

The Leprosy Mission Australia

(a company limited by guarantee)

ABN: 52 354 004 543

Financial Statements

**For the Year Ended
30 June 2021**

The Leprosy Mission Australia

ABN: 52 354 004 543

Contents

For the Year Ended 30 June 2021

	Page
Directors' Report	1
Auditor's Independence Declaration	11
Statement of Income and Expenditure	12
Statement of Comprehensive Income	13
Statement of Financial Position	14
Statement of Changes in Equity	15
Statement of Cash Flows	16
Notes to the Financial Statements	17
Directors' Declaration	34
Independent Audit Report	35

The Leprosy Mission Australia

ABN: 52 354 004 543

Directors' Report For the Year Ended 30 June 2021

The directors present their report on The Leprosy Mission Australia for the financial year ended 30 June 2021.

Directors

The names of the directors in office at any time during, or since the end of, the year are:

Names	Position	Appointed/Resigned
Mrs Jennifer Cavanough		10 October 2020
Mr Paul de Mare	Finance Director (from 7 December 2020)	10 October 2020
Mr Damian Fisher		26 February 2018 (18 July 2021)
Rev Kevin Keegan		9 February 2015
Dr Judy Louie		23 October 2016
Dr Angeline Low		25 June 2018
Dr Colin Martin		12 July 2012
Mr Steven Meredith	Chair Acting Finance Director (to 7 December 2020)	21 October 2013
Ms Fifi Rashando		25 June 2018
Ms. Shivani Singh		10 October 2020
Mr. Adam Walker	Deputy Chair	21 October 2013
Mrs. Jennifer Ward		23 October 2016

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

Principal activities

The principal activity of the Company, as a Christian charity, is to raise funds for overseas aid in order that the physical, mental, social and spiritual needs of sufferers of leprosy can be assisted in their cure and rehabilitation from leprosy.

No significant changes in the nature of this activity occurred during the year.

The Company's objectives are:

- To minister in the name of Jesus Christ to the physical, mental, social and spiritual needs of individuals and communities disadvantaged by leprosy.
- To work with those affected by leprosy or other disabilities in a manner which provides rehabilitation and subsequent integration into society.
- To uphold the dignity of those with whom we minister and to see transformation in their lives.
- To engage in projects in partnership with others to focus on the relief of poverty and the creation of sustainable development within communities.
- To work towards the ultimate eradication of leprosy.

The Leprosy Mission Australia

ABN: 52 354 004 543

Directors' Report

For the Year Ended 30 June 2021

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

- Increasing the number of people supporting the Mission.
- Encouraging a Vibrant Prayer Ministry.
- Developing a Partnership Programme with Churches and Christian Schools
- Recruiting Volunteer Ambassadors promoting The Leprosy Mission Australia in the Community.
- Refining and enhancing a Key Donor and Bequest program.
- Resourcing and Empowering Implementing Countries.
- Advocating for and with people affected by leprosy.
- Maintaining Department of Foreign Affairs & Trade (DFAT) Australian Aid accreditation and appropriate funding to our needs for specific projects.

Over the next five years The Leprosy Mission Australia will focus on the following Strategic Aims in order to deliver our strategic intent.

Strategic Aim 1: Being Christ-centred

The Leprosy Mission Australia is driven to support God's desire for people to enjoy fullness of life in God's presence. The Leprosy Mission Australia will demonstrate Christ-centred action and communication in all its activities; particularly in the following ways:

- Actively nurturing a culture which pursues being Christ-centred in all our work
- Ensuring our communications (including fundraising) are Christ-centred
 - Supporters can identify that we are Christ-centred
 - All communications adhere to widely accepted Christian values
- Prayer is a fundamental part of all activities of The Leprosy Mission Australia

Strategic Aim 2: Partnering for impact

The Leprosy Mission Australia will develop partnerships in Australia and overseas that contribute towards the Triple Zero strategic goals adopted by The Leprosy Mission (TLM) Global Fellowship (Towards Zero Leprosy Transmission by 2035, Towards Zero Leprosy Disability, Towards Zero Leprosy Discrimination), in the following ways:

- Building dynamic and effective overseas programs
- Strengthening relationships within the Global Fellowship
- Connecting with a network of Australian supporters including Government, Corporate and other private sector groups

The Leprosy Mission Australia

ABN: 52 354 004 543

Directors' Report

For the Year Ended 30 June 2021

Strategic Aim 3: Financing The Leprosy Mission Australia

The Leprosy Mission Australia will generate abundant and sustainable finances to facilitate programs and empower our implementing partners to deliver the global Triple Zero strategy through:

- Investing in meaningful engagement with Australians, through fundraising and merchandise activities
- Achieving a strong return on investment (ROI)

Strategic Aim 4: Advocating for and with people affected by leprosy

The Leprosy Mission Australia will ensure that the voices of people affected by leprosy are heard and listened to in Australia and will reinforce the advocacy activities of implementing partners, in the following ways:

- Increasing public awareness in Australia that leprosy still exists, and explaining its causes and consequences for people affected
- Focusing on the Triple Zero strategy
- Advocating to increase the voices of those affected by leprosy, both in Australia and in implementing partner countries

Strategic Aim 5: Enabling The Leprosy Mission Australia

The Leprosy Mission Australia invests in developing the skills, resources and environment to empower its people to work towards the Triple Zero strategic goals, through:

- Investing in and developing The Leprosy Mission Australia staff, Board and volunteers
- Creating an enabling environment within The Leprosy Mission Australia for effective implementation of policies, processes and procedures

The Leprosy Mission Australia

ABN: 52 354 004 543

Directors' Report

For the Year Ended 30 June 2021

2021 Results in Summary

The Leprosy Mission Australia (TLMA) has achieved a surplus for the year of \$805,030 (2020: \$13,926), which includes a non-monetary adjustment of \$390,487, to reflect its Financial Assets at its fair value at year end. We are thankful to our supporters who have contributed so generously towards helping people affected by leprosy under very challenging circumstances with the Covid-19 pandemic.

