

# **Victorian Association for Environmental Education Inc**

**ABN: 51 290 873 970**

**Financial Report For The Year Ended  
30 June 2022**

# Victorian Association for Environmental Education Inc

ABN: 51 290 873 970

## Financial Report For The Year Ended 30 June 2022

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## COMMITTEE'S REPORT

Your committee members submit the financial report of the Victorian Association for Environmental Education Inc for the financial year ended 30 June 2022.

### Committee Members

The names of committee members throughout the financial year ended 30 June 2022 were:

#### Executive

Rina Gao - President  
Alison Fraser - Vice President  
Keith Beresford - Vice President  
James Woodhouse - Vice President (appointed 12.07.22)  
Bond Szeto - Interim-treasurer (appointed 28.09.22)  
Bokyoung Mun - Acting Secretary  
Natalie Zheng - Secretary (appointed 12.07.22)  
Dhanish Semar - President (resigned 30.11.21)  
Angela Andrews - Immediate past-President (resigned 30.11.21)  
Steff Anderson - Treasurer (resigned 30.11.21)

#### Committee of Management

Maddy Yewers (resigned 16.08.22)  
Stephanie Mitten (appointed 30.11.21)  
Travis Gandy (appointed 30.11.21)  
Matt Genever (resigned 14.09.22)  
Paula McIntosh (resigned 12.07.22)  
Alyssa Serafim (resigned 30.11.21)  
Danielle Koetting (resigned 30.11.21)  
Clara Simpson (appointed 30.11.21)  
Liz Balharrie (resigned 30.11.21)  
Rina Gao

### Principal Activities

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

- provide Community of Practice gatherings for members
- build capacity for best practice environmental education
- advocate for continued improvement in environmental/sustainability education on behalf of members
- collaborate with like-minded partners to deliver innovative environmental/sustainability education initiatives
- provide a knowledge hub and knowledge leadership for our members including regular e-Newsletters.

### Significant Changes

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

### Events Subsequent to the End of the Reporting Period

The Association's operations may be affected by the ongoing outbreak of the coronavirus disease 2019 (COVID-19) which was declared a pandemic by the World Health Organisation in March 2020. The ultimate disruption which may be caused by the outbreak is uncertain; however, it may result in a material adverse impact on the Association's financial position, operations and cash flows. Possible effects may include, but are not limited to, disruption to the Association's customers and revenue, absenteeism in the Association's labor workforce, unavailability of products and supplies used in operations, and a decline in value of assets held by the Association, including plant and equipment.

## COMMITTEE'S REPORT continued

### Auditor's Independence Declaration

A copy of the auditor's independence declaration is set out on page 4 and forms part of the Committee's Report.

### Operating Result

The surplus for the year amounted to \$136,503 (2021: deficit \$38,743).

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



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Bond Szeto - Interim-treasurer

20 January 2023

**AUDITOR'S INDEPENDENCE DECLARATION  
TO THE COMMITTEE MEMBERS OF VICTORIAN ASSOCIATION FOR ENVIRONMENTAL EDUCATION  
INC.**

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, as lead auditor for the audit of Victorian Association for Environmental Education Inc. for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

- a) No contraventions of the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- b) No contraventions of any applicable code of professional conduct in relation to the audit.

Ryecrofts



Terrence Vail  
Director

Dated this 20<sup>th</sup> day of January 2023

## Statement of Profit or Loss and Other Comprehensive Income for the Year Ended 30 June 2022

	Note	2022 \$	2021 \$
Revenue	2	621,290	476,881
Cost of sales		(89,519)	(82,167)
Other expenses		(395,268)	(433,456)
<b>Surplus(Deficit) for the year before tax</b>		<b>136,503</b>	<b>(38,743)</b>
Income tax expense	1(a)	-	-
<b>Surplus(Deficit) for the year</b>		<b>136,503</b>	<b>(38,743)</b>
<b>Other comprehensive income for the year</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>136,503</b>	<b>(38,743)</b>

