

**FRANKSTON/MORNINGTON PENINSULA
LOCAL LEARNING & EMPLOYMENT NETWORK INC.
REGISTERED NO: A0041142D**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2019**

**FRANKSTON/MORNINGTON PENINSULA
LOCAL LEARNING & EMPLOYMENT NETWORK INC.
REGISTERED NO: A0041142D**

COMMITTEE'S REPORT

Your Committee members submit the financial statements of the Organisation for the financial period ended 31 December 2019.

COMMITTEE MEMBERS

The names of Committee members at the date of this report and for the full year unless indicated otherwise are:

| | |
|---------------|---------------------------------|
| M Watchorn | C Mullan |
| S Wright | G Kay |
| J Catto-Smith | E Clarke |
| M Paxton | Peter Harrison |
| L Holt | C Arnold (Appointed 09/05/2019) |
| H McLoughlin | C Smith |

PRINCIPAL ACTIVITIES

The principal activities of the Association during the financial year were the fostering of post-compulsory education, training and employment within the community and better adapting of post-compulsory education and training to community needs.

SIGNIFICANT CHANGES

No significant change in the nature of these activities occurred during the year.

STATE OF AFFAIRS

There was no significant change in the state of affairs other than as referred to in the financial statements and the notes thereto.

MATTERS ARISING SINCE THE END OF THE FINANCIAL YEAR

There are no matters or circumstances that have arisen since the end of the financial year that have significantly affected or may significantly affect the operations of the Association, the result of its operations or the state of affairs of the Association in future financial years.

OPERATING RESULT

The loss for the year amounted to \$73,640 (2018: profit \$99,819).

**FRANKSTON/MORNINGTON PENINSULA
LOCAL LEARNING & EMPLOYMENT NETWORK INC.
REGISTERED NO: A0041142D**

COMMITTEE'S REPORT (CONTINUED)

RESOLUTION

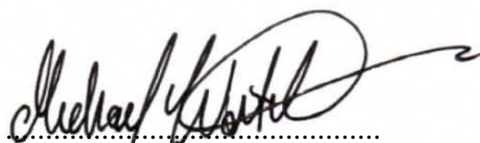
In the opinion of the Committee:

- I. The financial statements and notes of the Association are in accordance with the *Australian Charities and Not for Profits Commission Act 2012*, including:
 - a. Giving a true and fair view of its financial position as at 31 December 2019 and of its performance for the financial year ended on that date; and
 - b. Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Australian Charities and Not for Profits Commission Regulation 2013*; and
- II. There are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:



.....
Committee Member
Michael Paxton



.....
Committee Member
Michael Watchorn

Dated this 12th day of February 2020

AUDITOR'S INDEPENDENCE DECLARATION

To the Frankston Mornington Peninsula Local Learning & Employment Network Inc.,

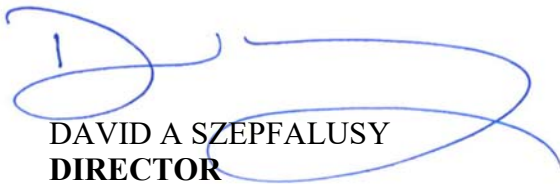
In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-Profits Commission Act 2012*, as lead auditor for the audit of Frankston Mornington Peninsula Local Learning & Employment Network Inc. for the year ended 31 December 2019, we declare that, to the best of our knowledge and belief, there have been:

- i) No contraventions of the auditor independence requirements of the *Australian Charities and Not-for-Profits Commission Act 2012* in relation to the audit, and;
- ii) No contraventions of any applicable code of professional conduct in relation to the audit.

