

17 May 2022

Mr Mark O'Connor
Cutcher & Neale Assurance Pty Limited
PO Box 694
NEWCASTLE NSW 2300

Dear Mark

This representation letter is provided in connection with your audit of the financial report of Newcastle Anglican Schools Corporation for the year ended 31 December 2021 for the purpose of expressing an opinion as to whether the financial report is presented fairly, in all material respects, in accordance with the Australian Accounting Standards described in Note 1 to the financial statements.

We confirm that to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves:

Financial Report

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement for the preparation of the financial report in accordance with Australian Accounting Standards described in Note 1; in particular the financial report is fairly presented in accordance therewith.
2. The methods, the data, and the significant assumptions used in making accounting estimates, and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.
3. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Australian Accounting Standards.
4. All events subsequent to the date of the financial report and for which Australian Accounting Standards require adjustment or disclosure have been adjusted or disclosed.
5. The effects of uncorrected misstatements, if any, as outlined in your management letter are considered immaterial, both individually and in aggregate, to the financial report as a whole.

6. The Corporation has complied with all aspects of contractual agreements that could have a material effect on the financial report in the event of non-compliance.
7. There have been no instances of fraud that have been discovered or reported to the Board.
8. There has been no non-compliance with requirements of regulatory authorities that could have a material effect on the financial report in the event of non-compliance.
9. The Corporation has satisfactory title to all assets and there are no liens or encumbrances on the Corporation's assets.
10. The value of property, plant or equipment is not reported at amounts in excess of the assets' estimated recoverable amount.

Information Provided

We have provided you with:

1. Access to all information of which we are aware that is relevant to the preparation of the financial report such as records, documentation and other matters;
2. Additional information that you have requested from us for the purpose of the audit; and
3. Unrestricted access to persons within the Corporation from whom you determined it necessary to obtain audit evidence.
4. All transactions have been recorded in the accounting records and are reflected in the financial report.
5. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.
6. All requested information, explanations and assistance for the purposes of the audit.

We have disclosed to you:

1. The results of Management's assessment of the risk that the financial report may be materially misstated as a result of fraud. That assessment concluded there was no material risk.
2. All information in relation to fraud or suspected fraud that we are aware of and that affects the Corporation and involves:
 - Management;
 - Employees who have significant roles in internal control; or
 - Others where the fraud could have a material effect on the financial report.

3. All information in relation to allegations of fraud, or suspected fraud, affecting the Corporation's financial report communicated by employees, former employees, analysts, regulators or others.
4. Any known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial report.
5. We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial report; and accounted for and disclosed in accordance with the applicable financial reporting framework.
6. The identity of the Corporation's related parties and all the related party relationships and transactions of which we are aware.

In respect of other information included in the annual report:

1. We have informed you of all the documents that we expect to issue that may comprise other information;
2. The financial report and any other information obtained by you prior to the date of your auditor's report is consistent with one another, and the other information does not contain any material misstatements;
3. With regard to any other information that we have not provided to you prior to the date of the auditor's report, that we intend to prepare and issue such other information and that we expect to provide it to you in a timely manner to enable you to complete your required procedures.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Peter Stuart', written over a horizontal line.

Board Member

A handwritten signature in black ink, appearing to read 'M. Jamie', written over a horizontal line.

Board Member

Newcastle Anglican Schools Corporation

ABN 59 080 029 391

Financial Statements

For the Year Ended 31 December 2021

Newcastle Anglican Schools Corporation

ABN 59 080 029 391

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Newcastle Anglican Schools Corporation

ABN 59 080 029 391

Board Members' Report

31 December 2021

General Information

The financial affairs of the Newcastle Anglican Schools Corporation are included in this financial report.

The Newcastle Anglican Church Corporation (NACC) was established on 5 October 2017 as a Standing Committee of the Diocesan Council pursuant to the Diocesan Council Ordinance 1929 (amended February 2018). Effective from 1 October 2020 the NACC was renamed the Newcastle Anglican Corporation (NAC) pursuant to the Diocesan Council Ordinance 1929 (amended February 2018). The NAC was provided with full delegation of the Diocesan Council to oversee the operations of the Diocesan Schools.