TLMA has managed to increase its support to international projects by \$249,501 to seven countries – India, Indonesia, Nepal, Nigeria, PNG, Timor-Leste, and Thailand. This has enabled our project activities to continue its implementation and ensured that timely and adequate aid was provided to effectively help those affected by leprosy and disabilities.

During the year, we have raised \$6,771,437 in total revenue through our faithful and generous donors who have supported us in donations, bequest gifting and buying merchandise from our shop, which also included a grant of \$1,004,066 from the Department of Foreign Affairs and Trade. Revenue had increased 14% against last year.

Due to the increased funding, we were able to spend \$2,565,836 (2020: \$2,369,187) on program implementation and \$599,536 (2020: \$739,400) in community education.

We are thankful that the financial health of the Company is sound with a strong balance sheet (as summarised in the Statement of Financial Position) with net assets of \$11,070,708 including cash equivalents of \$2,424,910 and financial assets of \$2,550,191 which are ungeared and actively managed using specialist advice to achieve long-term market competitive returns. A recent revaluation of our property in Box Hill further strengthened the balance sheet, increasing asset revaluation reserve by \$1,390,219.

Our financial objectives in 2021-22 is to focus on building and sustaining the Company's capability to meet our project commitments and navigate through the future challenges posed by the Covid-19 pandemic. To do this, we will continue to keep a tight control spending on non-project expenditure and to work together with our generous supporters and partners to continue support to our projects, whilst maximizing our efficient and effective use of resources.

Key performance measures

The Company assesses its own performance measurement through the use of both quantitative and qualitative measures which are used by the Board and management to assess the financial sustainability of the company and whether the company's objectives are being achieved.

Performance measures used include percentage of donation raised to support the objectives of TLMA, some financial ratios and number of supporters and churches involved with TLMA.

Payments and other benefits

No payments or benefits of a pecuniary value were received by any officers of the Company during the financial year.

The Leprosy Mission Australia

ABN: 52 354 004 543

Directors' Report

For the Year Ended 30 June 2021

Information on directors

Mrs Jennifer Cavanough

Qualifications

MEd(Counselling), Grad.Dip.Except.Chn, BEdSt, Cert IV Training & Assessment

Experience

Jennifer has 30 years' experience in Education in the disability sector. In addition, she worked as a counsellor in both private practice and for a non-profit organisation. She lectured in Family Systems Theory for 9 years at Tabor College Hobart. Jenn was an active volunteer for Scripture Union for many years, as well as in her local church, and has served on the Board of a non-profit organisation. Pre-retirement she worked in the safeguarding children role in the Tasmanian Anglican Diocese. She is currently writing training material in the National Principles for child safe organisations for a non-profit organisation.

Special Responsibilities

Member of The Leprosy Mission Australia's Governance & Risk Committee

Mr Paul de Mare

Qualifications

B.Comm, Higher Dip: Accounting, M.Comm: Tax, CA

Experience

Paul has some 25 years business experience having worked as a Corporate and International Tax expert for a Multinational based in South Africa for some 20 of these years. He led a team and, together with the team, managed the tax affairs of the multinational's African group for the last 10 years prior to moving to Australia. On moving to Australia in 2010 his focus changed and he has been working in the Christian Not for Profit sector, working for Arrow Leadership and for the last 7½ years, Korus Connect, (previously named ACCESS ministries), as their Chief Operating Officer and Company Secretary.

Special Responsibilities

Appointed Finance Director 7 December 2020, Chair of The Leprosy Mission Australia's Finance & Audit Committee

Mr Damian Fisher

Qualifications

BSc (Hons) Physics, DMS, GAICD

Experience

Damian is a qualified Company Director and has over 20 years' experience in marketing, branding, product, fundraising, PR and customer management. This experience has been gained within both commercial companies such as British Airways (UK) and NRMA (Aus) and within not-for-profit organisations such as Bible Society Australia and HammondCare where he currently manages Marketing for Residential Care and Home Care. Damian brings with him extensive knowledge in charity marketing, fundraising and donor engagement alongside experience of leading voluntary activities at a church level.

Special Responsibilities

Chair of The Leprosy Mission Australia's Prayer, Promotion and Fundraising Committee (resigned 18 July 2021)

The Leprosy Mission Australia

ABN: 52 354 004 543

Directors' Report

For the Year Ended 30 June 2021

Information on directors

Rev Kevin Keegan

Qualifications

Grad.Cert.NFP Management; Grad. Dip.Th, B.Th, TAE40110 Cert IV Training & Assessment, Cert.Ministry Consultancy, Cert.Ordination

Experience

Kevin is the CEO/National Director of FEBC Australia and an Executive Member of FEBC International. An ordained Baptist minister with qualifications in theology, non-profit management, consultancy and training, 25 years of leading churches and four years chairing an international mission association—Kevin brings leadership, strategy, theological thinking, cross-cultural awareness and mission experience to this position.

