn, Director (retired April 2014)

Simon Osborn served on the Learning Links Board from 2000 until April 2014. Simon is currently a Director of Belongaosies Pty Ltd and The Rocks Brewing Company. Previously he was Franchisee of a McDonald's Family Restaurant in the St George area. Simon served as Chair of the Learning Links Board until November 2013. Always a passionate supporter of the Learning Links cause, Simon retired from the Board in April 2014.

### Gregory Wallace, Director

Gregory Wallace was appointed to the Learning Links Board in October 2012. Greg is currently a Marketing Program Manager at Transport for NSW. Greg is an experienced senior executive with over 20 years experience including senior marketing leadership roles at telstra Corporation. He brings his dedication and expert marketing and communications expertise to Learning Links and has demonstrated a passion for excellence in marketing and business. Greg is an Affiliate member, Australian Institute of Company Directors.

### Kate Frost, Chief Executive Officer

Kate joined Learning Links in 2013 and is committed to working with community-based organisations to deliver increased returns on economic, human and social investment. Previous Not-for-Profit roles include CEO at YWCA NSW and Head of Fundraising at The Smith Family. Her commercial career includes Citibank, ANZ Banking Group and Commonwealth Bank.

Not present in photo: Simon Osborn, Rebecca Coates



# The Financials...

## Financial Summary

### INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
	\$	\$
Revenue	15,982,785	15,545,207
Expenses	16,177,002	15,694,572
<b>Profit/(Loss) (before impairment)</b>	<b>-194,217</b>	<b>-149,365</b>
Impairment of goodwill *	435,893	0
<b>Total Expenses</b>	<b>16,612,895</b>	<b>0</b>
Net Loss	-630,110	0
Income Tax Expense	0	0
<b>Net Profit/(Loss) after Income Tax Expense</b>	<b>-630,110</b>	<b>-149,365</b>

### WHERE WE OBTAINED OUR REVENUE

Fee Income for Services	2,196,745	2,061,324
Long Day Care Centre	1,896,065	1,793,467
Grants	4,950,741	4,734,507
Donations and Fundraising	28,543	73,674
Charity Housie & Bingo	6,723,888	6,748,306
Membership Fees	14,746	16,340
Other Income	172,057	117,589
<b>15,982,785</b>	<b>15,545,207</b>	

### HOW WE APPLIED OUR REVENUE

Human Resources Costs for Services	6,946,028	6,525,216
Long Day Care Centre	1,707,045	1,636,660
Charity Housie & Bingo	6,066,660	6,122,375
Program Costs	248,801	245,240
Support Services Costs	1,208,468	1,165,081
<b>16,177,002</b>	<b>15,694,572</b>	

### \* Impairment of goodwill

Subsequent to the reporting date the company has exchanged contracts on the sale of the Learning Links Early Education and Care Centre As required by AASB 136 Impairment of Assets, the company has to assess intangible assets (with an indefinite useful life) and goodwill annually for impairment. The carrying value of the goodwill has been assessed by comparing the carrying value of the business' net assets (including goodwill) (CGU) to the net proceeds per the Asset Sale Agreement. The shortfall is taken as an impairment to goodwill and charged in the year to the P&L.

A copy of the Detailed Financial Report and Auditor's Report will be sent to any member free of charge upon request. This report will also be available on our website [www.learninglinks.org.au](http://www.learninglinks.org.au)

### STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2014

	30-Jun-14	30-Jun-13
	\$	\$
<b>CURRENT ASSETS</b>		
Cash & Term Deposits	585,854	616,111
Trade & Other Receivables	521,450	506,619
Prepayments	36,552	74,043
Inventories	136,380	136,734
Other Current Assets	14,453	7,838
<b>Total Current Assets</b>	<b>1,294,689</b>	<b>1,341,345</b>
<b>NON-CURRENT ASSETS</b>		
Land & Buildings	2,760,150	2,843,050
Furniture & Fittings	32,991	69,236
IT & Other Equipment	460,089	530,156
Motor Vehicles	31,783	21,046
Goodwill	197,074	632,967
<b>Total Non-Current Assets</b>	<b>3,482,087</b>	<b>4,096,455</b>
<b>Total Assets</b>	<b>4,776,776</b>	<b>5,437,800</b>
<b>CURRENT LIABILITIES</b>		
Borrowings	1,161,419	1,186,701
Trade and Other Payables	1,058,212	997,521
Income Received in Advance	111,901	156,744
Grants & Funding in Advance	296,890	326,004
Provisions & Employee Entitlements	494,095	523,114
Housie Prize Fund	41,435	32,989
<b>Total Current Liabilities</b>	<b>3,163,952</b>	<b>3,223,073</b>
<b>NON CURRENT LIABILITIES</b>		
Borrowings	21,725	9,435
Long Service Leave Entitlements	52,357	36,440
<b>Total Non-Current Liabilities</b>	<b>74,082</b>	<b>45,875</b>
<b>Total Liabilities</b>	<b>3,238,034</b>	<b>3,268,948</b>
<b>Net Assets</b>	<b>1,538,742</b>	<b>2,168,852</b>
<b>EQUITY</b>		
Reserves	762,674	762,674
Accumulated Surplus	776,068	1,406,178
<b>Total Equity</b>	<b>1,538,742</b>	<b>2,168,852</b>





**YOU CAN MAKE A  
DIFFERENCE**

*"You must be the change you  
wish to see in the world."*

*Mahatma Gandhi*

**Donate to the Disadvantaged Children's Education Fund**

Help financially disadvantaged children who struggle to learn to get the help they need to reach their full potential. This fund will provide these children with financial assistance to access the programs and services they need including early childhood intervention, therapy, literacy and numeracy support, psychology and counselling.

