

Foundation 61 Inc.
ABN 79 079 178 867
For the year ended 30 June 2023

Contents

3	Committee's Report
5	Income and Expenditure Statement
7	Assets and Liabilities Statement
8	Notes to the Financial Statements
13	Movements in Equity
14	Statement of Cash Flows
15	True and Fair Position
16	Auditor's Report

Committee's Report

Foundation 61 Inc.

For the year ended 30 June 2023

Committee's Report

Your committee members submit the financial report of Foundation 61 Inc. for the financial year ended 30 June 2023.

Committee Members

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

Committee Member	Position	Date Started	Qualification
Hal Bisset	Chairperson to 29/12/2022 Deputy Chairperson from 29/11/2022	2008	AM, BSc(hons), DipEd BD
Colin Bell	Deputy Chairperson to 29/11/2022 Chairperson from 29/11/2022	28/11/2017	BSc(hons), MSc, PhD, GCHELD
Brenda Lyons	Treasurer	16/12/2014	Bcom BSc
Michael Brugman	Committee Member	2016	BA, LLB
Kaye Ward	Committee Member	2015	BA, BSW, Dip Ed, Grad Dip in Family Therapy, Grad Dip in Spiritual Direction
Alexandra Johnson	Committee Member	2021	Dip Community Welfare
Neil Loxton	Committee Member	29/11/2022	

Meetings of Committee Members

During the financial year, a number of committee meetings were held. Attendances by each committee member during the year were as follows:

Committee Members Name	Number Eligible to Attend	Number Attended
Hal Bisset	10	10
Colin Bell	10	10
Michael Brugman	10	9
Brenda Lyons	10	8
Kaye Ward	10	6
Alexandra Johnson	10	8
Neil Loxton	7	6

Principal Activities

Not-for-profit community-based charity that seeks to provide healing and hope for people affected by addiction. Provide long stay residential based drug and alcohol rehabilitation centre.

Significant Changes

House of Hope Women's Rehabilitation Facility.

The construction market has recently experienced significant increases in the cost of both labour and materials. This is increasing the cost to complete the House of Hope. The Committee is monitoring the situation and its impact on cash flow and working with philanthropic foundations in the Geelong community to address any shortfall in funding. In 2023-24 Foundation 61 Inc intends to complete construction of the House of Hope and commence operations.

Operating Result

The surplus after providing for income tax for the financial year amounted to \$1,043,839.

Going Concern

This financial report has been prepared on a going concern basis which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. The ability of the association to continue to operate as a going concern is dependent upon the ability of the association to generate sufficient cashflows from operations to meet its liabilities. The members of the association believe that the going concern assumption is appropriate.

Signed in accordance with a resolution of the Members of the Committee on:



Brenda Lyons - committee member (Treasurer)

Date 18 / 11 / 2023

Income and Expenditure Statement

Foundation 61 Inc.

For the year ended 30 June 2023

	NOTES	2023	2022
Income			
Client Fees		218,395	217,001
Gifts and Donations		203,456	249,344
Grants		115,826	187,467
Other Revenue		8,709	11,495
Russells Road Income	7	223,585	-
Sponsorship Rooms		46,976	47,444
Training Income		163,108	110,025
Total Income		980,055	822,776
Total Income		980,055	822,776
Expenses			
Accounting Fees		2,550	3,700
Bank Fees		683	648
Catering		698	618
Computer Expenses		11,263	10,275
Consultants		54	-
Depreciation		36,607	35,844
Donations		1,776	-
Electricity & Gas		15,416	12,725
Insurance		21,297	23,458
Internet		1,554	1,248
Land Tax		655	-
Miscellaneous Expenses		1,064	1,851
Motor Vehicle		78,302	71,207
Office Expenses		2,374	2,400
Printing & Stationery		389	39
Property Maintenance		20,803	23,520
Rates		4,062	4,993
Rent		34,377	35,181
Women's Expenses		8,388	6,852
Social Enterprise Projects		1,671	7,226
Subscriptions & Memberships		1,726	1,728
Sundry Expenses		757	100
Superannuation		49,185	40,405
Telephone		1,178	4,604
Travel and Accommodation		195	247
Training & Conferences		1,333	225
Wages & Salaries		336,477	387,972
Webpage		568	420
Workcover Insurance		19,246	9,921

Income and Expenditure Statement

	NOTES	2023	2022
Repairs & Maintenance		663	2,995
Total Expenses		655,311	690,401
Surplus/(Deficit)		324,743	132,375
Extraordinary Income			
Government Grants		719,096	560,521
Total Extraordinary Income		719,096	560,521
Net Surplus After Extraordinary Income		1,043,839	692,896
Net Surplus		1,043,839	692,896

Assets and Liabilities Statement

Foundation 61 Inc.