Special Responsibilities

Member of The Leprosy Mission Australia's Prayer, Engagement and Fundraising Committee

Dr Judy Louie

Qualifications

PhD(Acc), MBus(Acc), Grad.Dip(Acc), BSc, CPA

Experience

Judy has more than 20 years of knowledge and experience in accounting and information technology. She completed her PhD degree in accounting and is currently Finance Manager at the NewHope Baptist Church. She was previously a lecturer in accounting at La Trobe University for 11 years and a lecturer in information technology at Sunway University in Malaysia for 4 years. Judy is a CPA and has strong industry background, having worked in an accounting firm, a religious institution and non-profit organisations for more than 10 years. She had served for 7 years as a leader in Navigators, a University Christian student group, to help meet the various needs of students from overseas.

Special Responsibilities

Member of TLMA's Finance & Audit Committee

Dr Angeline Low

Qualifications

PhD, M Mgt, B.Econ (Hons), MAICD

Experience

Angeline has more than 25 years on the Board of Directors in international charity and development organisations. Her significant Board appointments include Family Planning NSW, Northern Sydney Area Health Service, ChildFund Australia and Action on Poverty. In addition, she has many years of professional and business experience. Angeline's last corporate appointments were as a Partner of Deloitte Malaysia and Director of Asia-Pacific Consulting in Deloitte Sydney. On an international level, Angeline is an active participant and speaker in various international engagements on gender, leadership and economic inclusion of women. She had been the guest of the European Union, the OECD and the ILO on a number of occasions to deliberate on gender issues in entrepreneurship and in senior management. She holds a PhD in entrepreneurship research. Today Angeline manages her private investments and spends the rest of her time in philanthropic work.

Special Responsibilities

Member of TLMA's Finance & Audit Committee

The Leprosy Mission Australia

ABN: 52 354 004 543

Directors' Report

For the Year Ended 30 June 2021

Information on directors

Dr Colin Martin

Qualifications

GAICD, MB.BS, DRANZCOG, Grad.Dip. FM, MPH&TM, FRACGP
General Medical Practitioner (Retired)

Experience

Colin practised as a rural procedural GP and practice administrator for 35 years, with a focus on people in need. He retired from practice in June 2016. His field work experience in Nepal over a period of 12 months, from 2009-2019, allowed him to develop an understanding of the problems and issues facing that country in the implementation of leprosy related services and programs. He has also been able to see the work of The Leprosy Mission Australia and its partners in Papua New Guinea, Timor Leste, India and Thailand.

Special Responsibilities

Member of The Leprosy Mission Australia's Prayer, Engagement and Fundraising Committee, Member of The Leprosy Mission Australia's International Programs Committee, Member of the TLM International Board since 2019, Member of the TLM Timor Leste Advisory Board (as Global Fellowship Representative) since 2019

Mr Steven Meredith

Qualifications

Grad Dip Mgt, GAICD, Banking, Finance and International Business Management

Experience

Steven has significant banking, corporate treasury, operations, human resources and business development experience and possesses expertise in corporate governance, finance, risk management and succession planning. He has held a number of senior executive leadership roles, both domestically and internationally. Currently the CEO of The William Wilberforce Foundation, Steven is actively involved in leadership in his local church and is passionate about supporting the work of Christian, non-profit and missionary organisations across Australia.

Special Responsibilities

Appointed Chairman 12 October 2019, Member of The Leprosy Mission Australia's Governance & Risk Committee, Member of The Leprosy Mission Australia's International Programs Committee

Ms Fifi Rashando

Qualifications

MBA (IntBus), GradDipMin, BA (English Literature)

Experience

Fifi manages Good Return's gender-lens investments, business advisory support, and stakeholder engagement in the Asia-Pacific region. Holding a Strategic Leadership for Inclusive Finance certificate from Harvard Business School and an MBA from University of Wollongong in Australia, she has over 20 years of governance, management and consulting experience in inclusive finance, impact investment, international development and humanitarian sectors. She has contributed towards the growth of reputable organisations to build inclusive economies, ensuring participation of marginalised people including women and people with disabilities.

Special Responsibilities

Member of The Leprosy Mission Australia's International Programs Committee

The Leprosy Mission Australia

ABN: 52 354 004 543

Directors' Report

For the Year Ended 30 June 2021

Information on directors

Ms. Shivani Singh

Qualifications

BA (Law)

Experience

Human rights, the prevention of discrimination and empowerment have been consistent themes of Shivani's career in dispute resolution, training, investigations and management. Shivani has a Bachelor of Arts/Law and has worked for over a decade advocating for equality while at the Victorian Equal Opportunity and Human Rights Commission. She currently works within the disability sector managing investigations which ensure people with disability have a voice and safeguards. Shivani brings this passion and expertise with her as she chooses to serve on TLMA Board. Shivani is committed to Christ and has served in many different ministry areas at her church in Glen Waverley. She seeks to show Christ's love to the people she interacts with at church, work, home and in the neighbourhood. Shivani is excited to serve on a Board in an organisation where obedience to Christ and a demonstration of his love is clearly evident in the work of TLMA.

Special Responsibilities

Member of The Leprosy Mission Australia's Governance & Risk Committee

Mr. Adam Walker

Qualifications

BA LLB (Hons) LLM (Commercial Law) AGIA Law, Governance and Management

Experience

Adam is a partner with Gadens Lawyers, whose commercial law practice focuses on the fields of competition and consumer law, regulatory compliance, and intellectual property and technology. A member of the Governance Institute of Australia and previously serving also on the board of a charity addressing health issues in remote indigenous communities, Adam brings broad experience in matters of law, governance, risk and compliance.