Peakhurst: 12-14 Pindari Rd, Peakhurst NSW 2210 T: 02 8525 8222 E: [peakhurst@learninglinks.org.au](mailto:peakhurst@learninglinks.org.au)  
Mt Pritchard: Level 1, 46B Reservoir Rd, Mt Pritchard NSW 2170 T: 02 9426 4300 E: [mtpritchard@learninglinks.org.au](mailto:mtpritchard@learninglinks.org.au)  
Maroubra: 3rd floor Bowen Library, 669-673 Anzac Parade, Maroubra Junction NSW 2035 T: 02 9349 4963  
E: [maroubra@learninglinks.org.au](mailto:maroubra@learninglinks.org.au)

Web: [learninglinks.org.au](http://learninglinks.org.au) Facebook: [facebook.com/llinks](https://facebook.com/llinks) Twitter: [LLcharity](https://twitter.com/LLcharity) LinkedIn: [linkedin.com/company/learning-links](https://linkedin.com/company/learning-links)



**LEARNING LINKS**

**ABN 71 097 577 636**

**ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2014**

## **LEARNING LINKS**

### **Annual Report For the Financial Year ended 30 June 2014**

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## DIRECTORS' REPORT

The Directors present this report on Learning Links for the year ended 30 June 2014. In order to comply with the provisions of the Australian Charities and Not-for-profits Commission Act 2012, the Directors report as follows.

### Directors

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

Michele Adair  
Martyn Berry  
Jeanette Brooks  
Rebecca Coates (Appointed 24 September 2013. Resigned 14 July 2014)  
Darryl Easton  
Lorraine Graham  
Karina Kwan (Resigned 19 November 2013)  
Simon Osborn (Resigned 4 April 2014)  
Gregory Wallace  
Rod Watson

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

### Principal Activity

The principal activity of the company during the financial year was:

*To help children who have disabilities, learning difficulties, developmental delays and those at risk of not achieving learning or developmental milestones realise their individual potential.*

### Review of operations

The loss of the company amounted to \$630,110 (2012-13 loss of \$149,365).

A review of the operations of the company during the financial year and the results of those operations found that during the year, the company continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

### Dividends

The company operates on a not-for-profit basis and in accordance with the terms of its Constitution, no portion of its assets or income shall be distributed directly or indirectly to members of the company. As such no dividends were paid or declared since the start of the financial year and no recommendation for payment of dividends has been made.

### Significant Changes in State of Affairs

There were no significant changes in the state of affairs during the year. Changes subsequent to the reporting date are discussed below.

### Subsequent Events

Subsequent to the balance sheet date the organisation has signed a Business and Asset Sale Agreement with Guardian Community Early Learning Centres Pty Ltd for the sale of the Learning Links Early Education and Care Centre located at 201 Elizabeth Street, Sydney. The sale price is approximately \$1 Million and the expected date of completion is 24 October 2014.

### Future Developments

Disclosure of information regarding likely developments in the operations of the company in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the company. Accordingly, this information has not been disclosed in this report.

### Environmental Issues

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

## DIRECTORS' REPORT

### Information on Directors

<b>Michele Adair</b>	—	<b>Secretary</b>
Qualifications	—	Master Management, Master Public Advocacy & Action, GAICD
Experience	—	Senior Executive Health and Community Services
<b>Martyn Berry</b>	—	<b>Director</b>
Qualifications		Bachelor of Science with First Class Honours in Mathematical Statistics
Experience	—	Senior Executive – Financial Services
<b>Jeanette Brooks</b>	—	<b>Chair</b>
Qualifications	—	Bachelor of Business (Management and Information Systems), Company Directors Diploma (GAICD)
Experience	—	Senior Executive - Healthcare
<b>Rebecca Coates</b>	—	<b>Treasurer (resigned 14 July 2014)</b>
Qualification:	—	Bachelor of Commerce (Economics and Business Management), Post Graduate Diploma in Finance and Investment
Experience	—	Head of Finance and Financial Controller experience in retail and investment banking
<b>Darryl Easton</b>	—	<b>Director</b>
Qualifications	—	Masters of Engineering Management and Masters of Business Administration
Experience	—	Engineering professional - telecommunications
<b>Lorraine Graham</b>	—	<b>Director</b>
Qualifications	—	Master of Arts (Education), Phd, Diploma of Teaching, Grand Dip of Teaching (Exceptional Children)
Experience	—	Associate Professor of Special Education & Educational Psychology
<b>Karina Kwan</b>	—	<b>Treasurer (resigned 19 November 2013)</b>
Qualifications		Bachelor of Economics, Certified Practising Accountant (CPA)
Experience	—	Chief Financial Officer - retail and investment bank
<b>Simon Osborn</b>	—	<b>Chairman (resigned 4 April 2014)</b>
Experience	—	Currently working in the hospitality industry
<b>Gregory Wallace</b>	—	<b>Director</b>
Qualifications	—	Bachelor of Business (Business Management)
Experience	—	Senior executive with over 20 years experience including senior marketing leadership roles at Telstra Corporation. Affiliate, AICD
<b>Rod Watson</b>	—	<b>Deputy Chair</b>
Qualifications	—	Bachelor of Arts (Behavioural Sciences) and Masters of Business Administration
Experience	—	Executive Search Director



## DIRECTORS' REPORT

During the financial year, 11 meetings of directors were held. Attendances by each director were as follows.

	Number eligible to attend	Number attended
Michele Adair	11	10
Martyn Berry	11	9
Jeanette Brooks	11	9
Darryl Easton	11	8
Lorraine Graham	11	5
Karina Kwan	3	3
Simon Osborn	5	4
Gregory Wallace	11	11
Rod Watson	11	10
Rebecca Coates	8	7

### Indemnifying Officers or Auditor

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the company.

### Proceedings on Behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

### Objectives of the company

The company assists children who have assessed learning difficulties, disabilities or developmental delays and those who are at risk of not achieving developmental or learning milestones.

This assistance is provided to enable children to realise their individual potential and is supported by interventions that:

- are family-centred,
- are evidence and strength-based,
- use trans and multidisciplinary collaborations and
- build partnerships between all stakeholders in the company and throughout the wider community.