Dated at Frankston on the 12th day of February 2020



SHEPARD WEBSTER & O'NEILL AUDIT PTY LTD
Certified Practising Accountant
Authorised Audit Company No 415478
31 Beach Street Frankston 3199, PO Box 309 Frankston Victoria 3199
Telephone (03) 9781 2633 – Fax (03) 9781 3073
Email – szepfalusy@shepard.com.au



DAVID A SZEPFALUSY
DIRECTOR

**FRANKSTON/MORNINGTON PENINSULA
LOCAL LEARNING & EMPLOYMENT NETWORK INC.
REGISTERED NO: A0041142D**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019**

| | NOTE | 2019 \$ | 2018 \$ |
|-------------------------------|------|----------------|----------------|
| CONTINUING OPERATIONS | | | |
| INCOME | | | |
| Government Grants | 5 | 445,918 | 560,191 |
| Project Grants & Subsidies | | 224,108 | 308,627 |
| Other Income | | - | - |
| Interest | | 728 | 1,064 |
| TOTAL INCOME | | 670,754 | 869,882 |
| LESS EXPENSES | | | |
| Audit Fees | | 5,400 | 5,200 |
| Bank Fees & Charges | | 476 | 574 |
| Conferences & Training | | 1,652 | 8,115 |
| Depreciation | | 7,648 | 4,674 |
| Employee Provisions | | 1,124 | 15,889 |
| Insurance | | 722 | 722 |
| IT Support | | 5,907 | 5,513 |
| Lease Charges | | 12,093 | 10,355 |
| Motor Vehicle Running Costs | | 9,565 | 12,563 |
| Postage | | 177 | 182 |
| Printing & Stationery | | 2,530 | 1,324 |
| Program Support | | 65,321 | 70,280 |
| Rent | | 5,055 | 6,000 |
| Repairs & Maintenance | | 387 | 227 |
| Salaries | | 523,544 | 509,352 |
| Superannuation | | 48,864 | 47,764 |
| Other Salary Related Expenses | | 782 | 245 |
| Telephone | | 2,403 | 4,185 |
| Utilities | | 1,380 | 661 |
| WorkCover | | 5,514 | 6,297 |
| Other Expenses | | 43,850 | 59,941 |
| TOTAL EXPENSES | | 744,394 | 770,063 |

The Accompanying Notes Form Part Of These Financial Statements

**FRANKSTON/MORNINGTON PENINSULA
LOCAL LEARNING & EMPLOYMENT NETWORK INC.
REGISTERED NO: A0041142D**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019 (CONTINUED)**

| | NOTE | 2019 \$ | 2018 \$ |
|---|------|------------|------------|
| OPERATING PROFIT/(LOSS) | | (73,640) | 99,819 |
| Other Comprehensive Income | | | |
| Items that may be reclassified subsequently to profit or loss | | - | - |
| Items that will not be reclassified subsequently to profit or loss | | - | - |
| TOTAL COMPREHENSIVE INCOME | | (73,640) | 99,819 |

**FRANKSTON/MORNINGTON PENINSULA
LOCAL LEARNING & EMPLOYMENT NETWORK INC.
REGISTERED NO: A0041142D**

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019**

| | NOTE | 2019 \$ | 2018 \$ |
|-------------------------------------|------|------------|------------|
| CURRENT ASSETS | | | |
| Cash and Cash Equivalents | 2a | 730,156 | 465,310 |
| Trade and Other Receivables | | 61,562 | 164,089 |
| Accrued Income | | - | - |
| TOTAL CURRENT ASSETS | | 791,718 | 629,399 |
| NON CURRENT ASSETS | | | |
| Property, Plant & Equipment | 3 | 8,359 | 16,007 |
| TOTAL NON CURRENT ASSETS | | 8,359 | 16,007 |
| TOTAL ASSETS | | 800,077 | 645,406 |
| CURRENT LIABILITIES | | | |
| Trade and Other Payables | 4 | 409,638 | 180,901 |
| Provision for Employee Entitlements | | 109,956 | 110,382 |
| TOTAL CURRENT LIABILITIES | | 519,594 | 291,283 |
| NET ASSETS | | 280,483 | 354,123 |
| EQUITY | | | |
| Retained Earnings | | 280,483 | 354,123 |
| TOTAL EQUITY | | 280,483 | 354,123 |

The Accompanying Notes Form Part Of These Financial Statements

**FRANKSTON/MORNINGTON PENINSULA
LOCAL LEARNING & EMPLOYMENT NETWORK INC.
REGISTERED NO: A0041142D**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

| | NOTE | 2019 | 2018 |
|--|------|----------------|----------------|
| | | \$ | \$ |
| EQUITY | | | |
| <i>Retained Earnings</i> | | | |
| Balance at the Beginning of the Financial Year | | 354,123 | 254,304 |
| Profit / (Loss) From Continuing Operations | | (73,640) | 99,819 |
| Other Comprehensive Income | | - | - |
| Balance at the End of the Financial Year | | 280,483 | 354,123 |
| TOTAL EQUITY | | 280,483 | 354,123 |

