

ELWOOD ST KILDA NEIGHBOURHOOD LEARNING CENTRE

ANNUAL REPORT
FOR 2019



Our Vision

To be a warm, vibrant and inclusive hub, supporting, educating and empowering members of the Elwood and St Kilda communities, with links to surrounding communities.

Our Mission

To provide a quality learning environment and opportunities for community connection through the active commitment of the ESNLC committee, staff, teachers and volunteers.

Chairperson's Report - Lynne Wittner

I am pleased to present the 2019 report on behalf of the Committee of Management. It has been a privilege to work with a very committed group of people, throughout the year. Due to several resignations it was necessary to second others to be part of the group, but I thank all for their dedication and contribution. These people were, Gary March, Stella Hughes, Penny Digaletos, Mary Hall, Ruth Avery, Isaac Hermann, Helen McDonald, Simon Hall, Ingrid Conroy, Jacqui Bridge and Simone Jamieson.

There were eleven meetings during 2019 and these were all exceptionally well attended. Several meetings were taken up with reviewing and revamping the current 2018-2021 Strategic plan. This was necessary as many of our targets had been already achieved and we needed to consolidate the remaining goals. The House has continued to expand both its delivery of services and community access through out 2019 making for an exceptionally vibrant atmosphere. This is due to the commitment of the staff, who have been a very stable force in recent years. This year, however, there were several changes and the Committee's H R subgroup assisted with the appointment of a new bookkeeper.

I would also like to take this opportunity to thank all the volunteers who have supported the House and their contribution in making 2019 an exceptionally successful year.

I look forward to continuing to see the House flourish and continue to be a true asset to our community.

Lynne Wittner



Manager's Report- Simone Jamieson

The year 2019 has been a very exciting one indeed. We continued with growth and vibrancy whilst maintaining relevance for Elwood and surrounding communities.

Here are some significant events that occurred in 2019: In April we said farewell to long term IT volunteer Chris Carter who retired after being with us for 18 years and we thank him for his service. In May we hosted an Open Day showcasing our wonderful programs and activities which was a huge success. After many months of research and development, Isaac Hermann, Committee member, wrote and published a book on the history of ESNLC called "Kingsley: Our House and Home" and in August we were able to have a launch event to celebrate the house's heritage. In October, we held two Senior festival events and bid farewell to our bookkeeper Fiona Cupido and appointed Sheryl Mackintosh. In November we said farewell to Philippa Armstrong after being the Roomers Editor and Outreach Coordinator for more than a decade, she is greatly missed. Maryanne Lynch is able to continue as Roomers Editor and is a lovely addition to the team. In December we received an internal face lift whereby all walls were painted, and some built in cupboards were installed in the office and function room.

The year continued with our signature well being programs such as Art as Therapy and Yoga which are always well attended and appreciated. ESNLC hosted a fortnightly community engagement and services program with Year 11 Elwood College students which was very rewarding for all participants. From April - December our organisation completely migrated over to a cloud-based network and upgraded the office and Internet café computers with view of upgrading the computer training room in 2020. This has had a remarkable impact on our productivity and network security thanks to the contribution of Adam Horton from Redfox IT. We also would like to thank Ryan Lewein for a brand new website that looks marvellously modern!

We are proud of our partnerships with other organisations and groups, in particular I'd like to mention our strong connection with South Port Community Centre as we partnered on two projects in 2019; one was the continuation of our Applied Reception and Customer Service training and the other being the development of a Social Enterprise pilot called Made in Port Phillip selling local artist greeting cards and creating new training pathways for learners.



I would like to thank all Committee members, Staff, Teachers, Program Facilitators, Volunteers and Participants for making ESNLC a lovely and special place to learn, connect and share.

Simone Jamieson



Education and Training- Melanie Norton

The Community Education we provide is valuable to our community members in so many ways. It provides Job Seekers or those already employed with the skills they need to reach their full potential, change careers due to illness, accident or job obsolescence. It helps connect people through learning how to speak English better, learning email, how to use MyGov, online banking or Facebook. It gives people a warm, inviting and safe place to go regularly to catch up with friends in class and over food during their tea break. It creates lifelong friendships and decreases isolation.