The Newcastle Anglican Governance Reform Ordinance 2017 (Governance Reform Ordinance) authorises that effective from 1 October 2020 the Board Members of the Newcastle Anglican Corporation (NAC), are also the Board members of the Newcastle Anglican Schools Corporation (NASC).

The NASC provides administrative support services to the Diocesan Schools Bishop Tyrrell Anglican College, Lakes Grammar – An Anglican School, Manning Valley Anglican College and Scone Grammar School.

Information on Board Members

Board Members have been in office since the start of the financial year to the date of this report unless otherwise stated.

The names, qualifications, experience and special responsibilities of each person who has been a Board Member during the year and to the date of this report are:

Bishop Peter Stuart

Board member since 11 May 2017

President since 2 February 2018

Chair from 1 October 2020

Qualifications

B.Com, B.D, M.Management, Ed.D, GAICD

Experience

Dr Peter Stuart became the Bishop of Newcastle on 2 February 2018 after having served as Assistant Bishop from 2 February 2009. He has administered the Diocese on two occasions (2013 and 2017). He has considerable experience in not-for-profit governance, risk management, policy development, communication and financial administration. He has previously served on the Board of Anglicare Tasmania Inc, Glenview Nursing Home Inc (Tas), Julia Farr Services (SA), the Julia Farr Association (SA), St Peters College (SA). He has previously been a member of the Diocesan Council in the Diocese of Tasmania and Adelaide as well as member of the Long Service Leave Board of General Synod. In Newcastle, he has served as the chair of each of the Diocesan Schools, the Samaritans Foundation, the Trustees of Church Property and the Diocesan Council.

Newcastle Anglican Schools Corporation

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Board Members' Report

31 December 2021

General information

Information on Board Members

Bishop Charlie Murry	Appointed 10 May 2018 (non-voting member from 1 October 2020)
Qualifications	BMus, BTh, MAICD
Experience	Appointed Assistant Bishop of Newcastle – Coastal Episcopate on 10 May 2018. He has served on the Diocesan Council and the Clergy Emoluments Board since 2011. While the Rector of Singleton 2010 – 2018, he was for periods Area Dean and then Archdeacon for the Upper Hunter.
Bishop Sonia Roulston	Appointed 1 October 2020 (non-voting member)
Qualifications	B.AppSci BD MMin
Experience	Appointed Assistant Bishop of Newcastle – Inland Episcopate on 10 May 2018. She has served on the Diocesan Council and the Diocesan Ministry Council. Prior to her appointment as Assistant Bishop, she held the offices including Archdeacon of Newcastle and Rector of Morpeth. Sonia graduated from the AICD course in 2015.
Wayne Russell	Appointed 5 October 2017 (Chair until 30 September 2020) Appointed Deputy Chair 7 October 2020
Qualifications	B.Com, CA, GAICD, MIIA(Aust)
Experience	Wayne has extensive experience in providing auditing and assurance services, having worked as an audit and assurance partner at PricewaterhouseCoopers for 20 years and Pitcher Partners for 10 years. He has serviced a wide variety of clients in the private and public sectors such as State and Local Government, Financial Services, Manufacturing, Engineering and Construction and For Purpose charitable service providers. Wayne is a registered company auditor and graduate and member of the Australian Institute of Company Directors. He is also the Chairman of Greater Bank Limited and a director of the Greater Charitable Foundation Pty Ltd. He is a member of the Parish of Merewether.

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Board Members' Report

31 December 2021

General information

Information on Board Members

Mark Hedges

Qualifications

Experience

Appointed 5 October 2017

M.App.Fin, MBA, B.Bus.Stud, CPA, GAICD

Comprehensive experience and successful track record in finance roles in large manufacturing and media organisations. He has deep commercial experience and expertise in financial markets, particularly Corporate funding.

He has proven judgement and understanding of risk as well as consistent high-level contribution to strategic thinking. In 2015 he concluded his role as Group Treasurer for Fairfax Media Limited. He was the Deputy Chair of Hunter United Credit Union until April 2020 and is a Director of Lifeline (Harbour to Hawkesbury). Mark also serves on the Board of the Newcastle Anglican Church Redress Corporation.

