**Financial Activity Report**

**Melbourne Intercultural Learning Centre (MILC)**
**For the Year Ended 30 June 2024**

**1. Overview of Financial Performance**

The financial performance of MILC for the year ended **30 June 2024** reflects the ongoing recovery from the pandemic and the growth of the boarding school premises. Below is a summary of key financial metrics:

* **Total Revenue**: **$765,544**
* **Total Expenses**: **$825,294**
* **Net Loss**: **($59,750)**

**2. Revenue Breakdown**

The following **pie chart** illustrates the breakdown of MILC's revenue for the year:

* **Sales (Boarding Fees)**: **$762,710** (99.6%)
* **Interest Received**: **$2,834** (0.4%)

**Key Insight**: The majority of MILC's revenue comes from boarding fees, which is consistent with its core business as a school boarding premises.

**3. Expense Breakdown**

The following **bar chart** shows the major expense categories for MILC in 2024:

| **Expense Category** | **Amount ($)** |
| --- | --- |
| **Boarding Costs** | 204,337 |
| **Rental Expenses** | 150,546 |
| **Salaries & Wages** | 175,826 |
| **Superannuation** | 19,341 |
| **Repairs & Maintenance** | 27,025 |
| **Other Operating Expenses** | 247,219 |

**Key Insight**: The largest expenses are **boarding costs** and **salaries & wages**, which are essential for maintaining the quality of student care and operations.

**4. Net Loss Trend Over Time**

The following **line chart** shows the trend in net profit/loss over the past two years:

| **Year** | **Net Profit/Loss ($)** |
| --- | --- |
| 2023 | 343,395 |
| 2024 | (59,750) |

**Key Insight**: MILC experienced a net loss in 2024 due to increased operational costs and the lingering effects of the pandemic. However, the loss is significantly lower than the previous year, indicating a positive trend toward recovery.

**5. Key Financial Ratios**

The following table highlights key financial ratios for MILC:

| **Ratio** | **2024** |
| --- | --- |
| **Current Ratio** | 0.86 |
| **Debt-to-Equity Ratio** | 8.43 |
| **Net Profit Margin** | -7.8% |

**Key Insight**: The **current ratio** of 0.86 indicates that MILC has sufficient current assets to cover 86% of its current liabilities. The **debt-to-equity ratio** of 8.43 reflects the historical shareholder loan, which will be converted to equity over the next three years.

**6. Historical Shareholder Loan**

The **$272,085 Shareholder's Loan** (Roger Shen) is a historical amount carried over from the formation of **Australia Wayhome Pty. Ltd.** The Board has resolved to convert this loan into equity over the next three years, with no interest payments or redemption requests during this period.

**7. Future Outlook**

MILC is committed to achieving financial sustainability and growth. Key initiatives for the coming years include:

* Increasing student enrollment to maximize boarding capacity.
* Optimizing operational costs to improve profitability.
* Continuing to provide a safe, enriching environment for students.

**8. Conclusion**

The 2024 financial year was a period of recovery and growth for MILC. While the net loss reflects ongoing challenges, the positive trends in revenue and expense management indicate a strong foundation for future success. The Board remains committed to transparency, accountability, and the continued improvement of MILC's financial health.

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**Melbourne Intercultural Learning Centre (MILC)**
**Date: 18th January 2025**