*The accompanying notes form part of these financial statements*

## Statement of Financial Position as at 30 June 2022

	Note	2022 \$	2021 \$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	4	259,225	211,626
Accounts receivable and other debtors	5	59,741	5,498
Inventory		61,302	42,184
<b>Total Current Assets</b>		<b>380,268</b>	<b>259,307</b>
<b>Non-Current Assets</b>			
Plant and equipment	6	4,289	2,994
<b>Total Non-Current Assets</b>		<b>4,289</b>	<b>2,994</b>
<b>Total Assets</b>		<b>384,557</b>	<b>262,302</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts payable and other payables	7	60,854	68,432
Employee provisions	8	11,800	10,303
Income in advance		18,104	26,270
<b>Total Current Liabilities</b>		<b>90,758</b>	<b>105,004</b>
<b>Total Liabilities</b>		<b>90,758</b>	<b>105,004</b>
<b>Net Assets</b>		<b>293,800</b>	<b>157,297</b>
Retained surplus		157,297	196,040
Current year (deficit)/surplus		136,503	(38,743)
<b>Total Equity</b>		<b>293,800</b>	<b>157,297</b>

*The accompanying notes form part of these financial statements*

## Statement of Changes in Equity for the year ended 30 June 2022

	<b>Retained Surplus</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>
Balance at 1 July 2020	196,040	196,040
Net deficit for the year	(38,743)	(38,743)
Other comprehensive income for the year	-	-
<b>Balance at 30 June 2021</b>	<b>157,297</b>	<b>157,297</b>
Balance at 1 July 2021	157,297	157,297
Net deficit for the year	136,503	136,503
Other comprehensive income for the year	-	-
<b>Balance at 30 June 2022</b>	<b>293,800</b>	<b>293,800</b>

*The accompanying notes form part of these financial statements*



## Statement of Cash Flows for the year ended 30 June 2022

	Note	2022 \$	2021 \$
<b>Cash Flows from Operating Activities</b>			
Grants received		453,044	271,106
Receipts from customers		175,775	292,937
Interest received		322	500
Payments to suppliers and employees		(577,147)	(553,524)
Net cash generated by operating activities	9	51,994	11,019
<b>Cash Flows from Investing Activities</b>			
Payments for property, plant and equipment		(4,394)	(877)
Net cash used in investing activities		(4,394)	(877)
<b>Cash Flows from Financing Activities</b>			
Repayment of lease liabilities		-	(11,430)
Net cash used in financing activities		-	(11,430)
<b>Net Increase/(decrease) in Cash and Cash Equivalents</b>		47,600	(1,288)
<b>Cash and Cash Equivalents at the Beginning of the Financial Year</b>		211,626	212,914
<b>Cash and Cash Equivalents at the End of the Financial Year</b>	4	259,225	211,626

*The accompanying notes form part of these financial statements*

## NOTES TO THE FINANCIAL STATEMENTS

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## NOTES TO THE FINANCIAL STATEMENTS

The financial statements cover Victorian Association for Environmental Education Inc ("VAEE" or "the Association") as an individual entity. Victorian Association for Environmental Education Inc is an Association incorporated in Victoria and operating pursuant to the *Associations Incorporation Reform Act 2012* and is a registered charity with the Australian Charity and Not-for-Profits Commission (ACNC).

The financial statements were authorised for issue on 20 January 2023 by the members of the committee.

### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of preparation

The committee of VAEE has determined that the Association is not a reporting entity because there are no users who rely on general purpose financial statements for financial information about the entity. These financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the *Association Incorporations Reform Act 2012 (Victoria)* and the *Australian Charities and Not-for-Profits Commission Act 2012*.

The financial statements, except for the cash flow information, have been prepared on an accrual 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.

#### Accounting policies

##### (a) Income tax

No provision for income tax has been raised as the entity is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

##### (b) Inventory

Inventories held for sale are measured at the lower of cost and net realisable value. Costs are assigned on the basis of weighted average costs.

Inventories held for distribution are measured at cost adjusted, when applicable, for any loss of service potential.

Inventories acquired at no cost or for nominal consideration are measured at the current replacement cost as at the date of acquisition.

##### (c) Fair value of assets and liabilities

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

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

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued

#### (c) Fair value of assets and liabilities continued

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

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

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

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

#### (d) Leases

The Association assesses whether a contract is or contains a lease, at inception of the contract. The Association recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Association recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Association uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date
- The amount expected to be payable by the lessee under residual value guarantees
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued

#### (d) Leases continued

- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Association remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate

- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used)

- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Association did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Association expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

The Association applies AASB 136 Impairment of Assets to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, plant and equipment' policy.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "Other expenses" in profit or loss.

As a practical expedient, AASB 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Association has not used this practical expedient. For contracts that contain a lease component and one or more additional lease or non-lease components, the Association allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued

#### (e) Financial instruments

##### Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Association commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately.

##### Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) over the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of income or expense in profit or loss.

##### *(i) Financial assets at fair value through profit or loss*

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in fair value (ie gains and losses) recognised in profit or loss.

