

NORTH CENTRAL LLEN INC.

ABN: 93 101 445 051

**Financial Report For The Year Ended
31 December 2024**

North Central LLEN Inc.

ABN: 93 101 445 051

Financial Report For The Year Ended 31 December 2024

CONTENTS	Page
Auditor's Independence Declaration	1
Statement of Profit or Loss and Other Comprehensive Income	2
Statement of Financial Position	3
Statement of Changes in Equity	4
Statement of Cash Flows	5
Notes to the Financial Statements	6
Directors' Declaration	13
Independent Auditor's Report	14

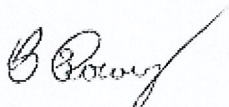
AUDITOR'S INDEPENDENCE DECLARATION

Under the *Australian Charities and Not-for-profits Commission Act 2012 Section 60-40*

TO THE DIRECTORS OF NORTH CENTRAL LLEN Inc.

In accordance with Subdivision 60-C of the *Australian Charities and Not-for-Profits Commission Act 2012*, I am pleased to provide the following declaration of independence to the Directors of North Central LLEN Inc. as the lead auditor for the audit of the financial report of North Central LLEN Inc. for the year ended 31 December 2024, I declare that, to the best of my knowledge, there have been no contraventions of:

- (1) the auditor independence requirements of the *Australian Charities and Not-for-Profits Commission Act 2012* in relation to the audit; and
- (2) any applicable code of professional conduct in relation to the audit.



Bradley Dowsey
Registered Auditor # 528899
Accounting & Audit Solutions Bendigo

Dated: 23rd April 2025

NORTH CENTRAL LLEN INC.
ABN: 93 101 445 051
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR
ENDED 31 DECEMBER 2024

	Note	2024 \$	2023 \$
Revenue			
Revenue and other income	2	1,729,230	2,063,714
Expenses			
Employee benefits expense		(1,170,299)	(1,182,423)
Depreciation and amortisation expense	3	(79,185)	(76,339)
Finance Costs		(7,589)	(2,497)
Project Costs		(686,137)	(428,814)
Motor vehicle expenses		(34,480)	(40,147)
Administration and promotional costs		(49,645)	(37,561)
Occupancy and associated costs		(29,717)	(34,344)
Administration and promotional costs			
Net current year surplus		<u>(327,822)</u>	<u>261,589</u>
Total comprehensive income attributable to members of the entity		<u>(327,822)</u>	<u>261,589</u>

The accompanying notes form part of these financial statements.

NORTH CENTRAL LLEN INC.
ABN: 93 101 445 051
STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

	Note	2024 \$	2023 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	840,203	1,238,966
Accounts receivable and other debtors	5	193,376	170,830
TOTAL CURRENT ASSETS		<u>1,033,579</u>	<u>1,409,796</u>
NON-CURRENT ASSETS			
Property, plant and equipment	6	71,259	31,881
Right-of-use assets	7	99,288	147,135
TOTAL NON-CURRENT ASSETS		<u>170,547</u>	<u>179,016</u>
TOTAL ASSETS		<u>1,204,126</u>	<u>1,588,812</u>
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and other payables	8	55,113	93,796
Employee provisions	9	86,591	96,600
Contract liabilities	10	131,339	97,491
Interest bearing liabilities	11	53,636	64,199
TOTAL CURRENT LIABILITIES		<u>326,679</u>	<u>352,086</u>
NON-CURRENT LIABILITIES			
Employee provisions	9	252	189
Interest bearing liabilities	11	52,201	83,721
TOTAL NON-CURRENT LIABILITIES		<u>52,453</u>	<u>83,910</u>
TOTAL LIABILITIES		<u>379,132</u>	<u>435,996</u>
NET ASSETS		<u>824,994</u>	<u>1,152,816</u>
EQUITY			
Retained surplus		<u>824,994</u>	<u>1,152,816</u>
TOTAL EQUITY		<u>824,994</u>	<u>1,152,816</u>

The accompanying notes form part of these financial statements.

