



EASTERN
COLLEGE AUSTRALIA

Eastern College Australia Limited

ABN: 61 551 855 405

ACN: 641 764 785

Financial Statements

For the Year Ended 31 December 2021

Eastern College Australia Limited

ABN: 61 551 855 405

ACN: 641 764 785

Financial Statements

Contents

For the Year Ended 31 December 2021

	Page
Financial Statements	
Statement of Income and Expenditure and Other Comprehensive Income	1
Statement of Financial Position	2
Statement of Changes in Equity	3
Statement of Cash Flows	4
Notes to the Financial Statements	5
Directors' Declaration	19
Auditor's Independence Declaration	20
Independent Audit Report	21

Eastern College Australia Limited

ABN: 61 551 855 405

ACN: 641 764 785

Statement of Income and Expenditure and Other Comprehensive Income

For the Year Ended 31 December 2021

	Note	2021 \$	2020 \$
Revenue	4	1,816,203	2,153,083
Employee benefits expense		(1,349,846)	(1,377,420)
Faculty and student expenses		(284,057)	(323,763)
Depreciation expense		(57,976)	(61,571)
Cost of sales		(5,988)	(1,975)
Publicity and promotions expense		(37,905)	(9,734)
Household expenses		(3,825)	(1,220)
Administration expense		(30,739)	(64,746)
Property maintenance expense		(24,652)	(16,973)
Operating surplus for the year		21,215	295,681
Other comprehensive income			
Other comprehensive income		-	-
Total comprehensive income for the year		21,215	295,681

The accompanying notes form part of these financial statements.

Eastern College Australia Limited

ABN: 61 551 855 405

ACN: 641 764 785

Statement of Financial Position

As at 31 December 2021

	Note	2021 \$	2020 \$
ASSETS			
Current assets			
Cash and cash equivalents	6	1,858,050	1,323,028
Trade and other receivables	7	80,565	24,542
Other assets	8	30,575	34,847
Total current assets		1,969,190	1,382,417
Non-current assets			
Property, plant and equipment	9	370,877	416,234
Intangible assets		18,231	-
Other non-current assets	8	32,075	51,602
Total non-current assets		421,183	467,836
TOTAL ASSETS		2,390,373	1,850,253
LIABILITIES			
Current liabilities			
Trade and other payables	10	103,977	165,531
Short-term provisions	11	170,899	136,433
Other current liabilities	12	926,266	384,445
Total current liabilities		1,201,142	686,409
Non-current liabilities			
Long-term provisions	11	7,465	3,293
Total non-current liabilities		7,465	3,293
TOTAL LIABILITIES		1,208,607	689,702
NET ASSETS		1,181,766	1,160,551
EQUITY			
Reserves		302,990	300,931
Accumulated Surpluses		878,776	859,620
TOTAL EQUITY		1,181,766	1,160,551

The accompanying notes form part of these financial statements.

Eastern College Australia Limited

ABN: 61 551 855 405

ACN: 641 764 785

Statement of Changes in Equity

For the Year Ended 31 December 2021

2021

	Asset Realisation Reserve	MTD Scholarship Fund	Other Reserves	Accumulated Surpluses	Total
	\$	\$	\$	\$	\$
Balance at 1 January 2021	144,114	145,598	11,219	859,620	1,160,551
Surplus/(Deficit) for the year	-	-	-	21,215	21,215
Transfers to/(from) reserves	-	2,880	(821)	(2,059)	-
Balance at 31 December 2021	144,114	148,478	10,398	878,776	1,181,766

2020

	Asset Realisation Reserve	MTD Scholarship Fund	Other Reserves	Accumulated Surpluses	Total
	\$	\$	\$	\$	\$
Balance at 1 January 2020	144,114	178,344	11,211	531,201	864,870
Surplus/(Deficit) for the year	-	-	-	295,681	295,681
Transfers to/(from) reserves	-	(32,746)	8	32,738	-
Balance at 31 December 2020	144,114	145,598	11,219	859,620	1,160,551

The accompanying notes form part of these financial statements.

