

**FITZROY LEARNING NETWORK INC.**

**ABN 93 394 556 254**

**SPECIAL PURPOSE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2023**

**FITZROY LEARNING NETWORK INC.**  
**ABN 93 394 556 254**

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**FITZROY LEARNING NETWORK INC.**  
**ABN 93 394 556 254**  
**BOARD REPORT**

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Your Board members present the special purpose financial report on the entity for the financial year ended 30 June 2023.

**Board Members**

The names of Board members throughout the year and at the date of this report are:

<b>Name</b>	<b>Portfolio</b>	
Jeannine Jacobson	Chair	
Jon Staley	Deputy Chair	
Annie Chapman	Secretary	
Kalpesh Kothari	Treasurer	
Jennifer Freshwater	General Board Member	
Julia Gregg	General Board Member	
Chloe Pearce	General Board Member	Appointed November 2022
Gerson Hernandez	General Board Member	Appointed November 2022
Laura Bird	General Board Member	Appointed November 2022
Martin Foo	General Board Member	Appointed November 2022
Danielle Meyer	General Board Member	Resigned November 2022
Rachna Muddagouni	General Board Member	Resigned November 2022

**Principal Activities**

The principal activity of the entity during the financial year was:

The Fitzroy Learning Network is a community-based Neighbourhood House that welcomes people from diverse educational, cultural and social backgrounds.

The network provides a bridge between the Australian community and newcomers, gives people a voice, and provides a sense of belonging and meaning.

The network places priority on assisting people who lack opportunities to access learning and support by providing education, friendship and a welcoming environment.

**Significant Changes**

No significant changes in the nature of the entity's activity occurred during the financial year.

**Operating Results**

The deficit for the year attributable to the entity amounted to \$33,630 (2022: \$26,164 surplus).

FITZROY LEARNING NETWORK INC.  
ABN 93 394 556 254  
BOARD REPORT

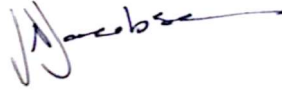
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**Significant Changes in State of Affairs**

No matter has evolved since 30 June 2023 that has significantly affected, or may significantly affect:

- (a) the entity's operations in future financial years, or
- (b) the results of those operations in future financial years, or
- (c) the entity's state of affairs in future financial years.

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



**Chairperson**

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Jeannine Jacobson

**Treasurer**



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Kalpesh Kothari

Dated this

2nd day of November 2023

**FITZROY LEARNING NETWORK INC.**  
**ABN 93 394 556 254**  
**INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2023**

	Note	2023 \$	2022 \$
<b>REVENUE</b>			
Revenue	2	796,607	789,115
Other income	2	142,850	120,378
Interest income		1,830	365
<b>TOTAL REVENUE</b>		<b><u>941,287</u></b>	<b><u>909,858</u></b>
<b>EXPENDITURE</b>			
Staffing expenses		726,051	662,992
Contractor expenses		11,733	13,446
Program expenses		214,013	162,549
Interest expenses		229	1,603
Depreciation & amortisation expenses		22,891	43,105
<b>TOTAL EXPENDITURE</b>		<b><u>974,917</u></b>	<b><u>883,694</u></b>
<b>Net surplus/(deficit) attributable to the Association</b>		<b><u>(33,630)</u></b>	<b><u>26,164</u></b>

**FITZROY LEARNING NETWORK INC.**  
**ABN 93 394 556 254**  
**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2023**

	2023 \$	2022 \$
Net surplus/(deficit) attributable to the Association	(33,630)	26,164
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<b><u>(33,630)</u></b>	<b><u>26,164</u></b>
<b>Total comprehensive income attributable to the Association</b>	<b><u>(33,630)</u></b>	<b><u>26,164</u></b>

**FITZROY LEARNING NETWORK INC.**  
**ABN 93 394 556 254**  
**STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023**