NORTH CENTRAL LLEN INC.
ABN: 93 101 445 051
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2024

	Retained Surplus \$	Total \$
Balance at 1 January 2023	891,227	891,227
Comprehensive Income		
Surplus for the year	261,589	261,589
Total other comprehensive income	261,589	261,589
Balance at 31 December 2023	1,152,816	1,152,816
Balance at 1 January 2024	1,152,816	1,152,816
Comprehensive Income		
Surplus for the year	(327,822)	(327,822)
Total other comprehensive income	(327,822)	(327,822)
Balance at 31 December 2024	824,994	824,994

The accompanying notes form part of these financial statements.

NORTH CENTRAL LLEN INC.
ABN: 93 101 445 051
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024 \$	2023 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		1,682,247	1,891,439
Payments to suppliers and employees		(2,018,907)	(1,717,087)
Interest received		58,285	38,458
Interest paid		(7,589)	(2,497)
Net cash generated from operating activities	14	<u>(285,964)</u>	<u>210,313</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		-	-
Payment for property, plant and equipment		(51,038)	(175,953)
Net cash used in investing activities		<u>(51,038)</u>	<u>(175,953)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of lease liabilities		(61,761)	90,112
Net cash used in financing activities		<u>(61,761)</u>	<u>90,112</u>
Net increase in cash held		(398,763)	124,472
Cash on hand at beginning of the financial year		1,238,966	1,114,494
Cash on hand at end of the financial year	4	<u>840,203</u>	<u>1,238,966</u>

The accompanying notes form part of these financial statements.

NORTH CENTRAL LLEN INC.
ABN: 93 101 445 051
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Note 1 **Summary of Material Accounting Policy Information**

Basis of Preparation

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB') to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

The association does not have 'public accountability' as defined in AASB 1053 *Application of Tiers of Australian Accounting Standards* and is therefore eligible to apply the 'Tier 2' reporting framework under Australian Accounting Standards.

The financial statements, except for the cash flow information, have been prepared on an accrual 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) Revenue and Other Income

The association is first required to determine whether amounts received are accounted for as Revenue per AASB 15: *Revenue from Contracts with Customers* or Income per AASB 1058: *Income of Not-for-Profit Entities*.

Funding arrangements which are enforceable and contain sufficiently specific performance obligations are recognised as revenue under AASB 15. Otherwise, such arrangements are accounted for under AASB 1058, where upon initial recognition of an asset, the association is required to consider whether any other financial statement elements should be recognised (for example, financial liabilities representing repayable amounts), with any difference being recognised immediately in profit or loss as income.

Revenue and Other Income

Operating grants, donations and bequests

When the association receives operating grants, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

When both these conditions are satisfied, the association:

- identifies each performance obligation relating to the grant;
- recognises a contract liability for its obligations under the agreement; and
- recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the association:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards;
- recognises related amounts; and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If a contract liability is recognised as a related amount above, the association recognises income in profit or loss when or as it satisfies its obligations under the contract.

Other Income

Interest income

Interest income is recognised using the effective interest method.

Volunteer services

A not-for-profit entity may, as an accounting policy, elect to recognise volunteer services, if the fair value of those services can be measured reliably, whether or no the services would have been purchased if they had not been donated. As an accounting policy choice, the association has elected not to recognise such volunteer contributions as revenue and expenditure within profit or loss. This election has no impact on the association's profit or loss or net assets.

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

(b) Cash and cash equivalents

Cash and cash equivalents includes 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.

(c) Accounts receivable and other debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold. 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.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(f) for further discussion on the determination of impairment losses.

NORTH CENTRAL LLEN INC.
ABN: 93 101 445 051
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

(d) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated, less, where applicable, accumulated depreciation and 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 are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset.

