
Daylesford Neighbourhood Centre Inc.

Annual Report 2024



Table of Contents

3

Organisational Structure

4

Agenda for Annual General Meeting 2025

5

Minutes of 2023 Calendar Year Annual General Meeting

7

Chair's Report

9

Treasurer's Report

10

Interim Coordinator's Report

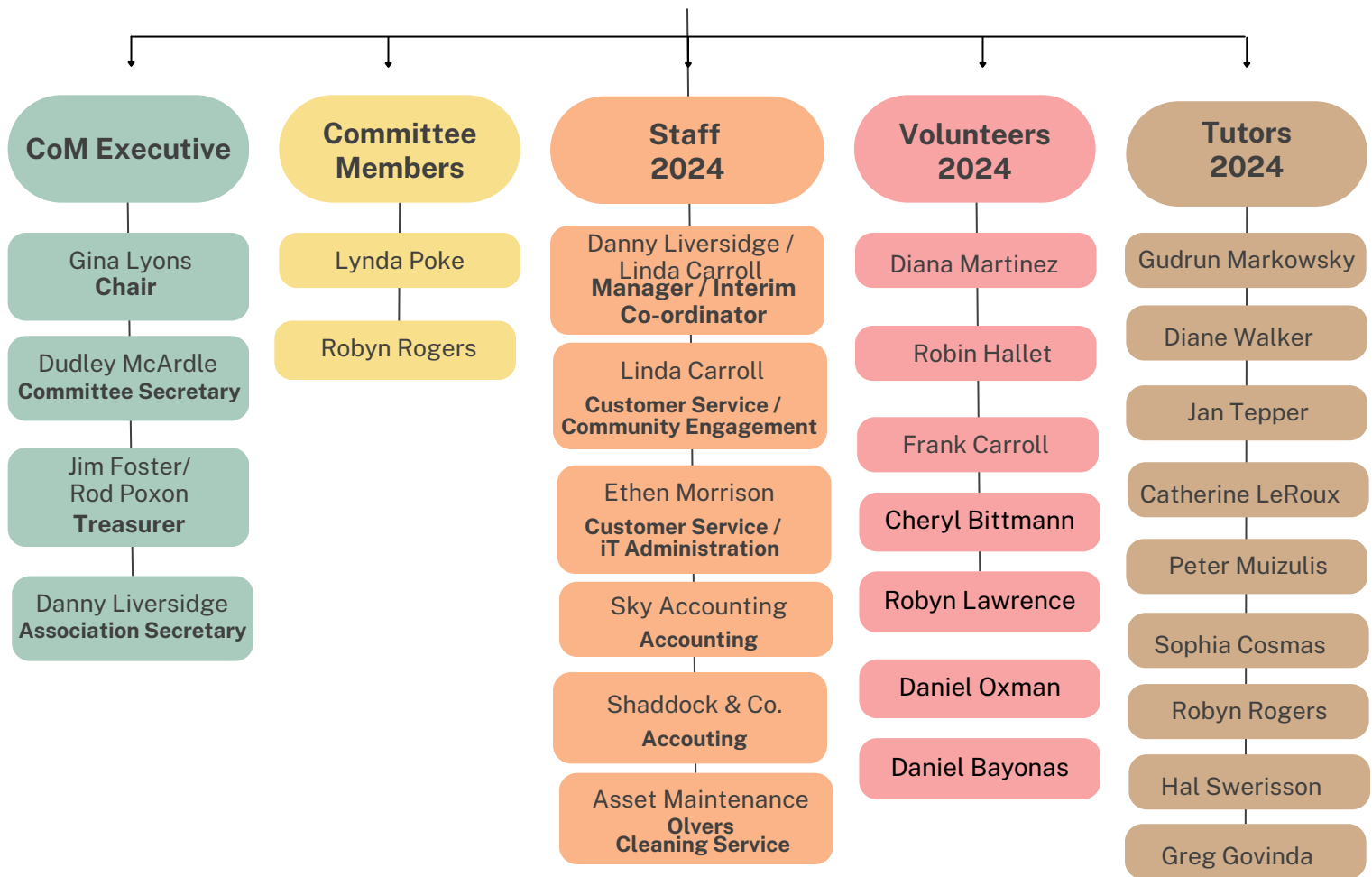
11

2024 At a Glance

13

Appendix 1 - 2024 Annual Report (Financial)