	Note	2023 \$	2022 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	449,609	502,627
Account and other receivables	4	91,583	60,143
Other current assets	5	<u>7,298</u>	<u>12,712</u>
<b>TOTAL CURRENT ASSETS</b>		<b><u>548,490</u></b>	<b><u>575,482</u></b>
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	6	11,909	16,336
Intangible assets	7	<u>-</u>	<u>18,464</u>
<b>TOTAL NON-CURRENT ASSETS</b>		<b><u>11,909</u></b>	<b><u>34,800</u></b>
<b>TOTAL ASSETS</b>		<b><u><u>560,399</u></u></b>	<b><u><u>610,282</u></u></b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Accounts and other payables	8	56,418	42,194
Income received in advance	9	134,296	167,843
Provisions	10	81,983	59,333
Lease liabilities - leased premises	11	<u>-</u>	<u>(0)</u>
<b>TOTAL CURRENT LIABILITIES</b>		<b><u>272,697</u></b>	<b><u>269,371</u></b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	10	-	-
Lease liabilities - leased premises	11	<u>-</u>	<u>19,580</u>
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b><u>-</u></b>	<b><u>19,580</u></b>
<b>TOTAL LIABILITIES</b>		<b><u><u>272,697</u></u></b>	<b><u><u>288,951</u></u></b>
<b>NET ASSETS</b>		<b><u><u>287,702</u></u></b>	<b><u><u>321,332</u></u></b>
<b>EQUITY</b>			
Accumulated funds		<u>287,702</u>	<u>321,332</u>
<b>TOTAL EQUITY</b>		<b><u><u>287,702</u></u></b>	<b><u><u>321,332</u></u></b>

The statement of financial position is to be read in conjunction with the audit report and the notes to the financial statements.

**FITZROY LEARNING NETWORK INC.**  
**ABN 93 394 556 254**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2023**

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	<b>Accumulated funds \$</b>	<b>Total \$</b>
<b>Balance as at 1 July 2021</b>	295,168	295,168
Surplus/(deficit) attributable to the Association	26,164	26,164
<b>Balance as at 30 June 2022</b>	<u><b>321,332</b></u>	<u><b>321,332</b></u>
Surplus/(deficit) attributable to the Association	(33,630)	(33,630)
<b>Balance as at 30 June 2023</b>	<u><b>287,702</b></u>	<u><b>287,702</b></u>

The statement of changes in equity is to be read in conjunction with the audit report and the notes to the financial statements.

**FITZROY LEARNING NETWORK INC.**  
**ABN 93 394 556 254**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2023**

	Note	2023 \$	2022 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Government Grants & Subsidies		697,764	613,606
Receipts from Other Operating Activities		176,706	237,048
Payments to Suppliers & Employees		(909,509)	(798,636)
Interest paid - lease liability - leased premises		(229)	(1,603)
Interest Received		1,830	365
<b>Net cash generated from/(used in) operating activities</b>	<b>12</b>	<b><u>(33,439)</u></b>	<b><u>50,781</u></b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payment for Furniture and Equipment		-	-
<b>Net cash (used in)/provided by investing activities</b>		<b><u>-</u></b>	<b><u>-</u></b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of Lease Liability - Leased Premises		(19,580)	(37,342)
<b>Net cash used in financing activities</b>		<b><u>(19,580)</u></b>	<b><u>(37,342)</u></b>
Net increase/(decrease) in Cash Held		(53,018)	13,439
Cash and Cash Equivalents at Beginning of Financial Year		502,627	489,188
<b>Cash and Cash Equivalents at End of Financial Year</b>	<b>12</b>	<b><u><u>449,609</u></u></b>	<b><u><u>502,627</u></u></b>

The statement of cash flows is to be read in conjunction with the audit report and the notes to the financial statements.



**FITZROY LEARNING NETWORK INC.**  
**ABN 93 394 556 254**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

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

Fitzroy Learning Network Inc. (the "Association") is a community based not for profit organisation domiciled in Australia. The address of the Association's registered office is 198 Napier Street, Fitzroy, Victoria 3065. The Association is governed by the Associations Incorporation Reform Act 2012 and the Australian Charities and Not-for-profit Commission Act 2012, and is primarily involved in providing educational programs to communities in Fitzroy.

The financial report has been prepared in accordance with the requirements of the Associations Incorporation Reform Act 2012 and the Australian Charities and Not-for-profit Commission Act 2012, which requires compliance with certain Australian Accounting Standards.

**Basis of preparation**

In the opinion of the Board, the Association is not a reporting entity. The financial report of the Association has been drawn up as a special purpose financial report for distribution to the Board and for the purpose of fulfilling the reporting requirements of *the Australian Charities and Not-for-profits Commission Act 2012* and the Constitution.

The special purpose financial report has been prepared in accordance with the requirements of the recognition and measurement aspects of all applicable Australian Accounting Standards ("AASBs") adopted by the Australian Accounting Standards Board ("AASB"), and other authoritative pronouncements of the AASB that have a material effect.

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 the financial statements are presented below and have been consistently applied unless stated otherwise.