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 recognised as expenses in profit or loss in the financial period in which they are

Plant and equipment that have been contributed at no cost or for nominal cost are recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets, including capitalised lease assets, is depreciated on a straight-line basis over the asset's useful life to the association commencing from the time the asset is available for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and equipment	30%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised as income in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

(e) Right-of-Use Assets

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

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

The association has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

(f) Trade and Other Payables

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

(g) Contract Liabilities

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

(h) Employee Provisions

Short-term employee provisions

A provision is made for the association's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and annual leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

Other long-term employee provisions

Provision is made for employees' long service leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as part of employee provisions expense.

The association's obligations for long-term employee benefits are presented as non-current employee provisions in its statement of financial position, except where the association does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current employee provisions.

From 1 July 2019, the association registered its employees under Victoria's Portable Long Service Leave Scheme, which makes it fairer and easier for the association's employees working in the community services sector to access long service leave benefits. Since registration, the association has submitted a quarterly return to the Portable Long Service Leave Authority, which is based on each employees ordinary pay multiplied by 1.65% (being the levy applicable to the community services sector). The levy is equal to the minimum long service leave entitlement the association's employees receive under their relevant award.

NORTH CENTRAL LLEN INC.
ABN: 93 101 445 051
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

In measuring the provision for long service leave, the provision has been crystallised from the date of registration as long service leave benefits accrued by employees since this date have been contributed to the authority (or recorded as a payable at balance date) via quarterly returns. The provision for long service leave at 31 December 2023 therefore reflects leave entitlements accrued by employees prior to registration, which is remeasured annually based on anticipated future wage and salary levels and changes in standard hours. Contributions payable to the authority are recognised as an expense in profit or loss as they are incurred.

(i) Leases

The association as lessee

At inception of a contract, the association assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the association where the association is a lessee. However, all contracts that are classified as short-term leases (ie a lease with a remaining lease term of 12 months or less) and leases of low-value assets are recognised on a straight-line basis over the term of the lease.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the association uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options if lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest.

Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the association anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

(j) Income Tax

No provision for income tax has been raised as the association is exempt from income tax under section 50-45 of the Income Tax Assessment Act 1997.

(k) Comparative Figures

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

(l) Critical Accounting Estimates and Judgements

The committee members evaluate 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.

Key Estimates

Key Judgements

(i) Performance obligations under AASB 15

To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/-type, cost/ value, quantity and the period of transfer related to the goods or services promised.

(ii) Determination and time of revenue recognition under AASB 15

For each revenue stream, the association applies significant judgement to determine when a performance obligation has been satisfied and the transaction price that is to be allocated to each performance obligation.

Revenue from government grants and other community funding agreements is recognised once the performance obligation/s under the government grant or funding agreement are satisfied. Performance obligations are typically satisfied over time, being over the term of the project. The association measures its progress towards satisfying its performance obligations, which are generally satisfied over time, based on an appropriate output method (such as the number of individuals who have participated in the program at a particular point in time in proportion to the underlying obligation).

(iii) Lease term and option to extend under AASB 16

The lease term is defined as the non-cancellable period of a lease together with both periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and also periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option. The options that are reasonably going to be exercised are a key management judgement that the association will make. The association determines the likelihood to exercise the options on a lease-by-lease basis looking at various factors such as which assets are strategic and which are key to future strategy of the association.

(m) Economic Dependence

The association is economically dependent on the State of Victoria for grant funding used to fund its operations and various programs. At the date of this report, the committee have no reason to believe that continued support will not be forthcoming.

NORTH CENTRAL LLEN INC.
ABN: 93 101 445 051
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Note 2

Revenue and Other Income

	2024	2023
	\$	\$
Revenue		
Revenue from grants:		
— Revenue from contracts with customers	573,207	578,017
— Grant revenue without sufficiently specific obligations	734,235	1,212,403
— Other Income	421,788	273,294
	<u>1,729,230</u>	<u>2,063,714</u>

The association has disaggregated revenue by the association's grants/funding agreements and timing of revenue recognition.