We provide Learn Local classes thanks to the funding from ACFE (Adult, Community & Further Education) at a very low price or free making it very accessible. We have amazing teachers, some who have been with us for many years, who show patience, understanding and incredible knowledge and dedication, going above and beyond every time they come to our House. We are able to be the amazing Neighborhood House we are because of these teachers.

Our Learn Local Classes include:

- Beginner Computers to help you get the confidence to get online
- Intermediate Computers to help you get that job!
- Learn to use your Smartphone and iPad
- 3 Levels of English as Another Language classes and a Conversation class
- Computer and I pad/Smartphone classes
- English class for native Russian speakers
- Creative writing through Roomers.

As we are highly responsive to the needs of the community, there are many other classes that are run throughout the year including jobseeking classes, evening Beginner Coding classes, BeConnected computer classes for seniors and much more. In 2019 we held a Workshop Series called "Chaos to Calm" that was designed with the help of Adam, a Masters of Social Work Student doing his placement with us. This workshop series invited experts in their field to share their knowledge at a greatly reduced price on how to take control of your life. It was a very successful series and was run again in the second half of the year.

Melanie Norton



Roomers Project- Maryanne Lynch

The Roomers Project across 2019 continued to have clear and articulated outcomes for its participants and to deliver on the CoPP's Council Plan 2017-2037 and the Municipal Public Health and Wellbeing Plan.

Weekly workshops, exploring diverse modes of creative writing, are clearly the backbone of the group identity: regular and new members participated across the year. Facilitation of these workshops was undertaken by Philippa Armstrong in the first half of the year, and Maryanne Lynch for the second half. In 2019, Issues #66 and #67 of Roomers Magazine were compiled and distributed as Winter and Summer (under Philippa's editorship and with assistance from Maryanne for #67).

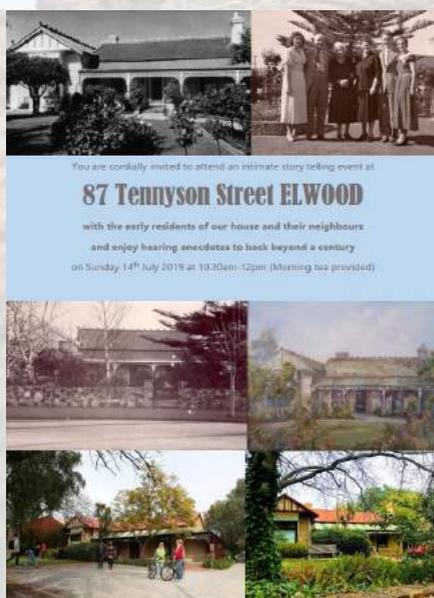
Satellite activities included the following highlights:

We Are Here: Stories of Home, Place and Belonging (Affirm Press, published October 2019). Launched at the Wheelers Centre Lord Mayor, Sally Capp. Anthology including 5 Roomers members (out of 40 contributors) and works were created through workshops in late 2018.

City of Souls: Us & Them (art documentary, December 2019) Five Roomers participants spent a day of filming with a team of professional artists, led by Maryanne with the assistance of Philippa. Teaser created from this day toward further funding. [Watch the film here.](#)

Also worth noting is that many Roomers alumni as well as current members have gained ongoing employment in work that supports their skills and their interests.

Maryanne Lynch



Treasurer's Report- Ingrid Conroy

The Elwood St Kilda Neighbourhood House (ENSLC) recorded a surplus of \$60,865 (2018 \$24,445) for the 12 months January to December 2019.

It has taken several years of planning and dedication for the organisation to achieve such results. I would like to thank everyone who has contributed - Management, Staff, Volunteers and the members of the Committee of Management, past and present.

It should be noted that The House must remain vigilant for changes in our environment such as CoVid19 which we are experiencing currently and continue to adapt if we want to ensure the house's ongoing financial stability.

Our audit was completed by Kidman Partners again this year. The audited financial reports for the 12 months January to December 2019 are included in the AGM report.