Eastern College Australia Limited

ABN: 61 551 855 405

ACN: 641 764 785

Statement of Cash Flows

For the Year Ended 31 December 2021

	2021	2020
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from students and other income received	2,366,207	2,012,129
Payments to suppliers and employees	(1,879,780)	(1,895,308)
COVID-19 government stimulus grants	69,900	456,500
Donation received	9,020	151,662
Interest received	525	1,328
Net cash provided by/(used in) operating activities	16 <u>565,872</u>	<u>726,311</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payment for property, plant and equipment	<u>(30,850)</u>	(20,686)
Net cash used by investing activities	<u>(30,850)</u>	<u>(20,686)</u>
Net increase/(decrease) in cash and cash equivalents held	535,022	705,625
Cash and cash equivalents at beginning of year	<u>1,323,028</u>	617,403
Cash and cash equivalents at end of financial year	6 <u><u>1,858,050</u></u>	<u><u>1,323,028</u></u>

The accompanying notes form part of these financial statements.

Eastern College Australia Limited

ABN: 61 551 855 405

ACN: 641 764 785

Notes to the Financial Statements

For the Year Ended 31 December 2021

On 26 February 2021, Eastern College Australia Limited was registered as an Australian Public Company, Limited by Guarantee under the Corporations Act 2001. It is therefore a company limited by guarantee, registered and domiciled in Australia.

The financial report covers Eastern College Australia Limited as an individual entity.

The functional and presentation currency of Eastern College Australia Limited is Australian dollars.

Prior year comparatives have been amended for consistency with current year classifications and presentation.

1 Basis of Preparation

The Company is a not-for-profit entity. The directors have prepared the financial statements on the basis that the Company is a non-reporting entity because there are no users dependant on general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the Australian Charities and Not-for-profits Commission Act 2012.

The financial statements have been prepared in accordance with the recognition and measurement requirements of all applicable Australian Accounting Standards, other than as described below and the disclosure requirements of Accounting Standards AASB 101: Presentation of Financial Statements, AASB 107: Statement of Cash Flows, AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors and AASB 1054: Australian Additional Disclosures.

The recognition and measurement requirements that have not been complied with consist of those specified in AASB 16: Leases. All leases have been treated in accordance with the requirements for short-term and low-value leases as per the requirements of AASB 16, without assessing whether leases meet this criteria. Accordingly, lease payments are expensed as incurred per Note 2(b).

The Company has concluded that the requirements set out in AASB 10: Consolidated Financial Statements and AASB 128: Investments in Associates and Joint Ventures are not applicable as the initial assessment on its interests in other entities indicated that it does not have any subsidiaries, associates or joint ventures.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

2 Summary of Significant Accounting Policies

(a) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(b) Leases

Lease payments are charged as expenses on a straight-line basis over the life of the lease term.

Eastern College Australia Limited

ABN: 61 551 855 405

ACN: 641 764 785

Notes to the Financial Statements

For the Year Ended 31 December 2021

2 Summary of Significant Accounting Policies (continued)

(c) Impairment of assets

At the end of each reporting period, the directors determine whether there is any evidence of an impairment on its non-financial assets.

Where an indicator exists, the recoverable amount of the asset is estimated.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

(d) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(e) Income tax

No current or deferred income tax assets or liabilities have been raised by the Company as it is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

The Company is a registered charitable institution with the Australian Charities and Not-for-profits Commission.

(f) Employee provisions

Short-term employee benefits

Provision is made for the Company'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 wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Eastern College Australia Limited

ABN: 61 551 855 405

ACN: 641 764 785

Notes to the Financial Statements

For the Year Ended 31 December 2021

2 Summary of Significant Accounting Policies (continued)

(f) Employee provisions (continued)

Long-term employee benefits

Employee benefits expected to be settled more than one year after the end of reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the Company to superannuation funds and are charged as expenses when incurred. The Company is under no obligation to make up any shortfall in the externally managed superannuation funds.

(g) Property, plant and equipment

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

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Plant and Equipment	5-33%
Computer Software and Hardware	10-33%
Leasehold Improvements	10%
Books and Journals	5%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(h) Financial instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Eastern College Australia Limited

ABN: 61 551 855 405

ACN: 641 764 785

Notes to the Financial Statements

For the Year Ended 31 December 2021

2 Summary of Significant Accounting Policies (continued)

(h) Financial instruments (continued)

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

- amortised cost

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

The Company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

Eastern College Australia Limited

ABN: 61 551 855 405

ACN: 641 764 785

Notes to the Financial Statements

For the Year Ended 31 December 2021

2 Summary of Significant Accounting Policies (continued)

(h) Financial instruments (continued)

The Company uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise trade payables, bank, other loans and lease liabilities.