Revenue from contracts with customers

Department of Education and Training - Local Learning and Employment Network	384,879	394,274
Department of Families, Fairness and Housing - Engage!	100,000	100,000
Department of Transport (Buloke L2P program)	88,328	83,743
	<u>573,207</u>	<u>578,017</u>

Grant revenue without sufficiently specific obligations

Strong Youth Strong Community Project	48,850	40,000
Agnico Eagle (formerly Kirkland Lake Gold) Community Program	-	614,255
Department of Education and Training - Sustainable Schools Agriculture Fund	23,859	172,807
By Five	15,000	35,000
FLO	45,000	45,000
Navigator	-	18,400
Head Start	69,238	61,941
NCLLEN Youth Take Over	65,000	40,000
YacVIC Umbrella Grant	-	185,000
LLEN Inc. Management Fee	224,487	-
Loddon Local	149,500	-
WE Border Horizons (DE)	93,301	-
	<u>734,235</u>	<u>1,212,403</u>

Other Income

Projects delivered to public schools	334,266	219,947
Interest received	58,285	38,458
Other income	29,237	14,889
	<u>421,788</u>	<u>273,294</u>

Total revenue and other income

<u>1,729,230</u>	<u>2,063,714</u>
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Timing of revenue recognition from revenue from contracts with customers

Services transferred to customers:
-over time

<u>573,207</u>	<u>578,017</u>
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The association applies the practical expedient in AASB 15.121 and does not disclose information about remaining performance obligations that have original expected durations of one year or less.

Note 3

Expenses

	2024	2023
	\$	\$
Depreciation and amortisation:		
— Plant and equipment	11,660	6,645
— Motor vehicles - right of use	61,922	63,444
— Photocopier - right of use	5,603	6,250
Total depreciation and amortisation	<u>79,185</u>	<u>76,339</u>

Note 4

Cash and Cash Equivalents

	2024	2023
	\$	\$
CURRENT		
Cash at bank	36,513	56,430
Short-term investments	803,690	1,182,536
	<u>840,203</u>	<u>1,238,966</u>

NORTH CENTRAL LLEN INC.
ABN: 93 101 445 051
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Note 5 Accounts Receivable and Other Debtors

	Note	2024 \$	2023 \$
CURRENT			
Grants receivable		184,645	150,610
FBT instalments paid		8,731	20,220
Total current accounts receivable and other debtors	17	193,376	170,830

The following table shows the movement in lifetime expected credit loss that has been recognised for trade and other receivables in accordance with the simplified approach set out in AASB 9: *Financial Instruments*.

Note 6 Property, Plant and Equipment

	2024 \$	2023 \$
Plant and equipment:	99,394	48,357
Less accumulated depreciation	(28,135)	(16,476)
Total property, plant and equipment	71,259	31,881

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Plant and Equipment \$	Total \$
2023		
Balance at the beginning of the year	22,923	22,923
Additions at cost	15,603	15,603
Depreciation expense	(6,645)	(6,645)
Carrying amount at the end of the year	31,881	31,881
2024		
Balance at the beginning of the year	31,881	31,881
Additions at cost	51,038	51,038
Depreciation expense	(11,660)	(11,660)
Carrying amount at the end of the year	71,259	71,259

Note 7 Right-of-use Assets

	2024 \$	2023 \$
Leased motor vehicles	223,280	313,230
Accumulated depreciation	(129,595)	(177,300)
Leased Photocopier	16,808	16,808
Accumulated depreciation	(11,205)	(5,603)
Total right-of-use asset	99,288	147,135

The association's lease portfolio includes motor vehicles and a photocopier. These leases have an average of 1-3 years as their lease term.

