

COFFS HARBOUR CHRISTIAN COMMUNITY SCHOOL LTD
ABN 37 002 510 456

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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ABN 37 002 510 456

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FOR THE YEAR ENDED 31 DECEMBER 2021

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Your directors present their report on the company for the year ended 31 December 2021.

Principal Activities

The principal activities of the company during the financial year were that of a Christian School.

This principal activity assists in achieving the short term and long term objectives of the company by:

- providing educational services to the community
- providing non-financial outcomes in response to funding agreements
- providing turnover, cash flow and profit to meet the financial objectives of the company

Short and Long Term Objectives of the Company

The company has identified the following short term objectives:

- to meet financial and accountability requirements
- to meet all regulatory curriculum and facility requirements for ongoing registration as an independent school
- to maintain debt servicing on outstanding capital loans
- to market effectively the school's programs
- to continue developing new educational opportunities for students

The company has identified the following long term objectives:

- full double streaming at primary school level to be achieved and maintained with full enrolment
- increased retention of years 11 and 12 to achieve approximately 2.5 stream numbers
- develop the alternate learning program with associated motivational activities
- develop land purchased adjacent to current Bonville school site with a view to build and establish new school facilities:
 - new middle school facilities
 - start a special school
 - build new sporting facilities to complement existing facilities
 - start a new junior school campus to complement Curacoa St and service the southern regions/suburbs

Strategies

The company has adopted the followings strategies in order to achieve these short and long term objectives:

- compliance with government (including NESA, DE, ACNC and ASIC) reporting requirements
- preparation of financial reports including balance sheet and income & expenditure statements with comment and performance indicators for board meetings
- full school inspections are conducted every five years by the NESA registration review panel. Random document inspections are undertaken by NESA and the annual audit tool is completed. An annual NESA compliant report is published
- debt reduction continued in line with bank agreements
- the strategy for the company's programs involves prospectus marketing, word of mouth and special events
- triple streaming in Kindergarten and year 1 continues. A maximum 20 students each stream is being channelled into two streams of 30 in year 2.
- promote the schools year 11-12 programs
- continue development of K-12 Indonesian program
- SKILLS program. Enhance in 2022
- Build a junior school campus and let our reputation attract enrolments from the southern regions

**DIRECTORS REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

Performance Measurement

The company uses the following key performance indicators to measure performance:

- Audits and reviews must meet compliance requirements. 2021 requirements were met
- Maintain school registration. Registration of the school is either granted, made conditional, or refused. To date registration has been granted. Registration was renewed in 2019 for January 2020 to 31 December 2024.
- Manage debt levels by maintaining interest rate cover and debt to equity ratios within the benchmarks determined by bank loan agreements and the board. These ratios fell within required benchmarks and required principal reductions during 2020.
- Target an annual cash operating margin of 10% or more.
- The profit of the company after providing for income tax expense amount to \$1,093,180 (2020: Profit \$1,479,671)

Directors Information

Directors

The names of the directors in office at any time during, or since the end of, the year and the period that each director has been in office:

Directors Name	Special Responsibilities	Period as Director	Qualifications and Experience
David Robert Hamilton	Chairperson	Appointed 14 April 1992	Director 29 years, (school deputy principal - retired)
Annette Gay Reifler	Vice Chairperson	Appointed 11 July 1995	Director 26 years, occupational therapist
Rodney Daniel Lynn	Company Secretary	Appointed 22 April 1997	Director 24 years, school principal
Reuben Kingsford Fox		Appointed 28 April 1996	Director 25 years, piano tuner
Lynette May Smith		Appointed 19 May 1998	Director 23 years, school teacher
Justine Joy Campbell		Appointed 24 May 2010	Director 11 years, pastor
Andrew Mark Lynn		Appointed 17 May 2016	Director 5 years, Deputy Principal - Head of Senior School
Terrence Yardley		Appointed 22 May 2018	Director 3 years, Head of Junior School
Chantal Kemsley		Appointed 28 July 2020	Director 1 year, Drug Rehabilitation Manager
Tim Mole		Appointed 22 September 2020	Director 1 year, ICT Business Owner