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

**Accounting Policies**

**a. Income Tax**

The Association is exempt from paying income tax under the *Income Tax Assessment Act 1997*.

**b. Property, Plant and Equipment**

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

**Plant and Equipment**

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Association and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

**FITZROY LEARNING NETWORK INC.**  
**ABN 93 394 556 254**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

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**Note 1. Statement of Significant Accounting Policies (continued)**

**b. Property, Plant and Equipment (continued)**

**Depreciation**

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The asset's residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the comprehensive income statement.

**c. Leases**

**Leased Assets**

The Association assesses whether a contract is or contains a lease, at inception of the contract. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period in exchange for consideration'. To apply this definition the Association assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Association
- the Association has the right to obtain substantially all the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract
- the Association has the right to direct the use of the identified asset throughout the period of use.

The Association assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

**FITZROY LEARNING NETWORK INC.**  
**ABN 93 394 556 254**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

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**Statement of Significant Accounting Policies (continued)**

**Measurement and recognition of leases as a lessee**

At lease commencement date, the Association recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Association, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Association depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The Association also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Association measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Association's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Association has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

**Accounting for Leases under AASB 16**

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

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

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

**FITZROY LEARNING NETWORK INC.**  
**ABN 93 394 556 254**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

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**Statement of Significant Accounting Policies (continued)**

**Accounting for Leases under AASB 16 (continued)**

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

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

**d. Financial Instruments**

**Initial Recognition and Measurement**

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

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

**Classification and Subsequent Measurement**

Finance instruments are subsequently measured at either of fair value, amortised cost using the effective interest rate method, or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as (i) the amount at which the financial asset or financial liability is measured at initial recognition (ii) less principal repayments (iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and (iv) less any reduction for impairment.

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

*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 option pricing models.

**FITZROY LEARNING NETWORK INC.**  
**ABN 93 394 556 254**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

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**Note 1. Statement of Significant Accounting Policies (continued)**

**d. Financial Instruments (continued)**

**(i) Financial assets at fair value through the profit and loss**

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

**(ii) Loans and receivables**

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

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

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

**(iv) Available-for-sale Financial assets**

Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any remeasurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

**Financial liabilities**

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

**Impairment**

At the end of each reporting period, the association assesses whether there is objective evidence that a financial asset has been impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence that impairment as a result of one or more events (a "loss event") has occurred, which has an impact on the estimated future cash flows of the financial asset(s).

**FITZROY LEARNING NETWORK INC.**  
**ABN 93 394 556 254**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

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**Note 1. Statement of Significant Accounting Policies (continued)**

**d. Financial Instruments (continued)**

**Impairment (continued)**

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

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

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

**Derecognition**

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the association no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability, which is extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

**e. Impairment of Assets**

At the end of each reporting period, the association assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

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

**f. Employee Entitlements**

Provision is made for the association'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 settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year 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 not satisfy any vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

**FITZROY LEARNING NETWORK INC.**  
**ABN 93 394 556 254**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

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**Note 1. Statement of Significant Accounting Policies (*continued*)**

**g. Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

**h. Revenue and Other Income**

Revenue is measured at the fair value of the consideration received or receivable.

Revenue is brought to account when received and to the extent that it relates to the subsequent period it is disclosed as a liability.

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

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

**AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities**

The Association applies AASB 15 & AASB 1058, depending on the specific conditions of the contract.

AASB 15 involves the use of a five-step recognition model for recognising revenue, the steps are:

Step 1 – Identify the contract with the customer

Step 2 – Identify the sufficiently specific performance obligations to be satisfied

Step 3 – Measure the expected consideration

Step 4 – Allocate that consideration to each of the performance obligations in the contract

Step 5 – Recognise revenue

AASB 1058 measures income by reference to the fair value of the asset received. The asset received, which could be a financial or non-financial asset, is initially measured at fair value when the consideration paid for the asset is significantly less than fair value, and that difference is principally to enable the entity to further its objectives. Otherwise, assets acquired are recognised at cost.

Where the asset has been measured at fair value, AASB 1058 requires that elements of other Accounting Standards are identified before accounting for the residual component. These standards are:

- AASB 15 Revenue from Contracts with Customers
- AASB 16 Leases
- AASB 1004 Contributions
- AASB 137 Provisions, Contingent Liabilities & Contingent Assets
- AASB 9 Financial Instruments

***Interest Revenue***

Interest revenue is recognised when the association obtains control over the funds which is generally at the time of receipt.