Options to Extend or Terminate

There are options to extend or terminate contained in the association's property lease agreement. However as the lease is now on a month-by-month basis with no significant penalty, this lease meets the short-term exemption criteria and as such, the property lease has been excluded from measurement. These clauses typically provide the association opportunities to manage leases in order to align with its strategies. All of the extension or termination options are only exercisable by the association.

Movements in carrying amounts:

Movements in carrying amounts for each class of right-of-use assets between the beginning and the end of the current financial year.

	2024 \$	2023 \$
Opening balance	147,135	56,479
Net movement in additions and disposals	19,678	216,215
Depreciation expense	(67,525)	(125,559)
Net carrying amount	99,288	147,135

NORTH CENTRAL LLEN INC.
ABN: 93 101 445 051
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Note 8 Trade and Other Payables

	Note	2024 \$	2023 \$
CURRENT			
Accounts payable		7,588	8,289
Australian tax office payable		35,754	34,034
Other payables		5,941	20,992
Accrued Expenses		5,830	30,481
		<u>55,113</u>	<u>93,796</u>
Financial liabilities at amortised cost classified as accounts payable and other payables			
Accounts payable and other payables		55,113	93,796
Less payable to ATO		(35,754)	(34,034)
Financial liabilities as trade payables	17	<u>19,359</u>	<u>59,762</u>

Note 9 Employee Provisions

	2024 \$	2023 \$
CURRENT		
Provision for employee benefits: annual leave	67,991	81,255
Provision for employee benefits: long service leave	18,600	15,345
	<u>86,591</u>	<u>96,600</u>
NON-CURRENT		
Provision for employee benefits: long service leave	252	189
	<u>252</u>	<u>189</u>
	<u>86,843</u>	<u>96,789</u>

Note 10 Contract Liability

	2024 \$	2023 \$
CURRENT		
Contract liability	131,339	97,491
	<u>131,339</u>	<u>97,491</u>
Balance at the beginning of the year	97,491	249,650
Additions:		
Grants for which performance obligations will only be satisfied in subsequent years.	690,366	818,763
Grants for which performance obligations have been satisfied during the year	(656,518)	(970,922)
	<u>131,339</u>	<u>97,491</u>

If grants are enforceable and have sufficiently specific performance obligations in accordance with AASB 15, the amount received at that point in Contract liabilities represent the association's obligation to transfer goods or services to a customer and are recognised

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

Note 11 Interest Bearing Liabilities

	Note	2024 \$	2023 \$
CURRENT			
Lease liability		53,636	64,199
		<u>53,636</u>	<u>64,199</u>
NON-CURRENT			
Leases		52,201	83,721
		<u>52,201</u>	<u>83,721</u>
	17	<u>105,837</u>	<u>147,920</u>

Note 12 Capital Commitments

No capital expenditure commitments were contracted for at year end.

Note 13 Contingent Liabilities and Contingent Assets

The association's board members are not aware of any contingent liabilities or assets as at the date of signing this financial report.

NORTH CENTRAL LLEN INC.
ABN: 93 101 445 051
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Note 14 Cash Flow Information

	2024 \$	2023 \$
Reconciliation of Cash Flows from Operating Activities with Net Current Year Surplus		
Net current year surplus	(327,822)	261,589
Adjustment for:		
Depreciation and amortisation expense	(79,185)	76,339
Movement in working capital:		
(Increase)/decrease in accounts receivable and other debtors	22,546	18,342
(Increase)/decrease in other current assets		
Increase/(decrease) in accounts payable and other payables	38,683	(5,343)
Increase/(decrease) in employee provisions	(9,946)	11,545
(Increase)/decrease in contract liabilities	(33,848)	(152,159)
Net cash generated by operating activities	<u>(389,572)</u>	<u>210,313</u>

Note 15 Events After the Reporting Period

No matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the association's operations, the results of those operations, or the association's state of affairs in future financial years.