Organisational Structure 2024



Partnerships

The Laurels Education and Training	The Daylesford Foundation
Ballarat & Grampians Legal Service	Department of Justice & Community Safety: Grampians Region
CORE Communities of Respect & Equality	ACFE Adult, Community & further education
Dept of Family, Fairness and Housing - HACC-PYP Home & Community Care for Young People	



Annual General Meeting 2025

19th May 2025, 6 – 7 pm

In person

Agenda

1. Welcome
2. Present
3. Apologies
4. Confirmation of Minutes 2023
5. Chair's Report
6. Treasurer's Report
7. Interim Coordinator's Report
8. Financial Audit Report
9. Election of Committee Members
10. AGM close



Minutes of 2023 Calendar Year Annual General Meeting Held Monday 29 April 2024

Meeting commenced in the DNC Green Room at 6.00 pm

- 1 Welcome** Chair Gina Lyons gave an Acknowledgement of Country, and welcomed everyone to the meeting
- 2 Present** Gina Lyons, Arthur Papapostolou, Danny Liversidge, Dudley McArdle, Linda Carroll, Frank Carroll, Wendy Berry, Lynda Poke, Sue Dyson, Ethen Morrison, Jim Foster, Diana Martinez, Robin Hallet
- 3 Apologies** Darren Manning, Hal Swerissen (Proxy), Robyn Rogers (Proxy)

- 4 Minutes** Copies of the Minutes of the 2022 Calendar Year Annual General Meeting were provided to all AGM attendees in meeting papers as part of the Annual Report 2022 Calendar Year.

Motion

That the Minutes of the 2021 Calendar Year Annual General Meeting of the Daylesford Neighbourhood Centre held on 23 May 2022 be accepted

Moved

Lynda Poke

Seconded

Danny Liversidge

Carried

- 5 Chair's Report** Copies of the report were provided to all AGM attendees in the meeting papers as part of the Annual Report 2023 Calendar Year.

Motion

That the Chair's Report 2023 be accepted.

Moved

Dudley McArdle

Seconded

Arthur Papapostolou

Carried

- 6 Treasurer's Report** Copies of the report were provided to all AGM attendees in the meeting papers as part of the Annual Report 2023 Calendar Year (comprising 2023 Treasurer's Report; Profit and Loss Statement, Balance Sheet, Statement of Cash Flows, Notes to the Financial Statements).

Motion

That the Financial Report 2023 be accepted.

Moved

Jim Foster

Seconded

Linda Carroll

Carried

- 7 Manager's Report** Copies of the report were provided to all AGM attendees in the meeting papers as part of the Annual Report 2023 Calendar Year.

Motion That the Manager's Report 2023 be accepted	Moved Gina Lyons Seconded Wendy Berry	Carried
---	--	----------------

- 8 Financial Audit Report** Jim spoke to the Independent Auditor's Report which gave DNC a clean bill of financial health and invited attendees to see the report if they wished.

- 9 Election of Committee of Management** Gina declared all Committee of Management positions vacant and asked that Danny Liversidge take the Chair of the meeting. Danny reported that of the nine available positions, four people nominated for the Committee of Management

- Gina Lyons - Chair
- Dudley McArdle – Committee Secretary
- Lynda Poke – Ordinary Committee Member
- Robyn Rogers – Ordinary Member

Danny declared all persons nominated duly elected.

Gina re-took the Chair, welcomed the new Committee and thanked them for offering their services. She thanked Hal Swerissen, Wendy Berry, Sue Dyson, Jim Foster for their sterling service on the Committee.

Gina thanked Danny, Linda and Ethen and all volunteers for their wonderful efforts during the difficult past year. All attendees noted and endorsed the sentiments expressed.

Danny responded on behalf of the staff and thanked the Committee and the volunteers for their support.

Gina thanked the Committee members for their cooperation and work over the past twelve months.

Gina declared the meeting closed.

Meeting concluded at 6.16pm.

Chair's Report 2024

After a break of 12 months, I was happy to return to the Committee of Management in February 2024. I felt like I had had a good holiday and returned refreshed and keen to work with my Committee colleagues.

