

**LEADR**  
**ABN 69 008 651 232**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2009**

**LEADR**  
**ABN 69 008 651 232**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2009**

Directors' Report  
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**LEADR**  
**ABN 69 008 651 232**  
**DIRECTORS' REPORT**

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Your directors present this report on the entity for the financial year ended 30 June 2009.

**Directors**

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

Michael Mills  
Catherine Davidson  
Christopher Phillips  
Carol Powell  
James Macdonald  
Margaret Halsmith  
Sally Wiencke  
Hugh Scott-Mackenzie  
Judith Dell  
Gavin Wright  
David Watt

**Principal Activities**

The principal activities of the entity during the financial year were to promote the development, acceptance and usage of negotiation, mediation and other appropriate dispute resolution methods and to promote the active role of professionals in the resolution of disputes by use of these methods.

**Operating Results**

The profit of the entity amounted to \$68,684

**Significant Changes in State of Affairs**

No significant changes in the company's state of affairs occurred during the financial year.

**After Balance Date Events**

No matters or circumstances have arisen since the end of the financial year which significantly effect the financial results of the entity for the year ended 30 June 2009.

**Dividends and Options**

The company is a company limited by guarantee and in accordance with the Articles of Association, no shares or debentures have been issued and no dividends or options have been recommended or paid.

**Future Developments**

As at 30 June 2009, the entity expects to maintain the present status and level of operations.

**Environmental Issues**

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

**LEADR**  
**ABN 69 008 651 232**  
**DIRECTORS' REPORT**

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**Information on Directors**

**Michael Mills**

Qualifications

Experience

- Director
- B.Juris LL.B. (UWA); JSM (Stanford)
- Appointed director 2001. Partner of Sydney law firm Freehills.

**Catherine Davidson**

Qualifications

Experience

- Director
- BA LLB
- Appointed director 2006. Principal of own mediation service firm. Solicitor of the Supreme Court of NSW - Admitted 1989

**Christopher Phillips**

Qualifications

Experience

- Director
- Member Institute of Chartered Accountants
- Appointed director 2005, resigned in December 2008. Partner at Deloitte Touche Tohmatsu

**Carol Powell**

Qualifications

Experience

- Director
- LLB (Auckland). Admitted to Bar: NZ, Victoria, England, Wales
- Appointed director 2005. Director of LEADR NZ and EGDRS. Sit on board of Trustees at Victoria Avenue Primary School.

**James Macdonald**

Experience

- Director
- Appointed director 2005. Manager for Magistrates Court in SA

**Margaret Halsmith**

Qualifications

Experience

- Director
- B. Psych, BA, Dip Ed
- Appointed director 2004. Principal in own mediation firm. Member of NADRAC.

**Sally Wiencke**

Experience

- Director
- Appointed director July 2008. 23 years' experience working with complex psychological injury claims.

**Hugh Scott-Mackenzie**

Qualifications

Experience

- Director
- LL B
- Appointed director 2004. Practicing Barrister in Brisbane. Has been a company director for more than 30 years

**Judith Dell**

Qualifications

Experience

- Director
- B. Arts/B Law (University of Wellington)
- Appointed director 2003. Director of LEADR NZ since 1999.

**Gavin Wright**

Qualifications

Experience

- Director
- Financial Planner
- Appointed director November 2007, resigned in July 2008.

**LEADR**  
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**DIRECTORS' REPORT**

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**David Watt**

- Director

Qualifications

- Appointed director December 2008. BEc (University of Sydney),  
Member of Institute of Chartered Accountants, Australia and  
New Zealand Institute of Insurance & Finance and Australian  
Insurance Law Association

Experience

- Partner in Deloitte Touche Tohmatsu in Sydney

**LEADR**  
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**DIRECTORS' REPORT**

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**Proceedings on Behalf of Company**

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

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

**Meetings of Directors**

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

	Number eligible to attend	Number attended
Michael Mills	11	3
Catherine Davidson	11	9
Christopher Phillips (resigned in December 2008)	6	5
Carol Powell	11	7
James Macdonald	11	9
Margaret Halsmith	11	11
Sally Wiencke (appointed in July 2008)	9	9
Hugh Scott-Mackenzie	11	3
Judith Dell	11	10
Gavin Wright (resigned in July 2008)	0	0
David Watt (appointed in December 2008)	7	7

**Indemnifying Officer or Auditor**

The company has not otherwise, during or since the financial year, indemnified or agreed to indemnify an officer or auditor of the company or of any related body corporate against a liability incurred as such an officer or auditor.