Ingrid Conroy

Balance Sheet 2019

Assets	\$266,956
Liabilities	\$ 71,768
Total Equity	\$195, 187

Profit and Loss 2019

Income

Grants	\$257,204
Fundraising	\$ 1,455
Operation activities	\$109,992
Other Income	\$ 3,468
Total Income	\$372,119

Expenses

General	\$ 54,768
Salaries	\$243,525
Other Costs	\$ 12,961
Total Expenses	\$311, 254
Operating Profit	\$ 60,865



**Elwood St. Kilda Neighbourhood Learning Centre Inc.
Committee report
31 December 2019**

The committee present their report, together with the financial statements, on the incorporated association for the year ended 31 December 2019.

Committee members

The following persons were committee members of the incorporated association during the whole of the financial year and up to the date of this report, unless otherwise stated:

Lynne Wittner – Chair
Mary Hall – Secretary
Ingrid Conroy – Treasurer (appointed 25 July 2019)
Penny Digaleto
Jaqueline Bridge (appointed 25 July 2019)
Helen McDonald
Simon Hall (appointed 25 July 2019)
Ruth Avery
Isaac Hermann
Chris Lamb (resigned 24 April 2019)
Gary March (resigned 24 July 2019)
Stella Hughes (resigned 31 July 2019)

Operating result

The profit of the incorporated association for the year amounted to \$60,865 (2018: \$24,445)

Principal activities

Elwood St. Kilda Neighbourhood Learning Centre Inc. (ESNLC) is a not-for-profit, community based organisation that provides quality adult education programs, community service and support. ESNLC is a Registered Training Organisation, Learn Local provider and Neighbourhood House. The programs and activities at ESNLC aim to cater to the needs of those most disadvantaged in the community, empowering them to overcome educational gaps and social isolation within a supportive environment. Government funded and low cost places are available in pre-accredited, accredited and general courses that focus on, literacy, vocational skills, English as an additional language and computer skills. ESNLC also offers public internet cafe access, short courses and recreational activities as well as provision of rooms for a wide range of community support groups and clubs.

Significant changes in the state of affairs

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

After balance date events

A global pandemic event has arisen since the end of the financial year which has significantly affected and may further affect the operations of the incorporated association significantly, the results of those operations, or the state of affairs of the incorporated association in subsequent financial years.

Auditors Independence Declaration

A copy of the auditor's independence declaration as required under division 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* has been included.

On behalf of the committee



Lynne Wittner
Chair



Ingrid Conroy
Treasurer

Date: 1st May 2020

Elwood St. Kilda Neighbourhood Learning Centre Inc.

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**AUDITOR'S INDEPENDENCE DECLARATION TO THE MEMBERS OF ELWOOD ST. KILDA
NEIGHBOURHOOD LEARNING CENTRE INC.**

I declare that, to the best of my knowledge and belief during the year ended 31 December 2019 there have been:

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

Kidmans Partners Audit Pty Ltd
ABN: 46 143 986 841



John Petridis
Director

Dated 4th May 2020

Kidmans Partners Audit Pty Ltd

Suite 4, 255 Whitehorse Road, Balwyn,
Victoria, Australia 3103

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Victoria, Australia 3103

Elwood St. Kilda Neighbourhood Learning Centre Inc.
Statement of profit or loss and other comprehensive income
For the year ended 31 December 2019

	Note	2019 \$	2018 \$
Revenue	3	372,119	315,078
Expenses			
Administration expenses		(24,935)	(23,761)
Depreciation expense		(1,473)	(1,522)
Employee benefits expense		(243,525)	(241,871)
Finance costs		(4,592)	(4,656)
Grant expenses		(12,962)	(5,640)
Other expenses		(23,767)	(13,183)
Surplus/(deficit) for the year		60,865	24,445
Other comprehensive income for the year		-	-
Total comprehensive income for the year attributable to the members of Elwood St. Kilda Neighbourhood Learning Centre Inc.		<u>60,865</u>	<u>24,445</u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Elwood St. Kilda Neighbourhood Learning Centre Inc.
Statement of financial position
As at 31 December 2019