### Assessment of Performance

The company assesses its performance using the following methodologies in order to ensure that the objectives of the company are being met:

- Monthly financial reporting and analysis,
- Accountability reporting to all major funding partners,
- Wide-ranging policies and procedures reviewed at least triennially,
- Regular client and staff surveys and
- Monthly monitoring of client numbers.

### Member's guarantee

Learning Links is a company limited by guarantee without share capital. In the event of the company being wound up, each member undertakes to contribute an amount not exceeding any outstanding membership fees to cover costs, charges and expenses of winding up. As at 30 June 2014, there were 618 members of the company.

## DIRECTORS' REPORT

### Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2014 has been received and can be found on page 7.

This directors' report is signed in accordance with the resolution of directors.



Director  
Jeanette Brooks - Chair



Director  
Michele Adair – Secretary

22 October 2014



The Board of Directors  
Learning Links  
10 Railway Parade  
Penhurst NSW 2222

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Dear Board Members

**Re: Learning Links**

In accordance with Subdivision 60-C of the *Australian Charities and Not-for-profits Commission Act 2012*, I am pleased to provide the following declaration of independence to the directors of Learning Links.

As lead audit partner for the audit of the financial statements of Learning Links for the financial year ended 30 June 2014, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit ; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

DELOITTE TOUCHE TOHMATSU

Gaile Pearce  
Partner  
Chartered Accountants

## Independent Auditor's Report to the Members of Learning Links

We have audited the accompanying financial report of Learning Links, which comprises the statement of financial position as at 30 June 2014, the statement of profit or loss and other comprehensive income, the statement of cash flows and the statement of changes in equity for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration as set out on pages 6 to 31. In addition, we have audited Learning Links compliance with specific requirements of the Charitable Fundraising Act 1991 for the year ended 30 June 2014.

### *Directors' Responsibility for the Financial Report and for Compliance with the Charitable Fundraising Act 1991*

The directors of the company are 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 Act 2012* and for compliance with the *Charitable Fundraising Act 1991*. The directors are also responsible for such internal control as the directors determine is necessary to enable compliance with requirements of the *Charitable Fundraising Act 1991* and 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.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on the company's compliance with specific requirements of the *Charitable Fundraising Act 1991* and the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the entity has complied with specific requirements of the *Charitable Fundraising Act 1991* and the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the company's compliance with specific requirements of the *Charitable Fundraising Act 1991* and amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of non-compliance with specific requirements of the *Charitable Fundraising Act 1991* and material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control, relevant to the company's compliance with the *Charitable Fundraising Act 1991* and preparation of the financial report that gives a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

### *Inherent Limitations*

Because of the inherent limitations of any compliance procedure, it is possible that fraud, error, or non-compliance with the *Charitable Fundraising Act 1991* may occur and not be detected. An audit is not designed to detect all weaknesses in Learning Links compliance with the *Charitable Fundraising Act 1991* as an audit is not performed continuously throughout the period and the tests are performed on a sample basis

Any projection of the evaluation of compliance with the *Charitable Fundraising Act 1991* to future periods is subject to the risk that the procedures, may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

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

*Auditor's Independence Declaration*

In conducting our audit, we have complied with the independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

*Opinion*

In our opinion:

- (a) the financial report of Learning Links is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:
  - (i) giving a true and fair view of the company's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2013*;
- (b) the financial report agrees to the underlying financial records of Learning Links, that have been maintained, in all material respects, in accordance with the *Charitable Fundraising Act 1991* and its regulations for the year ended 30 June 2014; and
- (c) monies received by Learning Links, as a result of fundraising appeals conducted during the year ended 30 June 2014, have been accounted for and applied, in all material respects, in accordance with the *Charitable Fundraising Act 1991* and its regulations.

DELOITTE TOUCHE TOHMATSU

Gaile Pearce  
Partner  
Chartered Accountants  
Sydney, October 2014



## RESPONSIBLE PERSONS

The responsible persons declare that:

- (a) in the responsible persons 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; and
- (b) in the responsible persons opinion, the attached financial statements and notes thereto are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the company.

Signed in accordance with a resolution of the board members made pursuant to s.60.15 of the Australian Charities and Not-for-profits Commission Regulation 2013.

On behalf of the responsible persons:

  
**Director**  
*Jeanette Brooks - Chair*

  
**Director**  
*Michele Adair – Secretary*

22 October 2014

## DECLARATION UNDER THE CHARITABLE FUNDRAISING ACT

I, Jeanette Brooks, Chair of Learning Links, declare that in my opinion:

- a. The financial statements give a true and fair view of all income and expenditure for Learning Links with respect to fundraising appeal activities for the year ended 30 June 2014;
- b. The statement of financial position gives a true and fair view of affairs for Learning Links with respect to fundraising appeal activities for the year ended 30 June 2014;
- c. The provisions of the NSW Charitable Fundraising Act 1991 and Regulations under the Act and the conditions attached to the authority have been complied with during the year ended 30 June 2014: and
- d. The internal controls exercised by Learning Links are appropriate and effective in accounting for all Income received and applied by Learning Links from any of its fundraising appeals.

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

  
*Jeanette Brooks*  
**Chair**

22 October 2014

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR YEAR ENDED 30 JUNE 2014**

	<b>2014</b>	<b>2013</b>
	\$	\$
<b>INCOME</b>		
Fee Income for Services	4,092,810	3,854,791
Grants (Note 3)	4,950,741	4,734,507
Donations	25,777	52,176
Fundraising (Note 2 (r))	2,766	21,498
Housie & Bingo Income (Note 11)	6,723,888	6,748,306
Membership Fees	14,746	16,340
Other Income Note 2 (r)	172,057	117,589
<b>Total Income</b>	<b>15,982,785</b>	<b>15,545,207</b>
<b>EXPENDITURE</b>		
Human Resource Costs for Services	6,946,028	6,525,216
Human Resource Cost for Housie & Bingo	901,379	822,986
Human Resource Costs for Long Day Care Centre	1,008,643	976,960
Housie and Bingo Other Costs	5,165,281	5,299,389
Long Day Care Centre Other Costs	698,402	659,700
Program Costs	248,801	245,240
Marketing costs	24,948	47,889
Administration & Office Costs	817,862	773,500
Finance Costs	75,182	70,148
IT Costs	290,476	273,544
<b>Total Expenses (before impairment)</b>	<b>16,177,002</b>	<b>15,694,572</b>
<b>Net Loss (before impairment)</b>	<b>-194,217</b>	<b>-149,365</b>
Impairment of goodwill	435,893	-
<b>Total Expenses</b>	<b>16,612,895</b>	<b>15,694,572</b>
<b>Net Loss</b>	<b>-630,110</b>	<b>-149,365</b>
Other comprehensive income	-	-
<b>Total Loss</b>	<b>-630,110</b>	<b>-149,365</b>