(i) Revenue and other income

The revenue recognition policies for the principal revenue streams of the Company are:

Tuition fees

The Company is approved to deliver Vocational Education courses and Higher Education courses including vocational certificate, the diploma, undergraduate, graduate and post-graduate qualifications offered by the Company. These are accredited and registered with the Australian Skills Quality Authority (ASQA) and the Tertiary Education Quality Standards Agency (TEQSA). The Company earns revenue from customers principally from the offering of undergraduate and postgraduate from the provision of teaching of academic units and research support activities.

Eastern College Australia Limited

ABN: 61 551 855 405

ACN: 641 764 785

Notes to the Financial Statements

For the Year Ended 31 December 2021

2 Summary of Significant Accounting Policies (continued)

(i) Revenue and other income (continued)

Revenue from the rendering of services is recognised upon the delivery of the service. Tuition fees are therefore only recognised as revenue when the census date has passed. Tuition fees charged prior to the service being provided are held as an unearned income liability.

A receivable will be recognised when the service has been completed. The Company's right to consideration is deemed unconditional at this time as only the passage of time is required before payment of that consideration is due. Consideration paid by the students in advance of the completion of the work is recognised as a contract liability.

Operating grants, donations and bequests

When the Company received operating grant revenue, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

When both these conditions are satisfied, the Company:

- identifies each performance obligation relating to the grant,
- recognises a contract liability for its obligations under the agreement,
- recognises revenue as it satisfies performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the Company:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (for example AASB 9, AASB 16, AASB 116 and AASB 138);
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer); and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.
- If a contract liability is recognised as a related amount above, the Company recognises income in profit or loss when or as it satisfies its obligations under the contract.

Government grants under the Australian Government cash flow boost initiative have been recognised as revenue when the Company became entitled to receive the grants, which was assessed to be the time at which the applicable Activity Statements were lodged with the Australian Taxation Office.

Government grants under the Australian Government Jobkeeper wage subsidy program have been recognised as revenue when the Company became entitled to receive the grants, which was assessed to be the time at which the salary and wages payments for the eligible Jobkeeper fortnight were made to eligible employees.

Eastern College Australia Limited

ABN: 61 551 855 405

ACN: 641 764 785

Notes to the Financial Statements

For the Year Ended 31 December 2021

2 Summary of Significant Accounting Policies (continued)

(i) Revenue and other income (continued)

Scholarship donations

Scholarship donations are recorded net of scholarships allocated to students' tuition fees, where scholarships allocated exceed the donations received, the net amount is reported as a reduction in revenue.

Interest income

Interest income is recognised using the effective interest method.

All revenue stated is net of the amount of GST.

(j) Accounts receivable

Accounts receivable include outstanding fees receivable from students. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets.

(k) Accounts payable and other payables

Accounts payable 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 that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(l) Unearned income

Other liabilities comprise tuition fees invoiced or received but not yet earned and the revenue is treated as having been earned at the start of the semester to which it attaches. Unearned fees will be brought into account over the student's tenure on a semester by semester basis.

(m) Deductible gift recipients

(i) Tabor College (Vic) Inc Building Fund

The Company was previously named Tabor College (Vic) Incorporated and controls a building fund endorsed as a deductible gift recipient by the ACNC. This fund is not currently in use.

(ii) Tabor College (Victoria) Library Fund

The Company was previously named Tabor College (Vic) Incorporated and controls a library fund endorsed as a deductible gift recipient by the ACNC. This fund is not currently in use.

Eastern College Australia Limited

ABN: 61 551 855 405

ACN: 641 764 785

Notes to the Financial Statements

For the Year Ended 31 December 2021

3 Critical accounting estimates and judgments

General

The Company undertakes a number of estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - Impairment of property, plant and equipment

The Company assesses impairment at the end of each reporting period by evaluating conditions specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Key estimates - Provision for doubtful debts

Provision for doubtful debts are estimated based on historical trends as well as known current financial situations of students. Non-communication with the Company could result in students being referred to debt collectors.

Key estimates - Useful life of depreciable assets

The directors review its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to obsolescence that may change in the utility of certain plant and equipment.