DIRECTORS REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

Directors Name	Special Responsibilities	Period as Director	Qualifications and Experience
Beryl Christine Angwin		Appointed 23 September 2007	Director 13.5 years, administrator

Meetings of Directors

During the financial year, 6 meetings of directors (including committees of directors) were held and the attendances by each director during the year were as follows:

	Directors' Meetings	
	Eligible to attend	Number attended
Annette Gay Reifler	6	6
Rodney Daniel Lynn	6	6
David Robert Hamilton	6	6
Reuben Kingsford Fox	6	4
Lynette May Smith	6	5
Beryl Christine Angwin	6	3
Justine Joy Campbell	6	4
Andrew Mark Lynn	6	5
Terrence Yardley	6	6
Chantal Kemsley	6	3
Tim Mole	6	5

Membership Details

The school is incorporated as a company limited by guarantee that requires members to pay a fee of \$10 per member towards the company's liabilities on the winding up of the company.

Membership Class	Number of Members	Individual Members Contribution on winding up of Company	Total Members Contribution on winding up of Company
Ordinary	25	\$ 10	\$ 250
Total	25	\$ 10	\$ 250

Significant Changes to Operations

No significant matters have arisen which are considered to have significantly impacted upon the operation of the company.

Auditors' Independence Declaration

A copy of the auditor's independence declaration is attached to these financial statements.

Signed in accordance with a resolution of the Board of Directors



Rodney Daniel Lynn
 Company Secretary



David Robert Hamilton
 Director

Dated: 10 May 2021



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**AUDITORS' INDEPENDENCE DECLARATION
UNDER SECTION 60-40 OF THE AUSTRALIAN CHARITIES
AND NOT-FOR-PROFITS COMMISSION ACT 2012
TO THE BOARD MEMBERS OF
COFFS HARBOUR CHRISTIAN COMMUNITY SCHOOL LTD**

ABN 37 002 510 456

I declare that, to the best of my knowledge and belief, during the financial year to 31 December 2021 there has been:

- (i) no contraventions of the auditor independence requirements as set out in 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.

CROWE CENTRAL NORTH

Kylie Ellis

Partner

Registered Company Auditor (ASIC RAN 483424)
107 West High Street
COFFS HARBOUR NSW 2450

Dated: 10 May 2022

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss Verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe Central North, an affiliate of Findex (Aust) Pty Ltd. Liability limited by a scheme approved under Professional Standards Legislation. Liability limited other than for acts or omissions of financial services licensees.

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**COFFS HARBOUR CHRISTIAN COMMUNITY SCHOOL LTD
ABN 37 002 510 456**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 \$	2020 \$
Revenue	2	18,183,803	17,627,425
Interest revenue calculated using the effective interest rate method	2	34,890	68,507
Other income	3	10,253	106,347
Administration expenses		(133,931)	(171,159)
Centre expenses		(328,526)	(312,512)
Depreciation and amortisation	4(a)	(1,041,096)	(990,070)
Employee benefit expenses		(13,495,239)	(12,733,724)
Occupancy expenses		(802,034)	(1,048,663)
Other expenses		(1,312,232)	(1,047,364)
Finance costs		(22,708)	(19,116)
Surplus before income tax expense		1,093,180	1,479,671
Income tax expense	1(a)	-	-
Surplus after income tax expense		1,093,180	1,479,671
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		1,093,180	1,479,671

