

# ANNUAL REPORT 2021



Glenroy Neighbourhood Learning Centre acknowledges the traditional owners of the Glenroy area in which we work, the Wurundjeri people. We recognise their continuing connection to land, waterways and community. We pay our respect to them and their culture, and to their Elders past, present and emerging.

# CHAIRPERSON REPORT

It goes without saying that the past year has been a tumultuous time for many in our community and this has certainly been our experience as an organisation.

Repeated and longstanding lockdowns throughout 2021 dramatically compromised the Centre's capacity to provide sustained courses on site and, while some courses attempted to continue on-line, in most instances participation numbers fell significantly. This, together with the discontinuation of the 'Jobkeeper' subsidy available to us previously, affected the Centre's cash flow and prompted the committee to implement an urgent audit of the organisation's finances. Upon receipt of the audit, the committee recognised the need to take decisive action and voted to cease operations as an RTO at the conclusion of the semester. We are extremely grateful to the professional and dedicated teaching staff of our classes who continued to deliver lessons to the best of their ability in the wake of these developments and I would especially like to credit our VCAL staff who successfully graduated three of our cohort at this time. An arrangement with Melbourne Polytechnic also allowed our AMEP students the opportunity to continue their studies for the remainder of the year.

Additionally, it was judged by the Committee that continuing to provide childcare services under the State funding model was untenable and this too would also need to discontinue.

Concluding so many of the programs and services had an enormous impact of staffing levels. The Committee ensured that long term employees were paid their full entitlement however, this also placed a financial burden on the centre as the calendar year concluded.

We have since begun the 2022 year as a much smaller organisation. The centre retains its RTO accreditation and has opportunities to apply for childcare status under the federal government model. However, we feel these are possibilities that should be deferred to a later time when the organisation is in a stronger financial position.

The year has also seen the departure of several committee members. Susan McGregor, Janet Stephens, Kerrie Baxter and Jo Weedon. We sincerely thank them for their service and commitment to the governance of the Glenroy Neighbourhood Learning Centre as we have navigated through very difficult times. I also note that we will soon be farewelling our Manager Ms Karen Fitzsimons. Her leadership in this dramatic period of transition has been truly exceptional and we wish her the very best fortune in her future endeavours.

The changes in the Centre over the last 12 months have been massive but we have actively dealt with the challenges presented and have weathered the storm. Our focus now as a Committee is to rebuilding. The Committee has a strategic focus on regeneration, developing diversity, and supporting management in the creation and delivery of programs to our community.

Matthew Hurley – Glenroy Neighbourhood Learning Centre Committee of Management Chair

# FINANCE REPORT

Financially and operationally, the year 2021 has been extremely challenging and tough due to structural changes caused by COVID19, namely, a change of management in staffing, structural changes, changes in Government funding and the cancellation of a number of programs that we have been offering. The decision was made to cease providing RTO accredited courses, AMEP and the Occasional Childcare service of which were our major revenue-generating sources.

As a result, it is regrettable to see that we have offered working opportunities to over 15 EFT staff that are no longer working with us.

These changes have added significant pressure to our finances, as the insurmountable costs associated with redundancies have led to a substantial decrease in our cash reserves.

We had a total income of approximately \$734k and an expenditure of approximately \$962k, which leaves us with a massive deficit of \$227k. Overall, staffing costs are a significant component in our expense items at approximately 91%. The remaining 9% of costs include other operational costs.

In terms of the balance sheet, due to significant losses, the net equity dropped to \$38k, which was \$266k at the end of last year. The major portion of our liabilities have been paid off, which has led to a reduction in cash reserves. Now, the challenge for us is to increase our income without a major increase in our expenditure and build the equivalent of about three months of working capital at minimum. It will take time for us to become a financially strong and robust entity once more and we will need support on that journey.

As the Finance Officer, I want to reassure our board, members, community, staff, students and our key stakeholders that GNLC has a foreseeable future. I do not see any immediate threat to our financial viability as we have managed the significant challenges of 2021. I genuinely believe that there is always a light at the end of the tunnel, and we believe in the board, management, our community, and the stakeholders and with support we will get through this.