Special Responsibilities

Appointed Deputy Chair 12 October 2019, Chair of The Leprosy Mission Australia's Governance & Risk Committee

Mrs. Jennifer Ward

Qualifications

MBA, BEcon (HONS), Post Grad Dip, GAICD

Experience

Jenny has over 25 years' experience in international business, economics and human resource management to bring to her role. She has held a variety of senior executive roles both in Australia and internationally (Japan, China, USA, Asia Pacific) with large global organisations including BHP Billiton and World Vision Australia. Jenny is a qualified Company Director, has a Masters of Business Administration and a post graduate degree in Economics. She brings broad governance, cross cultural, business and human resource management experience to the Board.

Special Responsibilities

Chair of The Leprosy Mission's International Programs Committee, Member of TLMA's Finance & Audit Committee

The Leprosy Mission Australia

ABN: 52 354 004 543

Directors' Report

For the Year Ended 30 June 2021

Meetings of directors

During the financial year, 4 meetings of directors were held. Attendances by each director during the year were as follows:

Directors' Meetings		
	Number eligible to attend	Number attended
Mrs Jennifer Cavanough	3	3
Mr Paul de Mare	3	3
Mr Damian Fisher	4	4
Rev Kevin Keegan	4	2
Dr Judy Louie	4	3
Dr Angeline Low	4	4
Dr Colin Martin	4	3
Mr Steven Meredith	4	4
Ms Fifi Rashando	4	4
Ms. Shivani Singh	3	2
Mr. Adam Walker	4	4
Mrs. Jennifer Ward	4	3

Directors' and auditors' indemnification

The company has not, during or since the financial year, in respect of any person who is or has been an officer or auditor for the company or a related body corporate:

- indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs or expenses in successfully defending legal proceedings; or
- paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer for the costs or expenses to defend legal proceedings;

With the exception of the following matter,

- During or since the financial year, the company has paid premiums to insure each of the directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the company, other than conduct involving a wilful breach of duty in relation to the company. The contract of insurance prohibits disclosure of the extent of cover of the premiums paid in respect of such insurance.

Proceedings on behalf of Company

The Company was not a party to any proceedings during the year, nor is aware of any pending proceedings.

The Leprosy Mission Australia

ABN: 52 354 004 543

Directors' Report

For the Year Ended 30 June 2021

Auditor's independence declaration

The lead auditor's independence declaration, for the year ended 30 June 2021 has been received and can be found on page 11 of the financial report.

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



Director:



Director:

Date: 27 September 2021

The Leprosy Mission Australia

ABN: 52 354 004 543

Auditor's Independence Declaration to the Directors of The Leprosy Mission Australia

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2021, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Saward Dawson



Jeffrey Tulk
Partner

Blackburn

Date: 27 September 2021

The Leprosy Mission Australia

ABN: 52 354 004 543

Statement of Income and Expenditure

For the Year Ended 30 June 2021

	Note	2021 \$	2020 \$
REVENUE			
Donation and Gifts			
- Monetary	2(a)	3,554,242	2,914,385
- Non-monetary	18	7,700	134
Bequests and legacies		564,035	1,234,490
Grants			
- DFAT		1,004,066	918,636
- Others		-	18,480
Commercial Activities Income - Merchandise		1,092,245	774,278
Investment income	2(b)	473,722	23,590
Other income		75,427	79,532
TOTAL REVENUE		6,771,437	5,963,525
EXPENDITURE			
International Aid and Development Programs Expenditure			
International Programs			
- Funds to International Programs	19	(2,216,419)	(1,958,076)
- Program Support Costs		(349,417)	(411,111)
Community Education Costs		(599,536)	(739,400)
Fundraising Costs			
- Public		(737,038)	(979,829)
- Government, Multilateral and Private		(6,353)	(17,047)
Accountability and Administration		(570,549)	(660,376)
Total International Aid and Development Programs Expenditure		(4,479,312)	(4,765,839)
International Political or Religious Adherence Promotion Programs Expenditure		(60,213)	-
Commercial Activities Expenditure		(1,396,582)	(1,152,821)
Other Expenditure		(30,300)	(30,939)
TOTAL EXPENDITURE		(5,966,407)	(5,949,599)
Surplus for the year		805,030	13,926

The accompanying notes form part of these financial statements.

The Leprosy Mission Australia

ABN: 52 354 004 543

Statement of Comprehensive Income

For the Year Ended 30 June 2021

	2021	2020
	\$	\$
Surplus for the year	805,030	13,926
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Revaluation changes for property, plant and equipment	8 1,390,219	-
Total comprehensive income for the year	<u>2,195,249</u>	<u>13,926</u>

The accompanying notes form part of these financial statements.

The Leprosy Mission Australia

ABN: 52 354 004 543

Statement of Financial Position

As at 30 June 2021

	Note	2021 \$	2020 \$
ASSETS			
Current Assets			
Cash and cash equivalents	3	2,424,910	1,814,720
Trade and other receivables	4	56,968	68,307
Inventories	5	188,265	170,506
Financial assets	6	2,550,191	2,270,456
Other assets	7	117,353	104,330
Total Current Assets		5,337,687	4,428,319
Non-current Assets			
Right-of-use assets	13	13,520	20,009
Property, plant and equipment	8	6,096,339	4,758,620
Intangible assets	9	68,549	73,191
Total Non-Current Assets		6,178,408	4,851,820
TOTAL ASSETS		11,516,095	9,280,139
LIABILITIES			
Current Liabilities			
Trade and other payables	10	182,551	143,220
Borrowings	11	10,000	10,000
Short-term provisions	12	211,821	187,185
Lease liability	13	6,566	6,376
Total Current Liabilities		410,938	346,781
Non-Current Liabilities			
Long-term provisions	12	27,114	43,998
Lease liability	13	7,335	13,901
Total Non-Current Liabilities		34,449	57,899
TOTAL LIABILITIES		445,387	404,680
NET ASSETS		11,070,708	8,875,459
EQUITY			
Reserves	14	6,761,657	5,371,438
Retained earnings		4,309,051	3,504,021
TOTAL EQUITY		11,070,708	8,875,459

The accompanying notes form part of these financial statements.