**COFFS HARBOUR CHRISTIAN COMMUNITY SCHOOL LTD
ABN 37 002 510 456**

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021**

	Note	2021 \$	2020 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	9,717,663	8,573,946
Trade and other receivables	6	75,964	66,588
Inventories	7	176,917	192,991
Financial assets	8	10,000	10,000
Other current assets	9	171,589	169,518
TOTAL CURRENT ASSETS		10,152,133	9,013,043
NON CURRENT ASSETS			
Property, plant and equipment	10	18,816,848	19,125,356
Right of use assets	11	567,132	441,263
TOTAL NON CURRENT ASSETS		19,383,980	19,566,619
TOTAL ASSETS		29,536,113	28,579,662
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13	1,086,521	1,165,652
Lease liabilities	12	134,093	123,100
Financial liabilities	14	200,857	200,000
Employee benefits	15	2,433,838	2,162,201
Contract liabilities	16	34,652	22,908
TOTAL CURRENT LIABILITIES		3,889,961	3,673,861
NON CURRENT LIABILITIES			
Lease liabilities	12	361,199	264,028
Financial liabilities	14	1,050,000	1,500,000
TOTAL NON CURRENT LIABILITIES		1,411,199	1,764,028
TOTAL LIABILITIES		5,301,160	5,437,889
NET ASSETS		24,234,953	23,141,773
EQUITY			
Retained earnings		24,234,953	23,141,773
TOTAL EQUITY		24,234,953	23,141,773

**COFFS HARBOUR CHRISTIAN COMMUNITY SCHOOL LTD
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**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Retained Earnings \$	Total \$
Balance at 01 January 2020	21,662,102	21,662,102
Surplus after income tax expense	1,479,671	1,479,671
Total other comprehensive income for the period	-	-
Balance at 31 December 2020	<u>23,141,773</u>	<u>23,141,773</u>
Surplus after income tax expense	1,093,180	1,093,180
Total other comprehensive income for the period	-	-
Balance at 31 December 2021	<u>24,234,953</u>	<u>24,234,953</u>

COFFS HARBOUR CHRISTIAN COMMUNITY SCHOOL LTD
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 \$	2020 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		19,630,101	19,030,759
Payments to suppliers and employees		(17,299,130)	(16,721,876)
Interest received		34,890	68,507
Finance costs		(22,708)	(19,116)
Net cash provided by operating activities	17 (b)	2,343,153	2,358,274
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(858,703)	(2,973,743)
Proceeds from sale of property, plant and equipment		-	63,095
Net receipts for investments		-	(10,000)
Net cash used in investing activities		(858,703)	(2,920,648)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		256,541	1,405,024
Repayment of borrowings		(450,000)	(684,861)
Repayment of leasing liabilities		(147,274)	-
Net cash (used in)/provided by financing activities		(340,733)	720,163
Net increase in cash held		1,143,717	157,789
Cash at the beginning of the financial year		8,573,946	8,416,157
Cash at the end of the financial year	17 (a)	9,717,663	8,573,946

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

Note 1: Statement of Significant Accounting Policies

The financial statements are for Coffs Harbour Christian Community School Ltd as an individual entity, incorporated and domiciled in Australia. Coffs Harbour Christian Community School Ltd is a not-for-profit company limited by guarantee.

The financial statements were authorised for issue by the directors on 10 May 2022.

Reporting Basis and Conventions

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Australian Charities and Not-for-profits Commission Act 2012.

These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals 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.

Accounting Policies

(a) Income Tax

No provision for income tax has been raised as the directors consider that the company is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997.

(b) Impairment of Assets

At each reporting date, the company reviews the carrying values of its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the receivable amount of the cash-generating unit to which the asset belongs.

(c) Revenue

The company recognises revenue as follows:

Revenue from Contracts with Customers

Revenue is recognised at an amount that reflects the consideration to which the entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

Sale of Goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Tuition fees

Revenue from a contract to provide tuition and education services is recognised over time as the performance obligations are satisfied over time, being the school year. Tuition fees received in advance are recognised as a contract liability until the applicable school year and recognised accordingly.

Application fees

Application fees are received to cover the administration costs of assessing the application. Application fees do not create an enforceable contract and therefore are recognised on receipt in accordance with *AASB 1058 Income of not-for-profit entities*.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Recurrent Grants

Recurrent grant funding is paid in instalments based on student numbers at the respective census dates. The funding is not sufficiently specific to create a performance obligation as the school has discretion on how the funding is to be spent. The revenue from recurrent grants that are not specifically sufficient will be recognised on receipt in accordance with *AASB 1058 Income of not-for-profit entities*.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

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

Volunteer services

The entity has elected not to recognise volunteer services as either revenue or other form of contribution received. As such, any related consumption or capitalisation of such resources received is also not recognised.