The Accompanying Notes Form Part Of These Financial Statements

**FRANKSTON/MORNINGTON PENINSULA
LOCAL LEARNING & EMPLOYMENT NETWORK INC.
REGISTERED NO: A0041142D**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019**

| | NOTE | 2019 | 2018 |
|---|-------------|-------------|-------------|
| | | \$ | \$ |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts from donors, funding agencies and other sources | | 765,858 | 942,579 |
| Payments to suppliers and employees | | (501,740) | (836,722) |
| Interest Received | | 728 | 1,064 |
| Net cash provided by (used in) operating activities 2(b) | | 264,846 | 106,921 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Payment for property, plant & equipment | | - | (4,504) |
| Net cash provided by (used in) investing activities | | - | (4,504) |
| Net increase/(decrease) in cash held | | 264,846 | 102,417 |
| Cash at the beginning of the year | | 465,310 | 362,893 |
| Cash at the end of the year | 2(a) | 730,156 | 465,310 |

The Accompanying Notes Form Part Of These Financial Statements

**FRANKSTON/MORNINGTON PENINSULA
LOCAL LEARNING & EMPLOYMENT NETWORK INC.
REGISTERED NO: A0041142D**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012*. The Committee has determined that the Association is not a reporting entity.

The financial report has been prepared in accordance with the requirements of *the Australian Charities and Not-for-profits Commission Act 2012* and the 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 1048: Interpretation and Application of Standards;
AASB 1054: Australian Additional Disclosures.

No other applicable Accounting Standards, Australian Accounting Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets.

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

a) Property, Plant and Equipment

Property, plant and equipment are brought to account at cost less, where applicable, any accumulated depreciation and any impairment in value. The carrying amount of property, plant and equipment is reviewed annually to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the asset's employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

The carrying values of plant and equipment are also reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any impairment exists, the assets are written down to their recoverable amount and the loss recognised in the statement of comprehensive income.

**FRANKSTON/MORNINGTON PENINSULA
LOCAL LEARNING & EMPLOYMENT NETWORK INC.
REGISTERED NO: A0041142D**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

a) Property, Plant and Equipment (continued)

The depreciable amount of all fixed assets including buildings are depreciated over their useful lives commencing from the time the asset is held ready for use. Rates of depreciation vary between 7.5 and 33%.

b) 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.

c) 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.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

d) 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.

**FRANKSTON/MORNINGTON PENINSULA
LOCAL LEARNING & EMPLOYMENT NETWORK INC.
REGISTERED NO: A0041142D**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

e) Revenue

Non-reciprocal grant revenue is recognised in profit or loss when the Association obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the Association and the amount of the grant can be measured reliably.

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

When grant revenue is received whereby the Association incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

The Association receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in profit or loss.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised when received. Dividend revenue is recognised when the right to receive a dividend has been established.

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.

**FRANKSTON/MORNINGTON PENINSULA
LOCAL LEARNING & EMPLOYMENT NETWORK INC.
REGISTERED NO: A0041142D**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

f) Income Tax

The Association is exempt under Division 50 of the Income Tax Assessment Act 1997 as a non-profit organisation. As such, no allowance has been made for Income Tax.

g) Comparative Figures

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

h) Subsequent Events

There have been no material subsequent events which impact the financial statements.