The accompanying notes form part of these financial statements

## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2014

	30 June 2014 \$	30 June 2013 \$
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	585,854	616,111
Trade & Other Receivables (Note 17)	521,450	506,619
Prepayments	36,552	74,043
Inventories	136,380	136,734
Other Current Assets	14,453	7,838
<b>Total Current Assets (Note 2 (s))</b>	<b>1,294,689</b>	<b>1,341,345</b>
<b>NON-CURRENT ASSETS</b>		
Land & Buildings & Leasehold improvements (Note 4)	2,760,150	2,843,050
Furniture & Fittings (Note 4)	32,991	69,236
IT & Other Equipment (Note 4)	460,089	530,156
Motor Vehicles (Note 4)	31,783	21,046
Goodwill (Note 12)	197,074	632,967
<b>Total Non-Current Assets</b>	<b>3,482,087</b>	<b>4,096,455</b>
<b>Total Assets</b>	<b>4,776,776</b>	<b>5,437,800</b>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Borrowings (Note 13)	1,161,419	1,186,701
Trade & Other Payables (Note 18)	1,058,212	997,521
Income Received in Advance	111,901	156,744
Grants & Funding in Advance	296,890	326,004
Provisions & Employee entitlements (Note 16)	494,095	523,114
Housie Prize Fund	41,435	32,989
<b>Total Current Liabilities (Note 2 (s))</b>	<b>3,163,952</b>	<b>3,223,073</b>
<b>NON CURRENT LIABILITIES</b>		
Borrowings (Note 13)	21,725	9,435
Long Service Leave Entitlements (Note 16)	52,357	36,440
<b>Total Non-Current Liabilities</b>	<b>74,082</b>	<b>45,875</b>
<b>Total Liabilities</b>	<b>3,238,034</b>	<b>3,268,948</b>
<b>Net Assets</b>	<b>1,538,742</b>	<b>2,168,852</b>
<b>EQUITY</b>		
Reserves (Note 5)	762,674	762,674
Accumulated Surplus	776,068	1,406,178
<b>Total Equity</b>	<b>1,538,742</b>	<b>2,168,852</b>

The accompanying notes form part of these financial statements



**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2014**

	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
<b>Accumulated Surplus</b>		
Opening Retained Surplus	1,406,178	1,555,543
Net (loss)/profit for year	(630,110)	(149,365)
<b>Accumulated Surplus at end of year</b>	<b>776,068</b>	<b>1,406,178</b>
<b>Reserves</b>		
Opening Reserves	762,674	512,674
Increase in Reserves	0	250,000
Balance at the end of the year	762,674	762,674
<b>Total equity at year end</b>	<b>1,538,742</b>	<b>2,168,852</b>

The accompanying notes form part of these financial statements

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED  
30 JUNE 2014**

	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flow from operating activities</b>		
Receipts from customers	15,872,411	15,315,844
Payments to suppliers & employees	(15,825,463)	(15,380,694)
Interest received	30,032	39,481
<b>Net Cash provided by/(used in) by operating activities (Note 14)</b>	<b>76,980</b>	<b>(25,369)</b>
<b>Cash flow from investing activities</b>		
Payment for property, plant & equipment	(94,245)	(202,375)
<b>Net Cash used in investing activities</b>	<b>(94,245)</b>	<b>(202,375)</b>
<b>Cash flow from financing activities</b>		
(Payment)/Proceeds from Borrowings (Note 13)	(12,992)	(34,686)
<b>Net Cash provided by/(used in) by financing activities</b>	<b>(12,992)</b>	<b>(34,686)</b>
<b>Net decrease in cash held</b>	<b>(30,257)</b>	<b>(262,430)</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>616,111</b>	<b>878,541</b>
<b>Cash and cash equivalents at the end of the year (Note 14)</b>	<b>585,854</b>	<b>616,111</b>

The accompanying notes form part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

### NOTE 1: REPORTING COMPANY

This financial report is a general purpose financial report that covers Learning Links as an individual company. Learning Links is a not-for-profit public company limited by guarantee, incorporated and domiciled in Australia.

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

10 Railway Parade  
Penshurst NSW 2222

The company's principal activity during the year was to help children who have disabilities, learning difficulties, developmental delays and those at risk of not achieving learning or developmental milestones realise their individual potential.

### NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

#### Statement of Compliance

The financial report is a general purpose financial report which has been prepared in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, Accounting Standards and Interpretations, and complies with other requirements of the law.

Accounting Standards include Australian Accounting Standards. Compliance with Australian Accounting Standards ensures that the financial statements and notes of the company comply with International Financial Reporting Standards ('IFRS') except for the specific requirements relating to not-for-profits entities contained in AASB116 'Property, plant and equipment', AASB1004 'Contributions' and AASB8 'Operating Segments'.

The financial statements were authorised for issue by the directors on 22 October 2014.

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

#### Basis of preparation

The financial report has been prepared on an accruals basis and is based on historical costs except for certain non-current assets that are measured at revalued amounts or fair values as explained in the accounting policies below. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

In the current year, the company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current annual reporting period. The revised Standards and Interpretations adopted did not have an impact on the financial statements.