(d) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(e) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Property

Freehold land and buildings are shown at cost.

Plant and Equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Class of Fixed Asset	Depreciation Rate
Buildings and Improvements	2.5%
Furniture and Equipment	6.7 - 25%
Motor vehicles	25%

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

(f) Employee Benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

(g) 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 company 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.

(h) Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest rate method.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(i) Goods and Services Tax

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 Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Commitments and contingencies are disclosed on a gross basis.

(j) Fair Value Measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

(k) Comparative Figures

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

(l) Critical accounting estimates and judgements

Management evaluates 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 internally.

Key Judgement - Revenue from contracts with customers

When recognising revenue in relation to the sale of goods to customers, the key performance obligation of the consolidated entity is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

Estimation of useful lives of assets

The Company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Employee Benefits Provision

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

Coronavirus (COVID-19) Pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the company based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the unincorporated entity operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

(m) Changes in accounting policy, disclosures, standards and interpretations

Accounting Standards and Interpretations issued but not yet effective

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 31 December 2021. The company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 \$	2020 \$
Note 2: Revenue		
Revenue from contracts with customers:		
Government funding	39,323	49,056
School fees and charges	3,578,001	3,583,592
Centre revenue	698,339	520,156
Sale of goods	292,598	288,448
Other revenue	11,067	24,996
Total revenue from contracts with customers	<u>4,619,328</u>	<u>4,466,248</u>
Income		
Government funding	13,463,164	13,069,769
Other income	-	(2,000)
Donations	76,645	68,224
School fees and charges	24,666	25,184
Total income	<u>13,564,475</u>	<u>13,161,177</u>
Total income	<u>18,183,803</u>	<u>17,627,425</u>
Interest revenue calculated using the effective interest rate method	34,890	68,507
<u>Disaggregation of revenue</u>		
The disaggregation of revenue from contracts with customers is as follows:		
Major service lines		
School revenue	3,624,720	3,655,244
Trading revenue	296,269	290,848
Centre revenue	698,339	520,156
	<u>4,619,328</u>	<u>4,466,248</u>
Note 3: Other Income		
Government Stimulus	-	100,000
Insurance recoveries	10,253	-
Profit/(loss) on sale of fixed assets	-	6,347
Total other income	<u>10,253</u>	<u>106,347</u>
Note 4: Expenses		
(a) Specific expenses		
Employee benefit expenses	13,495,239	12,733,724
Depreciation:		
Right-of-use asset	131,281	111,749
Property, plant and equipment	909,815	878,321
	<u>1,041,096</u>	<u>990,070</u>
Interest expenses:		
Lease liability interest	16,721	11,337
Financial liability interest	5,987	7,779
Bad and doubtful debts	27,874	21,145
Insurance	149,567	139,795

COFFS HARBOUR CHRISTIAN COMMUNITY SCHOOL LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 \$	2020 \$
(b) Remuneration of auditor		
- current year	15,500	15,000
- other non audit services	2,500	2,500
Note 5: Cash and Cash Equivalents		
Cash at bank	<u>9,717,663</u>	<u>8,573,946</u>
	9,717,663	8,573,946
Note 6: Trade and Other Receivables		
<u>Expected to be settled within 12 months</u>		
Trade receivables	160,629	151,253
Less: Expected credit loss	<u>(84,665)</u>	<u>(84,665)</u>
	<u>75,964</u>	<u>66,588</u>
Note 7: Inventories		
CURRENT		
Stock on Hand	<u>176,917</u>	<u>192,991</u>
	176,917	192,991
Note 8: Investments and Other Financial assets		
(a) Financial assets at amortised cost		
- term deposits	<u>10,000</u>	<u>10,000</u>
	10,000	10,000
Note 9: Other Assets		
CURRENT		
Prepayments	<u>171,589</u>	<u>169,518</u>
	171,589	169,518
Note 10: Property, Plant & Equipment		
Land and Buildings (at cost)		
Freehold land	<u>3,627,237</u>	<u>3,627,237</u>
Buildings	20,146,893	19,752,186
Less: Accumulated depreciation	<u>(7,619,010)</u>	<u>(7,210,217)</u>
	12,527,883	12,541,969
Ground Improvements	2,013,628	2,013,628
Less: Accumulated depreciation	<u>(123,593)</u>	<u>(69,056)</u>
	<u>1,890,035</u>	<u>1,944,572</u>
Total Land and Buildings	18,045,155	18,113,778