Asad Abbasi - Glenroy Neighbourhood Learning Centre Finance Officer

# **FINANCIAL REPORT 2021**

GLENROY NEIGHBOURHOOD LEARNING CENTRE INC

A.B.N 14 154 206 543

SPECIAL PURPOSE FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

**GLENROY NEIGHBOURHOOD LEARNING CENTRE INC**  
**A.B.N 14 154 206 543**  
**SPECIAL PURPOSE FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2021**

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**GLENROY NEIGHBOURHOOD LEARNING CENTRE INC**  
**A.B.N 14 154 206 543**  
**COMMITTEE'S REPORT**

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Your committee members present the general purpose financial report on the entity for the financial year ended 31 December 2021.

**Committee Members**

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

<b>Name</b>	<b>Portfolio</b>	<b>Date of Change</b>
Matthew Hurley	Chairperson	Appointed May 2021/ Chairperson from August 2021
Susan McGregor	Past Chairperson	Resigned August 2021
Neil Johnson	Vice Chairperson	Appointed June 2021/ Vice Chairperson from November 2021
Frank Stephens	Secretary	From May 2021
Jaki O'Halloran	Past Secretary	Resigned May 2021
Catherine Myers	Treasurer	Appointed May 2021/ Treasurer from March 2022
Janet Stephens	Past Treasurer	Resigned February 2022
Meghan Fraser	Committee Member	Resigned January 2022/ Appointed February 2022
Geoff Hanlon	Committee Member	Resigned prior to May 2021
Jane O'Rourke	Committee Member	Resigned prior to May 2021
Jo Weedon	Committee Member	Resigned September 2021
Melissa Galea	Committee Member	Resigned prior to May 2021
Kerrie Baxter	Committee Member	Resigned February 2022

**Principal Activities**

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

Glenroy Neighbourhood Learning Centre is a community development and education services provider, Neighbourhood House, and Registered Training Organisation (RTO). The Association offers a suite of digital literacy courses, language and literacy programs, health and well-being activities, occasional childcare, and opportunities for young people.

**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 \$227,660 (2020: \$20,886 - surplus).

**Significant Changes in State of Affairs**

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

**After Balance Date Events**

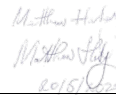
A matter has continue to evolve since 31 December 2021 that has significantly affected, or may significantly affect:

- (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.

The COVID19 pandemic may induce significant changes in the state of affairs of the association during the financial period ended 31 December 2022. The committee members will take all necessary measures to preserve reserves and shepherd the association through this uncertain period.

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

Chairperson



Matthew Hurley

Treasurer



Catherine Myers

24th May

2022

**GLENROY NEIGHBOURHOOD LEARNING CENTRE INC**  
**A.B.N 14 154 206 543**  
**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 DECEMBER 2021**

	2021	2020
	\$	\$
<b>REVENUE</b>		
<b><u>Grant Funding Revenue</u></b>		
Grants - ACFE	144,601	201,539
Grants - City of Moreland	49,493	46,082
Grants - DHS	106,678	101,949
Grants - HESG	140,951	158,255
Grants - Melbourne Polytechnic	115,619	164,805
Grants - Other	96,686	29,250
	<u>654,028</u>	<u>701,880</u>
Child Care Income	54,259	40,306
Course Fees	11,291	6,223
Other Income	13,196	2,690
Sundry Income	917	1,511
Interest received	1,013	4,114
COVID-19 Related Assistance	-	419,500
<b>TOTAL REVENUE</b>	<u><b>734,704</b></u>	<u><b>1,176,224</b></u>
<b>EXPENDITURE</b>		
<b><u>Administrative Expenses</u></b>		
Audit, Legal & Bank Fees	4,655	3,680
Insurance	2,044	2,004
Memberships	1,235	1,814
Registrations & Licenses	2,888	2,491
Salary Processing	-	122
	<u>10,822</u>	<u>10,111</u>
<b><u>Classes &amp; Program Expenses</u></b>		
Advertising & Marketing	1,172	191
Books & Resources	-	482
Photocopying	6,226	3,230
Teaching & Learning Incidentals	-	306
Other Program Expenses	17,856	12,961
	<u>25,254</u>	<u>17,170</u>
<b>Grants Expenses</b>	5,000	<b>32,919</b>
<b><u>Operating Expenses</u></b>		
Catering	-	1,023
Cleaning	4,788	1,164
Computer Support	11,451	12,553
Depreciation	6,777	8,402
Light & Power	10,283	2,784
Other	2,362	2,577
Postage	-	111
Staff Recruitment	503	-
Stationery	1,794	1,163
Telephone	5,337	1,848
	<u>43,295</u>	<u>31,625</u>
<b><u>Salary Related Expenses</u></b>		
Salaries	805,354	978,474
Salaries - Social Cohesion Grant Acquitta	-	4,339
Superannuation	72,639	80,700
	<u>877,993</u>	<u>1,063,513</u>
<b>TOTAL EXPENDITURE</b>	<u><b>962,364</b></u>	<u><b>1,155,338</b></u>
<b>Net surplus/(deficit) attributable to the Association</b>	<u><b>(227,660)</b></u>	<u><b>20,886</b></u>