#### Accounting Policies

##### (a) Income Tax

The company received endorsement from the Australian Taxation Office as an income tax exempt charitable company effective from 1 January 2002. The company is exempt from income tax under Division 50 section 50-5 of the Income Tax Assessment Act 1997. It is also exempt from State payroll taxes.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

### NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### *Fringe Benefits Tax*

From 2004-2005 FBT year, the grossed-up taxable value of exempt fringe benefits that a charity may provide to each employee is capped at \$30,000. Any amount above the \$30,000 cap will not be exempt and will be subject to normal FBT treatment.

#### **(b) Inventories**

Inventories of goods purchased for fundraising are valued at the lower of cost and net realisable value. Costs are assigned on a first-in first-out basis and only include direct costs. Inventories on hand consist of Bingo prizes, Bingo and Housie tickets, raffle prizes, Christmas cards and Reading for Life kits.

#### **(c) Property, Plant and Equipment**

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

##### *Property*

Properties are measured on the fair value basis, with changes in the fair value recognised in Asset Revaluation Reserve in the period that they arise. It is a policy of Learning Links to have an independent valuation every three years, with annual appraisals being made by the Directors.

##### *Plant and Equipment*

Plant and equipment are measured on a cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amounts from these assets. The recoverable amount is assessed on the basis of the expected net cash flows, which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the assets' carrying amount or recognised as a separate asset, as appropriate, only when the future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

##### *Depreciation*

The depreciable amount of all fixed assets and capitalised lease assets are depreciated over their useful lives using the straight line or diminishing value method as considered appropriate. New assets are depreciated from the time the asset is held ready for use. Plant and equipment under lease are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of assets are as follows.

<b>Class of fixed assets</b>	<b>Depreciation rates</b>	<b>Depreciation basis</b>
Improvements	40% or life of the asset	Diminishing Value & Straight Line
Office Furniture & Equipment	40%	Diminishing Value
Computer Equipment	40%	Diminishing Value
System Applications	10%	Straight Line
Motor Vehicles	40%	Diminishing Value

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

### NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income.

#### **(d) Leases**

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to entities in the economic company are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amount equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight line basis over the shorter of their estimated useful lives or the lease term. Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

#### **(e) Financial Instruments**

##### *Recognition and Initial Measurements*

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the company becomes party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transaction costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

##### *Derecognition*

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the company no longer has any continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed is recognised in profit or loss.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

### NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

#### *Held-to-maturity investments*

These investments have fixed maturities, and it is the company's intentions to hold these investments to maturity. Any held-to-maturity investments held by the company are stated at amortised cost using the effective interest rate method.

#### *Available-for-sale financial assets*

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

#### *Financial liabilities*

Non-derivative financial liabilities are recognised at amortised cost using the effective interest rate method.

#### *Derivative instruments*

Derivative instruments are measured at fair value. Gains and losses arising from changes in fair value are taken to the income statement unless they are designated as hedges.

#### *Fair value*

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions reference to similar instruments and option pricing models.

#### *Impairment*

At each reporting date, the company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

### **(f) Impairment of Assets**

At each reporting date, the company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives. Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

### **(g) Employee Benefits**

Provisions are made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with entitlements arising from wages and salaries and annual leave which will be settled after one year, have been measured at the amounts expected to be paid when the liability is settled, plus related costs. Other employee benefits payable later than one year are measured at the present value of the estimated future cash outflows to be made by the company in respect of services provided by employees up to the reporting date.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

### NOTE 2 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (h) Cash and Cash Equivalents

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

#### (i) Revenue

Grant revenue is recognised in the statement of comprehensive income when the company obtains control of the grant and it is probable that the economic benefits gained will flow to the company and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before the company is eligible to receive the contributions, the recognition of the grant as revenue will be deferred until those conditions are satisfied and control of the funds is obtained.

Donations and bequests are recognised as revenue when received.

Revenue from rendering of a service is recognised upon the delivery of the services to the customers.

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

Other revenue is recognised when the right to receive the revenue has been established.

#### (j) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in income in the period in which they are incurred.

#### (k) 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 expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

Cash flows are presented in the Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

#### (l) Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of the acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Company's cash-generating units that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss in the statement of comprehensive income. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

### NOTE 2 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (m) Adoption of new and revised accounting standards

##### **Standards and Interpretations affecting amounts reported in the current period (and/or prior periods)**

The following new and revised Standards and Interpretations have been adopted in the current year and have affected the amounts reported in these financial statements.

##### *Standards affecting presentation and disclosure*

AASB 101.82A Amendments to AASB 101 'Presentation of Financial Statements' The amendment (part of AASB 2011-9 'Amendments to Australian Accounting Standards - Presentation of Items of Other Comprehensive Income' introduce new terminology for the statement of comprehensive income and income statement. Under the amendments to AASB 101, the statement of comprehensive income is renamed as a statement of profit or loss and other comprehensive income and the income statement is renamed as a statement of profit or loss. The amendments to AASB 101 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to AASB 101 require items of other comprehensive income to be grouped into two categories in the other comprehensive income section: (a) items that will not be reclassified subsequently to profit or loss and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis – the amendments do not change the option to present items of other comprehensive income either before tax or net of tax. The amendments have been applied retrospectively, and hence the presentation of items of other comprehensive income has been modified to reflect the changes. Other than the above mentioned presentation changes, the application of the amendments to AASB 101 does not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

##### *Standards and Interpretations affecting the reported results or financial position*

There are no new and revised Standards and Interpretations adopted in these financial statements affecting the reporting results or financial position.

#### (n) Standards and Interpretations issued not yet effective

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but not yet effective. The potential impact of the new or revised Standards and Interpretations has not yet been determined.