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 \$	2020 \$
Plant and Equipment (at cost)		
School Furniture and Equipment	4,509,956	4,461,304
Less: Accumulated depreciation	<u>(3,754,360)</u>	<u>(3,473,547)</u>
	<u>755,596</u>	<u>987,757</u>
Motor Vehicles	358,488	377,116
Less: Accumulated depreciation	<u>(342,391)</u>	<u>(353,295)</u>
	<u>16,097</u>	<u>23,821</u>
Total Plant and Equipment	<u>771,693</u>	<u>1,011,578</u>
Total Property, Plant and Equipment	<u>18,816,848</u>	<u>19,125,356</u>

(a) Movements in carrying amounts

	Land and Buildings	Plant and Equipment	Total
Balance at the beginning of the period	18,113,778	1,011,578	19,125,356
Additions	548,671	52,633	601,304
Transfers	1	3	4
Disposals	-	-	-
Depreciation expense	<u>(617,295)</u>	<u>(292,521)</u>	<u>(909,816)</u>
Carrying amount at the end of the period	<u>18,045,155</u>	<u>771,693</u>	<u>18,816,848</u>

(b) There is a registered mortgage over certain freehold properties owned by the company and a floating charge over other assets of the company.

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 \$	2020 \$
Note 11: Right-of-Use Assets		
Land and Buildings Right-of-Use		
Land - Airport Hanger Site	70,470	70,470
Less: Accumulated depreciation	<u>(13,266)</u>	<u>(6,219)</u>
Total Land and Buildings Right-of-Use assets	<u>57,204</u>	<u>64,251</u>
Plant and Equipment Right-of-Use		
Motor vehicles	575,104	317,952
Less: Accumulated depreciation	<u>(273,467)</u>	<u>(188,903)</u>
	<u>301,637</u>	<u>129,049</u>
Aircraft	202,003	202,003
Less: Accumulated depreciation	<u>(58,733)</u>	<u>(28,453)</u>
	<u>143,270</u>	<u>173,550</u>
Furniture and Equipment	86,055	86,055
Less: Accumulated depreciation	<u>(21,034)</u>	<u>(11,642)</u>
	<u>65,021</u>	<u>74,413</u>
Total Plant and Equipment Right-of-Use Assets	<u>509,928</u>	<u>377,012</u>
Total Right-of-use Assets	<u>567,132</u>	<u>441,263</u>

(a) Movements in carrying amounts

	Land and Buildings	Plant and Equipment	Total
Balance at the beginning of the period	64,251	377,012	441,263
Additions	-	257,399	257,399
Transfers	-	-	-
Disposals	-	(249)	(249)
Depreciation expense	<u>(7,047)</u>	<u>(124,234)</u>	<u>(131,281)</u>
Carrying amount at the end of the period	<u>57,204</u>	<u>509,928</u>	<u>567,132</u>

(b) The company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

(c) The company also assesses the right-of-use asset for impairment when such indicators exist. No impairment has been recognised in respect of right-of-use assets.

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 \$	2020 \$
Note 12: Leases		
Lease liabilities are presented in the statement of financial position as follows:		
CURRENT		
Lease liability	<u>134,093</u>	<u>123,100</u>
Total Current Lease liability	<u>134,093</u>	<u>123,100</u>
NON-CURRENT		
Lease liability	<u>361,199</u>	<u>264,028</u>
Total Non-Current Lease liability	<u>361,199</u>	<u>264,028</u>
Total Lease liability	<u>495,292</u>	<u>387,128</u>

The company has leases for an airport hangar site Lot 26 DP 812274 at 12 Dakota Drive Coffs Harbour, equipment and a number of motor vehicles. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and asset. The company classifies its right-of-use assets in a consistent manner to its property, plant and equipment (see Note 9).