Note 16 Key Management Personnel Compensation

The key management personnel of the association are detailed below:

- Board Members
- Executive Officer
- Business & Communications Manager
- Office Manager

The totals of remuneration paid to KMP of the entity during the year are as follows:

	2024 \$	2023 \$
KMP compensation:	<u>307,081</u>	<u>268,967</u>

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

Note 17 Financial Risk Management

The association's financial instruments consist mainly of deposits with banks, accounts receivable and payable, and lease liabilities.

The totals for each category of financial instruments, measured in accordance with AASB 9: *Financial Instruments* as detailed in the accounting policies to these financial statements, are as follows:

	Note	2024 \$	2023 \$
Financial assets			
Financial assets at amortised cost:			
— cash and cash equivalents	4	840,203	1,238,966
— accounts receivable and other debtors	5	193,376	170,830
Total financial assets		<u>1,033,579</u>	<u>1,409,796</u>
Financial liabilities			
Financial liabilities at amortised cost:			
— accounts payable and other payables	8	19,359	59,762
— lease liabilities	11	105,837	147,920
Total financial liabilities		<u>125,196</u>	<u>207,682</u>

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the association becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Note 18 Auditor's Remuneration

	2024 \$	2023 \$
Remuneration of the auditor:		
— auditing or reviewing the financial statements	4,600	4,600
— Preparation of financial statements	1,300	1,300
	<u>5,900</u>	<u>5,900</u>

Note 19 Entity Details

The registered office and principal place of business of the
North Central LLEN Inc.
9c High Street
Charlton

NORTH CENTRAL LLEN INC.
ABN: 93 101 445 051
DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of North Central LLEN Inc., the directors of the Registered Entity declare that, in the directors' opinion:

1. The financial statements and notes, as set out on pages 2 to 12, are in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and:
 - (a) comply with Australian Accounting Standards; and
 - (b) give a true and fair view of the financial position of the registered entity as at 31 December 2024 and of its performance for the year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the registered entity will be able to pay its debts as and when they become due and payable.
3. The entity has not prepared a consolidated entity disclosure statement as Australian Accounting Standards do not require it to prepare consolidated financial statements.

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

Director



Dan Straub, Chairperson

Dated this 22nd day of April 2025

Independent Audit Report to the Members of North Central LLEN Inc.

Unqualified Opinion

We have audited the accompanying financial report, being a general purpose financial report, of the North Central LLEN Inc. which comprises the statement of financial position as at 31 December 2024, the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended and notes comprising a summary of the 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 of the Association.

In our opinion, the financial report of the North Central LLEN Inc. has been prepared in accordance with the Div. 60 of the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

- i. Giving a true and fair view of the Association's financial position as at 31 December 2024 and of its performance for the year ended on that date; and
- ii. Complying with Australian Accounting Standards – AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 entities and Div. 60 of the *Australian Charities and Not-for-Profits Commission regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibility under those standards are further described in the *Auditors Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Association in accordance with the auditor requirements of the *Australian Charities and Not-for-Profits Commission Act 2012* and, the ethical requirements of the Accounting Professional Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants* (the code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the code.

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

Information Other Than the Financial Report and Auditor's Report Thereon

The Committee of the Association is responsible for the other information. The other information comprises the information included in the Association's annual report for the year ended 31 December 2024, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report the fact. We have nothing to report in this regard.

Responsibilities of the Committee for the Financial Report

The Committee of the Association are responsible for the preparation and fair presentation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 entities and the *Australian Charities and Not-for-Profits Commission Act 2012* and for such internal control as the directors determine necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee is responsible for assessing the Association's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibility

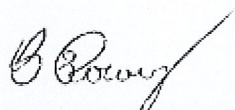
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion, reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis on this financial report. As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial report , whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion, The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures by the Committee.

- Conclude on the appropriateness of the Committees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report, or if disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease or continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report presents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Bradley Dowsey
Registered Auditor # 528899
Accounting & Audit Solutions Bendigo

Dated: 23rd April 2025