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
• AASB 9 'Financial Instruments', and the relevant amending standards <sup>1</sup>	1 January 2017	30 June 2018
• AASB 1031 'Materiality' (2013)	1 January 2014	30 June 2015
• AASB 2012-3 'Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities'	1 January 2014	30 June 2015
• AASB 2013-3 'Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets'	1 January 2014	30 June 2015

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014****NOTE 2 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****(n) Standards and Interpretations issued not yet effective (continued)**

<b>Standard/Interpretation</b>	<b>Effective for annual reporting periods beginning on or after</b>	<b>Expected to be initially applied in the financial year ending</b>
• AASB 2013-4 'Amendments to Australian Accounting Standards – Novation of Derivatives and Continuation of Hedge Accounting'	1 January 2014	30 June 2015
• AASB 2013-5 'Amendments to Australian Accounting Standards – Investment Entities'	1 January 2014	30 June 2015
• AASB 2013-9 'Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments'	1 January 2014	30 June 2015
• INT 21 'Levies'	1 January 2014	30 June 2015
• AASB 2014-1 'Amendments to Australian Accounting Standards' - Part A: 'Annual Improvements 2010–2012 and 2011–2013 Cycles' - Part B: 'Defined Benefit Plans: Employee Contributions (Amendments to AASB 119)' - Part C: 'Materiality'	1 July 2014	30 June 2015
• AASB 2014-1 'Amendments to Australian Accounting Standards' – Part D: 'Consequential Amendments arising from AASB 14'	1 January 2016	30 June 2017
• AASB 2014-1 'Amendments to Australian Accounting Standards' – Part E: 'Financial Instruments'	1 January 2015	30 June 2016
• AASB 14 'Regulatory Deferral Accounts'	1 January 2016	30 June 2017
• AASB 2014-3 'Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations'	1 January 2016	30 June 2017
• AASB 2014-4 'Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation'	1 January 2016	30 June 2017

At the date of authorisation of the financial statements, the following IASB Standards and IFRIC Interpretations were also in issue but not yet effective, although Australian equivalent Standards and Interpretations have not yet been issued.

<b>Standard/Interpretation</b>	<b>Effective for annual reporting periods beginning on or after</b>	<b>Expected to be initially applied in the financial year ending</b>
IFRS 15 'Revenue from Contracts with Customers'	1 January 2017	30 June 2018
IFRS 9 Financial Instruments	1 January 2018	30 June 2019
Equity Method in Separate Financial Statements (Amendments to IAS 27)	1 January 2016	30 June 2017
Narrow-scope amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures (2011)	1 January 2016	30 June 2017

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

### **(o) Critical accounting estimates and judgments**

The directors' evaluations and judgments incorporated into the financial report are based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

#### *Key estimates – impairment*

The company assesses impairment at each reporting date by evaluating the conditions specific to the company that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Fair value less costs to sell or current replacement cost calculations performed in assessing recoverable amounts incorporate a number of key estimates.

### **(p) Accounts and Other Receivables**

Accounts receivables which generally have 14-90 day terms, are recognised and carried at original invoice amount less an allowance for uncollectible amounts.

An allowance for doubtful debts is made when there is objective evidence that the company will not be able to collect the debts. The accounts receivable amount in the Statement of Financial Position is net of doubtful debts. Bad debts are written off when identified.

### **(q) Traders**

As a form of fundraising, Learning Links has contracts with two traders. They are King Cotton Australia and Helping Hand Sweet Company. The income from these traders is included in Fundraising and Other Income in the Statement of Comprehensive Income.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

## NOTE 2 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

**(r) Fundraising activities**

The company has an authority to fundraise under the NSW *Charitable Fundraising Act 1991*. The Authority number is CFN 13232 which expires on 15 February 2016. Additional notes and information have been provided in the financial report to assist the authority holder with its disclosure requirements. A detailed list of fundraising permits has not been provided in this report but is available upon request

All proceeds from fundraising activities were used in the costs of providing services to children who have difficulty learning and their families. Charity Housie financial information is contained in Note 11.

	\$	Surplus \$	2014 %	2013 %
Total cost of fundraising/ gross proceeds from fundraising	0/136,812	136,812	N/A	N/A
Net surplus from fundraising/ gross proceeds	136,812/136,812		100%	100%
Total cost of services/expenditure	10,110,342/ 16,177,002		62%	61%
Total cost of services/ income	10,110,342/15,982,785		63%	62%

**Fundraising**

The following table comprises items from Fundraising and Other Income in the Statement of Comprehensive Income. It covers arrangements with traders and small fundraising activities.

	2014 \$	2013 \$
Trader – Recycled Clothing	124,868	51,048
Trader – Helping Hand Sweet Co	1,584	1,572
Other Fundraising	10,360	6,727
	<u>136,812</u>	<u>59,347</u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

### (s) Going Concern

As at 30 June 2014 the company's statement of financial position reflected an excess of current liabilities over current assets of \$1,869,263.

Notwithstanding the net current liability position the Directors believe that the going concern basis of financial statement preparation is appropriate and that the company can pay its debts as and when they fall due through the continued generation of positive cash flows from operating activities, from the planned sale of capital assets and growth in revenue.

The Directors have included in their consideration the fact that included in current liabilities is an amount of \$494,095 relating to employee entitlement provisions which are not expected to be realised in full in the coming year and an amount of \$408,791 in relation to income and grants received in advance which does not have an immediate associated direct cash outflow obligation other than ongoing provision of services. The company is currently using funds received in advance to pay for current period expenditure however the Directors have implemented strategies to diversify revenue streams, secure the certain release of lease guarantees and return the company to a positive working capital position going forward..

Subsequent to the reporting date the company has exchanged contracts on the sale of the Learning Links Early Education and Care Centre and the Directors expect the sale to complete in Oct 2014. A residential property in Penshurst has also been placed on the market for sale. The Directors believe that the sale of these assets will generate sufficient funds to facilitate the repayment of the bank loan which is disclosed as a current liability at 30 June 2014, and together with budgeted operational cash flows, will enable the company to be able to pay its debts as and when they fall due for at least 12 months from the date of signing the financial statements.

### NOTE 3: GRANTS

Grants are received by Learning Links from government and non-government sources.