The Leprosy Mission Australia

ABN: 52 354 004 543

Statement of Changes in Equity

For the Year Ended 30 June 2021

2021

	Retained Earnings	Asset Revaluation Reserve	TLMA Investment Fund	Total
	\$	\$	\$	\$
Balance at 1 July 2020	3,504,021	4,247,018	1,124,420	8,875,459
Surplus for the year	805,030	-	-	805,030
Other comprehensive income				
Revaluation increment (decrement)	-	1,390,219	-	1,390,219
Total comprehensive income	805,030	1,390,219	-	2,195,249
Balance at 30 June 2021	4,309,051	5,637,237	1,124,420	11,070,708

2020

	Retained Earnings	Asset Revaluation Reserve	TLMA Investment Fund	Total
	\$	\$	\$	\$
Balance at 1 July 2019	3,490,095	4,247,018	1,124,420	8,861,533
Surplus for the year	13,926	-	-	13,926
Total comprehensive income	13,926	-	-	13,926
Balance at 30 June 2020	3,504,021	4,247,018	1,124,420	8,875,459

The accompanying notes form part of these financial statements.

The Leprosy Mission Australia

ABN: 52 354 004 543

Statement of Cash Flows For the Year Ended 30 June 2021

	2021	2020
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from supporters and customers	5,510,237	5,240,262
Payments to overseas aid partners, suppliers and employees	(6,041,179)	(6,047,642)
Grants received	1,004,066	937,116
Interest received	15,298	22,221
Dividends and distributions received	91,578	95,365
Net cash provided by/(used in) operating activities	3 580,000	247,322
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from the sale of property, plant and equipment	1,665	-
Payment for property, plant and equipment	(21,907)	(10,760)
Payment for intangible assets	(25,249)	(52,843)
Proceeds on sale of investments	364,315	577,231
Payment for investments	(603,258)	(492,059)
Redemption/(placement) of term deposits	321,000	(111,000)
Net cash used by investing activities	36,566	(89,431)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payment of lease liabilities	(6,376)	(5,681)
Net cash used by financing activities	(6,376)	(5,681)
Net increase/(decrease) in cash and cash equivalents held	610,190	152,210
Cash and cash equivalents at beginning of year	1,814,720	1,662,510
Cash and cash equivalents at end of financial year	3 2,424,910	1,814,720

The accompanying notes form part of these financial statements.

The Leprosy Mission Australia

ABN: 52 354 004 543

Notes to the Financial Statements

For the Year Ended 30 June 2021

1 Summary of Significant Accounting Policies

(a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-Profits Commission Act 2012*. The Company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board (AASB) has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

These financial statements are presented in Australian Dollars, which is the Company's functional currency. The financial statements were authorised for issue on the same date that the directors' declaration was signed.

The financial statements have been prepared in accordance with the requirements set out in the ACFID Code of Conduct. For further information on the Code please refer to the ACFID Code of Conduct Implementation Guide available at www.acfid.asn.au

(b) Income Tax

The Company is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997. The Company is a registered charity under the *Australian Charities and Not-for-profits Commission Act 2012*.

(c) Revenue and other income

Sale of goods

Revenue is recognised when the control of products has transferred to the customer. For such transactions, this is when the products are delivered to the customer. Revenue from these sales is based on the price stipulated in the contract. Revenue is only recognised to the extent that there is a high probability that a significant reversal of revenue will not occur.

These products are sold under standard warranty terms. These terms may require the Company to provide a refund for faulty products. The Company has a right to recover the product when customers exercise their right to return under warranty. Consequently, the Company recognises a right to returned goods assets and a corresponding adjustment is made to cost of sales.

A receivable will recognised when the goods are delivered to the customer. The Company's right to consideration is deemed unconditional at this time as only the passage of time is required before payment of that consideration is due. Consideration paid by the customer in advance of the delivery of goods is recognised as a contract liability.

The Leprosy Mission Australia

ABN: 52 354 004 543

Notes to the Financial Statements

For the Year Ended 30 June 2021

1 Summary of Significant Accounting Policies

(c) Revenue and other income

Grants, donations and bequests

When the company receives grants, donations and bequests it assesses whether a contract exists and whether that contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

When these conditions are satisfied, the Company:

- identifies each performance obligation relating to the grant, donation or bequest
- recognises a contract liability for its obligations under the contract; and
- recognises revenue as it satisfied its performance obligations.

When the contract is not enforceable or does not have sufficiently specific performance obligations, the grant, donation or bequest is recognised immediately in profit or loss.

Volunteer services

Volunteer services income is recognised as the services are provided, when the fair value of those services have been reliably measured.

Interest income

Interest income is recognised using the effective interest method, which for floating rate financial instruments is the rate inherent in the instrument.

Other income

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

All revenue is stated net of the amount of goods and services tax (GST).

