



***Institute
of Public
Administration
Australia***

(Victorian Division) Inc

ABN: 49 012 662 861

Financial Statements

For the year ended 30 June 2022

Institute of Public Administration Australia (Victorian Division) Inc

ABN: 49 012 662 861

Contents

For the year ended 30 June 2022

03.

Statement of profit or loss

04.

Statement of financial position

05.

Statement of changes in equity

06.

Statement of cash flows

07.

Notes to the financial statements

21.

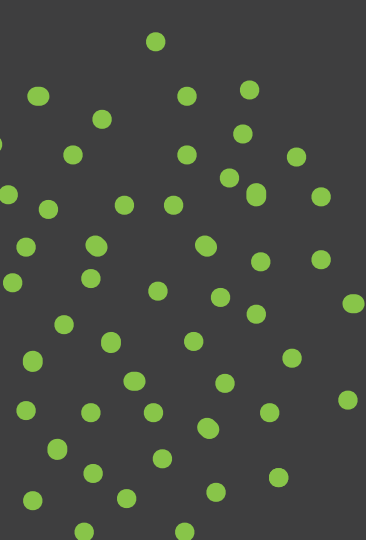
Board members' declaration

22.

Auditor's independence declaration

23.

Independent audit report



ABN: 49 012 662 861

Statement of profit or loss

For the year ended 30 June 2022

Operating activities	Note	2022 \$	2021 \$
Revenue	2	4,100,227	3,277,526
Expenditure			
Employee benefits	3	(1,333,597)	(1,631,945)
Seminars, workshops and events		(1,347,882)	(873,990)
Contract staff		(177,145)	(164,748)
Depreciation		(126,526)	(123,115)
Fringe benefits tax		(83,657)	(106,523)
IT and communications		(68,741)	(82,012)
Consultants and professional fees		(78,023)	(104,080)
Rent and occupancy		(58,093)	(21,182)
Advertising and marketing		(34,658)	(120,340)
Payroll tax		(20,711)	(31,430)
Program development		-	(42,960)
Doubtful debts (expense) / recovery		(2,238)	9,974
Other expenses		(120,964)	(117,658)
Total expenditure		(3,452,235)	(3,410,009)
Surplus / (deficit) from operating activities		647,992	(132,483)
Capital activities			
Capital gain / (loss) on financial assets		(269,913)	270,133
Surplus / (deficit) from capital activities		(269,913)	270,133
Surplus / (deficit) for the year		378,079	137,650

ABN: 49 012 662 861

Statement of financial position

For the year ended 30 June 2022

Assets	Note	2022 \$	2021 \$
Current Assets			
Cash and cash equivalents	4	1,399,577	1,538,363
Trade and other receivables	5	998,000	943,316
Other assets	6	18,424	41,240
Total current assets		2,416,001	2,522,919
Non-current assets			
Financial assets	7	1,931,446	2,081,641
Property, plant and equipment	8	20,758	24,261
Intangible assets	9	57,124	81,238
Right-of-use assets	10	51,598	140,051
Total non-current assets		2,060,926	2,327,191
Total assets		4,476,927	4,850,110
Liabilities			
Current liabilities			
Trade and other payables	11	420,353	433,203
Lease liabilities		70,276	87,333
Provisions	12	167,732	167,123
Other liabilities	13	1,833,259	2,471,701
Total current liabilities		2,491,620	3,159,360
Non-current liabilities			
Lease liabilities		-	70,276
Provisions	12	13,937	27,183
Total non-current liabilities		13,937	97,459
Total liabilities		2,505,557	3,256,819
Net assets		1,971,370	1,593,291
Equity			
Retained earnings		1,971,370	1,593,291
Total equity		1,971,370	1,593,291

ABN: 49 012 662 861

Statement of changes in equity

For the year ended 30 June 2022

2022

	Retained earnings \$	Total \$
Balance at 1 July 2021	1,593,291	1,593,291
Surplus / (deficit) for the year	378,079	378,079
Balance at 30 June 2022	1,971,370	1,971,370