**GLENROY NEIGHBOURHOOD LEARNING CENTRE INC**  
**A.B.N 14 154 206 543**  
**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2021**

	2021	2020
	\$	\$
Net surplus/(deficit) attributable to the Association	(227,660)	20,886
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u>(227,660)</u>	<u>20,886</u>
<b>Total comprehensive income attributable to the Association</b>	<u><b>(227,660)</b></u>	<u><b>20,886</b></u>

GLENROY NEIGHBOURHOOD LEARNING CENTRE INC A.B.N 14  
154 206 543  
STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	Note	2021 \$	2020 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	142,405	176,596
Financial assets	3	12,019	200,922
Trade and other receivables	4	<u>410</u>	<u>16,761</u>
<b>TOTAL CURRENT ASSETS</b>		<b><u>154,834</u></b>	<b><u>394,279</u></b>
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	5	<u>26,985</u>	<u>17,398</u>
<b>TOTAL NON-CURRENT ASSETS</b>		<b><u>26,985</u></b>	<b><u>17,398</u></b>
<b>TOTAL ASSETS</b>		<b><u>181,819</u></b>	<b><u>411,677</u></b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	6	87,628	58,851
Income received in advance	7	-	4,000
Provisions	8	<u>55,280</u>	<u>82,255</u>
<b>TOTAL CURRENT LIABILITIES</b>		<b><u>142,908</u></b>	<b><u>145,106</u></b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	8	<u>-</u>	<u>-</u>
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b><u>-</u></b>	<b><u>-</u></b>
<b>TOTAL LIABILITIES</b>		<b><u>142,908</u></b>	<b><u>145,106</u></b>
<b>NET ASSETS</b>		<b><u>38,911</u></b>	<b><u>266,571</u></b>
<b>EQUITY</b>			
Accumulated funds & reserves		38,911	266,571
<b>TOTAL EQUITY</b>		<b><u>38,911</u></b>	<b><u>266,571</u></b>

The balance sheet is to be read in conjunction with the audit report  
and the notes to the financial statements.



GLENROY NEIGHBOURHOOD LEARNING CENTRE INC A.B.N 14  
154 206 543  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021**

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	<b>Accumulated Funds \$</b>	<b>Total \$</b>
<b>Balance as at 1 January 2020</b>	245,685	245,685
Surplus/ (Deficit) attributable to the Association	20,886	20,886
<b>Balance as at 31 December 2020</b>	<u><b>266,571</b></u>	<u><b>266,571</b></u>
Surplus/ (Deficit) attributable to the Association	(227,660)	(227,660)
<b>Balance as at 31 December 2021</b>	<u><b>38,911</b></u>	<u><b>38,911</b></u>

GLENROY NEIGHBOURHOOD LEARNING CENTRE INC A.B.N 14  
154 206 543  
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 \$	2020 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from grants & projects		746,042	1,166,760
Payments to suppliers and employees		(953,785)	(1,169,996)
Interest received		1,013	4,114
<b>Net cash generated from/(used in) operating activities</b>	<b>9</b>	<b><u>(206,730)</u></b>	<b><u>878</u></b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payment for property, plant and equipment		(16,364)	(19,159)
Proceeds on disposal of property, plant and equipment		-	-
<b>Net cash (used in)/provided by investing activities</b>		<b><u>(16,364)</u></b>	<b><u>(19,159)</u></b>
Net increase/(decrease) in cash held		(223,094)	(18,281)
Cash and cash equivalents at beginning of financial year		377,518	395,799
<b>Cash and cash equivalents at end of financial year</b>	<b>9</b>	<b><u><u>154,424</u></u></b>	<b><u><u>377,518</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.