**Auditor's Independence Declaration**

The lead auditor's independence declaration for the year ended 30 June 2009 has been received and can be found on the next page of the directors' report.

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

Director \_\_\_\_\_

Date \_\_\_\_\_

Director \_\_\_\_\_

Date \_\_\_\_\_

**LEADR  
ABN 69 008 651 232**

**AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF LEADR**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2009 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit, and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

RP Campbell Associates Pty Limited

Robert Peter Campbell

\_\_\_\_\_

Date

\_\_\_\_\_

Level 14, 25 Bligh Street Sydney NSW 2000

**LEADR**  
**ABN 69 008 651 232**

**INCOME STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2009**

	Note	2009 \$	2008 \$
<b>CLASSIFICATION OF REVENUE AND EXPENSES BY FUNCTION AND NATURE</b>			
Revenue from continuing operations	2	939,004	884,688
Cost of sales		(505,120)	(465,270)
Gross profit		433,885	419,418
Other income	2	266,179	167,823
Depreciation and amortisation expenses	3	(9,401)	(8,783)
Employee benefits expense		(364,749)	(337,475)
Loss on disposal of property, plant and equipment	3	(18,852)	-
Rental expense		(70,814)	(60,948)
Audit, legal and consultancy expenses		(6,497)	(6,850)
Other expenses		(161,067)	(119,503)
<b>Profit/(loss) before income tax</b>		68,684	53,683
Income tax expense		-	-
<b>Profit/(loss) after income tax</b>		68,684	53,683

The accompanying notes form part of these financial statements.

**LEADR**  
**ABN 69 008 651 232**

**BALANCE SHEET**  
**AS AT 30 JUNE 2009**

	Note	2009 \$	2008 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	415,020	379,780
Trade and other receivables	5	150,159	27,414
Inventories	6	2,768	1,815
<b>TOTAL CURRENT ASSETS</b>		<u>567,947</u>	<u>409,009</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	7	37,524	33,006
<b>TOTAL NON-CURRENT ASSETS</b>		<u>37,524</u>	<u>33,006</u>
<b>TOTAL ASSETS</b>		<u>605,471</u>	<u>442,015</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	8	277,521	178,738
Short-term provisions	9	14,000	20,663
<b>TOTAL CURRENT LIABILITIES</b>		<u>291,521</u>	<u>199,401</u>
<b>NON-CURRENT LIABILITIES</b>			
Long-term provisions	9	12,402	9,750
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>12,402</u>	<u>9,750</u>
<b>TOTAL LIABILITIES</b>		<u>303,923</u>	<u>209,151</u>
<b>NET ASSETS</b>		<u>301,547</u>	<u>232,863</u>
<b>EQUITY</b>			
Retained earnings		301,547	232,863
<b>TOTAL EQUITY</b>		<u>301,547</u>	<u>232,863</u>

The accompanying notes form part of these financial statements.

**LEADR**  
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**STATEMENT OF RECOGNISED INCOME AND EXPENDITURE**

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	<b>AASB 101.97(b)</b>	<b>AASB 101.97(c)</b>	
	<b>Retained Earnings</b>	<b>Asset Revaluation Reserve</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Balance at 1 July 2007</b>	179,181	-	179,181
Profit attributable to the entity	53,683	-	53,683
<b>Balance as 30 June 2008</b>	232,863	-	232,863
Profit attributable to the entity	68,684	-	68,684
<b>Balance as 30 June 2009</b>	301,547	-	301,547

The accompanying notes form part of these financial statements.

**LEADR**  
**ABN 69 008 651 232**

**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2009**

	Note	2009 \$	2008 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		1,065,060	1,090,630
Payments to suppliers and employees		(1,033,279)	(965,846)
Interest received		17,379	13,742
Net cash generated from operating activities	17b	49,159	138,526
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payment for property, plant and equipment		(32,771)	(9,831)
Disposal of property, plant and equipment		18,852	-
Net cash used in investing activities		(13,919)	(9,831)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Net cash generated from (used in) financing activities		-	-
Net increase in cash held		35,240	128,695
Cash at the beginning of the financial year		379,780	251,085
<b>CASH AT THE END OF THE FINANCIAL YEAR</b>	17a	415,020	379,780

The accompanying notes form part of these financial statements.

**LEADR**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2009**

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**Note 1: Statement of Significant Accounting Policies**

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standard Board and the Corporations Act 2001.