(d) Goods and services tax (GST)

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

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

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

The Leprosy Mission Australia

ABN: 52 354 004 543

Notes to the Financial Statements

For the Year Ended 30 June 2021

1 Summary of Significant Accounting Policies

(e) Inventories

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

(f) Property, plant and equipment

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

Freehold property

Freehold land and buildings are shown at their fair value based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

In periods when the freehold land and buildings are not subject to an independent valuation, the directors conduct directors' valuations to ensure the carrying amount for the land and buildings is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in the income statement.

Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses recognised in the statement of income and expenditure.

A formal assessment of recoverable amount is made when impairment indicators are present.

Depreciation

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

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

Fixed asset class	Depreciation rate
Buildings	3.16%
Plant and Equipment	4% - 10%
Furniture, Fixtures and Fittings	15%
Motor Vehicles	20%
Office Equipment, including computers	30%

The Leprosy Mission Australia

ABN: 52 354 004 543

Notes to the Financial Statements

For the Year Ended 30 June 2021

1 Summary of Significant Accounting Policies

(f) Property, plant and equipment

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

(g) Intangible Assets

Patents and trademarks

Trademarks are initially recognised at cost, and are carried at cost less any impairment losses. They are assessed annually for impairment.

Website development

Website development costs are initially recognised at cost. It has a finite life and is carried at cost less any accumulated amortisation and impairment losses. Website development has an estimated useful life of three years. It is assessed annually for impairment.

Amortisation

Amortisation is recognised in income and expenditure on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use. Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(h) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is an evidence of an impairment indicator for non-financial assets. Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated. Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

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

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

(i) Cash and cash equivalents

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

The Leprosy Mission Australia

ABN: 52 354 004 543

Notes to the Financial Statements

For the Year Ended 30 June 2021

1 Summary of Significant Accounting Policies

(j) Leases

At inception of a contract, the Company assesses whether a lease exists - i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Company has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

Right-of-use Assets

At the lease commencement, the Company recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Company believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

Lease liabilities

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Company's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Company's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Leprosy Mission Australia

ABN: 52 354 004 543

Notes to the Financial Statements

For the Year Ended 30 June 2021

1 Summary of Significant Accounting Policies

(k) Financial instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument. On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

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

Classification

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

- amortised cost
- fair value through profit or loss - FVTPL

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

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position. Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

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

Financial assets at fair value through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at FVTPL.

Net gains or losses, including any interest or dividend income are recognised in profit or loss.

The Leprosy Mission Australia

ABN: 52 354 004 543

Notes to the Financial Statements

For the Year Ended 30 June 2021

1 Summary of Significant Accounting Policies

(k) Financial instruments

Financial assets

Impairment of financial assets

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

- financial assets measured at amortised cost

Trade receivables

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

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

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

Other financial assets measured at amortised cost

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

Financial liabilities

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

The financial liabilities of the Company comprise trade payables and other loans.

The Leprosy Mission Australia

ABN: 52 354 004 543

Notes to the Financial Statements

For the Year Ended 30 June 2021

1 Summary of Significant Accounting Policies

(I) Employee benefits

Short-term employee benefits

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

Long-term employee benefits

The Company classifies employees' long service leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the Company's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in the income statement classified under employee benefits expense.

The Company's obligations for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the Company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current liabilities.

The Leprosy Mission Australia

ABN: 52 354 004 543

Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Revenue

(a) Monetary Donation and Gifts

	2021	2020
Note	\$	\$
Fundraising & Sponsorships	2,875,143	2,348,898
Merchandise	679,099	565,487
Total Monetary Donation and Gifts	3,554,242	2,914,385

Merchandise-related donations are donations received in conjunction with separate merchandise sales.

(b) Investment Income

Realised gains/(losses)	(18,761)	(30,766)
Fair value movements on financial assets measured at fair value through profit or loss	390,487	(63,230)
Dividends and managed fund distributions	84,956	95,365
Interest Income	17,040	22,221
Total Investment Income	473,722	23,590

3 Cash and Cash Equivalents

Cash on hand	-	350
Cash at bank	2,424,910	1,814,370
	2,424,910	1,814,720

Reconciliation of surplus to cash flows from operating activities

Surplus for the year	805,030	13,926
Non-cash flows in surplus:		
- (gain) / loss on financial assets at fair value through profit or loss	(359,848)	93,996
- depreciation and amortisation	107,178	127,944
Changes in net assets and liabilities		
- (increase) / decrease in trade and other receivables	11,339	49,288
- (increase) / decrease in inventories	(17,759)	(93,999)
- (increase) / decrease in other assets	(13,023)	(25,897)
- increase / (decrease) in trade and other payables	39,331	11,619
- increase / (decrease) in provisions	7,752	70,445
Cash flows from operating activities	580,000	247,322

The Leprosy Mission Australia

ABN: 52 354 004 543

Notes to the Financial Statements

For the Year Ended 30 June 2021

4 Trade and Other Receivables

	2021	2020
	\$	\$
CURRENT		
Trade receivables	23,339	30,254
GST receivable	33,629	38,053
	<u>56,968</u>	<u>68,307</u>

5 Inventories

CURRENT		
At cost:		
Finished goods	188,265	170,506
	<u>188,265</u>	<u>170,506</u>

6 Financial Assets

Financial assets at amortised cost

CURRENT		
Term deposits	-	321,000
	<u>-</u>	<u>321,000</u>

Financial assets at fair value through profit or loss

CURRENT		
Listed Australian and overseas equities & securities	2,119,576	1,533,716
Unlisted overseas equities & securities	430,615	415,740
	<u>2,550,191</u>	<u>1,949,456</u>