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

This financial report includes the financial statements and notes of the Glenroy Neighbourhood Learning Centre Inc, an incorporated association, which is incorporated in Victoria under the Associations Incorporation Reform Act 2012.

### **Statement of compliance**

The committee has determined that the incorporated association is not a reporting entity because there are no users dependent on general purpose financial statements. The financial report is a special purpose financial report which has been prepared in order to satisfy the financial reporting requirements of *the Australian Charities and Not for Profits Commission Act 2012* and the *Associations Incorporation Reform Act 2012* (Victoria). The association is a not-for-profit association for financial reporting purposes under Australian Accounting Standards.

These financial statements have been prepared in accordance with following Australian Accounting Standards:

*AASB 101 Presentation of Financial Statements*

*AASB 107 Statement of Cash Flows*

*AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors AASB 1031 Materiality*

*AASB 1048 Interpretation of Standards*

*AASB 1054 Australian Additional Disclosures*

### **Basis of preparation**

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 by virtue of Sections 50-50 & 50-52 of 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 company 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.

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

**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 the diminishing value method 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**

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

For leases that have significantly below-market terms and conditions principally to enable the Association to further its objectives (commonly known as peppercorn/concessionary leases), the Association has adopted the temporary relief under AASB 2018-820 and measures the right-of-use assets at cost on initial recognition.

**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 company 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.

**d. Financial Instruments (continued)**

**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).

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.

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

**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.

**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**

The Association has applied AASB 15: Revenue from Contracts with Customers (AASB 15) and AASB 1058: Income of Not-for Profit Entities (AASB 1058) using the cumulative effective method of initially applying AASB 15 and AASB 1058 as an adjustment to the opening balance of equity at 1 January 2019. Therefore, the comparative information has not been restated and continues to be presented under AASB 118: Revenue and AASB 1004: Contributions.

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**

The Association applies Australian Accounting Standard: AASB 15.

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

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

**AASB 1058 Income of Not-for-Profit Entities**

The Association applies Australian Accounting Standard: AASB 1058.

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 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.

**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. Trade 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.

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

**m. Critical Accounting Estimates and Judgements**

The Committee evaluates estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Association.

**n. Key Estimates - Impairment (General)**

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.



GLENROY NEIGHBOURHOOD LEARNING CENTRE INC A.B.N 14  
154 206 543

	2021 \$	2020 \$
<b>Note 2. Cash and Cash Equivalents</b>		
Cash at Bank	142,405	176,596
Cash on Hand	-	-
	<u>142,405</u>	<u>176,596</u>
<b>Note 3. Financial Assets</b>		
Cash on Term Deposits	<u>12,019</u>	<u>200,922</u>
	<u>12,019</u>	<u>200,922</u>
<b>Note 4. Trade and Other Receivables</b>		
Accounts Receivables	410	12,761
Less provision for doubtful debts	-	-
	<u>410</u>	<u>12,761</u>
Other Receivables	-	4,000
Prepayments	-	-
	<u>-</u>	<u>4,000</u>
	<u>410</u>	<u>16,761</u>
<b>Note 5. Property, Plant and Equipment</b>		
Computer Equipment - at Cost	109,967	93,604
Less Accumulated Depreciation	<u>(82,982)</u>	<u>(76,206)</u>
	<u>26,985</u>	<u>17,398</u>
<b>Total property, plant and equipment</b>	<u>26,985</u>	<u>17,398</u>
<b>Note 6. Trade and Other Payables</b>		
Accounts Payable	17,301	4,540
Accrued expenses	2,750	3,000
Net GST payable	8,002	9,848
PAYG Withholding Tax payable	51,430	30,328
Superannuation payable	<u>8,145</u>	<u>11,135</u>
	<u>87,628</u>	<u>58,851</u>
<b>Note 7. Amounts Received in Advance</b>		
Grants in advance	-	4,000
	<u>-</u>	<u>4,000</u>