Each lease generally imposes a restriction that, unless there is a contractual right for the company to sublet the asset to another party, the right-of-use asset can only be used by the company. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. The company is prohibited from selling or pledging the underlying leased assets as security.

The table below describes the nature of the Company's leasing activities by type of right-of-use asset recognised on balance sheet:

Right-of-use asset	No of right-of-use assets lease	Range of remaining term	Average remaining lease term	No of lease with extension options	No of leases with options to purchase	No of leases with variable payments linked to an index	No of leases with termination options
Airport Hangar Site	1	8 Years	4 Years	1	-	1	-
Aircraft	1	3.5 Years	3.5 Years	-	1	-	-
Furniture & Equipment	2	1.2-2.3 years	1.75Years	-	2	-	-
Motor vehicles	7	0.2 - 2.3 Years	1.5 years	-	7	-	-

The lease liabilities are secured by the related underlying assets. Future minimum lease payments at 31 December 2021 were as follows:

	Minimum lease payments due						Total
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	After 5 years	
	\$	\$	\$	\$	\$	\$	\$
31 December 2021							
Lease payments	165,789	144,895	155,410	54,927	-	-	521,021
Finance charges	(12,261)	(7,661)	(2,491)	(3,246)	-	-	(25,659)
Net Present Values	<u>153,528</u>	<u>137,234</u>	<u>152,919</u>	<u>51,681</u>	-	-	<u>495,362</u>
31 December 2020							
Lease payments	123,100	111,608	90,714	30,907	54,927	-	411,256
Finance charges	(8,606)	(6,758)	(3,525)	(1,991)	(3,248)	-	(24,128)
Net Present Values	<u>114,494</u>	<u>104,850</u>	<u>87,189</u>	<u>28,916</u>	51,679	-	<u>387,128</u>

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 \$	2020 \$
Note 13: Trade and Other Payables		
CURRENT		
Trade payables	5,714	176,544
Accrued expenses	636,445	626,210
Other payables	444,362	362,898
	<u>1,086,521</u>	<u>1,165,652</u>
Note 14: Financial Liabilities		
CURRENT		
Secured liabilities:		
Bank loan - secured	200,000	200,000
Unsecured liabilities:		
Credit card	857	-
	<u>200,857</u>	<u>200,000</u>
NON-CURRENT		
Secured liabilities:		
Bank loan	1,050,000	1,500,000
	<u>1,050,000</u>	<u>1,500,000</u>
	<u>1,250,857</u>	<u>1,700,000</u>
(a) Total secured liabilities:		
Bank loan	1,250,000	1,700,000
	<u>1,250,000</u>	<u>1,700,000</u>
(a) The carrying amounts of non-current assets pledged as security are:		
First mortgage over freehold land and buildings	18,045,155	18,113,778
	<u>18,045,155</u>	<u>18,113,778</u>
(b) The unused finance facilities are:		
Credit cards	99,143	100,000
Bank overdraft	100,000	100,000
	<u>199,143</u>	<u>200,000</u>

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 \$	2020 \$
Note 15: Employee Benefits		
CURRENT		
Provision for employee benefits	<u>2,433,838</u>	<u>2,162,201</u>
	2,433,838	2,162,201

Provision for employee benefits

A provision has been recognised for employee entitlements relating to annual and long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits has been included in Note 1 to this report.