	Note	2019 \$	2018 \$
Assets			
Current assets			
Cash and cash equivalents	4	259,326	220,688
Trade and other receivables	5	650	1,308
Other current assets	6	4,165	4,312
Total current assets		<u>264,141</u>	<u>226,308</u>
Non-current assets			
Property, plant and equipment	7	1,618	2,990
Right of use assets	8	102	-
Other non-current assets	6	1,095	3,757
Total non-current assets		<u>2,815</u>	<u>6,747</u>
Total assets		<u>266,956</u>	<u>233,055</u>
Liabilities			
Current liabilities			
Trade and other payables	9	14,256	20,847
Employee benefits	10	31,377	36,236
Lease liabilities	11	104	-
Other current liabilities	12	24,374	40,872
Total current liabilities		<u>70,119</u>	<u>97,955</u>
Non-current liabilities			
Employee benefits	10	1,657	777
Total non-current liabilities		<u>1,657</u>	<u>777</u>
Total liabilities		<u>71,768</u>	<u>98,732</u>
Net assets		<u>195,188</u>	<u>134,323</u>
Equity			
Retained earnings	13	195,188	134,323
Total equity		<u>195,188</u>	<u>134,323</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Elwood St. Kilda Neighbourhood Learning Centre Inc.
Statement of changes in equity
For the year ended 31 December 2019

	Note	Retained earnings \$	Total equity \$
Balance at 1 January 2018		128,487	128,487
Surplus/(deficit) for the year		24,445	24,445
Other comprehensive income for the year		-	-
Total comprehensive income for the year		<u>24,445</u>	<u>24,445</u>
Adjustment for prior years	9	(18,609)	(18,609)
Balance at 31 December 2018		<u>134,323</u>	<u>134,323</u>
		Retained earnings \$	Total equity \$
Balance at 1 January 2019		134,323	128,487
Surplus/(deficit) for the year		60,865	24,445
Other comprehensive income for the year		-	-
Total comprehensive income for the year		<u>60,865</u>	<u>24,445</u>
Balance at 31 December 2019		<u>195,188</u>	<u>134,323</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Elwood St. Kilda Neighbourhood Learning Centre Inc.
Statement of cash flows
For the year ended 31 December 2019

	Note	2019 \$	2018 \$
Cash flows from operating activities			
Receipts from customers		355,621	339,915
Payments to suppliers and employees		(320,351)	(284,547)
Interest received		3,468	2,511
		<u>38,738</u>	<u>57,879</u>
Net cash from operating activities			
Cash flows from investing activities			
Payments for property, plant and equipment		-	(1,809)
		<u>-</u>	<u>(1,809)</u>
Net cash used in investing activities			
Cash flows from financing activities			
Lease payments		(100)	-
		<u>(100)</u>	<u>-</u>
Net cash used in investing activities			
Net increase in cash and cash equivalents		38,638	56,070
Cash and cash equivalents at the beginning of the financial year		<u>220,688</u>	<u>164,618</u>
Cash and cash equivalents at the end of the financial year	4	<u><u>259,326</u></u>	<u><u>220,688</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB'), the *Australian Charities and Not-for-profits Commission Act 2012* and the *Associations Incorporation Reform Act 2012 (Vic)* and associated regulations, as appropriate for not-for-profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the incorporated association's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Revenue recognition

Revenue is recognised at an amount that reflects the consideration to which the incorporated association is expected to be entitled in exchange for transferring goods or services to a customer.

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the incorporated association is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the incorporated association: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Sales revenue

Events, fundraising and fees are recognised when received or receivable.

Donations

Donations are recognised at the time the pledge is made.

Grants

Grant revenue is recognised in profit or loss when the incorporated association satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the grant which must be satisfied before the incorporated association is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

Interest

Interest revenue is recognised when received or receivable.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

As the incorporated association is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

Note 1. Significant accounting policies (continued)

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the incorporated association's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the incorporated association's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Contract assets

Contract assets are recognised when the incorporated association has transferred goods or services to the customer but where the incorporated association is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives.