	2021 \$	2020 \$
<b>Note 8. Provisions</b>		
<b>Current</b>		
Annual leave	23,568	41,513
Long service leave	<u>31,712</u>	<u>40,742</u>
	<u>55,280</u>	<u>82,255</u>
<b>Non-current</b>		
Long service leave	-	-
	<u>-</u>	<u>-</u>
<b>Note 9. 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	(227,660)	20,886
<b>Non-cash flow item:</b>		
Depreciation	6,777	8,402
<b>Changes in assets and liabilities:</b>		
- (Increase)/decrease in trade and other receivables	16,351	(9,350)
- (Increase)/decrease in prepayments	-	6,683
- Increase/(decrease) in trade and other payables	28,777	3,290
- Increase/(decrease) in grants received in advance	(4,000)	4,000
- Increase/(decrease) in provisions	<u>(26,975)</u>	<u>(33,033)</u>
	<u>(206,730)</u>	<u>878</u>
<b>Cash and cash equivalents at end of financial year</b>		
Cash on hand	-	-
Cash at bank	<u>154,424</u>	<u>377,518</u>
	<u>154,424</u>	<u>377,518</u>

**Note 10. Related parties**

Transactions between related parties are on a normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

**GLENROY NEIGHBOURHOOD LEARNING CENTRE INC**  
**A.B.N 14 154 206 543**  
**STATEMENT BY MEMBERS OF THE COMMITTEE**

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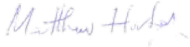

The Committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the *Australian Charities and Not for Profits Commission Act 2012* and with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Committee the financial report as set out on pages 2 to 13:

- 1 Presents a true and fair view of the financial position of Glenroy Neighbourhood Learning Centre Inc as at 31 December 2021 and its performance for the year ended on that date in accordance with Australian Accounting Standards.
- 2 At the date of this statement, there are reasonable grounds to believe that Glenroy Neighbourhood Learning Centre Inc will be able to pay its debts as and when they fall due.

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

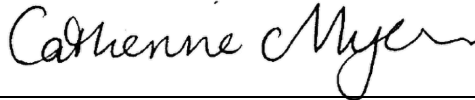
**Chairperson**

  
  
20/5/2022

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**Matthew Hurley**

**Treasurer**



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**Catherine Myers**

Dated this            24th            day of            May            2022



**GLENROY NEIGHBOURHOOD LEARNING CENTRE INC  
A.B.N. 14 154 206 543  
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS**

**Opinion**

I have audited the accompanying financial report of Glenroy Neighbourhood Learning Centre Inc (the association), which comprises the statement of financial position as at 31 December 2021, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the statement by 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*, including:

- i. giving a true and fair view of the association's financial position as at 31 December 2021 and of its performance and cash flows for the year ended on 31 December 2021; 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 of 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 my report. I am independent of the association in accordance with the auditor independence requirements of the ACNC Act 2012 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled our other ethical responsibilities in accordance with the Code.

I confirm that the independence declaration required by the ACNC Act 2012, which has been given to the directors of the association would be on the same terms if given to the directors as at the time of this auditor's report.

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

**Emphasis of Matter - Basis of Accounting and Restriction on Distribution**

I draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Glenroy Neighbourhood Learning Centre Inc to meet the requirements of the *Australian Charities and Not for Profits Commission Act 2012* and *the Associations Incorporation Act 1991 (ACT)*. As a result, the financial report may not be suitable for another purpose. My opinion is not modified in respect of this matter.

**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 Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management 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 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.

.....  
TOWARDS A VISION SHARED



## Collins & Co Audit Pty Ltd

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Footscray VIC 3011  
Australia

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Fax (03) 9689 6605

[www.collinsco.com.au](http://www.collinsco.com.au)

### **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 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.

**Frederik Ryk Ludolf Eksteen CA**  
ASIC Auditor Registration  
Number 421448 Collins & Co  
Audit Pty Ltd  
127 Paisley Street  
FOOTSCRAY VIC 3011

Dated this 25th day of May 2022

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# MANAGER REPORT



When I commenced at Glenroy Neighbourhood Learning Centre in April 2020, it was the beginning of our seemingly never ending long lockdown journey. With a sigh of relief, Christmas came. We had made it through the tough times!