2021

	Retained earnings \$	Total \$
Balance at 1 July 2020	1,455,641	1,455,641
Surplus / (deficit) for the year	137,650	137,650
Balance at 30 June 2021	1,593,291	1,593,291

ABN: 49 012 662 861

Statement of cash flows

For the year ended 30 June 2022

	Note	2022 \$	2021 \$
Cash flows from operating activities:			
Receipts from customers		3,607,849	3,983,965
Payments to suppliers and employees		(3,657,206)	(3,753,644)
Dividends, trust distributions and franking credits received		127,224	55,258
Interest received		2,613	685
Net cash provided by / (used in) operating activities	17	80,480	286,264
Cash flows from investing activities:			
Proceeds from sale of investments		1,145,217	283,088
Purchase of investments		(1,264,935)	(371,160)
Purchase of property, plant and equipment		(12,215)	(48,238)
Net cash provided by / (used in) investing activities		(131,933)	(136,310)
Cash flows from financing activities:			
Payment of lease liabilities		(87,333)	(82,151)
Net cash provided by/(used in) financing activities		(87,333)	(82,151)
Net increase / (decrease) in cash and cash equivalents held		(138,786)	67,803
Cash and cash equivalents at beginning of year		1,538,363	1,470,560
Cash and cash equivalents at end of financial year	4	1,399,577	1,538,363

Notes to the financial statements

For the year ended 30 June 2022

1. Summary of significant accounting policies

(a) Basis of preparation

The financial report covers the Institute of Public Administration Australia (Victorian Division) Inc "IPAA Victoria" as an individual entity. IPAA Victoria is a not-for-profit association, incorporated in Victoria under the Associations Incorporation Reform Act 2012 (Vic) and domiciled in Australia.

IPAA Victoria is the peak professional association for the public purpose sector. It connects, empowers, and celebrates Victoria's public purpose sector with innovative professional development programs, thought leadership events, networking opportunities and leadership awards. IPAA Victoria represents the interests of all levels of government and sections of tertiary education, not-for-profit, business and community sectors.

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures of the Australian Accounting Standards Board (AASB) and the Australian Charities and Not-for-profits Commission Act 2012.

Australian Accounting Standards set out accounting policies that the 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.

(b) Revenue

Revenue from contracts with customers

Membership subscriptions are recognised as revenue on a straight-line basis over the period of membership, as this is reflective of the satisfaction of performance obligations contained in the contract with each member.

Revenue from training program activities (seminars, workshops and events) is recognised at a point-in-time or over time, based on the performance obligations contained in the contract with the customer. This generally corresponds to the timing of the delivery of these activities.

Contract assets and liabilities

Consideration paid by the customer in advance of the satisfaction of performance obligations is recognised as a contract liability.

Costs incurred in fulfilling a contract in progress (where performance obligations are not yet satisfied) are recognised as a contract cost asset where the costs relate directly to the satisfaction of contract performance obligations and are expected to be recovered.

Notes to the financial statements

For the year ended 30 June 2022

1. Summary of significant accounting policies

(b) Revenue

Grant and donations

When IPAA Victoria receives grants and donations, 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, IPAA Victoria:

- identifies each performance obligation relating to the grant or donation;
- 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 or donation is recognised immediately in profit or loss.

Government grants under the Australian Government JobKeeper wage subsidy program have been recognised as revenue when IPAA Victoria became entitled to receive the grants, which was assessed to be the time at which the salary and wages payments for the eligible JobKeeper fortnight were made to eligible employees.

Government grants under the Australian Government cash flow boost initiative have been recognised as revenue IPAA Victoria became entitled to receive the grants, which was assessed to be the time at which the applicable Activity Statements were lodged with the Australian Taxation Office.

(c) Income Tax

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

(d) Intangible assets

Computer software

Computer software has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of between three and five years.

Amortisation

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful life 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.