Total financial assets	<u>2,550,191</u>	<u>2,270,456</u>
-------------------------------	-------------------------	-------------------------

In line with the adoption of AASB 9 Financial Instruments, there was a mark to market revaluation of investments at year end which resulted in an increased investment value of \$390,487

7 Other Assets

CURRENT		
Prepayments	117,353	104,330
	<u>117,353</u>	<u>104,330</u>

The Leprosy Mission Australia

ABN: 52 354 004 543

Notes to the Financial Statements

For the Year Ended 30 June 2021

8 Property, plant and equipment

	2021	2020
	\$	\$
LAND AND BUILDINGS		
Freehold land		
At fair value	5,400,000	4,000,000
Total Land	<u>5,400,000</u>	<u>4,000,000</u>
Buildings		
At fair value	600,000	650,000
Accumulated depreciation	(3,160)	(24,131)
Total buildings	<u>596,840</u>	<u>625,869</u>
Total Land and Buildings	<u>5,996,840</u>	<u>4,625,869</u>
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	113,822	113,822
Accumulated depreciation	(86,819)	(78,708)
Total plant and equipment	<u>27,003</u>	<u>35,114</u>
Motor vehicles		
At cost	21,027	21,027
Accumulated depreciation	(21,027)	(21,027)
Total motor vehicles	<u>-</u>	<u>-</u>
Furniture and Equipment		
At cost	509,684	501,587
Accumulated depreciation	(437,188)	(403,950)
Total Furniture and Equipment	<u>72,496</u>	<u>97,637</u>
Total Plant and Equipment	<u>99,499</u>	<u>132,751</u>
Total Property, Plant and Equipment	<u>6,096,339</u>	<u>4,758,620</u>

Valuation of Land and Buildings

The revaluation of freehold land and buildings at Box Hill, Victoria, was undertaken by Valuation Group (Australia) Pty Ltd for the Box Hill property on 29 April 2021.

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

The Leprosy Mission Australia

ABN: 52 354 004 543

Notes to the Financial Statements

For the Year Ended 30 June 2021

8 Property, plant and equipment

Movements in Carrying Amounts

	Land and Buildings	Plant and Equipment	Motor Vehicles	Furniture and Equipment	Total
	\$	\$	\$	\$	\$
Balance at the beginning of the year	4,625,869	35,114	-	97,637	4,758,620
Additions	-	-	-	19,736	19,736
Disposals	-	-	-	(1,439)	(1,439)
Depreciation expense	(19,248)	(8,111)	-	(43,438)	(70,797)
Revaluation increase	1,390,219	-	-	-	1,390,219
Balance at the end of the year	5,996,840	27,003	-	72,496	6,096,339

9 Intangible Assets

	2021	2020
	\$	\$
Website Development & Software costs		
Cost	152,143	127,394
Accumulated amortisation	(100,798)	(70,907)
Net carrying value	51,345	56,487
Patents, trademarks and other rights		
Cost	17,204	16,704
Net carrying value	17,204	16,704
Total Intangibles	68,549	73,191

Movements in carrying amounts of intangible assets

	Website	Trademark	Total
	\$	\$	\$
Opening balance	56,487	16,704	73,191
Additions	24,750	500	25,250
Amortisation	(29,892)	-	(29,892)
Closing value at 30 June 2021	51,345	17,204	68,549

The Leprosy Mission Australia

ABN: 52 354 004 543

Notes to the Financial Statements

For the Year Ended 30 June 2021

10 Trade and Other Payables

	2021	2020
	\$	\$
CURRENT		
Trade payables	70,515	103,201
Other payables and accruals	112,036	40,019
	<u>182,551</u>	<u>143,220</u>

11 Borrowings

CURRENT		
Unsecured liabilities:		
Interest free loans from supporters	10,000	10,000
	<u>10,000</u>	<u>10,000</u>

The only borrowing facility is the Corporate Credit Card.

12 Provisions

CURRENT		
Employee benefits	211,821	187,185
	<u>211,821</u>	<u>187,185</u>
NON-CURRENT		
Employee benefits	27,114	43,998
	<u>27,114</u>	<u>43,998</u>

The Leprosy Mission Australia

ABN: 52 354 004 543

Notes to the Financial Statements

For the Year Ended 30 June 2021

13 Leases

	2021	2020
	\$	\$
Right-of-use assets		
Right-of-use asset	25,958	25,958
Accumulated Amortization	(12,438)	(5,949)
Balance at end of year	13,520	20,009
Movements in carrying amounts of right-of-use assets		
	Printer	Total
	\$	\$
Opening balance	20,009	20,009
Amortisation expense	(6,489)	(6,489)
Balance at the end of the year	13,520	13,520
Lease liabilities		
Current Lease liabilities	6,566	6,376
Non- current Lease liabilities	7,335	13,901
Total	13,901	20,277

The Right-of-use asset held by The Leprosy Mission Australia at year end is a printer. This lease will expire in July 2023.

14 Reserves

TLMA Investment Fund

The reserve represents the amount received from the Serpell Estate in 2002 plus other donations for investments.

Asset revaluation reserve

The asset revaluation reserve records revaluations of property, plant and equipment.