We were wrong!

We welcomed 2021 with a sense of hope and excitement, as for the first time since March 2020 we were welcoming students back to face to face delivery. There was a buzz in the air as students filed through the GNLC doors, accepting the new norm of vaccination certificates, QR codes, sign in sheets, temperature checks, sanitizing stations and this was before anyone made it to the classroom!

Everyone was more than happy to comply with the new COVID rules if it meant reconnecting and interacting face to face.

Accredited and pre accredited classes and well being programs continued, however there was still a sense of fear and a certain reticence from some in the community to fully engage with the 'COVID normal' way of life. As a result, our numbers declined, however we continued to deliver quality programs with the hope that once the confidence of our community members returned, our numbers would steadily increase.

Just like that, we turned a corner. Our English Language classes were booming and just like that.... we were plunged into another lockdown from which unfortunately, we did not fully recover. Some of our students and participants could not face another bout of zoom classes and remote learning, so withdrew. Our wellbeing activities also suffered as did our Occasional Care service.

To ensure the financial sustainability of GNLC, the Committee of Management was forced to review the viability of all aspects of its operation. The Registered Training Organisation (RTO) function of the organisation placed a significant and unsustainable financial burden on us, and despite the fantastic efforts of everyone, it was no longer a financially viable operation.

The Committee of Management made the difficult decision to cease operating as a Registered Training Organisation. This was a very difficult decision and one that was not taken lightly by the Committee.

As such, that decision resulted in the cessation of AMEP and Skills First programs including VCAL delivery and unfortunately, the Occasional Childcare Service

As a result, we said farewell to a number of highly experienced and valued staff, who are still so greatly missed.

Glenroy Neighbourhood Learning Centre is a very different organisation, however we are still offering quality ACFE programs and Neighbourhood House Programs. We still have a team of dedicated staff and volunteers who work tirelessly to provide the people of Glenroy and surrounds with a safe, welcoming and friendly place to learn, to engage and reconnect.

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On a positive note, we will be delivering some of our ACFE Programs at the amazing Glenroy Hub. We are very lucky to be given the opportunity to be provided with such a wonderful space for our students.

As always, I thank the Committee of Management for giving me the opportunity to once lead the Glenroy Neighbourhood Learning Centre through the tumultuous journey that is COVID.

Everyone has shown such courage and resilience as we have navigated our way through the many challenges 2021 has thrown at us. I greatly admire the staff and volunteers who have given their all as we continue to be there for the Glenroy community.

New opportunities are waiting just around the corner!

Karen Fitzsimons – Glenroy Neighbourhood Learning Centre Manager





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# PRE-ACCREDITED (ACFE) PROGRAM

The Adult, Community and Further Education (ACFE) Pre-Accredited Program at Glenroy Neighbourhood Learning Centre is designed to help students gain confidence and skills to engage in their community, look for work, return to work, change jobs or increase skills for their current employment.

Courses address the particular needs of those adults who have experienced barriers to education in the past and who find it difficult to undertake accredited programs as their first step back into education and training.

In 2021 we offered a range of Pre-Accredited courses in face-to-face mode which was a great relief after the lockdowns of 2020.



Two grammar classes were offered in 2021 – Grammar for Speaking as well as Grammar and Spelling for Writing, so students could focus on building the skills they needed most. The courses were delivered on the same day so that students could choose to do both, which many chose to do.

Conversational English, a popular course at GNLC, was also offered again in 2021. These courses all catered to the needs of members of our local migrant community with English as their second language. These classes helped to increase their written and oral communication skills so they could function within the community to gain employment and to look at their options for further vocational education opportunities. Classes were delivered face-to-face for the first half of 2021. Throughout the smaller lockdowns and the more extended lockdown in the second half of the year, classes were delivered remotely by blended delivery with the use of technology such as Zoom or WhatsApp, as well as students being contacted by phone and receiving workbooks to complete at home.