Notes to the financial statements

For the year ended 30 June 2022

1. Summary of significant accounting policies

(e) Property, plant and equipment

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

Depreciation

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

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

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

Fixed asset class	Depreciation rate
Office equipment	20%
Computer equipment	33%
Leasehold improvements	15%

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.

(f) Leases

Right-of-use asset

At the lease commencement, IPAA Victoria recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where IPAA Victoria 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 and 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 non-financial assets accounting policy.

Lease liability

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, IPAA Victoria's incremental borrowing rate is used.

Notes to the financial statements

For the year ended 30 June 2022

1. Summary of significant accounting policies

(f) Leases

Lease liability

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 IPAA Victoria'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.

Exceptions to lease accounting

IPAA Victoria has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. IPAA Victoria recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

(g) Impairment of non-financial assets

At the end of each reporting period IPAA Victoria 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.

(h) Financial instruments

Financial instruments are recognised initially on the date that IPAA Victoria 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.

Notes to the financial statements

For the year ended 30 June 2022

1. Summary of significant accounting policies

(h) Financial instruments

Financial assets

Classification

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

- amortised cost
- fair value through profit or loss

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

Financial assets at 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 are solely payments of principal and interest on the principal amount outstanding.

IPAA Victoria'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 fair value through profit or loss (FVTPL). Net gains or losses, including any interest or dividend income are recognised in profit or loss.

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

ABN: 49 012 662 861

Notes to the financial statements

For the year ended 30 June 2022

1. Summary of significant accounting policies

(h) Financial instruments

Financial assets

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, IPAA Victoria considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on IPAA Victoria's historical experience and informed credit assessment and including forward looking information.

IPAA Victoria uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

IPAA Victoria uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to IPAA Victoria in full, without recourse to IPAA Victoria to actions such as realising security (if any is held); or
- the financial assets are more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to IPAA Victoria in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

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. IPAA Victoria 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 IPAA Victoria 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.

Notes to the financial statements

For the year ended 30 June 2022

1. Summary of significant accounting policies

(h) Financial instruments

Financial liabilities

IPAA Victoria 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 IPAA Victoria comprise trade and other payables and lease liabilities.

(i) Cash and cash equivalents

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

(j) Employee benefits

Provision is made for IPAA Victoria's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

(k) 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 payables are stated inclusive of GST.

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.

ABN: 49 012 662 861

Notes to the financial statements

For the year ended 30 June 2022

2. Revenue	2022 \$	2021 \$
Revenue from contracts with customers:		
- Membership subscriptions	1,818,030	1,618,204
- Seminars, workshops and events	2,152,160	1,194,220
	3,970,190	2,812,424
Revenue from other sources:		
- Government grants (JobKeeper)	-	346,250
- Government grants (Cash flow boost)	-	37,500
- Government grants (Business support grant)	-	25,000
- Investment revenue	127,224	55,606
- Interest revenue	2,613	685
- Other revenue	200	61
	130,037	465,102
Total revenue	4,100,227	3,277,526

3. Expenses

Employee benefits expense

Salaries, wages and other short-term benefits	1,217,770	1,490,384
Superannuation (defined contributions)	115,827	141,561
	1,333,597	1,631,945

4. Cash and cash equivalents

Cash at bank	1,399,577	1,538,363
	1,399,577	1,538,363

5. Trade and other receivables

Current		
Trade receivables	1,002,646	945,723
Provision for impairment	(4,646)	(2,407)
	998,000	943,316

6. Other assets

Current		
Prepayments	18,424	41,240
	18,424	41,240

Notes to the financial statements

For the year ended 30 June 2022

7. Financial assets

Financial assets at fair value through profit or loss	2022 \$	2021 \$
Non-current		
Investments in listed securities and managed funds	1,931,446	2,081,641
	1,931,446	2,081,641