**FRANKSTON/MORNINGTON PENINSULA
LOCAL LEARNING & EMPLOYMENT NETWORK INC.
REGISTERED NO: A0041142D**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

| | 2019 | 2018 |
|--|---------------------------------|--------------|
| | \$ | \$ |
| Note 2: Cash and Cash Equivalents | | |
| a) Cash information | | |
| Cash at Bank - General | 729,837 | 465,060 |
| Petty Cash | 319 | 250 |
| | 730,156 | 465,310 |
| b) Reconciliation of Cash Flows from Operating Activities with Operating Profit / (Loss) From Continuing Operations | | |
| Profit / (Loss) From Continuing Operations | (73,640) | 99,819 |
| Depreciation | 7,648 | 4,674 |
| Changes in Assets and Liabilities: | | |
| (Increase)/Decrease in Trade and Other Receivables | 102,527 | 64,687 |
| (Increase)/Decrease in Accrued Income | - | 31,599 |
| Increase/(Decrease) in Trade and Other Payables | 228,737 | (109,747) |
| Increase/(Decrease) in Provision for Employee Entitlements | (426) | 15,889 |
| Cash Flows from Operating Activities | 264,846 | 106,921 |
| Note 3: Property, Plant & Equipment | | |
| Furniture & Fittings (at Cost) | 65,962 | 65,962 |
| Accumulated Depreciation | (57,603) | (49,955) |
| | 8,359 | 16,007 |
| Movements in Carrying Amounts | | |
| | Furniture & Fittings | Total |
| Balance at 1 January 2018 | 16,177 | 16,177 |
| Additions | 4,504 | 4,504 |
| Disposals | - | - |
| Depreciation Expense | (4,674) | (4,674) |
| Balance at 31 December 2018 | 16,007 | 16,007 |
| Additions | - | - |
| Disposals | - | - |
| Depreciation Expense | (7,648) | (7,648) |
| Carrying amount at 31 December 2019 | 8,359 | 8,359 |

**FRANKSTON/MORNINGTON PENINSULA
LOCAL LEARNING & EMPLOYMENT NETWORK INC.
REGISTERED NO: A0041142D**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

| | 2019 | 2018 |
|---|-------------|-------------|
| | \$ | \$ |
| Note 4: Trade and Other Payables | | |
| GST Liability | 37,862 | 41,931 |
| PAYG/FBT Payable | 9,964 | 8,700 |
| Grants in Advance | 357,717 | 126,502 |
| Superannuation Payable | 4,095 | 3,768 |
| | 409,638 | 180,901 |

Note 5: Government Grants

Details of Government Grants are summarised as follows:

| | | |
|--------------------------------------|---------|---------|
| Department of Education and Training | 445,918 | 560,191 |
| | 445,918 | 560,191 |

Government Grants are recorded in the year that the funding contract period relates and not necessarily when actually received. In 2019, there was \$357,717 of funding received in advance (2018: \$126,502.)

Note 6: Economic Dependence

The Association is economically dependent on State Government departments for grant funding. If funds are not spent in accordance with grant conditions the departments can suspend future grants or reclaim all or part of the grant(s). The Association is dependent on the continued receipt of grants.

**INDEPENDENT AUDITOR'S REPORT
TO FRANKSTON/MORNINGTON PENINSULA
LOCAL LEARNING & EMPLOYMENT NETWORK INC.
REGISTERED NO: A0041142D**

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Frankston Mornington Peninsula Local Learning & Employment Network Inc., which comprises the Statement of Financial Position as at 31 December 2019, the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Committee's Report.

In our opinion, the accompanying financial report gives a true and fair view of the financial position of Frankston Mornington Peninsula Local Learning & Employment Network Inc. as at 31 December 2019 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements and the requirements of the 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 Association in accordance with 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.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the Association to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO FRANKSTON/MORNINGTON PENINSULA
LOCAL LEARNING & EMPLOYMENT NETWORK INC.
REGISTERED NO: A0041142D**

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 2019, 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 that fact. We have nothing to report in this regard.

Responsibilities of the Committee for the Financial Report

The Committee of the Association is responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the Committee determines is necessary to enable the preparation of the 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 intends to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Report

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 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 this financial report.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO FRANKSTON/MORNINGTON PENINSULA
LOCAL LEARNING & EMPLOYMENT NETWORK INC.
REGISTERED NO: A0041142D

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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee.
- Conclude on the appropriateness of the Committee's 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 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 Association 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 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.

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO FRANKSTON/MORNINGTON PENINSULA
LOCAL LEARNING & EMPLOYMENT NETWORK INC.
REGISTERED NO: A0041142D**

Dated at Frankston on the 12th day of February 2020



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**DAVID A SZEPFALUSY
DIRECTOR**