Our Literacy and Numeracy courses for students living with a mild intellectual disability, assist students to become more confident with reading, writing, speaking and numeracy skills. Learners focused on building relevant life skills in order to participate in their community. Face-to-face classes were eagerly attended in the first half of the year by the students who had missed the social contact of on-site classes in the previous year. When lockdown was once again upon us, remote classes consisted of students completing workbooks with phone support from their teacher.

Several new computer courses were offered in 2021 for students with a low to medium skill base. A suite of “Computers for Beginners” courses was offered, including Computer Basics and Word, PowerPoint and Excel. These were very well received with additional classes being scheduled due to demand. A new course, Keyboarding Skills and Touch Typing, was included for those wanting to increase the speed and accuracy of their digital literacy skills to support their pathway into further study or employment. All computer class were delivered face-to-face in the first half of the year and delivered





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remotely by Zoom, email and phone calls throughout the smaller lockdowns and the more extended lockdown.

To address an identified need, an introductory computer course for students living with a mild intellectual disability was introduced towards the end of the year. After waiting for the restrictions to lift to allow face-to-face classes again, this course was extremely well received.

A new course, English and Computers for Job Seekers, was also offered in 2021. Designed in response to feedback from local job networks regarding their clients' needs, this course aimed to ensure that members of our local migrant community were able to develop the skills, both English language and computer skills, to enable them to seek work and have a greater understanding of the Australian workplace.

This was another challenging year for our ACFE teachers who although able to start the year with face-to-face delivery, were then required to quickly and creatively adapt their courses for blended delivery again. Students also had various challenges. Some struggled with engagement due to lockdown fatigue. Some didn't have the technology and/or digital literacy skills to be able to participate in online classes while others had busy households with all family members at home, including their children completing their schoolwork by remote learning.

Overall, a huge effort by teachers and students alike led to a successful 2021 Pre-Accredited program despite the many challenges.

Wendy Buzza – Glenroy Neighbourhood Learning Centre ACFE Coordinator

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# NEIGHBOURHOOD HOUSE HEALTH AND WELLBEING REPORT

2021 began with such promise...

Our desire to settle back into 'normal' life was strong and for a brief time, we did get that.



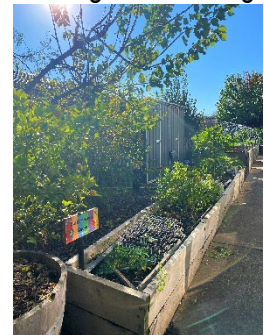
We commenced the year in full swing, offering our popular active programs such as Tai Chi, Chair Exercises, Yoga, and Walk and Talk. Our community members were very happy to be able to attend onsite at the Centre and see each other in person again. Even with the added COVID health requirements thrust upon us, everyone was so excited to get back into it!

It is testament to the great programs we offer and sense of social active need, that our participants were happy to ride the uncertain waves and eagerly showed up whenever they could.



The Men's Shed group also came together again, creating and building. It was great to have the guys back assisting with any repairs needed around the Centre.

Maggie our wonderful volunteer gardening guru was also busy planting and maintaining the new seasonal food that would thrive best during the warmer months.



Our Harmonisers singing group members decided that was it easier and more convenient for them to continue coming together online through Zoom. This is testament though to how well everyone did adapting to the changes and challenges of living with COVID-19.

Unfortunately, our Homework Club was put on hold to give students a little more time to settle back into face to face delivery and to ascertain what their needs would be.

The difficult and uncertain times returned however, as we were once again facing another bout of lockdowns and whilst we were slowly awakened to explore and embrace new technologies during the 2020 lockdown, everyone was dreading it as we had tasted a little bit of freedom! Once again, we were back online. However,

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not all programs lend themselves easily to zoom or WhatsApp, so they simply ceased with the hope that the latest lockdown would be quick and relatively painless!

Our Neighbourhood House programs did not come back onsite for the remainder of 2021 and we all felt the pinch. COVID-19 certainly threw curve balls at us and yes, it tested the strength and resilience of the Glenroy Community. However, let's dust it off and look towards 2022 with a renewed vigor for a great year ahead!

Bec Drake – Glenroy Neighbourhood Learning Centre Neighbourhood House Coordinator

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We thank all our supporters in the  
community, volunteers, staff and  
everyone who's been associated with  
us year after year!