8. Property, plant and equipment

	2022 \$	2021 \$
Property, plant and equipment		
Office equipment		
At cost	17,499	30,018
Accumulated depreciation	(10,572)	(20,383)
Total office equipment	6,927	9,635
Computer equipment		
At cost	28,246	32,593
Accumulated depreciation	(14,734)	(27,167)
Total computer equipment	13,512	5,426
Leasehold improvements		
At cost	37,878	65,366
Accumulated amortisation	(37,559)	(56,166)
Total leasehold improvements	319	9,200
Total property, plant and equipment	20,758	24,261

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:

	Office equipment \$	Computer equipment \$	Leasehold improvements \$	Total \$
Balance at the beginning of year	9,635	5,426	9,200	24,261
Additions	-	12,215	-	12,215
Disposals	-	-	(1,759)	(1,759)
Depreciation expense	(2,708)	(4,129)	(7,122)	(13,959)
Balance at the end of the year	6,927	13,512	319	20,758

ABN: 49 012 662 861

Notes to the financial statements

For the year ended 30 June 2022

9. Intangible Assets

	2022 \$	2021 \$
Computer software		
At cost	97,600	97,600
Accumulated amortisation and impairment	(40,476)	(16,362)
Total computer software	57,124	81,238
Total intangible assets	57,124	81,238

Movements in carrying amounts

	Computer software \$	Total \$
Balance at the beginning of the year	81,238	81,238
Amortisation	(24,114)	(24,114)
Balance at the end of the year	57,124	57,124

10. Leases

Right-of-use assets

	Buildings \$	Total \$
2022		
Balance at the beginning of the year	140,051	140,051
Depreciation expense	(88,453)	(88,453)
Balance at the end of the year	51,598	51,598
2021		
Balance at the beginning of the year	228,504	228,504
Depreciation expense	(88,453)	(88,453)
Balance at end of year	140,051	140,051

Notes to the financial statements

For the year ended 30 June 2022

10. Leases

Lease Liabilities

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below.

	< 1 year \$	1 - 5 years \$	> 5 years \$	Total undiscounted lease liabilities \$	Lease liabilities included in this Statement Of Financial Position \$
2022					
Lease liabilities	71,110	-	-	71,110	70,276
2021					
Lease liabilities	90,877	71,110	-	161,987	157,609

11. Trade and other payables

	2022 \$	2021 \$
Current		
Trade payables	361,075	353,124
Sundry payables and accrued expenses	59,278	80,079
	420,353	433,203

12. Provisions

Current		
Provision for employee leave entitlements	167,732	167,123
	167,732	167,123
Non-current		
Provision for employee leave entitlements	13,937	27,183
	13,937	27,183

13. Other liabilities

Current		
Contract liabilities (unearned revenue)	1,833,259	2,471,701
	1,833,259	2,471,701

Notes to the financial statements

For the year ended 30 June 2022

14. Contingencies

Contingent liabilities

IPAA Victoria had contingent liabilities at the end of the reporting period for bank guarantees of \$13,750 (2021: \$13,750) provided in respect of property lease rentals.

15. Fair value measurement

IPAA Victoria measures the following assets and liabilities at fair value on a recurring basis after initial recognition:

- Financial assets at fair value through profit or loss - refer to Note 7. Fair values have been determined based on closing quoted unit prices at the end of the reporting period.

The entity does not subsequently measure any liabilities at fair value on a recurring basis, or any assets and liabilities at fair value on a non-recurring basis.

16. Financial risk management

IPAA Victoria's financial instruments consist mainly of deposits with banks, investments in managed funds, and accounts receivable and payable. The carrying amounts 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:

Financial assets	2022 \$	2021 \$
Financial assets at amortised cost:		
Cash and cash equivalents	1,399,577	1,538,363
Trade and other receivables	998,000	943,316
Financial assets at fair value through profit or loss		
Listed securities and managed funds	1,931,446	2,081,641
Total financial assets	6,260,469	6,644,961
Financial liabilities		
Financial liabilities at amortised cost:		
Trade and other payables	420,353	433,203
Lease liabilities	70,276	157,609
Total financial liabilities	490,629	590,812