Funding Body	2014	2013
	\$	\$
Department of Family & Community Services – Ageing, Disability and Home Care	3,167,011	2,953,786
NSW Government Department of Education & Communities	251,598	284,312
Brotherhood of St Laurence	307,205	259,696
Smith Family	201,734	202,162
NSW Government Department of Education & Communities	184,815	224,530
SDN Scan South East Region	103,359	99,503
Parenting Research Centre	198,588	40,997
Community Service Grants Program (EIPP)	100,574	50,117
Department of Prime Minister & Cabinet	46,488	45,329
Non-government sources	389,369	574,075
<b>Total Funding Revenue</b>	<b>4,950,741</b>	<b>4,734,507</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

### NOTE 4: PROPERTY, PLANT & EQUIPMENT

	2014 \$	2013 \$
Land & Buildings & Leasehold improvements at:		
- Land & Building (Peakhurst) – at fair value	1,100,000	1,100,000
- Land & Building (Penshurst) – at fair value	900,000	900,000
- Building & Leasehold Improvements at cost	1,148,789	1,147,662
Less accumulated depreciation	(388,639)	(304,612)
	<u>2,760,150</u>	<u>2,843,050</u>
Office furniture & fittings - at cost	320,119	316,693
Less accumulated depreciation	(287,128)	(247,457)
	<u>32,991</u>	<u>69,236</u>
Computer & office equipment - at cost	1,153,465	1,093,046
Less accumulated depreciation	(693,376)	(562,890)
	<u>460,089</u>	<u>530,156</u>
Motor vehicles - at cost	125,381	96,108
Less accumulated depreciation	(93,598)	(75,062)
	<u>31,783</u>	<u>21,046</u>
Total Property, Plant & Equipment	<u>3,285,013</u>	<u>3,463,488</u>

### NOTE 5: RESERVES

	2014 \$	2013 \$
Asset Revaluation Reserve	<u>762,674</u>	<u>762,674</u>
Movements during the year:		
Opening Balance	762,674	512,674
Revaluation increase arising on revaluing buildings to fair value	-	250,000
Closing Balance	<u>762,674</u>	<u>762,674</u>

### NOTE 6: REMUNERATION AND RETIREMENT BENEFITS

No income was paid or is payable to the Directors of the company.

### NOTE 7: MEMBERS' GUARANTEE

Learning Links is a company limited by guarantee without share capital. In the event of the company being wound up, each member undertakes to contribute an amount not exceeding any outstanding membership fees to cover costs, charges and expenses of winding up. As at 30 June 2014, there were 618 members of the company.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

### NOTE 8: RELATED PARTY TRANSACTIONS

Learning Links was incorporated as a company limited by guarantee on 23 July 2001 and commenced operation on 1 January 2002. All assets, liabilities and reserves were transferred from the Association for Children with Learning Disabilities (ACLD) Inc trading as Learning Links.

### NOTE 9: FINANCIAL INSTRUMENTS

#### (a) Capital risk management

The company manages its capital to ensure that it will be able to continue as a going concern. The capital structure of the company consists of cash and cash equivalents and retained earnings.

Operating cash flows are used to maintain the company's charitable activities.

#### (b) Interest rate risk management

The company's exposures to interest rates on financial assets and liabilities are detailed in the liquidity risk management section of this note.

#### (c) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or any other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provisions for doubtful debts, as disclosed in the Statement of Financial Position and notes to and forming part of the financial statements. The company does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the economic company.

#### (d) Net Fair Values

For other assets and other liabilities the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form. Financial assets where the carrying amount exceeds net fair values have not been written down as the company intends to hold these assets to maturity.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the Statement of Financial Position and in the notes to and forming part of the financial statements.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

## NOTE 9: FINANCIAL INSTRUMENTS (CONT'D)

## (e) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of directors. Given the nature of its operations, the company has no need for a liquidity risk management framework.

The following tables detail the company's expected maturity for its derivative and non-derivative financial assets and liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The table includes both interest and principal cash flows.

The monies held in Term Deposits are encumbered, as they have corresponding bank guarantees issued against them to third parties.

			Fixed Interest Rate Maturity			
	Average Interest Rate	Variable Interest Rate	Less than 1 year	More than 1 Year	Non- interest Bearing	TOTAL
	%	\$	\$	\$	\$	\$
2014						
Financial Asset						
Cash at Bank and Term Deposit	3.67%	68,820	517,034	-	-	585,854
Trade and Other Receivables	-	-	-	-	521,450	521,450
		68,820	517,034	-	521,450	1,107,304
Financial Liability						
Trade and Other Payables	-	-	-	-	327,500	327,500
2013						
Financial Asset						
Cash at Bank and Term Deposit	4.50%	95,531	520,580	-	-	616,111
Trade and Other Receivables	-	-	-	-	506,619	506,619
		95,531	520,580	-	506,619	1,122,730
Financial Liability						
Trade and Other Payables	-	-	-	-	231,549	231,549

The company had the following financing arrangements in place at 30 June 2014 with the Westpac Banking Corporation:

- Business Overdraft Facility of \$300,000 at a variable interest rate, which is to expire and due for annual review on 31 December 2014.
- Bank Business Loan of \$314,120 at a variable interest rate, with the option to repay interest only. The finance term of this loan expires on 31 December 2014.
- Bank Business Loan of \$616,000 at a variable interest rate, with the option to repay interest only. The finance term of this loan expires on 30 December 2014.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

### NOTE 10: SEGMENT REPORTING

Learning Links operates in the Community Services Sector providing assistance within Australia to children who have difficulty learning and their families.

### NOTE 11: HOUSIE OPERATIONS (EXCLUDING BINGO)

The Housie proceeds (not including bingo) below exclude accounting, management and secretarial costs.

	2014 \$	2013 \$
<b>Income</b>		
Housie Ticket Sales	5,900,990	6,055,110
Pen Sales	357,724	260,868
Other	1,586	250
Club Donation	445	187
<b>Total Income</b>	<b>6,260,745</b>	<b>6,316,415</b>
<b>Expenditure</b>		
Housie Prizes	4,340,043	4,479,480
Wages, Super, & Workers Insurance	804,583	751,657
Club Reimbursements	0	(26,529)
Housie Tickets	208,811	183,179
Miscellaneous	85,162	171,670
<b>Total Expenditure</b>	<b>5,438,599</b>	<b>5,559,457</b>
<b>Gross Profit on Housie Games</b>	<b>822,146</b>	<b>756,958</b>
<b>Gross Profit/Total Housie Income</b>	<b>13.1%</b>	<b>12.0%</b>

Charity Housie is a gaming program with cash prizes run for charitable purposes while Club Bingo is a gaming program with non-cash prizes usually run as a social activity in clubs. Both are required to comply with government legislation.