Michelle Jarvie

Qualifications

Experience

Appointed 5 October 2017

B.Com, CA, PFIIA (Aust), FGIA, CPRM, RMIA, GAICD

Working in the corporate governance areas of Risk, Governance, Policy, Internal Audit and Regulatory Compliance Michelle has extensive experience in governance across a diverse portfolio of industries and operations. She has extensive practical experience in working with and in Boards to develop and implement effective governance structures and strategic and operational plans for a variety of businesses most recently in education and research and financial services.

Helen Murray

Qualifications

Experience

Appointed 1 October 2020

B.A, LLB

A partner in the Newcastle office of Sparke Helmore, a national law firm. A practicing solicitor for more than 35 years, she has acted for State and Local government, global corporations, utilities, leading private developers and Newcastle families and individuals. She has advised in major land portfolio strategic management, transformation and regeneration. She has previously served on the Board of a local financial institution. In that role the focus was on governance, risk management and compliance. She also served on the Board

of the Newcastle Anglican Schools Corporation until 30 September 2020.

Newcastle Anglican Schools Corporation

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Board Members' Report

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General information

Information on Board Members

Richard Turnbull	Appointed 5 October 2017
Qualifications	Ass. Dip. Aircraft Engineering Maintenance and Crt IV in Vocation Instruction, AAICD
Experience	Extensive experience in small business and business consultation. He has served on the Diocesan Council, the Trustees of Church Property and the Property Approvals Board. He has extensive experience in IT and property development.
Graham Vimpani	Appointed 5 October 2020
Qualifications	MBBS, PhD FRACP, FAFPHM
Experience	Former Area Director of Community Child Health Services for the Hunter Area Health Service and currently a Conjoint Professor of Community Child Health at the University of Newcastle. He made a significant contribution to the development of child protection services in the Hunter and more generally in NSW, finishing off his clinical and policy career as a senior clinical advisor in child protection for NSW Health and a provider of clinical services for children, many Indigenous, in out of home care. He also had significant involvement in the prevention of accidents in children and young people through Kidsafe Australia and has been an advocate for policies and programs for children in their early years. He was awarded a Centennial medal and Membership (AM) of the Order of Australia for his work in paediatrics and child health. He served on the Board of the Samaritans Foundation until 30 September 2020.
Fiona Williams	Appointed 1 October 2020
Qualifications	BBus GAICD
Experience	Experienced Senior Leader with expertise in the Strategy, Human Resources and Learning & Development areas. Currently the People, Capability and Strategy Manager for the Westpac Rescue Helicopter Service. Has over 20 years' leadership experience across a range of industries including Not for Profit, Health, Education, Rail, Manufacturing, Insurance, Travel and Local Council. She served on the Board of Anglican Care until 30 September 2020.

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Board Members' Report

31 December 2021

General information

Information on Board Members

Robert Buck	Appointed 1 October 2020 Resigned 13 July 2021
Qualifications	MBA, GAICD, MCSE
Experience	Founder and Managing Director of Diamond IT he has guided the organisation to become a leading Technology Solutions provider. He has also performed non- executive roles within the social justice sector. He was a member of the Samaritans Foundation until 30 September 2020.
Lyn McEwan	Appointed 1 October 2020 Resigned 02 July 2021
Qualifications	Registered Nurse – currently registered with AHPRA Aged Care Quality and Safety Auditor training – Aged Care Quality and Safety Commission Quality Management – UNE Australian Institute of Company Directors – currently undertaking
Experience	A registered nurse with 30 years extensive experience in the not for profit aged care industry. Management experience includes nursing/clinical practices, compliance/governance issues, quality, risk, financial, HR/WHS, maintenance areas. She has served as a member of various committees including Clinical Governance, Consumer Services and Finance. She was a member of the Board of Anglican Care until 30 September 2020.
Lee Shearer	Appointed 1 November 2020 Resigned 24 March 2021
Qualifications	Dip Law, Post Grad Legal Practice, MAICD Qualifications in Investigations and Emergency Management.
Experience	In 2010 after retiring from a lengthy and highly decorated policing career she has worked in a variety of senior executive roles across Government, private and not for profit sector. She has led significant reform to the way mining and resources in NSW are regulated, has been responsible for delivering significant reforms to several long-standing difficult Government policy issues around the framework for consumer law regulation, mining, planning and development and within the Juvenile Justice portfolio. Since leaving permanent Senior Executive roles within NSW Government in 2019 employed as interim CEO roles including at Darkinjung Local Aboriginal Land Council and is currently employed at Rookwood General Cemetery.