Eastern College Australia Limited

ABN: 61 551 855 405

ACN: 641 764 785

Notes to the Financial Statements

For the Year Ended 31 December 2021

4 Revenue

	2021	2020
	\$	\$
- Tuition fees	1,731,044	1,686,958
- Donations from supporters (a)	9,020	(19,953)
- COVID-19 government stimulus grants	69,900	456,500
- Interest income	525	1,328
- Other revenue	5,714	28,250
Total Income	1,816,203	2,153,083

(a) Scholarship donations are recorded net of scholarships allocated to students' tuition fees, where scholarships allocated exceed the donations received, the net amount is reported as a reduction in revenue.

5 Significant expenses

The result for the year includes the following specific expenses:

Employee benefits expense	1,349,846	1,377,420
Faculty and student costs	284,057	323,763
Depreciation expense	57,976	61,571

6 Cash and cash equivalents

Cash on hand	200	200
Cash at bank	1,857,850	1,322,828
	1,858,050	1,323,028

7 Trade and other receivables

CURRENT

Trade receivables	80,565	24,542
	80,565	24,542

Eastern College Australia Limited

ABN: 61 551 855 405
ACN: 641 764 785

Notes to the Financial Statements

For the Year Ended 31 December 2021

8 Other assets

	2021	2020
	\$	\$
CURRENT		
Other assets	30,575	34,847
NON-CURRENT		
Prepayments	32,075	51,602
	<u>62,650</u>	<u>86,449</u>

9 Property, plant and equipment

BUILDINGS

Leasehold improvements

At cost	46,492	46,492
Less accumulated depreciation	(18,205)	(13,555)
Total leasehold improvements	<u>28,287</u>	<u>32,937</u>

PLANT AND EQUIPMENT

Plant and equipment

At cost	196,236	193,671
Less accumulated depreciation	(184,086)	(175,759)
Total plant and equipment	<u>12,150</u>	<u>17,912</u>

Books, Journals and Teaching Aids

At cost	1,105,353	1,095,298
Less accumulated depreciation	(774,913)	(729,913)
Total books, journals and teaching aids	<u>330,440</u>	<u>365,385</u>
Total property, plant and equipment	<u>370,877</u>	<u>416,234</u>

Eastern College Australia Limited

ABN: 61 551 855 405

ACN: 641 764 785

Notes to the Financial Statements

For the Year Ended 31 December 2021

10 Trade and other payables

	2021	2020
	\$	\$
CURRENT		
Trade creditors and accrued expenses	58,058	81,871
Employee fringe benefits	45,919	83,660
	<u>103,977</u>	<u>165,531</u>

11 Provisions

CURRENT		
Annual leave	80,940	56,350
Long service leave	89,959	80,083
	<u>170,899</u>	<u>136,433</u>
NON-CURRENT		
Long service leave	7,465	3,293
	<u>7,465</u>	<u>3,293</u>

12 Other liabilities

CURRENT		
Income received in advance	926,266	384,445
	<u>926,266</u>	<u>384,445</u>

Eastern College Australia Limited

ABN: 61 551 855 405

ACN: 641 764 785

Notes to the Financial Statements

For the Year Ended 31 December 2021

13 Capital and leasing commitments

Photocopier lease

The following represents non-cancellable photocopier leases contracted for but not capitalised in the financial statements.

	2021	2020
	\$	\$
Payable - minimum lease payments		
- not later than 12 months	18,458	20,136
- between 12 months and 5 years	-	18,458
	<u>18,458</u>	<u>38,594</u>

The Association has not adopted AASB 16: Leases.

This lease commitment relates to payments for a photocopier that is contracted to expire in November 2022.

14 Auditors' remuneration

- Auditing the financial statements	11,700	11,700
- Jobkeeper assistance review	-	1,200
- TEQSA and CRICOS cash flow viability analysis	-	4,125
Total	<u>11,700</u>	<u>17,025</u>

Eastern College Australia Limited

ABN: 61 551 855 405

ACN: 641 764 785

Notes to the Financial Statements

For the Year Ended 31 December 2021

15 Related parties

During the year, the Company and Melbourne School of Theology (MST) shared the same group of key management personnel, hence, the two entities have been identified as related parties in accordance with AASB 124: Related Party Disclosures. The related party transactions that occurred during the year are:

- \$215,365 of wages reimbursement was received from MST as MST's contribution for shared staffs' salaries and wages paid by the Company.
- \$206,638 of expenses reimbursement was received from MST for expenses paid by the Company on behalf of MST, these expenses include costs for library books, utilities, accounting costs, and computer expenses.
- \$213,850 of wages paid to MST as the Company's contribution for shared staffs' salaries and wages paid by MST.
- \$84,256 of expenses paid to MST for expenses paid by MST on behalf of the Company, these expenses include costs for library books, utilities, marketing, office costs and computer expenses.
- \$9,360 of donations was received from MST.
- No rent was charged by MST for the Company's use of MST's premises.