The disclosure above relates only to Charity Housie, in accordance with the *Charitable Fundraising Act* requirement.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

### NOTE 12: BUSINESS COMBINATIONS

On 5 September 2011, Learning Links acquired the net assets of a long day care centre located at 201 Elizabeth Street Sydney for a total consideration transferred of \$1,503,617. The day care centre was formerly the Kids Company (George Street) Pty Limited and was in receivership at the time of the acquisition. This acquisition gave Learning Links the opportunity to expand its' revenue base and add diversity to its range of products and services for children and their families. The goodwill of \$632,967 represented the residual value of the purchase price over the fair value of identifiable tangible and intangible assets shown below.

	2014 \$	2013 \$
Opening Balance at 1 July 2014	632,967	632,967
Impairment	435,893	-
Closing Balance at 30 June 2014	<u>197,074</u>	<u>632,967</u>

Subsequent to the reporting date a sale agreement has been signed which has led to impairment at the reporting date.

### NOTE 13: BORROWINGS

	2014 \$	2013 \$
<b>Current</b>		
Secured at amortised cost		
Bank Loans (iii)	314,120	455,000
Bank Loans (iv)	616,000	616,000
Bank overdraft (i)	218,754	110,266
Equipment Finance (ii)	12,545	5,435
	<u>1,161,419</u>	<u>1,186,701</u>
<b>Non Current</b>		
Secured		
Equipment Finance (ii)	21,725	9,435
	<u>21,725</u>	<u>9,435</u>

(i) Bank overdraft is secured by way of a first ranking fixed and floating charge over all existing and future assets of Learning Links & by a mortgage over the property located at 14 Pindari Road, Peakhurst Heights, NSW 2210

(ii) Equipment finance loan is secured by a charge over motor vehicles  
Registration numbers CEL07Z and BC85PR

(iii) Bank loan is secured by a mortgage over the property located at 14 Pindari Road, Peakhurst Heights, NSW 2210

(iv) Bank loan is secured by a mortgage over the property located at 10 Railway Parade, Penshurst NSW 2222

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

### NOTE 14: NOTE TO THE STATEMENT OF CASH FLOWS

#### Reconciliation of Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks, and investments in money market instruments, net of outstanding bank overdrafts.

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:

	2014 \$	2013 \$
Cash at bank	68,470	95,531
Term deposit	517,384	520,580
<b>Cash and cash equivalents at the end of the year</b>	<b>585,854</b>	<b>616,111</b>

#### Reconciliation of net cash provided by (used in) operating activities to net profit

Operating surplus	(630,110)	(149,365)
Impairment on goodwill	435,893	-
Depreciation	272,717	179,552
Changes in Assets and Liabilities		
Decrease in Provisions	(13,102)	(54,822)
Increase in Creditors	69,137	223,804
Decrease in Funds & Grants in Advance	(73,954)	(161,089)
Decrease/(Increase) in Prepaid Expenses	37,491	(28,614)
Increase in Accounts Receivable	(14,831)	(28,794)
Decrease/(Increase) in Inventories	354	(7,456)
(Increase)/Decrease in Other Receivable	(6,615)	1,415
<b>Net Cash provided by (used in) operating activities</b>	<b>76,980</b>	<b>(25,369)</b>

### NOTE 15: REMUNERATION OF AUDITOR

	2014 \$	2013 \$
Audit of the financial report	32,000	31,000
	<b>32,000</b>	<b>31,000</b>

The auditor of Learning Links is Deloitte Touche Tohmatsu.

### NOTE 16: PROVISIONS

	2014 \$	2013 \$
Employee Entitlements	546,452	559,554
	<b>546,452</b>	<b>559,554</b>
Current	494,095	523,114
Non-Current	52,357	36,440
	<b>546,452</b>	<b>559,554</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

### NOTE 17: TRADE AND OTHER RECEIVABLES

Trade terms vary. Parent fees for services are due within 14 days of service delivery. Learning Links raises money to subsidise fees for parents who cannot afford to pay, either because of their financial circumstances at the time the service is agreed to or changed circumstances while the service is being received. Fee subsidies assist in paying for services when parents cannot.

Housie and Bingo consists of two sources of income, first being session income and second being club reimbursement. All session income is cash at the time of service and club reimbursements are 30 days trade terms (the terms with clubs may vary based on contractual agreements).

Trade terms for selected government departments falls within 90 days from the date of service.

No interest is charged on receivables. Past experience is that debt can be recoverable even when outstanding beyond payment terms.

### NOTE 18: TRADE AND OTHER PAYABLES

	2014 \$	2013 \$
Trade payables	327,500	336,154
Other payables	636,848	580,855
Goods and services tax payables	93,864	80,512
Total	<u>1,058,212</u>	<u>997,521</u>

Other payables include Superannuation and PAYG payable.

### NOTE 19: KEY MANAGEMENT PERSONNEL REMUNERATION

	2014 \$	2013 \$
Short term employee benefits	954,680	805,708
Long term employee benefits	-	-
Post-employment benefits	92,738	126,839
Termination benefits	109,657	186,894
Total	<u>1,157,075</u>	<u>1,119,441</u>

### NOTE 20: SUBSEQUENT EVENTS

Subsequent to the balance sheet date the organisation has signed a Business and Asset Sale Agreement with Guardian Community Early Learning Centres Pty Ltd for the sale of the Learning Links Early Education and Care Centre located at 201 Elizabeth Street, Sydney. The sale price is approximately \$1 Million and the expected date of completion is 24 October 2014.