Newcastle Anglican Schools Corporation

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Board Members' Report

31 December 2021

General Information

Principal activities

The principal activity of the Newcastle Anglican Schools Corporation, during the financial year, was to promote and support the Diocesan Schools, especially as each school communicates the Gospel of Jesus Christ to students, staff, parents and the community. It also provides centralised financial and administrative functions for the Diocesan Schools. The four Diocesan Schools are Bishop Tyrrell Anglican College, Lakes Grammar – An Anglican School, Manning Valley Anglican College, and Scone Grammar School. There have been no significant changes in the nature of the entity's activity during the financial year.

Short and Long term objectives

The Newcastle Anglican Schools Corporation believes in providing affordable, quality education with a Christian ethos in the Anglican tradition. Therefore all Diocesan Schools are low-fee centres of excellence with a strong focus on pastoral care, Christian values and the Christian Religious Education curriculum, academic and sporting achievements and multi-faceted curricular activities.

Operating results and review of operations for the year

Operating results

The surplus of the entity amounted to \$144,128 (2020 surplus of \$91,680).

Other items

Significant changes in state of affairs

There have been no significant changes in the state of affairs of the entity during the year.

Events after the reporting date

There are no matters or circumstances that have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Newcastle Anglican Schools Corporation, the results of those operations or the state of affairs of the Newcastle Anglican Schools Corporation in future years.

Newcastle Anglican Schools Corporation

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Board Members' Report

31 December 2021

Other Items

Future developments and results

Likely developments in the operations of the entity and the expected results of those operations in future financial years have not been included in this report.

Environmental issues

The Corporation's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

Meetings of Board Members

During the financial year, 13 meetings of the Board were held. Attendances by each Board Member during the year were as follows:

	Board Meetings	
	Number eligible to attend	Number attended
Bishop Peter Stuart	13	13
Bishop Charlie Murry	13	10
Bishop Sonia Roulston	13	13
Wayne Russell	13	13
Mark Hedges	13	12
Michelle Jarvie	13	13
Helen Murray	13	12
Richard Turnbull	13	11
Graham Vimpani	13	12
Fiona Williams	13	12
Robert Buck (resigned 13/07/2021)	6	6
Lyn McEwan (resigned 02/07/2021)	6	5
Lee Shearer (resigned 24/03/2021)	3	3

Auditor's independence declaration

The lead auditor's independence declaration in accordance with subdivision 60-C of the *Australian Charities and Not-for-Profits Commission Act 2012* for the year ended 31 December 2021 has been received and can be found on page 9 of the financial report.

Signed in accordance with a resolution of the Board:

Board Member: 

Board Member: 

Dated: 18 May 2022

Newcastle Anglican Schools Corporation

ABN 59 080 029 391

Auditor's Independence Declaration

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

- (i) no contraventions of the auditor independence requirements as set out in *sub-division 60-C* of the *Australian Charities and Not-for-profits Commission Act 2012*; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Cutcher & Neale Assurance Pty Limited
(An authorised audit company)



M.J. O'Connor CA
Director

NEWCASTLE

Dated 4 May 2022

Newcastle Anglican Schools Corporation

ABN 59 080 029 391

Independent Audit Report to the Synod of the Anglican Diocese of Newcastle

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report, being a special purpose financial report of Newcastle Anglican Schools Corporation (the Corporation), which comprises the statement of financial position as at 31 December 2021, the statement of surplus or deficit and other comprehensive income, and the statement of changes in funds for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Board Members' declaration.