There were no other related party transactions during the current financial year.

16 Cash flow information

Reconciliation of cashflow from operations with result for the year

	2021	2020
	\$	\$
Net surplus / (deficit) for the year	21,215	295,681
Non-cash flows in result		
Depreciation of property, plant, and equipment	57,976	61,571
Changes in assets and liabilities		
(Increase)/decrease in trade and term receivables	(36,496)	42,209
(Increase)/decrease in inventories	-	4,724
(Increase)/decrease in other assets	4,272	4,535
Increase/(decrease) in trade payables and accruals	(61,554)	(4,370)
Increase/(decrease) in provisions	38,638	2,689
Increase/(decrease) in unearned income	541,821	319,272
Cashflow from operations	565,872	726,311

Eastern College Australia Limited

ABN: 61 551 855 405

ACN: 641 764 785

Notes to the Financial Statements

For the Year Ended 31 December 2021

17 Reserves

The directors have established the following reserves:

(a) Asset Revaluation Reserve

The asset revaluation reserve records revaluation of fixed assets.

(b) Pastoral Support Fund & Julian Coles Youth Reserves

These reserves have been created to assist students, who meet the criteria for scholarships, with fees in the future.

(c) MTD Scholarship Reserve

The reserve has been created to provide scholarships to students in the Master of Theology Development course.

18 Events after the reporting period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in the future financial years.

19 Statutory Information

The registered office and principal place of business is:

Eastern College Australia Limited
5 Burwood Highway
Wantirna VIC 3152

Eastern College Australia Limited

ABN: 61 551 855 405

ACN: 641 764 785

Directors' Declaration

The directors have determined that the Company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 and 2 to the financial statements.

In the opinion of the directors of the Group:

- the financial statements and notes, as set out on pages 1 to 18, are in accordance with the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*, including:
 - i. Giving a true and fair view of its financial position as at 31 December 2021 and of its performance for the financial year ended on that date; and
 - ii. Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) to the extent described in Note 1 and 2, and the Australian Charities and Not-for-profits Commission Regulation 2013; and
- there are reasonable grounds to believe that Eastern College Australia Limited is 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.



.....
Chair



.....
Treasurer

Dated: 29 April 2022

Eastern College Australia Limited

ABN: 61 551 855 405

ACN: 641 764 785

Auditor's Independence Declaration

In accordance with the requirements of section 60.40 of the Australian Charities and Not-for-profits Commission Act 2012, as auditor of Eastern College Australia Limited for the year ended 31 December 2021, I declare that, to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements as set out in section 60.40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- b. No contraventions of any applicable code of professional conduct in relation to the audit.



Saward Dawson



Jeffrey Tulk
Partner

Blackburn

Dated 2 May 2022

Eastern College Australia Limited

ABN: 61 551 855 405
ACN: 641 764 785

Independent Audit Report to the members of Eastern College Australia Limited

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report, being a special purpose financial report of Eastern College Australia Limited (the Company), which comprises the statement of financial position as at 31 December 2021, the statement of income and expenditure and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of Eastern College Australia Limited for the year ended 31 December 2021 is prepared, in all material respects, in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012 including:

- i. giving a true and fair view of the Company' financial position as at 31 December 2021 and of its financial performance for the year then ended; and
- ii. complying with Australian Accounting Standards 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 Company in accordance with the auditor independence requirements of 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

We draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report is prepared to assist the Company 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 report is intended solely for the Company and should not be distributed to or used by parties other than the Company. Our opinion is not modified in respect of this matter.

Eastern College Australia Limited

ABN: 61 551 855 405
ACN: 641 764 785

Independent Audit Report to the members of Eastern College Australia Limited

Responsibilities of Directors for the Financial Report

The directors of the Company are responsible for the preparation and fair presentation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine necessary to enable the preparation of a 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 Company'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 directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the Company'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.

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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the 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 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 reporter, 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.

Eastern College Australia Limited

ABN: 61 551 855 405
ACN: 641 764 785

Independent Audit Report to the members of Eastern College Australia Limited

- 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 management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.


Saward Dawson



Jeffrey Tulk
Partner

Blackburn

Dated 2 May 2022