The most significant matter for 2024 was advice to the Committee that the incorrect classification was being used to pay the then Manager. This went back to 2020 and has had a huge impact on the Centre's finances. The history is that in early 2020 DNC engaged a Ballarat-based Human Resources company to provide advice on the position descriptions and pay rates of DNC staff. Danny Liversidge had been appointed Manager in 2019 after a series of acting Managers, so the Committee sought advice to ensure the accuracy of position descriptions and pay rates. We selected this company because they had carried out a similar review for another centre, so we felt we were in good hands. We accepted the advice they gave us in March 2020.

Fast forward to May 2024, when the Committee was advised that the Manager was being paid at the incorrect rate (this came about during the collection of data for a review of the ACFE program, when the Manager's time, and therefore pay rate, was included in the spreadsheet). Advice was sought from our accountants and Neighbourhood Houses Victoria. The total of the required back pay was \$90,000 plus superannuation. Needless to say, the Committee was shocked.

We entered into a payment plan with Danny Liversidge (who resigned from the Centre in June 2024 to move interstate) and this is ongoing (last payment will be in December 2025). We were fortunate that our financial reserves were able to accommodate the back pay, but it left nothing in the bank for any other things from 'left field' which can crop up or any projects the Committee wants to support in support of the community. The back pay issue has resulted in a review of our operations and staffing structure. To ensure the ongoing sustainability of the DNC, the staffing level has been reduced from 1.7FTE (3 people) to 0.7 FTE (2 people), which is consistent with the funding we receive from the State government.

Regular readers of our Annual Reports would be familiar with previous comments about the funding model for neighbourhood houses, which is unsustainable as the annual increase is always less than the required EBA increases. Recent data from Neighbourhood Houses Victoria shows that 45% of centres are running at a loss compared to just 25% pre-pandemic.

(continued over page)

Chair's Report 2024 (cont)

The availability of pandemic stimulus packages and disaster recovery packages masked the true financial position of centres and since they came to an end many centres are struggling to operate with increases in salaries, utilities, and repairs and maintenance. And the compliance burden seems to become more onerous with each passing year. The flawed funding model means that centres need to keep applying for grants to keep the centres operational and not every application is successful.

Volunteers play an important role in supporting the staff to enable the doors to stay open, however, there are limits to what volunteers can be asked to do e.g. not acting as an unpaid staff member in a regular, ongoing position. Given the State government's parlous financial position we are not expecting any improvements in the funding model for centre any time soon.

Back to the back pay issue - we engaged a lawyer to act on our behalf and approach the Human Resources company whose advice was incorrect to present the financial impact of that advice on the DNC and to seek a response. Their response was to engage a large Melbourne law firm whose strategy seems to be to engage in stalling behaviour, not interested in a negotiation and trying to force the DNC to initiate legal proceedings. That process alone would result in further expenditure of money we don't have. We are in the process of seeking pro bono legal support to cover the next steps. The second half of the 2024 year was extremely stressful for the Committee and staff. We were in uncharted territory and were desperate to avoid insolvency. The DNC owes a huge debt to Lynda Poke and Rod Poxon for their financial skills in completing a forecast to year end (how bad are things?) and then developing a budget for 2025 with the new staffing model.

My heartfelt thanks also goes to the other members of the Committee, for a few months we were meeting every two weeks to deal with this matter, and the level of support and co-operation was fantastic. A great team really does come together in tough times.

I would like to acknowledge the passion, commitment and efforts of Danny Liversidge during his five years as Manager.

A big thank you to Linda Carroll who stepped up as Interim Coordinator, and to Ethen Morrison. Their experience working in the Centre and their flexibility was invaluable as we came to grips with the financial situation and worked out a staffing model and other changes to keep the DNC sustainable.

Gina Lyons
Chair
Committee of Management

Treasurer's Report 2024

Calendar year 2024 was a very challenging year financially as alluded to within the Chair's report for 2024.

The unexpected and unbudgeted liability relating to the underpayment of wages and entitlements to the previous Manager totalled \$100,967. Fortunately for DNC, the outgoing Manager agreed to a payment plan over 18 months for this large sum, thereby easing pressure on business cashflow. And as DNC held substantial cash reserves at the time, the organisation has been able to absorb this large financial hit and continue with routine operations, albeit with a reduced workforce and reduced opening hours. The operating loss for 2024 was \$106,354 (versus 2023 operating loss of \$2,865). The balance sheet has been weakened substantially with a major reduction in equity, due almost entirely to the underpayment matter.

The Committee Of Management has developed a new operating model that is supported by a budget for 2025 that breaks even financially for the calendar year. Our focus is now on growing revenue and constraining costs wherever possible, in a responsible and sustainable manner.

Profit and Loss Summary

	2024	2023
Total revenue	\$282,201	\$292,091
Total expenses	\$388,555	\$295,956
Profit (Loss)	(\$106,354)	(\$2,865)

Balance sheet

\$55,709	\$148,057
Cash and cash equivalents at end Dember 2024	Cash and cash equivalents at end Dember 2023

Rod Poxon
Treasurer
Committee of Management

Interim Coordinator's Report 2024

The role of Interim Coordinator was created in July last year when the then manager, Danny Liversidge, left and the DNC had to reconfigure the staffing model due to the back pay issue. Linda Carroll was employed part time doing the digital marketing/community engagement role. The Committee's preference was to have someone who knew the Centre take on the Interim Coordinator position whilst we stabilised the Centre's finances. Linda agreed to step up to this position and played an important role in 'keeping the ship afloat.'

With the change in management, also came a change in DNC opening hours. Traditionally our hours were 9am-4pm Mon to Thurs, and 9am-1.30pm on Fridays. In an effort to work within the current funding model, DNC's hours were changed to 9am-3pm Mon to Thurs.

One project that Linda introduced last winter was the "Coat Rack Project". At the time we had a homeless person living on site and she found this emotionally challenging. She put a call out for coats to be donated and we obtained a donated coat rack as well. She set the rack up and advertised it locally. We were so pleased with the result - coats in all shapes and sizes were donated to us and at the same time, coats were moving off the rack for people in need. This project was very well received and supported by the community, we hope it continues this year.

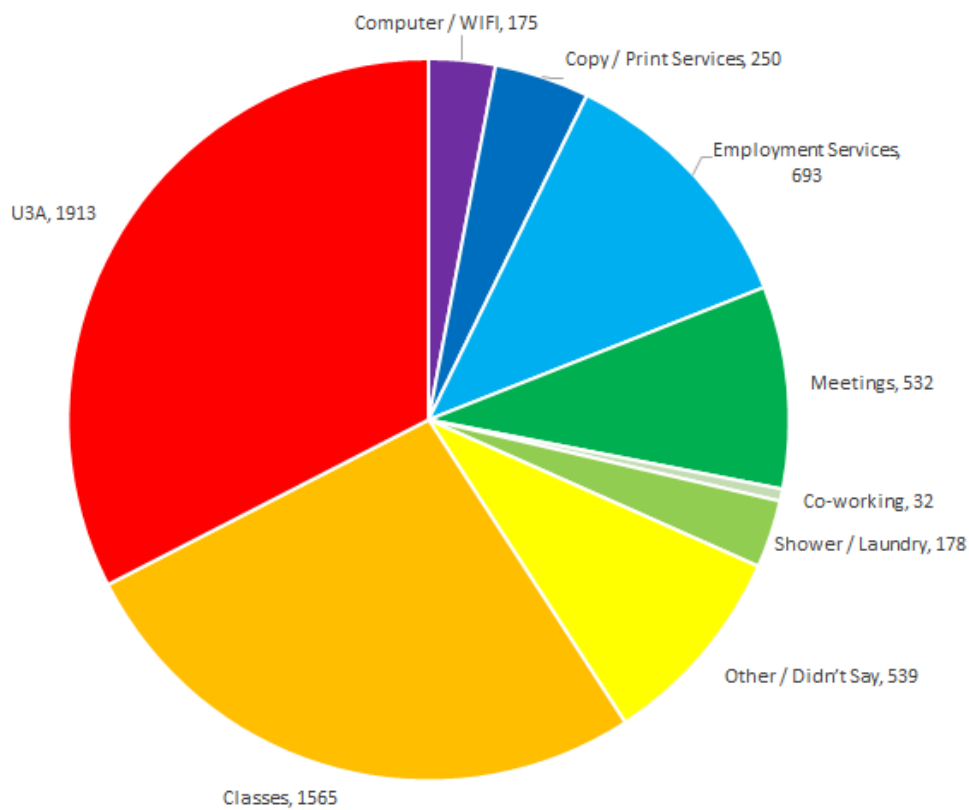
Linda and Ethen worked effectively as a team and often went over and above the call of duty. The last nine months was a huge learning curve for both Ethen and Linda and it probably took them 3-4 months to get into some sort of "new rhythm".

Our Treasurer, Rod Poxon, arranged for Shaddocks Accountants to do the payroll and BAS and they trained Linda and Ethen in managing creditors and debtors on the Xero system. This was a task they had not undertaken before and I want to acknowledge the efforts that Ethen has contributed here, he has managed to combine these accounts responsibilities with his current administration role. Thank you and well done Ethen!

As a team, Ethen and Linda worked well together. Their efforts and flexibility helped the Centre stabilise under the new staffing model and budget. I want to thank them both for their patience and co-operation whilst the Centre went through such turbulent times. We feel that we are out of the woods and look forward to progressing the development of the Centre.

Gina Lyons
Chair
Committee of Management
On Behalf of the Interim Coordinator

2024 At A Glance



TOTAL VISITS 4280

Number of unique course enrollments:

First AID & CPR

6

Mindfulness

7

Art for E4BL

4

Kids in the Kitchen

7

Yoga

25

Men's Group

6

French Alive

9

All Abilities Group

6

Eight Silken Movements

9

Tai Chi

5

Basketball Clinics

14

Intro to Disability & Aged Care

9

Pickle Ball

13

Computer & Phone Essentials

20

2024 Annual Report

Daylesford Neighbourhood Centre Inc.
For the year ended 31 December 2024

Contents

3	Profit and Loss
5	Balance Sheet
7	Statement of Cash Flows - Direct Method
8	Depreciation Schedule
9	Notes to the Financial Statements
10	Statement by the Management Committee
11	Auditor's Report

Profit and Loss

Daylesford Neighbourhood Centre Inc. For the year ended 31 December 2024

	2024	2023
Income		
ACFE Funding - Courses	14,969.15	12,833.29
ACFE Funding - Courses (Digital Infrastructure)	1,102.12	-
ACFE Funding - Courses (Local Innovation Grant)	-	8,000.00
ACFE Funding - Digital Skills	-	1,309.00
ACFE Funding - Fee Concession	166.32	265.68
Admin Fee Recouped	1,219.83	1,736.37
Course Fees (ACFE funded)	736.36	5,300.01
Course Fees (unfunded)	2,727.21	4,919.04
Coworking Space Revenue	634.56	-
Dept Human Services	118,333.80	113,256.00
Dept of Health	17,885.15	20,911.87
DNC Admin Income (ARC)	3,600.00	3,600.00
Grants (Local)	7,954.55	21,818.60
Hepburn Shire Council ARC mgnt	30,450.00	30,145.50
Hire of Space	47,493.43	45,586.81
Hub	5,900.80	3,093.97
IT Grant	5,500.00	5,500.00
Membership Fees	59.10	50.01
Rental Income - Room	18,984.49	11,440.74
Rental Income - Utilities	154.68	154.68
Tea & Coffee	76.82	-
Total Income	277,948.37	289,921.57
Other Income		
Donations Received	823.20	2,000.00
Interest Income	3,429.35	1,169.64
Total Other Income	4,252.55	3,169.64
Total Income	282,200.92	293,091.21
Operating Expenses		
Accounting Fees	23,466.16	34,388.74
Advertising & Promotion	464.61	1,792.63
Audit Fees	900.00	900.00
Bad Debts	981.82	923.25
Bank Charges	422.38	737.90
Centre Amenities	101.50	972.23
Cleaning	20,357.01	16,369.41
Client Support Consumables	3,700.58	4,337.37
Client Support Services	1,908.18	3,603.70
Computer & Internet Expenses	11,381.60	8,765.80
Consultancy Fees	4,700.93	-

	2024	2023
Course Delivery Costs	1,577.28	8,520.69
DNC Admin Expense(ARC)	3,600.00	3,600.00
Grant Expenses	-	11,912.01
Heat, Light & Power	12,117.11	8,277.89
Insurance - General	2,029.98	1,964.73
Interest Paid	-	0.15
Legal Fees	2,636.00	-
Memberships & Subscriptions	6,083.14	3,607.47
Photocopier Expenses	2,320.67	2,185.67
Postage, Freight & Courier	237.27	208.18
Rates - Council	4,450.17	2,565.40
Rates - Water	430.65	668.18
Rent	3,576.24	2,682.18
Repairs & Maintenance	16,834.89	9,599.60
Salaries & Wages	235,710.58	143,944.03
School Holiday Program Expenses	-	321.79
Staff Amenities	2,459.29	3,060.21
Stationery	364.97	935.29
Superannuation	23,473.86	15,203.88
Telephone & Fax Charges	27.28	13.64
Training & Development (Staff)	-	300.91
Tutor Fees - Accredited & Pre	-	1,620.00
Tutor Fees - GAE	845.00	-
Workcover Insurance	1,395.59	1,973.04
Total Operating Expenses	388,554.74	295,955.97
Operating Profit/(Loss)	(106,353.82)	(2,864.76)
Non-Operating Expenses		
Depreciation - Plant & Equip	4,377.74	3,396.84
Annual Leave Accruals	(2,156.28)	(4,302.67)
Total Non-Operating Expenses	2,221.46	(905.83)
Net Profit	(108,575.28)	(1,958.93)

Balance Sheet

Daylesford Neighbourhood Centre Inc.

As at 31 December 2024

	NOTES	31 DEC 2024	31 DEC 2023
Assets			
Current Assets			
Cash and Cash Equivalent			
Bank Accounts			
BEN (0464) - Capital ReserveAccount		55,439.62	46,884.91
BEN (1545) - Card Account BEN (3079)		119.34	1,021.86
- Term Deposit Account BEN (9627) -		-	50,000.00
Term Deposit Account		-	50,000.00
Total Bank Accounts		55,558.96	147,906.77
Cash on Hand			
DNC Float		50.00	50.00
Petty Cash		100.00	100.00
Total Cash on Hand		150.00	150.00
Total Cash and Cash Equivalent		55,708.96	148,056.77
Trade & Other Receivables			
Trade Debtors		3,980.51	5,536.46
Total Trade & Other Receivables		3,980.51	5,536.46
		3,430.11	3,962.29
Prepayments - Expenses		-	60.00
Undeposited Funds		63,119.58	157,615.52
Total Current Assets			
Non-Current Assets			
Property, Plant and Equipment			
Computers at Cost		6,024.67	6,024.67
Plant & EquipmentatCost		45,838.06	38,429.34
Plant & Equipment - Less Acc' Depreciation		(21,016.83)	(16,639.09)
Total Property, Plant and Equipment		30,845.90	27,814.92
Total Non-Current Assets		30,845.90	27,814.92
Total Assets		93,965.48	185,430.44
Liabilities			
Current Liabilities			
Accrued Expenses		-	4,991.08
Prepaid Income		-	2,157.47
Trade & Other Payables			
BAS Holding Account		9,787.00	-
GST		-	(2,650.84)
Superannuation Payable		2,102.94	1,262.52
Trade Creditors		2,569.75	7,362.28

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

	NOTES	31 DEC 2024	31 DEC 2023
Wages Payable		20,580.26	-
Total Trade & Other Payables		35,039.95	5,973.96
Employee Entitlements			
Provision for Annual Leave		9,827.82	11,984.10
Total Employee Entitlements		9,827.82	11,984.10
Total Current Liabilities		44,867.77	25,106.61
Total Liabilities		44,867.77	25,106.61
Net Assets		49,097.71	160,323.83
Equity			
Retained Earnings			
Current Year Earnings		(108,575.28)	(1,958.93)
Retained Earnings		157,672.99	162,282.76
Total Retained Earnings		49,097.71	160,323.83
Total Equity		49,097.71	160,323.83

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

Statement of Cash Flows - Direct Method

Daylesford Neighbourhood Centre Inc.

For the year ended 31 December 2024

	2024	2023
Operating Activities		
Receipts from customers	287,067.13	299,888.59
Payments to suppliers and employees	(387,341.11)	(283,896.78)
Cash payments from other operating activities	17,985.73	(2,212.73)
Net Cash Flows from Operating Activities	(82,288.25)	13,779.08
Investing Activities		
Payment for property, plant and equipment	(7,408.72)	(9,932.01)
Net Cash Flows from Investing Activities	(7,408.72)	(9,932.01)
Financing Activities		
Other cash items from financing activities	(2,650.84)	-
Net Cash Flows from Financing Activities	(2,650.84)	-
Net Cash Flows	(92,347.81)	3,847.07
Cash and Cash Equivalents		
Cash and cash equivalents at beginning of period	147,906.77	144,059.70
Net change in cash for period	(92,347.81)	3,847.07
Cash and cash equivalents at end of period	55,558.96	147,906.77

Depreciation Schedule

Daylesford Neighbourhood Centre Inc.

For the year ended 31 December 2024

NAME COST		OPENING VALUE	PURCHASES	DISPOSALS	DEPRECIATION	CLOSING VALUE
Plant & Equipment at Cost						
1 x CommBox Classic S4 - 65"	3,862.72	-	3,862.72	-	282.84	3,579.88
2 Entry Doors - deposit	3,573.16	3,326.47	-	-	357.32	2,969.15
2 Toro Lockable Cupboards for ARC	176.00	-	-	-	-	-
2 Toro Lockable Cupboards for ARC	246.40	-	-	-	-	-
3 x Laptops Refurbished HP Probroom	999.81	-	-	-	-	-
4x KY-BURO Metro Chair w/ Arms	1,529.05	1,114.32	-	-	152.90	961.42
ARC Fence	3,956.75	3,489.53	-	-	395.68	3,093.85
Baxi Duo Tec GA1.32 boiler	6,397.27	5,592.79	-	-	639.73	4,953.06
Bermuda beach-various office equipment for coworking space	6,358.85	6,006.94	-	-	635.89	5,371.05
Commbox Video Conference	4,577.26	3,569.00	-	-	457.72	3,111.28
Copyworx Snap Aframe Board DNC	97.50	22.50	-	-	15.00	7.50
Copyworx Snap Aframe Board DNC	52.50	-	-	-	-	-
Court Room Chairs x 25	547.50	-	-	-	-	-
Court Room Chairs x 25	1,277.50	365.00	-	-	182.50	182.50
Fortinet 5 X GeRJ45 Ports (Including 4 X Internal Ports, 1 X Wan Ports)	1,415.00	1,016.86	-	-	141.50	875.36
Godfreys Miele Vacuum Cleaner	124.98	28.84	-	-	19.23	9.61
Godfreys Miele Vacuum Cleaner	67.29	-	-	-	-	-
Green Button TS ARC Equipment Grant	2,097.19	577.49	-	-	303.94	273.55
Green Button TS ARC Equipment Grant	942.21	-	-	-	-	-
Jenkin Thomas garden tools	96.57	26.59	-	-	13.99	12.60
Jenkin Thomas garden tools	43.39	-	-	-	-	-
Laptop ARC Equipment Grant	675.00	-	-	-	-	-
Laptops Research by YCC	412.50	-	-	-	-	-
Milan Medium Back Mesh Operator Chair, Workstation, Cupboard	3,546.00	-	3,546.00	-	343.94	3,202.06
Plastic TressleTables x 6	82.70	-	-	-	-	-
Plastic TressleTables x 6	124.03	20.67	-	-	20.67	-
Refrigerator DR200	232.05	-	-	-	-	-
Refrigerator DR200	265.22	-	-	-	-	-
Rigging Installation for the relocation of Sprung Circus into the ARC space	3,249.00	2,314.36	-	-	324.90	1,989.46
Smart Board	3,216.00	-	-	-	-	-
Trestletables, chairs, cupboards & filing cabinet	500.00	283.56	-	-	50.00	233.56
UPS from CPL OnlineP/L	666.36	-	-	-	-	-
UPS Research Cost YCC	55.00	-	-	-	-	-
Vista CommunicatorMagnetic Whiteboard	140.00	-	-	-	-	-
Vista CommunicatorMagnetic Whiteboard	259.98	59.99	-	-	39.99	20.00
Total Plant & Equipment at Cost	51,862.74	27,814.91	7,408.72	-	4,377.74	30,845.89
Total	51,862.74	27,814.91	7,408.72	-	4,377.74	30,845.89

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

Notes to the Financial Statements

Daylesford Neighbourhood Centre Inc.

For the year ended 31 December 2024

1. Statement of Significant Accounting Policies

The accounting policies adopted by the Association are stated in order to assist in a general understanding of the financial statements. These policies have been consistently applied except as otherwise indicated.

Reporting Entity

The association is not a reporting entity because in the Committee's opinion there are unlikely to exist users who are unable to command the preparation of reports tailored so as to satisfy all of their information needs, and these accounts are therefore "special purpose accounts" that have been prepared solely to meet the requirements of the Constitution and the Association Incorporation Reform Act (2012).

Accounting Policies

The financial report has been prepared under the historical cost conventions and does not take into account changing money values except to the extent that they are reflected in the revaluation of certain assets.

In order for the financial report to present fairly the state of affairs of the Association and the results of the Association for the year, Australian Standards have been adopted to the extent disclosed in this note.

Depreciation of Property, Plant and Equipment

Items of property, plant and equipment are depreciated over their estimated useful lives using the straight line method.

Income Tax

The Association is not subject to income tax.

Grants

Grant revenue is recognised in the income statement when the entity receives the grant, when it is probable that the entity will receive the economic benefits of the grant and the amount can be reliably measured.

If the grant has conditions attached which must be satisfied before the entity is eligible to receive the grant, the recognition of the revenue will be deferred until those conditions are satisfied.

Where the entity incurs an obligation to deliver economic value back to the grant contributor, the transaction is considered a reciprocal transaction and the revenue is recognised as a liability in the balance sheet until the required service has been completed, otherwise the income is recognised on receipt.

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

Statement by the Management Committee

Daylesford Neighbourhood Centre Inc. For
the year ended 31 December 2024

In our opinion:


1. The accompanying financial report being a special purpose financial statement is drawn up so as to present fairly the state of affairs of the Association as at 31 December 2022 and the results of the Association for the year ended on that date.
2. The accounts of the Association have been properly prepared and are in accordance with the books of account of the Association.
3. There are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

Chair

Signature

Print Name:

Sign date:



GINA LYONS
7.4.2025

Secretary

Signature

Print Name:

Sign date:


DUPLEY Mc ARDLE
7.4.2025

INDEPENDENT AUDITOR'S REPORT
To the members of Daylesford
Neighbourhood Centre Inc Report on the
Audit of the Financial Report

Opinion

I have audited the accompanying financial report, being a special purpose financial report of the Daylesford Neighbourhood Centre Inc., which comprises the Profit and Loss, Balance Sheet, Statement of Cashflows, Notes to the Accounts and Statement by the Management Committee for the year ended 31 December 2024.

In my opinion, the financial report of the Daylesford Neighbourhood Centre Inc gives a true and fair view of the financial position of the Daylesford Neighbourhood Centre Inc as at 31st December, 2024 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

Basis for opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the entity in accordance with the *Associations Incorporation Reform Act 2012 (Vic)*, the *Australian Charities and Not-for-Profits Commission 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 my other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter - Basis of Accounting

Without modifying my opinion, I draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Committee of Management's financial reporting responsibilities under the *Associations Incorporation Reform Act 2012 (Vic)* and the *Australian Charities and Not-for-Profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose.

Responsibility of the Committee of Management for the Financial Report

The Committee of Management is responsible for the preparation and fair presentation of the financial report in accordance with the requirements of the *Associations Incorporation Reform Act 2012 (Vic)* and the *Australian Charities and Not-for-Profits Commission Act 2012* and for such internal control as the Committee of Management determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error. In preparing the financial report, the Committee of Management are responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Committee either intends to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

The Committee of Management is responsible for overseeing the entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

My objective is 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that audits conducted in accordance with the 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 responsible entities.
- Conclude on the appropriateness of the 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 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 the Committee of Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Rob Florence, FCPA

Florence Audit & Assurance

97 Mair Street East
BALLARAT VIC 3350

Dated: 15 April, 2025



Contact

Daylesford Neighbourhood Centre Inc.

Address: 13 Camp St, Daylesford, 3460

Mailing Address: P.O. Box 325 Daylesford Vic 3460

Phone: 03 5348 3569

Email: admin@dncentre.org.au

Web: www.dncentre.org.au

Facebook: Daylesford Neighbourhood Centre@DaylesfordNC

Association Registration No.: A0009619Z

ABN: 91 523 232 008