The financial report is for LEADR as an individual entity, incorporated and domiciled in Australia. LEADR is a company limited by guarantee.

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

**Basis of Preparation**

**Reporting Basis and Conventions**

The financial report has been prepared on an accruals basis and is based on historical costs. It does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

**Accounting Policies**

**a. Membership Subscriptions**

Membership subscriptions received in advance for the next membership period are deferred and recognised as income in the period to which they relate. The membership period is from 1 July to 30 June. Membership fees are not refundable.

**b. Inventories**

Inventories are measured at the lower of cost and net realisable value. Costs are assigned to inventory on hand by the method most appropriate to each particular class of inventory, with the majority being valued on a first-in-first-out basis.

**c. Property, Plant and Equipment**

Property, plant and equipment are carried at cost or fair value less, where applicable, any accumulated depreciation.

There has been a change of accounting policies regarding depreciation.

The depreciable amount of individual items of property, plant and equipment below \$1,000 are grouped in a low value pool and depreciated at 40%. The remaining items of property, plant and equipment are depreciated on a straight line basis.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2009**

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**d. Income Tax**

The company is exempt from income tax on revenue derived from members. It is only liable for income tax on income derived from non members and outside entities. In view of these circumstances no tax liabilities or timing differences have been brought to account.

**e. Financial assets at fair value through the income statement**

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: Recognition and Measurement of Financial Instruments. Realised and unrealised gain and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

**f. Loans and receivables**

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

**g. Held-to-maturity investments**

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

**h. Financial liabilities**

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

**i. Fair value**

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

**j. Impairment**

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2009**

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**k. Impairment of Assets**

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

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

**l. Cash and cash equivalents**

For the purposes of the statement of cash flow, cash includes cash on hand and in at call deposits with banks.

**m. Provisions**

Provisions are made for benefits accruing to employees in respect of annual leave and long service leave when it is probable that settlement will be required and benefits are capable of being measured reliably. Provisions made in respect of annual leave expected to be settled within 12 months, are measured at their net present values.

**n. Goods and Services Tax**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

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

**o. Revenue**

Course fees received are recognised when the courses have been held and attended by the customer. Facilitation and mediation income is recognised when the services have been provided to the customer. Conference and sponsorship fees are recognised when the relevant conferences have been held.

Membership fees are recognised as income in the period to which the membership relates.

**p. Comparative Figures**

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2009**

	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
<b>Note 2: Income</b>		
<b>Revenue from courses</b>		
Course fees	865,223	801,930
<b>Other revenue</b>		
Facilitation and Mediation	17,805	23,905
Adjudication fees	36,181	39,168
Room Hire Fees	19,795	19,685
<b>Total Revenue</b>	<u>939,004</u>	<u>884,688</u>
<b>Other income</b>		
Membership renewals	209,608	127,179
Royalty payments	11,178	13,027
Interest received	17,379	13,742
Other	28,015	13,875
<b>Total Other income</b>	<u>266,179</u>	<u>167,823</u>
<b>Note 3: Expenses</b>		
<b>Expenses</b>		
Depreciation	8,730	7,808
Amortisation	671	975
Loss on disposal of property, plant and equipment		
- Plant	14,139	-
- Equipment	2,461	-
- Workshop material	2,252	-
<b>Note 4: Cash and Cash Equivalents</b>		
Cash at bank	375,236	368,280
Cash on hand	200	200
Term deposits - Bank Guarantee	39,584	11,300
	<u>415,020</u>	<u>379,780</u>
<b>Note 5: Trade and Other Receivables</b>		
<b>Current</b>		
Trade debtors	96,752	30,414
Provision for impairment of debtors	(5,000)	(3,000)
	<u>91,752</u>	<u>27,414</u>
Other receivables	58,407	-
	<u>150,159</u>	<u>27,414</u>
<b>Note 6: Inventories</b>		
<b>At cost</b>		
Stock	2,768	1,815
	<u>2,768</u>	<u>1,815</u>

**LEADR**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2009**

	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
<b>Note 7: Property, Plant and Equipment</b>		
At Cost		
Office Equipment	108,725	99,805
Less: Accumulated Depreciation	94,630	87,327
	<u>14,095</u>	<u>12,478</u>
Furniture & Fittings	89,530	65,678
Less: Accumulated Depreciation	66,101	48,074
	<u>23,428</u>	<u>17,604</u>
Workshop Material	12,550	12,550
Less: Accumulated Amortisation	12,550	9,627
	<u>-</u>	<u>2,923</u>
	<u>37,524</u>	<u>33,006</u>