Notes to the financial statements

For the year ended 30 June 2022

17. Cash flow information

Reconciliation of result for the year to cashflows from operating activities	2022 \$	2021 \$
Surplus / (deficit) for the year	378,079	137,650
Non-cash flows in profit:		
- depreciation	126,526	123,115
- impairment of receivables	2,239	(9,974)
- (gain) / loss on disposal of property, plant and equipment	1,759	-
- (gain) / loss on financial assets at FVTPL	269,913	(248,223)
Changes in assets and liabilities:		
- (increase) / decrease in trade and other receivables	(56,923)	(40,735)
- (increase) / decrease in other assets	22,816	18,377
- increase / (decrease) in contract liabilities	(638,442)	491,741
- increase / (decrease) in trade and other payables	(12,850)	(227,518)
- increase / (decrease) in provisions	(12,637)	41,831
Cashflows from operations	80,480	286,264

18. Auditors' Remuneration

Remuneration of the auditor for:		
- audit of the financial report	13,700	12,700
	13,700	12,700

19. Key management personnel remuneration

The total remuneration paid to key management personnel of IPAA Victoria was \$ 280,560 (2021: \$ 272,602).

20. Related parties

The following transactions occurred with related parties:

Ernst & Young (EY) is a board member related party. During the year ended 30 June 2022 IPAA Victoria incurred expenses with EY of \$177,055 excluding GST (2021: \$286,268) in relation to the development and delivery of training program activities.

ABN: 49 012 662 861

Notes to the financial statements

For the year ended 30 June 2022

21. Events after the end of the reporting period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the IPAA Victoria, the results of those operations or the state of affairs of the IPAA Victoria in future financial years.

22. Statutory information

The registered office and principal place of business of IPAA Victoria is:

IPAA Victoria
Level 3, 37 Little Bourke Street
Melbourne VIC 3000



ABN: 49 012 662 861

Board members' declaration

The board members declare that in the board members' opinion the financial report of IPAA Victoria has been prepared 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 IPAA Victoria's financial position as at 30 June 2022 and of its financial performance for the year ended;
- (ii) complying with Australian Accounting Standards - Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*; and
- (iii) there are reasonable grounds to believe that IPAA Victoria is able to pay all of its debts, as and when they become due and payable; and

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Board member  Board member 

Date: 27 October 2022



Institute of Public Administration Australia (Victorian Division) Inc

ABN: 49 012 662 861

Auditor's independence declaration to the board members of Institute of Public Administration Australia (Victorian Division) Inc

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2022, there have been:

- (i) no contraventions of the auditor independence requirements as set out in section 60-40 of 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: 21 November 2022

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Institute of Public Administration Australia (Victorian Division) Inc

ABN: 49 012 662 861

Independent audit report to the members of Institute of Public Administration Australia (Victorian Division) Inc

Opinion

We have audited the financial report of Institute of Public Administration Australia (Victorian Division) Inc (IPAA Victoria), which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss, 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 board members' declaration.

In our opinion the financial report of IPAA Victoria has been prepared 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 IPAA Victoria's financial position as at 30 June 2022 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards - Simplified Disclosures 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 IPAA Victoria in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) 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 board members for the financial report

The board members of IPAA Victoria are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Simplified Disclosures and the ACNC Act, and for such internal control as the board members determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the board members are responsible for assessing IPAA Victoria'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 the board members either intend to liquidate IPAA Victoria or to cease operations, or have no realistic alternative but to do so.

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Institute of Public Administration Australia (Victorian Division) Inc

ABN: 49 012 662 861

Independent audit report to the members of Institute of Public Administration Australia (Victorian Division) Inc

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 IPAA Victoria's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board members.
- Conclude on the appropriateness of the board members' 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 IPAA Victoria'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 IPAA Victoria 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.

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Institute of Public Administration Australia (Victorian Division) Inc

ABN: 49 012 662 861

Independent audit report to the members of Institute of Public Administration Australia (Victorian Division) Inc

We communicate with board members 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: 21 November 2022

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