##### *(ii) Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

##### *(iii) Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Association's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued

#### (e) Financial instruments continued

##### Classification and subsequent measurement continued

###### *(iv) Financial Liabilities*

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

##### Impairment

A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a 'loss event') having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified into profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the Association recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

##### Derecognition

Financial assets are derecognised where the contractual right to receipt of cash flows expires or the asset is transferred to another party, whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled or have expired. The difference between the carrying amount 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

### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued

#### (f) Impairment of assets

At the end of each reporting period, the Association assesses whether there is any indication that an asset may be impaired. The assessment will consider both external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of that asset, being the higher of the asset's fair value less costs of disposal and its value in use, to the asset's carrying amount. For non-cash generating specialised assets measured using the cost basis, the recoverable amount is determined using current replacement cost in AASB 13 Fair Value Measurement. Any excess of the asset's carrying amount over its recoverable amount is immediately recognised in profit or loss.

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

#### (g) Employee provisions

##### Short term employee benefits

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

The Association's obligations for short-term employee benefits such as wages and salaries are recognised as part of current accounts payable and other payables in the statement of financial position.

##### Other long term employee benefits

Provision is made for employees' annual leave entitlements not expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments 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 high quality corporate bonds that have maturity dates approximating the terms of the obligations. Any remeasurements of other long-term employee benefit obligations due to changes in assumptions are recognised in profit or loss in the periods in which the changes occur.

The Association's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Association 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 provisions.

#### (h) Cash on hand

Cash on hand includes 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.



## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued

#### (i) Accounts receivable and other debtors

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

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1 (f) for further discussion on the determination of impairment losses.

#### (j) Revenue and other income

Non-reciprocal grant revenue is recognised profit or loss when the Association obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the Association and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before the entity is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the Association incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

The Association receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss and other comprehensive income.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

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

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

#### (k) 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 profit or loss in the period in which they are incurred.

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued

#### (l) 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 (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

#### (m) Comparative figures

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

Where the Association retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period is presented in addition to the minimum comparative financial statements.

#### (n) Accounts payable and other payables

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

#### (o) Provisions

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

#### (p) Critical accounting estimates and judgements

The committee members evaluate estimates and judgements incorporated into the financial statements 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 Association.

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued

#### **(q) New and Amended Accounting Policies Not Yet Adopted by the company**

AASB 2020-1: Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current

The amendment amends AASB 101 to clarify whether a liability should be presented as current or non-current.

The company plans on adopting the amendment for the reporting period ending 30 June 2024. The amendment is not expected to have a material impact on the financial statements once adopted.

(Amendments to IAS 1 and IFRS Practice Statement 2) and Definition of Accounting Estimates (Amendments to IAS 8).

The company plans on adopting the amendment for the reporting period ending 30 June 2024. The impact of the initial application is not yet known.

## NOTES TO THE FINANCIAL STATEMENTS

<b>NOTE 2: REVENUE AND OTHER INCOME</b>	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Sales revenue		
- sale of goods - publications	173,782	81,693
Other revenue		
- grants (state) operating	411,858	222,579
- donations received	35	276
- contributions (members)	25,780	22,238
- other revenue from operating activities	9,514	149,595
- interest received	322	500
	447,508	395,188
Total revenue	621,290	476,881
<b>NOTE 3: AUDITOR'S FEES</b>	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Remuneration of the auditor of the association for auditing the financial statements	4,000	4,000
	4,000	4,000
<b>NOTE 4: CASH AND CASH EQUIVALENTS</b>	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Bank account	199,481	152,297
Term deposit	53,801	53,667
Donations account	5,944	5,662
	259,225	211,626
<b>NOTE 5: ACCOUNTS RECEIVABLE AND OTHER DEBTORS</b>	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Current		
Trade receivables	4,626	2,400
Accrued grant revenue	50,405	-
Other receivables	4,710	3,098
Total current accounts receivable and other debtors	59,741	5,498

No impairment of accounts receivable and other debtors was required at 30 June 2022 (2021: \$0).