As at 30 June 2023

	NOTES	30 JUN 2023	30 JUN 2022
Assets			
Current Assets			
Cash and Cash Equivalents	2	818,532	505,801
Trade and Other Receivables		12,033	513
Total Current Assets		830,566	506,314
Non-Current Assets			
Land and Buildings	3	2,247,433	1,446,657
Plant and Equipment and Vehicles	4	35,379	57,307
Other Non-Current Assets			
Bond - Transition House		1,474	1,474
Accrued Income		-	22,702
Total Other Non-Current Assets		1,474	24,176
Total Non-Current Assets		2,284,285	1,528,141
Total Assets		3,114,851	2,034,455
Liabilities			
Current Liabilities			
Trade and Other Payables	5	31,208	11,634
GST Payable		19,327	2,195
Employee Entitlements	6	83,007	83,156
Total Current Liabilities		133,542	96,985
Total Liabilities		133,542	96,985
Net Assets		2,981,309	1,937,470
Member's Funds			
Opening Balance		1,937,470	1,244,574
Current Year Earnings		1,043,839	692,896
Total Member's Funds		2,981,309	1,937,470

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Notes to the Financial Statements

Foundation 61 Inc.

For the year ended 30 June 2023

1. Summary of Significant Accounting Policies

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the Australian Charities and Not-for-profits Commission Act 2012. The committee has determined that the association is not a reporting entity. No Australian Accounting Standards or other pronouncements of the Australian Accounting Standards have been applied.

a) Statement of Compliance

The financial report has been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the Australian Charities and Not-for-profits Commission Act 2012, the basis of accounting specified by all Australian Accounting Standards and Interpretations, and the disclosure requirements of Accounting Standards AASB 101: Presentation of Financial Statements, AASB 107: Cash Flow Statements, AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors, AASB 1031: Materiality and AASB 1054: Australian Additional Disclosures.

The Entity has concluded that the requirements set out in AASB 10 and AASB 128 are not applicable as the initial assessment on its interests in other entities indicated that it does not have any subsidiaries associates or joint ventures. Hence, the financial statements comply with all the recognition and measurement requirements in Australian Accounting Standards.

The financial statements, except the cash flow information have been prepared on an accrual basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

The following significant accounting policies, which are consistent with the previous period unless stated otherwise, have been adopted in the preparation of this financial report.

b) Fixed Assets

Plant and equipment are brought to account at cost. The depreciable amount of all fixed assets (excluding buildings) are depreciated over the useful lives of the assets to the association commencing from the time that asset is held ready for use.

c) Depreciation

All assets except land & buildings are depreciated over their estimated useful lives using the straight-line method. The depreciation rate used for Plant & Equipment is the applicable Australian Taxation Office rate.

Employee Provisions

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 provisions have been measured at the amounts expected to be paid when the liability is settled.

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.

Cash on Hand

Cash on hand includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from donors. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

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

Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

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

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

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 assets and liabilities statement.

Financial Assets

Investments in financial assets are initially recognised at cost, which includes transaction costs, and are subsequently measured at fair value, which is equivalent to their market bid price at the end of the reporting period. Movements in fair value are recognised through an equity reserve.

	2023	2022
--	------	------

2. Cash on Hand

Bank & Petty Cash

Bank - Gift Account	108,956	33,460
Bank - Holding Account	534,203	287,635
Bank - Working Account	167,683	161,895
Mastercard Debit	3,649	19,458
Petty Cash	4,042	3,353
Total Cash on Hand	818,532	505,801

	2023	2022
--	------	------

3. Land and Buildings

Land

Land at Cost	150,000	150,000
Land & Buildings - Russells Road	56,818	56,818
Total Land	206,818	206,818

Buildings

Buildings at Cost	329,779	329,779
Accumulated Depreciation of Buildings	(79,905)	(71,765)
Total Buildings	249,874	258,014

Russells Road Project

Russells Road Project	654,224	656,307
Russells Road - Milestone 2	221,745	219,848
Russells Road - Milestone 3	671,278	98,552
Russells Road - Milestone 4	238,382	-
Total Russells Road Project	1,785,629	974,707

Buildings - Fixture & Fittings	10,033	10,033
Buildings Fixture & Fittings Accum Depreciation	(4,921)	(2,914)
Total Land and Buildings	2,247,433	1,446,657

	2023	2022
--	------	------

4. Plant and Equipment, Motor Vehicles

Plant and Equipment

Plant & Equipment at Cost

Rehab Equipment	15,043	15,043
Office Equipment	43,528	43,528
Workshop Equipment	39,880	39,880
Total Plant & Equipment at Cost	98,451	98,451

Accumulated Depreciation of Plant and Equipment

Less Accumulated Depreciation - Rehab Equipment	(13,754)	(13,156)
Less Accumulated Depreciation on Office Equipment	(36,140)	(24,173)

These notes should be read in conjunction with the attached compilation report.

	2023	2022
Less Accumulated Depreciation on Workshop equipment	(39,607)	(39,125)
Total Accumulated Depreciation of Plant and Equipment	(89,501)	(76,454)
Total Plant and Equipment	8,950	21,997
Motor Vehicles		
Motor Vehicles at Cost	69,446	65,264
Accumulated Depreciation of Motor Vehicles	(43,017)	(29,954)
Total Motor Vehicles	26,429	35,310
Total Plant and Equipment, Motor Vehicles	35,379	57,307

These notes should be read in conjunction with the attached compilation report.