***Donations***

Donation income is recognised when the association obtains control over the funds which is generally at the time of receipt.

**FITZROY LEARNING NETWORK INC.**  
**ABN 93 394 556 254**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

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**Note 1. Statement of Significant Accounting Policies (continued)**

**i. Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

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

**j. Comparative Figures**

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

**k. Account and Other Payables**

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

**l. Provisions**

Provisions are recognised when the Association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

**n. Economic Dependence**

The association is dependent on the Department of Justice for the majority of its revenue used to operate the business. At the date of this report the Board has no reason to believe the Department will not continue to support the association.

**o. Key Estimates**

**(i) Impairment**

The association assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the association that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.



**FITZROY LEARNING NETWORK INC.**  
**ABN 93 394 556 254**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

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**Note 1. Statement of Significant Accounting Policies (continued)**

**p. Key Judgements**

**(i) Provision for Impairment of Receivables**

Included in trade receivables and other receivables at the end of the reporting period are amounts receivable from members in relation to unpaid memberships. The Board has made no provision for impairment due to doubtful debts.

**(ii) Income in Advance**

Revenue is brought to account when received and to the extent that it relates to the subsequent period it is disclosed as a liability under unexpended grant funding or income received in advance.

**q. New, Revised or Amending Accounting Standards and Interpretations Adopted**

The Association has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Association.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

**New Accounting Standards for Application in Future Periods**

The AASB has issued a number of new and amended Accounting Standards that have mandatory application dates for future reporting periods, some of which are relevant to the Association. The Board Members have elected not to early adopt any of the new and amended pronouncements.

**FITZROY LEARNING NETWORK INC.**  
**ABN 93 394 556 254**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Note 2. Revenue &amp; Other Income</b>		
<b>Revenue</b>		
Government Funding	762,751	672,444
Government COVID-19 Support Programs	13,641	99,829
Student Fee Income	6,228	2,184
Donations Received	<u>13,987</u>	<u>14,658</u>
	<u><u>796,607</u></u>	<u><u>789,115</u></u>
<b>Other Income</b>		
Sundry income from various programs	<u>142,850</u>	<u>120,378</u>
	<u><u>142,850</u></u>	<u><u>120,378</u></u>
<b>Note 3. Cash and Cash Equivalents</b>		
Cash on Hand	430	-
Cash at Bank	<u>449,179</u>	<u>502,627</u>
	<u><u>449,609</u></u>	<u><u>502,627</u></u>
<b>Note 4. Account and Other Receivables</b>		
Accounts Receivables	43,004	4,100
Less Provision for Doubtful Debts	<u>-</u>	<u>-</u>
	<u>43,004</u>	<u>4,100</u>
Accrued Income	<u>48,579</u>	<u>56,043</u>
	<u>48,579</u>	<u>56,043</u>
	<u><u>91,583</u></u>	<u><u>60,143</u></u>
<b>Note 5. Other Current Assets</b>		
Prepayments	<u>7,298</u>	<u>12,712</u>
	<u><u>7,298</u></u>	<u><u>12,712</u></u>
<b>Note 6. Property, Plant and Equipment</b>		
Furniture & Equipment - at cost	9,152	9,152
Less accumulated depreciation	<u>(9,152)</u>	<u>(9,152)</u>
	<u>-</u>	<u>-</u>
IT Equipment - at cost	82,830	82,830
Less accumulated depreciation	<u>(70,921)</u>	<u>(66,494)</u>
	<u>11,909</u>	<u>16,336</u>
Total property, plant and equipment	<u><u>11,909</u></u>	<u><u>16,336</u></u>

**FITZROY LEARNING NETWORK INC.**  
**ABN 93 394 556 254**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Note 7. Intangible Assets</b>		
<b>Right of use asset - leased premises</b>		
At cost	-	92,321
Accumulated amortisation	-	(73,857)
	<u>-</u>	<u>18,464</u>
<b>Note 8. Accounts and Other Payables</b>		
Accounts Payable	199	2,188
Other Payables	-	562
Accrued Expenses	13,011	11,673
Net GST Payable & PAYG Withholding Tax Payable	39,223	27,756
Superannuation Payable	3,985	16
	<u>56,418</u>	<u>42,194</u>
<b>Note 9. Amounts Received in Advance</b>		
Funds under Auspice Arrangements	7,950	9,460
Unexpended Grant Funding	126,346	158,383
	<u>134,296</u>	<u>167,843</u>
<b>Note 10. Provisions</b>		
<b>Current</b>		
Annual Leave	58,004	38,817
Long Service Leave	23,979	20,516
	<u>81,983</u>	<u>59,333</u>
<b>Non-current</b>		
Long Service Leave	-	-
	<u>-</u>	<u>-</u>
<b>Note 11. Leasing Commitments</b>		
<b>Current</b>		
Lease Liability - Leased Premises	-	19,580
	<u>-</u>	<u>19,580</u>
<b>Non-current</b>		
Lease Liability - Leased Premises	-	-
	<u>-</u>	<u>-</u>