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the incorporated association. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the incorporated association expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Note 1. Significant accounting policies (continued)

Trade and other payables

These amounts represent liabilities for goods and services provided to the incorporated association prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Contract liabilities

Contract liabilities represent the incorporated association's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the incorporated association recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the incorporated association has transferred the goods or services to the customer.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incorporated association's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

Provision is made for employee's long service leave benefits where entitlement conditions have not yet been met.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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 tax authority is included in other receivables or other payables in the statement of financial position.

Note 1. Significant accounting policies (continued)

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Estimation of useful lives of assets

The incorporated association determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the incorporated association's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The incorporated association reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the incorporated association estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

Elwood St. Kilda Neighbourhood Learning Centre Inc.
Notes to the financial statements
31 December 2019

Note 3. Revenue

	2019	2018
	\$	\$
Grants	257,204	213,421
Donations	1,192	1,365
Membership fees	264	226
Student fees	38,056	33,509
Rental income	48,972	41,534
Computer access	1,867	2,132
Yoga classes	15,737	16,814
Interest	3,468	2,511
Other revenue	5,359	3,566
	<u>372,119</u>	<u>315,078</u>

Note 4. Current assets - cash and cash equivalents

	2019	2018
	\$	\$
Cash on hand	250	174
Cash at bank	<u>259,076</u>	<u>220,514</u>
	<u>259,326</u>	<u>220,688</u>

Note 5. Current assets - trade and other receivables

	2019	2018
	\$	\$
Trade receivables	<u>650</u>	<u>1,308</u>

Note 6. Assets - other

	2019	2018
	\$	\$
<i>Current</i>		
Accrued revenue	2,928	2,211
Prepayments	<u>1,237</u>	<u>2,101</u>
	<u>4,165</u>	<u>4,312</u>
<i>Non-current</i>		
RTO license	<u>1,095</u>	<u>3,757</u>

Elwood St. Kilda Neighbourhood Learning Centre Inc.
Notes to the financial statements
31 December 2019

Note 7. Non-current assets - property, plant and equipment

	2019 \$	2018 \$
Furniture and fixtures - at cost	9,716	9,716
Office equipment – at cost	21,957	21,957
Less: Accumulated depreciation	<u>(30,055)</u>	<u>(28,683)</u>
	<u>1,618</u>	<u>2,990</u>

Note 8. Current assets - right-of-use assets

	2019	2018
Right-of-use asset	204	-
Less: Accumulated depreciation	<u>(102)</u>	<u>-</u>
	<u>102</u>	<u>-</u>

The incorporated association leases the property located at 87 Tennyson Street, Elwood which it is dependent on for the provision of its services. The lease term is two years expiring on 31 October 2021 and the lease payment is \$104 per annum.

Note 9. Current liabilities - trade and other payables

	2019 \$	2018 \$
Trade payables	275	-
GST payable	(315)	2,816
PAYG withholding payable	4,604	4,024
Superannuation payable	2,181	1,959
Accrued expenses	3,200	4,040
Other payroll liabilities	<u>4,311</u>	<u>8,008</u>
	<u>14,256</u>	<u>20,847</u>

Note 10. Current liabilities - employee benefits

	2019 \$	2018 \$
<i>Current</i>		
Annual leave	9,021	6,944
Long Service Leave	<u>22,356</u>	<u>29,292</u>
	<u>31,377</u>	<u>36,236</u>
<i>Non-current</i>		
Long service leave	<u>1,657</u>	<u>777</u>

An adjustment of \$18,609 was made to retained earnings in 2018 to recognise long service leave benefits from prior years. The provision has been made to recognise long service leave entitlements for employees who have completed 5 years service plus related on-costs.