	2023	2022
5. Trade and Other Payables		
Trade Payables		
Accounts Payable	23,736	-
Total Trade Payables	23,736	-
Other Payables		
Client Petty Cash Payable	1,221	1,133
Payables	-	611
PAYG Withholding Payable	6,250	9,890
Total Other Payables	7,471	11,634
Total Trade and Other Payables	31,208	11,634
	2023	2022

6. Employee Entitlements		
Provision for Annual Leave	39,086	47,991
Provision for Long Service Leave	29,070	32,377
Superannuation Payable	14,851	2,788
Total Employee Entitlements	83,007	83,156
	2023	2022

7. Russells Road Income		
Community Enterprise	17,395	-
Geelong Community Foundation	32,500	-
Gifts & Donations	93,690	-
Percy Baxter	80,000	-
Total Russells Road Income	223,585	-

8. Subsequent Events

a. 120 Russells Road

It is expected that Foundation 61 Inc will complete construction of the House of Hope Women's Rehabilitation Facility in 2023-24 and commence operations.

Movements in Equity

Foundation 61 Inc.

For the year ended 30 June 2023

	2023	2022
Retained Earnings		
Retained Earnings	1,937,470	1,244,574
Profit for the Period	1,043,839	692,896
Total Retained Earnings	2,981,309	1,937,470

STATEMENT OF CASH FLOWS

Foundation 61 Inc
For the Year Ended 30 June 2023

OPERATING ACTIVITIES	2023	2022
Net Income	1,043,839	692,896
Adjustments to reconcile Net Income To net cash provided by operations:		
Depreciation	36,607	35,844
Fringe Benefits Tax Owed	(611)	611
GST Payable	17,132	5,971
Accounts Payable	23,736	(10,986)
Annual Leave Accrued	(8,906)	11,023
Client Petty Cash Payable	89	328
Long Service Leave Accrued	(3,307)	8,232
PAYG Withholding Payable	(3,640)	2,941
Superannuation Payable	12,064	(4,848)
Accrued Salaries	-	(9,920)
Net cash provided by Operating Activities	1,117,003	732,092
INVESTING & FINANCING ACTIVITIES		
Accounts Receivable	11,182	(23,215)
Motor Vehicles	(4,182)	-
Williams Road - Office Equipment	-	(11,528)
Williams Road - Rehab Equipment	-	(1,359)
Russell Road Assets	(811,272)	(672,895)
Net cash provided by Investing & Financing Activities	(804,272)	(708,977)
Net Cash increase for Period	312,731	23,115
Cash at the beginning of period	505,801	482,686
Cash at end of period	818,532	505,801

True and Fair Position

Foundation 61 Inc.

For the year ended 30 June 2023

Annual Statements Give True and Fair View of Financial Position and Performance of the Association

I, Brenda Lyons, being a member of the committee of Foundation 61, certify that –

The statements attached to this certificate give a true and fair view of the financial position and performance of Foundation 61 during and at the end of the financial year of the association ending on 30 June 2023

The Financial statements and notes are in accordance with the requirements of the Australian Charities and Not-for-profits Commission Act 2012.

At the date of this statement, there are reasonable grounds to believe that Foundation 61 Inc. will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Committee of Management made pursuant with subsection 60.15 (2) of the Australian Charities and Not-for-profits Commission Regulations 2013.

Signed:



Dated: 18 / 11 / 2023

Auditor's Report

Foundation 61 Inc.

For the year ended 30 June 2023

Independent Auditor's Report to the members of the Association

We have audited the accompanying financial report, being a special purpose financial report, of Foundation 61 (the association), which comprises the committee's report, the assets and liabilities statement as at 30 June 2023, the income and expenditure statement for the year then ended, cash flow statement, notes comprising a summary of significant accounting policies and other explanatory information, and the certification by members of the committee on the annual statements giving a true and fair view of the financial position and performance of the association.

Committee's Responsibility for the Financial Report

The committee of Foundation 61 is responsible for the preparation and fair presentation of the financial report and has determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the Australian Charities and not for Profits Commission Act 2012 and is appropriate to meet the needs of the members. The committee's responsibility also includes such internal control as the committee 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.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the association's preparation and fair presentation of the financial report, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

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

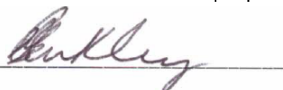
Opinion

In our opinion, the financial report presents fairly, in all material respects (or gives a true and fair view – refer to the applicable state/territory Act), the financial position of Foundation 61 as at 30 June 2023 and (of) its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements, and the requirements of the ACNC Act.

Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial report has been prepared to assist Foundation 61 to meet the requirements of the ACNC Act. As a result, the financial report may not be suitable for another purpose.

Auditor's signature: _____



Lester Barkley CA

Barkley & Associates

P O Box 6437, Highton VIC 3232

Dated: 17 November 2023