## NOTES TO THE FINANCIAL STATEMENTS

<b>NOTE 6: PLANT AND EQUIPMENT</b>	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<b>Office and computer equipment</b>		
At cost	11,270	6,876
Accumulated depreciation	(6,981)	(3,882)
Total computer equipment	4,289	2,994
<b>NOTE 7: ACCOUNTS PAYABLE AND OTHER PAYABLES</b>	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Current		
Accounts payable	4,964	805
Wages payable	923	7,254
Superannuation	7,110	4,387
Provision for GST	17,184	19,205
Memberships in advance	14,074	8,405
Accruals	16,599	28,377
Total accounts payable and other payables	60,854	68,432

## NOTES TO THE FINANCIAL STATEMENTS

<b>NOTE 8: EMPLOYEE PROVISIONS</b>	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Current		
Employee provisions - annual leave entitlements	11,800	9,628
	11,800	9,628
Non-current		
Employee provisions - long service leave entitlements	-	675
	-	675
<b>Total employee provisions</b>	<b>11,800</b>	<b>10,303</b>
Analysis of employee provisions - annual leave entitlements		
Opening balance	9,628	19,215
Additional provisions	19,279	21,998
Amounts used	(17,108)	(31,585)
Balance at 30 June	11,800	9,628
Analysis of employee provisions - long service leave entitlements		
Opening balance	675	4,045
Additional provisions	81	1,342
Amounts used	(756)	(4,712)
Balance at 30 June	-	675
<b>NOTE 9: CASH FLOW INFORMATION</b>	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Reconciliation of cash flow from operations with surplus after income tax		
(Deficit)/Surplus after income tax	136,503	(38,743)
Non-cash flows in profit		
Depreciation	3,099	13,439
Changes in assets and liabilities		
(Increase)/decrease in accounts receivable and other debtors	(54,243)	18,052
Increase in trade creditors	(15,744)	69,971
(Increase) in inventory	(19,118)	(38,743)
Increase/(decrease) in provisions	1,497	(12,957)
<b>Net cash (used in)/provided by operating activities</b>	<b>51,994</b>	<b>11,019</b>

## **NOTES TO THE FINANCIAL STATEMENTS**

### **NOTE 10: ECONOMIC DEPENDENCE**

Whilst the Association's activities are largely funded by member subscriptions, professional learning activities and member events the Association is assisted in its activities by project-based grants provided mostly by the state government and sales of the VCE Environmental Science textbook. At the date of this report, the members of the committee had no reason to believe that the State Government would not continue to provide financial support to Victorian Association for Environmental Education Inc to deliver relevant projects.

### **NOTE 11: EVENTS AFTER THE REPORTING DATE**

The Association's operations may be affected by the ongoing outbreak of the coronavirus disease 2019 (COVID-19) which was declared a pandemic by the World Health Organisation in March 2020. The ultimate disruption which may be caused by the outbreak is uncertain; however, it may result in a material adverse impact on the Association's financial position, operations and cash flows. Possible effects may include, but are not limited to, disruption to the Association's customers and revenue, absenteeism in the Associations labor workforce, unavailability of products and supplies used in operations, and a decline in value of assets held by the Association, including plant and equipment.

### **NOTE 12: ASSOCIATION DETAILS**

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

Victorian Association for Environmental Education Inc  
552 Victoria Street  
North Melbourne VIC 3051

## COMMITTEE'S DECLARATION

In the opinion of the Committee Members of Victorian Association for Environmental Education Inc:

a. The financial statements and notes of Victorian Association for Environmental Education Inc are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

(i) Giving a true and fair view of its financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and

Complying with Australian Accounting Standards as stated in Note 1 and the *Australian Charities and Not-for-profits Commission Regulation 2013*; and

b. There are reasonable grounds to believe that Victorian Association for Environmental Education Inc will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the committee.



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Bond Szeto - Interim-treasurer

20 January 2023



## **INDEPENDENT AUDIT REPORT**

### **TO THE MEMBERS OF VICTORIAN ASSOCIATION FOR ENVIRONMENTAL EDUCATION INCORPORATED**

#### **Opinion**

We have audited the financial report of Victorian Association for Environmental Education Incorporated (“the entity”) which comprises the statement of financial position as at 30 June 22, the statement of profit or loss and other 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 of the entity 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 registered entity's financial position as at 30 June 2022 and of its financial performance and cash flows 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 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 Entity in accordance with the auditor independence requirements of the Accounting Professional and Ethical Standards Board’s APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (“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 confirm that the independence declaration required by Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, which has been given to those charged with governance, would be in the same terms if given as at the time of this auditor’s report.

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

#### **Emphasis of Matter – Basis of Accounting**

We draw attention to note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the director’s financial reporting responsibilities under the *Australian Charities and Not-for-Profits Commission Act 2012*. As a result the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

### **Subsequent event: The impact of the uncertainty of COVID-19**

We draw attention to Note 11 in the Financial Report, which describes events subsequent to year end and the implications of the COVID-19 pandemic. The pandemic is ongoing with the possible effects of the future implications of COVID-19 on the entity's future financial position and performance not disclosed in the financial report. Our opinion is not modified in respect of this matter.