**FITZROY LEARNING NETWORK INC.**  
**ABN 93 394 556 254**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>Note 12. Notes to the Statement of Cash Flows</b>		
<b>Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities after Income Tax</b>		
Net surplus/(deficit) attributable to the Association	(33,630)	26,164
<b>Non-cash flow items:</b>		
Depreciation & amortisation expenses	22,891	43,105
<b>Changes in assets and liabilities:</b>		
- (Increase)/decrease in accounts and other receivables	(31,440)	(28,490)
- (Increase)/decrease in other current assets	5,414	7,793
- Increase/(decrease) in accounts and other payables	14,224	29,050
- Increase/(decrease) in income received in advance	(33,547)	(30,348)
- Increase/(decrease) in employee entitlement provisions	22,650	3,506
	(33,439)	50,781
<b>Cash and cash equivalents at end of financial year</b>		
Cash on hand	430	-
Cash at bank	449,179	502,627
	449,609	502,627
<b>Note 13. Remuneration of Auditors</b>		
<u>Audit services</u>		
Audit and review of financial report	3,150	3,000

**Note 14. Related party transactions**

The Committee Members act in an honorary capacity and are not paid for their services as Committee Members.

There were no transactions with related parties during the 2023 year.

**FITZROY LEARNING NETWORK INC.**  
**ABN 93 394 556 254**  
**STATEMENT BY MEMBERS OF THE BOARD**

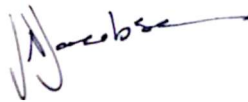
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The Board has determined that Fitzroy Learning Network Incorporated is not a reporting entity and that this Special Purpose Financial Report be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements. Accordingly, this special purpose financial report has been prepared to satisfy the Board of Management's reporting requirements under the Associations Incorporation Reform Act 2012 and the Australian Charities and Not-for-profits Commission Act 2012.

In the opinion of the Board, the financial report as set out on pages 2 to 18, satisfy the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and:

- 1 a. comply with Australian Accounting Standards applicable to the association; and  
b. give a true and fair view of the financial position of Fitzroy Learning Network Inc. as at 30 June 2023 and its performance for the year ended on that date.
- 2 At the date of this statement, there are reasonable grounds to believe that Fitzroy Learning Network Inc. will be able to pay its debts as and when they fall due.

This declaration is signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profits Commission Regulation 2013.



**Chairperson**

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**Jeannine Jacobson**



**Treasurer**

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**Kalpesh Kothari**

Dated this

2nd day of November 2023

**FITZROY LEARNING NETWORK INC.**  
**ABN 93 394 556 254**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS**

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**Opinion**

I have audited the accompanying financial report of Fitzroy Learning Network Inc. (the Association), which comprises the statement of financial position as at 30 June 2023, the income statement and statement of comprehensive income, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the statement by the members of the Board.

In my opinion, the financial report of the Association is in accordance with the *Australian Charities and Not for Profits Commission Act 2012* and the *Associations Incorporation Reform Act 2012* (Victoria), including:

- i. giving a true and fair view of the Association's financial position as at 30 June 2023 and of its performance for the year ended; and
- ii. complying with Australian Accounting Standards as per Note 1, the Australian Charities and Not for Profits Commission Act 2012 and the Associations Incorporation Reform Act 2012.

**Basis for Opinion**

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. I am 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 my audit of the financial report in Australia. I have also fulfilled our other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

**Responsibilities of Management and Those Charged with Governance for the Financial Report**

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the applicable legislation and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to 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.

**Auditor's Responsibilities for the Audit of the Financial Report**

My 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 Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my 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 registered entity's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the responsible entities.

Conclude on the appropriateness of the responsible entities 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 registered entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the registered entity 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.

I 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 controls that I identify during my audit.

Name of Auditor: Frederik R. L. Eksteen

Address: Collins & Co Audit Pty Ltd  
127 Paisley Street  
Footscray VIC 3011

Date: