



# Financial Statements

Education Chances Foundation

ABN 43 102 683 205

For the year ended 30 June 2023

Prepared by Accru Melbourne

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# Profit and Loss Statement

## Education Chances Foundation For the year ended 30 June 2023

	NOTES	2023	2022
<b>Income</b>			
Donation Income		188,924	192,279
Grants Received		100,322	40,000
Interest Income		1,783	614
Fundraising		9,670	-
<b>Total Income</b>		<b>300,699</b>	<b>232,893</b>
<b>Total Income</b>		<b>300,699</b>	<b>232,893</b>
<b>Expenses</b>			
<b>General Expenses</b>			
Advertising		606	-
Bank Fees		79	65
Catering		522	-
General Expenses		660	121
Insurance		3,150	3,236
Office Expenses		315	-
Paypal Charges		13	584
Postage		208	50
Printing & Stationery		335	-
Software		6,045	5,460
Special Grants		-	2,100
Subscriptions		1,013	786
Sundry Expense		43	975
Telephone & Internet		188	-
<b>Total General Expenses</b>		<b>13,177</b>	<b>13,377</b>
<b>Fundraising</b>			
Business Breakfast expense		9,550	-
Fundraising Events: Golf Day		1,000	-
<b>Total Fundraising</b>		<b>10,550</b>	<b>-</b>
<b>Wages</b>			
Consultants		25,000	-
Program Officer		39,996	39,996
<b>Total Wages</b>		<b>64,996</b>	<b>39,996</b>
<b>Scholarships</b>			
Scholarships Paid		130,952	166,967
<b>Total Scholarships</b>		<b>130,952</b>	<b>166,967</b>
<b>Total Expenses</b>		<b>219,675</b>	<b>220,340</b>
<b>Total Comprehensive Income for the year</b>		<b>81,024</b>	<b>12,552</b>

# Balance Sheet

## Education Chances Foundation As at 30 June 2023

	NOTES	30 JUN 2023	30 JUN 2022
<b>Assets</b>			
<b>Current Assets</b>			
Bank Accounts		240,223	619,777
GST		249	-
Prepayments		-	1,000
NFP Cash Management Account #6971		382,321	-
<b>Total Current Assets</b>		<b>622,793</b>	<b>620,777</b>
<b>Total Assets</b>		<b>622,793</b>	<b>620,777</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
GST		-	4,357
<b>Accruals</b>			
Accrued Expenses		8,333	-
Income in Advance		35,000	117,984
<b>Total Accruals</b>		<b>43,333</b>	<b>117,984</b>
<b>Total Current Liabilities</b>		<b>43,333</b>	<b>122,340</b>
<b>Total Liabilities</b>		<b>43,333</b>	<b>122,340</b>
<b>Net Assets</b>		<b>579,460</b>	<b>498,437</b>
<b>Equity</b>			
Chances Prudential Reserve		220,000	220,000
Retained Earnings		359,360	278,337
Share Capital		100	100
<b>Total Equity</b>		<b>579,460</b>	<b>498,437</b>

# Notes to the Financial Statements

## Education Chances Foundation For the year ended 30 June 2023

### 1. Statement of Significant Accounting Policies

The directors of the trustee company have prepared the financial statements of the foundation on the basis that the foundation is a non-reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to comply with the guidelines prescribed for Private Ancillary Funds (Private Ancillary Fund Guidelines 2019) and Australian Charities and Not-for-profits Commission Act 2012.

The financial statements have been prepared in accordance with the significant accounting policies disclosed below which the directors have determined are appropriate to meet the purpose of the Foundation. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements have been prepared on an accruals basis. They are based on historical costs and do not take into account changing money values or, except where specifically stated, current valuations of non current assets.

The accounting policies that have been adopted in the preparation of these statements are as follows:

#### Cash and Cash Equivalents

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

#### Financial Assets

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

#### Goods and Services Tax

Transactions are recognised net 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 balance sheet.

#### Revenue Recognition

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

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

Revenue from commissions is recognised upon delivery of services to customers.

Revenue from interest is recognised using the effective interest rate method.

Revenue from dividends is recognised when the entity has a right to receive the dividend.

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

#### 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.

Education Chances Foundation receives non-reciprocal contributions of assets from the government and other parties for a nominal or zero value. These assets are recognised at their fair value on the date of acquisition in the balance sheet, with an equivalent amount of income recognised in the income statement.

Donations and bequests are recognised as revenue when received.

	2023	2022
<b>2. Cash &amp; Cash Equivalents</b>		
Bendigo Bank Account #6971	-	381,155
Bendigo Bank Term Deposit Account #1158	240,223	238,622
<b>Total Cash &amp; Cash Equivalents</b>	<b>240,223</b>	<b>619,777</b>

# Movements in Equity

## Education Chances Foundation For the year ended 30 June 2023

2023

### Equity

Opening Balance	498,437
<b>Increases</b>	
Profit for the Period	81,024
<b>Total Increases</b>	<b>81,024</b>
<b>Total Equity</b>	<b>579,460</b>

# Trustee Declaration

## Education Chances Foundation For the year ended 30 June 2023

The directors have determined that the foundation is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

In accordance with a resolution of the directors of Education Chances Foundation, the directors declare that:

- a) The financial statements and notes are in accordance with the  
*Australian Charities and Not-for-profits Commission Act 2012 (the Act)* and:
- (i) comply with Accounting Standards to the extent described in Note 1; and
  - (ii) give a true and fair view of the company's financial position as at 30 June 2023 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
- b) In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Elida Brereton Chair  
Peter Mount Secretary

ELIDA BRERETON

20 November 2023



## Independent Audit Report to the Members of Education Chances Foundation

### Report on the Financial Report

#### *Opinion*

We have audited the accompanying financial report, being a special purpose financial report, of the Education Chances Foundation, which comprises the statement of financial position as at 30 June 2023, and the statement of comprehensive income for the year then ended, a summary of significant accounting policies, other explanatory notes and the responsible entities' declaration.

In our opinion, the financial report of Education Chances Foundation has been prepared in accordance with Division 60 of the *Australian Charities and Not-for profits Commission Act 2012*, including:

- (a) giving a true and fair view of Education Chances Foundation's financial position as at 30 June 2023 and its financial performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1, and Division 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 responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Trust in accordance with the auditor independence requirements of the Corporations Act 2001 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 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 a basis for our opinion.

#### *Basis of Accounting*

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling Education Chances Foundation's financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose.

#### *Directors' Responsibility for the Financial Report*

The directors of the company are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are appropriate to meet the requirements of Australian Charities and Not-for-profits Commission Act 2012 and are appropriate to meet the needs of the members. The directors' responsibility also includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

#### *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 of the financial report.

As part of an audit in accordance with the 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 Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' 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 company's ability to continue 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 such 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 company 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.

We communicate with the Directors 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.



**ACCRU MELBOURNE (AUDIT) PTY LTD**



**C J FLYNN**  
Director

20 November 2023