Elwood St. Kilda Neighbourhood Learning Centre Inc.
Notes to the financial statements
31 December 2019

Note 11. Non-current liabilities – lease liabilities

	2019	2018
	\$	\$
Lease liability	104	-

Note 12. Current liabilities - other

	2019	2018
	\$	\$
Grants received in advance	23,476	40,012
Other income in advance	898	860
	<u>24,374</u>	<u>40,872</u>

Note 13. Equity - retained earnings

	2019	2018
	\$	\$
Retained earnings at the beginning of the financial year	134,323	128,487
Surplus/(deficit) for the year	60,865	24,445
Adjustments for prior years – Long service leave	-	(18,609)
Retained earnings at the end of the financial year	<u>195,188</u>	<u>134,323</u>

Note 14. Contingent liabilities

The incorporated association had no contingent liabilities as at 31 December 2019.

Note 15. Commitments

The incorporated association had no commitments for expenditure as at 31 December 2019.

Note 16. Related party transactions

Transactions with related parties

There were no transactions with related parties during the current and previous financial year.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Note 17. Events after the reporting period

A global pandemic has arisen since 31 December 2019 that has significantly affected, and may significantly further affect the incorporated association's operations, the results of those operations, or the incorporated association's state of affairs in future financial years.

Elwood St. Kilda Neighbourhood Learning Centre Inc.
Committee statement
31 December 2019

In the committees' opinion:

- the attached financial statements and notes comply with the Australian Accounting Standards - Reduced Disclosure Requirements, the *Australian Charities and Not-for-profits Commission Act 2012* and the *Associations Incorporation Reform Act 2012 (Vic)* and associated regulations;
- the attached financial statements and notes give a true and fair view of the incorporated association's financial position as at 31 December 2019 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the incorporated association will be able to pay its debts as and when they become due and payable.

On behalf of the committee


Lynne Wittner
Chair


Ingrid Conroy
Treasurer

Date: 1st May 2020

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF ELWOOD ST. KILDA NEIGHBOURHOOD
LEARNING CENTRE INC.**

Opinion

We have audited the financial statements of Elwood St. Kilda Neighbourhood Learning Centre Inc., which comprises the Statement of Financial Position as at 31 December 2019, the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information, and the Statement by Members of the Committee.

In our opinion, the accompanying financial statements present fairly, in all material respects, (or give a true and fair view of) the financial position of the Association as at 31 December 2019, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards (AASB's) – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012*.

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 Statements section of our report.

We are independent of the association in accordance with 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.

Other Information

The committee is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and in doing so consider whether the other information is materially inconsistent with the financial statements 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 Committee and Those Charged with Governance for the Financial Statements

The committee is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, and for such internal control as the committee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the committee is responsible for assessing the association'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 committee either intends to liquidate the association or cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the association's financial reporting process.

Kidmans Partners Audit Pty Ltd

Suite 4, 255 Whitehorse Road, Balwyn,
Victoria, Australia 3103

Postal Address: P.O. Box 718, Balwyn,
Victoria, Australia 3103

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF ELWOOD ST KILDA NEIGHBOURHOOD
LEARNING CENTRE INC. (CONTINUED)**

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 and 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 these financial statements.

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 statements, 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 association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee.
- Conclude on the appropriateness of the committee'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 association'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 statements 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 association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We 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.

Kidmans Partners Audit Pty Ltd

ABN: 46 143 986 841



John Petridis

Director

Dated 4th May 2020

COMPILATION REPORT TO THE MEMBERS OF ELWOOD ST. KILDA NEIGHBOURHOOD LEARNING CENTRE INC.

We have compiled the accompanying additional information of Elwood St. Kilda Neighbourhood Learning Centre Inc. for the year ended 31 December 2019. The additional information has been prepared to satisfy the information needs of the committee of Elwood St. Kilda Neighbourhood Learning Centre Inc. in accordance with the accounting policies adopted in the preparation of the annual financial statements of Elwood St. Kilda Neighbourhood Learning Centre Inc. for the year ended 31 December 2019, as described in Note 1 to the financial statements.

The Responsibility of the Committee

The committee of Elwood St. Kilda Neighbourhood Learning Centre Inc. are solely responsible for the form and content of the additional information, the reliability, accuracy and completeness of the information used to compile it and for the determination that the basis of accounting used for its preparation is appropriate to meet their needs and appropriate for the purpose that the additional information was prepared.

Our Responsibility

On the basis of information provided to us by management we have compiled the accompanying additional information in accordance with the basis of accounting described above and APES 315 *Compilation of Financial Information*.

We have applied our professional expertise in accounting and financial reporting to compile the additional information in accordance with the basis of accounting described above. We have complied with the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants*.

Disclaimer

Since our engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile the additional information or the appropriateness of the basis of accounting used for its preparation. Accordingly, we do not express an audit opinion or a review conclusion on the additional information.

The additional information was compiled exclusively for the benefit of the management and the committee of Elwood St. Kilda Neighbourhood Learning Centre Inc. The additional information may not be suitable for other purposes. We do not accept responsibility for the contents of the additional information.

Kidmans Partners Audit Pty Ltd

ABN: 46 143 986 841

**John Petridis**

Director

Dated 4th May 2020Kidmans Partners Audit Pty Ltd

Suite 4, 255 Whitehorse Road, Balwyn,
Victoria, Australia 3103Postal Address: P.O. Box 718, Balwyn,
Victoria, Australia 3103

Elwood St. Kilda Neighbourhood Learning Centre Inc.
Additional Information
31 December 2019

	2019	2018
	\$	\$
Income		
DET ACFE	123,960	103,016
DET RTO (Skills for Victoria)	7,930	3,276
DHHS Coordination	81,143	69,890
DET TDS Income (17_DET-TDS)	-	1,148
DET TDS Income (19_DET-TDS)	5,557	-
CoPP Roomers Service Agreement	-	23,974
CoPP Roomers Service Agreement	24,524	-
Have a Go Income(ACGP2016/015)	-	673
Mus.TeaParty Income(DA1718034)	348	166
Pinaroo Vil Income (DA1718035)	327	363
Com Dinners Income (PS1716)	-	897
Galiamble Income (SI17014)	-	3,184
Have a Go Inc (ACGP2017/18118)	-	1,580
Notice Board Inc(Bendigo17/18)	-	789
Disadv'd Schol(DA1718050)	-	105
Pinaroo Village (SF18104/1892)	-	1,073
Mus Tea Party (SF18103)	-	674
Open Day 2019 (LFF 2018/19-7)	3,140	-
Galliamble 18-19 (SI1802)	3,950	1,050
Bendigo Tables 25918	987	-
Comm Dinners PS1805	23	442
Have a Go (ACGP201819088)	4,895	1,122
Community Dinners PS 1918	68	-
Seniors Festival SF22	352	-
Donations - General	762	905
Donations - Roomers	430	360
Donations Scholarship	-	100
Membership fees	264	226
Student Fees	38,056	33,509
Rental Income	48,972	41,534
Computer Access	1,867	2,132
Yoga Classes Income	15,737	16,814
Administration Support	227	-
Other Fees and Charges	5,132	1,520
Interest - Unrestricted	3,468	2,511
Gain from Insurance Claims	-	2,046
	<hr/>	<hr/>
Total Income	372,119	315,078
Expenses		
Advertising & Promotion	316	275
Furniture and Fittings <\$5,000	473	-
IT purchases < \$5,000	3,407	-
Audit Fees	3,200	3,000
Bank Charges	80	123
Computer Expenses	2,752	3,111
Consultancy Fees	6,385	200
Credit Card Fees	670	629
PayPal Fees	-	32
Depreciation - Plant & Equip	1,372	1,522
Amortisation	102	-

Elwood St. Kilda Neighbourhood Learning Centre Inc.
Additional Information
31 December 2019