Note 16: Contract Liabilities

CURRENT

School fee and charges received in advance	<u>34,652</u>	<u>22,908</u>
	34,652	22,908

Note 17: Cash Flow Information

(a) Reconciliation of cash

Cash and cash equivalents	<u>9,717,663</u>	<u>8,573,946</u>
	9,717,663	8,573,946

(b) Reconciliation of cash flow from operations with surplus/(deficit) from ordinary activities after income tax expense

Surplus from ordinary activities after income tax expense	1,093,180	1,479,671
Non cash flows in profit from ordinary activities:		
Depreciation and amortisation	1,041,096	990,070
Loss on sale of fixed assets	-	(6,347)
Changes in Assets and Liabilities:		
(Increase)/decrease in trade and other receivables	(9,376)	5,851
(Increase)/decrease in inventories	16,074	(39,931)
(Increase)/decrease in prepaid expenses	(2,071)	(48,234)
Increase/(decrease) in creditors and accruals	(79,131)	65,686
Increase/(decrease) in provisions	271,637	(11,398)
Increase/(decrease) in contract liabilities	<u>11,744</u>	<u>(77,094)</u>
Cash flows from operations	<u>2,343,153</u>	<u>2,358,274</u>

(c) Non-cash Financing and Investing Activities

There were no non-cash financing or investing activities during the period.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

Note 18: Financial Instruments

(a) Financial Risk Management

The company's financial instruments consist mainly of deposits with banks, accounts receivable and payable and bank loans.

The director's consider that the company is only materially exposed to interest rate risk, with no or immaterial exposure to foreign currency risk, liquidity risk, credit risk or price risk through its financial instruments. The director's regularly review the position and performance of the company's financial instruments in order to limit these risks.

The company's main interest rate risk arises from long-term borrowings. An official increase/decrease in interest rates of 100 (2020: 100) basis points would have an adverse/favourable effect on profit before tax of \$12,500 (2020: \$17,000) per annum.

The company's financial instruments consist mainly of deposits with banks, short term investments, accounts receivable and payable and lease liabilities and bank loans.

Available capital at end of financial year:	2021 \$	2020 \$
Cash and cash equivalents	9,717,663	8,573,946
Unused finance facilities	199,143	200,000
	9,916,806	8,773,946

(b) Interest Rate Risk

The company's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate		Floating Interest Rate		Non-Interest Bearing	
	2021 %	2020 %	2021 \$	2020 \$	2021 \$	2020 \$
Financial assets:						
Cash and cash equivalents	0.1	0.1	9,717,663	8,573,946	-	-
Loans and receivables	-	-	-	-	75,964	66,588
Total			9,717,663	8,573,946	75,964	66,588
Financial liabilities:						
Trade and other payables	-	-	-	-	1,086,521	1,165,652
Borrowings	3.5	4.3	1,250,857	1,700,000	-	-
Lease liabilities	3.9	5.5	495,292	387,128	-	-
Total			1,746,149	2,087,128	1,086,521	1,165,652

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2021

	Weighted Average Effective Interest Rate		Within 1 year		1 to 5 years	
	2021	2020	2021	2020	2021	2020
	%	%	\$	\$	\$	\$
Financial assets:						
Cash and cash equivalents	0.3	1.0	9,717,663	8,573,946	-	-
Loans and receivables	-	-	75,964	66,588	-	-
Total			9,793,627	8,640,534	-	-
Financial liabilities:						
Trade and other payables	-	-	1,086,521	1,165,652	-	-
Borrowings	3.5	3.5	200,857	200,000	1,050,000	1,500,000
Lease liabilities	3.9	3.9	134,093	123,100	361,199	264,028
Total			1,421,471	1,488,752	1,411,199	1,764,028

	Weighted Average Effective Interest Rate		Total	
	2021	2020	2021	2020
	%	%	\$	\$
Financial assets:				
Cash and cash equivalents	0.3	1.0	9,717,663	8,573,946
Loans and receivables	-	-	75,964	66,588
Total			9,793,627	8,640,534
Financial liabilities:				
Trade and other payables	-	-	1,086,521	1,165,652
Borrowings	2.8	3.5	1,250,857	1,700,000
Lease liabilities	3.9	3.9	495,292	387,128
Total			2,832,670	3,252,780

Note 19: Segment Reporting

The company operates in one geographical location in Coffs Harbour, New South Wales, the principal activity being that of a school.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2020
	\$	\$

Note 20: Capital Commitments

As at 31 December 2021 and 31 December 2020, the company had not engaged in any capital commitments.