The Leprosy Mission Australia

ABN: 52 354 004 543

Notes to the Financial Statements

For the Year Ended 30 June 2021

15 Financial Risk Management

The Company's financial instruments consist mainly of deposits with banks, accounts receivable and payable, interest free loans from supporters, listed and unlisted Australian and overseas equities and securities. The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	2021	2020
	\$	\$
Financial assets		
Financial assets at fair value through profit or loss	2,550,191	1,949,456
Financial assets at amortised cost:		
Cash and cash equivalents	2,424,910	1,814,720
Trade and other receivables	56,968	68,307
Term deposits	-	321,000
Total financial assets	5,032,069	4,153,483
Financial liabilities		
Financial liabilities at amortised cost:		
Trade and other payables	182,551	143,220
Interest free loans from supporters	10,000	10,000
Lease liabilities	13,901	20,277
Total financial liabilities	206,452	173,497

16 Key Management Personnel Remuneration

The total remuneration paid to key management personnel of the Company is \$ 319,540 (2020: \$ 190,733). The number of key management personnel increased by 1 in this financial year.

Directors are not remunerated.

17 Fair Value Measurement

The Company measures the following assets and liabilities at fair value on a recurring basis:

- Property, plant and equipment (freehold land and buildings)

Fair value of freehold land and buildings is determined at least every three years based on valuations by an independent valuer. At the end of each intervening period, the directors review the independent valuation and, when appropriate, update the fair value measurement to reflect current market conditions.

- Financial assets at fair value through profit or loss

These comprise direct investments in Australian listed securities where the fair value is determined based on the bid price as at the balance date and investments in property and overseas equity funds where the fair value is based on the unit redemption price at balance date.

The Leprosy Mission Australia

ABN: 52 354 004 543

Notes to the Financial Statements

For the Year Ended 30 June 2021

18 Non-monetary donation and gifts

The Company also received \$7,700 (2020: \$134) worth of goods as in kind donations. Accordingly, total non-monetary donations received amounted to \$7,700 (2020: \$134).

19 Distribution to TLM Global Fellowship

	2021	2020
	\$	\$
India	601,956	549,939
Nepal	518,314	415,479
Nigeria	178,381	160,172
PNG	105,757	101,215
Timor Leste	690,784	663,432
Indonesia - Through TLM NZ	10,906	11,092
Thailand	110,321	56,747
Total Distribution to Global Fellowship	2,216,419	1,958,076

The distribution to Nepal included a donation in kind of PPE equipment to the value of \$8,842.

20 Reporting Requirements Under the New South Wales Charitable Fundraising Act 1991

(a) Aggregate gross income and total direct expenses of appeal

The Leprosy Mission Australia raises donations through direct appeals throughout the year:

Gross Proceeds from Appeals and Other Activities	778,725	687,811
Total Direct Cost of Appeals and Other Activities	(81,988)	(82,960)
Net Surplus from Appeals and Other Activities	696,737	604,851

(b) Details of appeal income and costs

2021

Total cost of appeals / gross income from appeals and other activities 81,988 / 778,725 10.53%

Net surplus from appeals / gross income from appeals and other activities 696,737 / 778,725 89.47%

2020

Total cost of appeals / gross income from appeals and other activities 82,960 / 687,811 12.06%

Net surplus from appeals / gross income from appeals and other activities 604,851 / 687,811 87.94%

21 Events after the end of the Reporting Period

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

The Leprosy Mission Australia

ABN: 52 354 004 543

Notes to the Financial Statements

For the Year Ended 30 June 2021

22 Company Details

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

The Leprosy Mission Australia

37-39 Ellingworth Parade

Box Hill VIC 3128

The Leprosy Mission Australia

ABN: 52 354 004 543

Directors' Declaration

The directors declare that:

1. The financial statements and notes, as set out within this report, are in accordance with the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*; and
 - (a) comply with Accounting Standards, and other mandatory professional reporting requirements; and
 - (b) give a true and fair view of the company's financial position as at 30 June 2021 and of the company's performance, as represented by the results of the company's operations and their cash flows, for the financial period ended on that date.
2. In the Directors' opinion:
 - (a) 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) the accounts give a true and fair view of the income and expenditure of the company with respect to New South Wales fundraising appeals.
3. The Statement of Income and Expenditure gives a true and fair view of the state of affairs with respect to fundraising appeals conducted by the organisation.
4. The provisions of the *New South Wales Charitable Fundraising Act 1991*, and the regulations under the Act, and the conditions attached to the authority have been complied with by the company.
5. The company complies with the Voluntary Code of Practice for public fundraising in Western Australia.
6. The financial statements have been prepared in accordance with the requirements set out in the ACFID Code of Conduct. For further information on the Code please refer to the ACFID Code of Conduct Implementation Guide available at www.acfid.asn.au
7. The internal controls exercised by the company are effective in accounting for all income received and applied by the company from any of its fundraising appeals.

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

Director


Director


Date: 27 September 2021

The Leprosy Mission Australia

ABN: 52 354 004 543

Independent Audit Report to the members of The Leprosy Mission Australia

Opinion

We have audited the accompanying financial report, being a General Purpose financial report of The Leprosy Mission Australia (the Company), which comprises the statement of financial position as at 30 June 2021, the statement of income and expenditure in ACFID Code of Conduct format, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report is in accordance with Division 60 of 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 2021 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibilities of the Directors for the Financial Report

Directors are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as directors determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Directors are responsible for overseeing the Company's financial reporting process.

The Leprosy Mission Australia

ABN: 52 354 004 543

Independent Audit Report to the members of The Leprosy Mission Australia

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

The Leprosy Mission Australia

ABN: 52 354 004 543

Independent Audit Report to the members of The Leprosy Mission Australia

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



Saward Dawson



Jeffrey Tulk
Partner

Blackburn

Date: 27 September 2021