### **Information Other than the Financial Report and Auditor's Report Thereon**

The directors are responsible for the other information. The other information comprises the information included in the entity's financial report for the year ended 30 June 2022, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of the Directors for the Financial Report**

The directors of the Entity are responsible for the preparation of the financial report that gives a true and fair view and has determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Corporations Act 2001* and the *Australian Charities and Not-for-profits Commission Act 2012* and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine 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, the directors are responsible for assessing the ability of the Entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

### **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

A further description of our responsibilities for the audit of the financial report is included in Appendix A of this auditor's report. This description, which is located directly after the audit report, forms part of our auditor's report.

**RYECROFTS PTY LTD**

A handwritten signature in black ink, appearing to read 'Terry Vail', with a horizontal line underneath.

Terry Vail  
Director  
Registered Company Auditor - 305706

Dated this 20<sup>th</sup> January 2023

## **Appendix A: Auditor's Responsibilities for the Audit of the Financial Report**

As part of an audit in accordance with 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

23 January 2023

The Committee of Management  
C/- Ms Jo Connor  
Executive Officer  
Victorian Association for Environmental Education Incorporated  
552 Victoria Street  
NORTH MELBOURNE VIC 3051

Dear Committee Members,

We have recently completed the audit of Victorian Association for Environmental Education Incorporated ("the Association") for the year ended 30 June 2022 and have issued our signed independence declaration and audit report.

The purpose of audit was to enable us 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. Our procedures are not designed to identify all matters that may be relevant to you. We have no significant areas for improvement to report in the current year.

The matters reported are limited to those observations that we identified during our audit and that we have concluded are of sufficient importance to merit being reported to you. We have no unadjusted and adjusted errors that were identified in the current year to report.

This report is provided solely for the benefit of the parties identified in the engagement letter dated 16 December 2022 and is not to be copied, quoted or referred to in whole or in part without our prior written consent. Ryecrofts Pty Ltd accepts no responsibility to anyone other than the parties identified in the engagement letter for the information contained in this report.

We would like to thank you and your staff for the assistance and courtesy provided to us during the audit.

If you have any queries, please contact Rozelle Azad or myself.

**RYECROFTS PTY LTD**



Terrence Vail CPA  
Director

Mr Terrence Vail  
Ryecrofts Pty Ltd  
Level 2, 66 Victor Crescent  
NARRE WARREN VIC 3805

Dear Terry,

This representation letter is provided in connection with your audit of the financial report of Victorian Association for Environmental Education Incorporated for the year ended 30 June 2022 for the purpose of expressing an opinion as to whether the financial report gives a true and fair view in accordance with Australian Accounting Standards and the Associations Incorporation Reform Act 2012.

We confirm that to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves:

#### Financial Report

We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated 16 December 2022, for the preparation of the financial report in accordance with Australian Accounting Standards and the Associations Incorporation Reform Act 2012; in particular the financial report gives a true and fair view in accordance therewith. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.

Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Australian Accounting Standards. All events subsequent to the date of the financial report and for which Australian Accounting Standards require adjustment or disclosure have been adjusted or disclosed.

The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial report as a whole. There are no uncorrected misstatements at the reporting date.

#### Information Provided

We have provided you with:

Access to all information of which we are aware that is relevant to the preparation of the financial report such as records, documentation and other matters;

Additional information that you have requested from us for the purpose of the audit; and

Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.



Our Community House 552 Victoria St North Melbourne 3051

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**ABN** 51 290 873 970

All transactions have been recorded in the accounting records and are reflected in the financial report.

We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud. We have disclosed to you the results of our assessment of the risk that the financial report may be materially misstated as a result of fraud.

We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:

- Management;
- Employees who have significant roles in internal control; or
- Others where the fraud could have a material effect on the financial report.

We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial report communicated by employees, former employees, analysts, regulators or others.

We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial report.

We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial report; and accounted for and disclosed in accordance with the applicable financial reporting framework.

We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.

We have provided you with all requested information, explanations and assistance for the purposes of the audit.

We have provided you with all information required by the Associations Incorporation Reform Act 2012.

Kind regards



Rina Gao

President, Environment Education Victoria

20 January 2023



Our Community House 552 Victoria St North Melbourne 3051

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