**Note 8: Trade and Other Payables**

Current		
Accounts Payable	21,172	18,359
Trade Payables	75,383	38,575
Accrued Expenses	165,621	107,340
Accrued Income	4,448	4,530
GST Payable	10,897	9,934
	<u>277,521</u>	<u>178,738</u>

**Note 9: Provisions**

Current		
Provisions for Annual Leave	14,000	20,663
Non-Current		
Provision for Annual Leave	1,104	-
Provision for Long Service Leave	11,298	9,750
	<u>12,402</u>	<u>9,750</u>
	<u>26,402</u>	<u>30,413</u>

**Provision for Annual Leave**

A provision has been recognised for employee entitlements relating to annual leave. In calculating the present value of future cash flows in respect of annual leave, the probability of annual leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been included in Note 1 to this report.

**Provision for Long-term Employee Benefits**

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been included in Note 1 to this report.

**LEADR**  
**ABN 69 008 651 232**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2009**

	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>

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**Note 10: Capital and Leasing Commitments**

**Operating Lease Commitments**

Non-cancellable operating leases contracted for but not capitalised in the financial statements

Payable - minimum lease payments		
not later than 12 months	102,850	52,766
between 12 months and 5 years	411,400	-
greater than 5 years	-	-
	514,250	52,766

The property lease is a non-cancellable lease with a 5-year term, with rent payable monthly in advance. Contingent rental provisions within the lease agreement require that the rent payable shall be reviewed on each anniversary of the commencing date.

**Note 11: Contingent Liabilities**

Estimates of the potential financial effect of contingent liabilities that may become payable:

	-	-
	-	-

**Note: 12 Related Party Transactions**

**Directors:**

The names of directors who have held office during the financial year are:

Michael Mills  
Catherine Davidson  
Christopher Phillips  
Carol Powell  
James Macdonald  
Margaret Halsmith  
Sally Wiencke  
Hugh Scott-Mackenzie  
Judy Dell  
Gavin Wright  
David Watt

The aggregate of income paid or payable, or otherwise made available, in respect of the financial year, to all directors of the company, directly or indirectly, by the company or by any related party.

	16,093	-
	16,093	-

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**NOTES TO THE FINANCIAL STATEMENTS**  
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	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>

Number of directors of the company whose total remuneration falls within the following bands:

	<b>Number</b>	<b>Number</b>
0 - \$10,000	11	10
\$10,001 - \$40,000	-	-
\$40,001 - \$100,000	-	-

A number of the Directors of the company also act in the capacity as trainers and coaches, for which they receive remuneration which is on the same terms and conditions as the company offers to other trainers and coaches.

**Note 13: Remuneration of Auditor**

Auditing the financial report	6,497	6,850
Other services	-	-
	6,497	6,850

**Note 14: Segment Reporting**

The Company's operations consist of one operation, being the promotion of the development, acceptance and usage by the legal profession and general community of negotiation mediation and other dispute resolution methods and to promote the active role of professionals in the resolution of disputes by using these methods. The majority of revenue and profit is derived in Australia.

**Note 15: Financial Instruments**

**a. Financial Risk Management**

The entity's financial instruments consist mainly of deposits with banks, fixed term deposit, accounts receivable and payable.

The entity does not have any derivative instruments as at 30 June 2009.

**i. Treasury Risk Management**

A finance committee consisting of senior committee members meet on a regular basis to analyse currency and interest rate exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2009**

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ii. Financial Risks

The main risks the entity is exposed to through its financial instruments are liquidity risk and credit risk.

Interest rate risk

The entity is not exposed to fluctuations in interest rates.

Foreign currency risk

The entity is not exposed to fluctuations in foreign currencies.

Liquidity risk

The entity does not have any material exposure to liquidity risk.

Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. The entity does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the entity.

Price risk

The entity is not exposed to any material commodity price risk.

**b. Net Fair Values**

The carrying amount of financial assets and financial liabilities recorded in the financial statements represented their respective net fair values, determined in accordance with the accounting policies disclosed in Note 1 to the financial statements. No financial assets and financial liabilities are readily traded in organised markets in standardised form other than listed investments.