	2019	2018
	\$	\$
Donations Paid	40	75
Equipment Hire/Lease	3,843	3,903
Fees & Permits	3,727	3,874
Insurance - General	898	850
Meeting Expenses	425	71
Membership Fees Paid	1,925	1,203
Postage, Freight and Courier	42	203
Printing & Stationery	3,945	3,322
Publications & Info Resources	9,850	9,850
Repairs & Maintenance	901	123
Staff Amenities	796	781
Sundry Expenses	9	-
Telephone Charges	2,647	2,921
Internet Charges	832	545
Training & Development (Staff)	-	577
Travel & Accommodation	14	45
Gas	1,198	1,282
Electricity	4,157	3,525
Volunteer Costs	759	379
Write off Expenses	-	698
Interest expense	4	-
Catering (Grant)	512	1,362
Consultancy Fees (Grant)	2,078	700
Equipment Hire (Grant)	500	-
Excursion Fees (Grant)	2,233	1,300
Materials (Grant)	3,653	109
Performance Fees (Grant)	3,888	1,292
Sundries (Grant)	166	-
Noticeboard Bendigo 17/18	-	450
LV Assets Purchased (Grant)	-	427
Grant Administration	(135)	-
Grant Printing & Stationary	68	-
S&W Annual Leave Provision	2,077	-1,851
S&W LSL Provision	(6,057)	5,350
S&W Superannuation	20,198	20,562
S&W Workers' Compensation	1,979	2,084
S&W Salaries & Wages	215,443	204,433
Contractor Staff	9,884	11,293
	<hr/>	<hr/>
Total expenses	311,254	290,633
	<hr/>	<hr/>
Surplus/(deficit) for the year	60,865	24,445
	<hr/> <hr/>	<hr/> <hr/>

Our People

ESNLC Volunteers

Chris Carter, Carolyn Masel, Daniela Baracioli, Ryan Lewein, Sadjin Paljevic, Tony Cafini, Jesicka Iliomanis, Elizabeth Martinez Canas, Hermangini Dave, Paula Preston, Lisa Fam, Lydia Park, Eileen Fine, Ilisa Lassen, Caroline Welsh, Kim Vandali, Lu Cameron, Lisa Murphy, Janice Anglin, Susan Burke, Emily Townsend, Nicole Bagatsing, Sarina Yiu, Susie Yard, Latoya Hoeg, Nicole Harte, Joanne Tsompakos, Peter Yeo, Anjali Arya, Sofia Scally, Lynn Hendrix, Anna Wilkowska-McMaster & Oanh Nguyen.

ESNLC Committee of Management

Lynne Wittner - Chair, Mary Hall - Secretary, Ingrid Conroy - Treasurer (appointed 25 July 2019), Penny Digaletos, Ruth Avery, Isaac Hermann, Helen McDonald, Chris Lamb (resigned 24 April 2019), Gary March (resigned 24 July 2019), Stella Hughes (resigned 31 July 2019), Jacqueline Bridge (appointed 25 July 2019) & Simon Hall (appointed 25 July 2019).

ESNLC Staff

Simone Jamieson- Manger, Melanie Norton- Education coordinator, Philippa Armstrong - Outreach coordinator (resigned), Fiona Cupido & Sheryl Mackintosh- bookkeeper, Lisa Murphy- Data Entry, Helen McDonald- Administration assistant and Room hire, Maryanne Lynch - Roomers editor (contractor), Vivien Atkins- EAL teacher, Tanya Vessey- Computer Teacher, Victoriya Repka- Russian Computer Teacher, Mary Sotiriou- EAL Conversation, Jesicka Iliomanis and Helen Shingler- emergency relief teachers, Penny Digaletos- Yoga, Monica Fleck- Yoga (contractor), Damian Curtain- Art Therapy. Also considered family is Karen McKnight & Maria Mitsos and Helena Kallaur- delivering ARCS training on behalf of SPCC.

Thank you- Supporters and Partners

ACFE (Adult and Community Further Education), Neighbourhood Houses Victoria, Community House Network, Ngwala Willumbong Ltd, South Port Day Links Inc, Asylum Seeker Resource Centre, Toy Library-Elwood, Southport Community Centre, Port Phillip Community Group, Poet's Garden, City of Port Phillip, Wear for Success, Boomerang Bags.

Funders

State Government Victoria- Department of Education and Training and Department of Human Services, City of Port Phillip Council, Bayside Council, Elwood Community Bank, Palais Theatre Community Grants & Individual donation.



Elwood St Kilda Neighbourhood Learning Centre Inc
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