Note 21 : Events After the End of the Reporting Period

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has been financially positive for the company up to 31 December 2021, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matters or circumstances have arisen since the reporting date which significantly affected or may significantly affect the operations of the School, the results of the operation, or the state of affairs of the School in future financial years.

Note 22: Contingent Liabilities

At the end of the financial year the unamortised amount of BGA capital grants was \$1,128,960 (2020: \$1,267,400). This amount is refundable to the Australian Government if the school ceases to use the facilities funded principally for the approved purpose or sells the facilities within a period of twenty years following the completion of the project.

Note 23: Economic Dependence

The ability of the company to continue as a going concern is dependent upon the continuation of the following matters:

(a) The company is substantially dependent on the receipt of recurrent funding from both state and federal governments. This funding is largely calculated on a per capita basis and fluctuates depending upon the number of enrolled students at each census date.

	2021	2020
	\$	\$

Note 24: Related Party Transactions

Key Management Personnel

The totals of remuneration paid to key management personnel (KMP) during the year are as follows:

Key management personnel compensation	1,078,746	1,207,137
Number of persons	5	6

Other Related Parties

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

Note 25: Company Details

The registered office and principal place of business is:

Coffs Harbour Christian Community School
226 Bonville Station Road
BONVILLE NSW 2450

COFFS HARBOUR CHRISTIAN COMMUNITY SCHOOL LTD
ABN 37 002 510 456

DIRECTORS' DECLARATION
FOR THE YEAR ENDED 31 DECEMBER 2021

The directors of the company declare that:

1. the financial statements and notes, as set out in pages 5 to 24, are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, and:
 - (a) comply with Accounting Standards and the Australian Charities and Not-for-profits Commission Act 2012; and
 - (b) give a true and fair view of the financial position as at 31 December 2021 and of the performance for the period ended on that date of the company;
2. The financial statements and notes comply with International Financial Reporting Standards as disclosed in Note 1 to the financial statements.
3. 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.



Rodney Daniel Lynn
Company Secretary



David Robert Hamilton
Director

Dated: 10 May 2021

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
COFFS HARBOUR CHRISTIAN COMMUNITY SCHOOL LTD
ABN 37 002 510 456**

Opinion

We have audited the financial report of Coffs Harbour Christian Community School Limited (the Company), which comprises the statement of financial position as at 31 December 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the Corporations Act 2001 and Division 60 of the Australian Charities and Not-for-profits Commission Act 2012, including:

- (a) giving a true and fair view of the Company's financial position as at 31 December 2021 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards, Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013 and the Corporations Regulations 2001

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 Company 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.

Other Information

The directors are responsible for the other information. The other information comprises the information contained in the Company's Directors Report for the year ended 31 December 2021, 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.

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss Verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe Central North, an affiliate of Findex (Aust) Pty Ltd. Liability limited by a scheme approved under Professional Standards Legislation. Liability limited other than for acts or omissions of financial services licensees.

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**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
COFFS HARBOUR CHRISTIAN COMMUNITY SCHOOL LIMITED**

ABN 37 002 510 456

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act) and for such internal control as the directors determine 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 directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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.

As part of an audit in accordance with the Australian Auditing Standards, the auditor exercises professional judgement and maintains professional scepticism throughout the audit. The auditor also:

- Identifies and assesses the risks of material misstatement of the financial report, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence that is sufficient and appropriate to provide a basis for the auditor's 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.
- Obtains 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 Entity's internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

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**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
COFFS HARBOUR CHRISTIAN COMMUNITY SCHOOL LIMITED**

ABN 37 002 510 456

- Concludes on the appropriateness of management'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 Entity's ability to continue as a going concern. If the auditor concludes that a material uncertainty exists, the auditor is required to draw attention in the auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the auditor's opinion. The auditor's conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluates 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.

The auditor communicates with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that the auditor identifies during the audit.

CROWE CENTRAL NORTH



**Kylie Ellis
Partner**

Registered Company Auditor (ASIC RAN 483424)
107 West High Street
COFFS HARBOUR NSW 2450

Dated: 11 May 2022

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

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