**Note 16: Entity Details**

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

LEADR  
Level 1  
13-15 Bridge Street  
SYDNEY NSW 2000

**LEADR**  
**ABN 69 008 651 232**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2009**

	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
<hr/>		
<b>Note 17: Cash Flow Information</b>		
<b>17a Reconciliation of Cash</b>		
Cash at Bank	375,236	368,280
Cash on Hand	200	200
Deposits	39,584	11,300
<b>Total Cash and Cash Equivalents</b>	415,020	379,780
<b>17b Reconciliation of Cash flow from Operations with Profit after Income Tax</b>		
Profit/(loss) after income tax	68,684	53,683
Depreciation and amortisation	9,401	8,783
(Increase) / decrease in receivables	(122,745)	51,861
(Increase) / decrease in inventories	(953)	(483)
Increase / (decrease) in payables	98,783	8,986
Increase / (decrease) in provisions	(4,011)	15,697
<b>Cash flows provided by operating activities</b>	49,159	138,526

**LEADR**  
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**DIRECTORS' DECLARATION**

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The directors of the company declare that:

- (i) The financial statements and notes, as set out on pages 8 to 20 are in accordance with the Corporations Act 2001:
  - a. comply with Accounting Standards and the Corporations Regulations 2001; and
  - b. give a true and fair view of the financial position as at 30 June 2009 and of the performance for the year ended on that date of the entity.
  
- (ii) In the directors' opinion there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

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

Director \_\_\_\_\_

Date \_\_\_\_\_

Director \_\_\_\_\_

Date \_\_\_\_\_

**LEADR**  
**ABN 69 008 651 232**

**INDEPENDENT AUDITOR'S REPORT TO  
THE MEMBERS OF LEADR**

**Report on the Financial Report**

We have audited the accompanying financial report of LEADR, which comprises the balance sheet as at 30 June 2009 and the income statement, statement of recognised income and expenditure and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration.

**Directors' Responsibility for the Financial Report**

The directors of the company are responsible for the preparation and true and fair presentation of the financial report in accordance with the Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. The responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial reports. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

## Independence

In conducting our audit, we have complied with the independence requirement of the Corporations Act 2001.

## Auditor's Opinion

In our opinion, the financial report presents fairly in accordance with the Corporations Act 2001, including:

- a. giving a true and fair view of the company's financial position as at 30 June 2009 and of its performance for the year ended on that date; and
- b. complying with Australian Accounting Standards ( including Australian Accounting Interpretations) and the Corporations Regulations 2001.

RP Campbell Associates Pty Limited

Robert Peter Campbell

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Date

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Level 14, 25 Bligh Street Sydney NSW 2000

**LEADR**  
**ABN 69 008 651 232**

**PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2009**

	2009 \$	2008 \$
<b>Revenue from courses</b>		
Course fees	865,223	801,930
Less: Cost of sales	(505,120)	(465,270)
	<u>360,103</u>	<u>336,660</u>
<b>Other revenue</b>		
Facilitation and mediation	17,805	23,905
Adjudication fees	36,181	39,168
Room hire fees	19,795	19,685
	<u>433,885</u>	<u>419,418</u>
<b>Other income</b>		
Membership renewals	209,608	127,179
Royalty payments	11,178	13,027
Interest received	17,379	13,742
Other	28,015	13,875
	<u>266,179</u>	<u>167,823</u>
<b>Total revenue and other income</b>	<u>700,064</u>	<u>587,241</u>
<b>Expenditure</b>		
Audit fees	6,497	6,850
Advertising	1,890	1,582
Amortisation	671	975
Bad debts recovery costs	967	-
Bad debts written off	2,200	2,361
Bank charges	2,431	1,682
Board meeting costs	6,364	6,355
Bookkeeper fees	12,073	11,194
Cleaning & Maintenance	775	-
Computer expenses	8,145	425
Conferences expenses	4,552	-
Courier and freight	3,775	3,493
Depreciation	8,730	7,808
Electricity	1,126	872
Fixed asset written off	18,852	-
General workshop expenses	708	115
Insurance	7,390	6,514
Merchant fees	11,025	11,633
Office expenses	5,077	2,703
Postage	5,335	4,268
Publication purchases	11,639	6,949
Printing & stationery	11,155	12,968
Relocation expenses	17,861	-
Rent	70,814	60,948
Registration Fees	-	2,148
Salaries and wages	364,749	337,475
Room hire costs	-	34
Sundry expenses	4,689	2,436
Telephone	9,070	7,161
Travelling expenses	32,544	34,511
Website development	274	102
	<u>631,380</u>	<u>533,558</u>
<b>Total Expenditure</b>	<u>631,380</u>	<u>533,558</u>
<b>Net Profit</b>	<u>68,684</u>	<u>53,683</u>