In our opinion, the accompanying financial report of the Corporation is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the Corporation's financial position as at 31 December 2021 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1 and 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 Corporation in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* 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 confirm that the independence declaration required by the *Australian Charities and Not-for-profits Commission Act 2012*, which has been given to the Board Members of the Corporation, would be in the same terms if given to the Board Members as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Basis of Accounting and Restriction on Use

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the financial reporting responsibilities under the ordinances of the Anglican Diocese of Newcastle and the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose.

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Newcastle Anglican Schools Corporation

ABN 59 080 029 391

Independent Audit Report to the Synod of the Anglican Diocese of Newcastle

Other Information

The Board Members are responsible for the other information. The other information obtained at the date of this auditor's report is limited to the Board Members' Report.

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 on the other information obtained prior to the date of this auditor's report, 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.

Board Members' Responsibility for the Financial Report

The Board Members are responsible for the preparation 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 Synod of the Anglican Diocese of Newcastle. The Board Members' responsibility also includes such internal control as the Board Members 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 this financial report, the Board Members are responsible for assessing the Corporation'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 Board Members either intend to liquidate the Corporation 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 Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

Newcastle Anglican Schools Corporation

ABN 59 080 029 391

Independent Audit Report to the Synod of the Anglican Diocese of Newcastle

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 Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Board Members'.
- Conclude on the appropriateness of the Board Members' 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 Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board Members 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.

Newcastle Anglican Schools Corporation

ABN 59 080 029 391

Independent Audit Report to the Synod of the Anglican Diocese of Newcastle

We also provide the Board Members with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Cutcher & Neale Assurance Pty Limited
(An authorised audit company)

M. J. O'Connor CA
Director

Dated

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Newcastle Anglican Schools Corporation

ABN 59 080 029 391

Board Members' Declaration

31 December 2021

The Board Members have determined that the Corporation is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements and the *Australian Charities and Not-for-profits Commission Act 2012*.

The Board declares that:

1. The financial statements and notes, as set out on pages 15 to 27, are in accordance with the accounting policies as described in Note 1 and the *Australian Charities and Not-for-profits Commission Act 2012*; and give a true and fair view of the Corporation's financial position as at 31 December 2021 and of its performance for the year ended on that date.
2. In the Board Members' opinion, there are reasonable grounds to believe that the Corporation 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 pursuant to s60.15 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Board Member.......... Board Member..........

Dated 17/5/2022

Newcastle Anglican Schools Corporation

ABN 59 080 029 391

Statement of Surplus or Deficit and Other Comprehensive Income For the Year Ended 31 December 2021

		2021	2020
	Note	\$	\$
Revenue	2	2,128,695	1,852,475
Employee benefits expense		(1,124,181)	(1,382,516)
Depreciation expense		(2,075)	(2,563)
Occupancy and infrastructure expenses		(858,312)	(375,716)
Operating surplus		144,127	91,680
Other comprehensive income		-	-
Total comprehensive income		144,127	91,680

The accompanying notes form part of these financial statements.

Newcastle Anglican Schools Corporation

ABN 59 080 029 391

Statement of Financial Position

As At 31 December 2021

	Note	2021 \$	2020 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		206,492	123,629
Trade and other receivables		127,717	41,588
Prepayments		284,237	262,990
TOTAL CURRENT ASSETS		<u>618,446</u>	<u>428,207</u>
NON-CURRENT ASSETS			
Plant and equipment	4	<u>1,195</u>	<u>3,270</u>
TOTAL NON-CURRENT ASSETS		<u>1,195</u>	<u>3,270</u>
TOTAL ASSETS		<u>619,641</u>	<u>431,477</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	5	169,979	52,004
Employee benefits	6	<u>93,536</u>	<u>153,624</u>
TOTAL CURRENT LIABILITIES		<u>263,515</u>	<u>205,628</u>
NON-CURRENT LIABILITIES			
Employee benefits	6	<u>3,445</u>	<u>17,295</u>
TOTAL NON-CURRENT LIABILITIES		<u>3,445</u>	<u>17,295</u>
TOTAL LIABILITIES		<u>266,960</u>	<u>222,923</u>
NET ASSETS		<u>352,681</u>	<u>208,554</u>
FUNDS			
Reserves		-	75,520
Accumulated Surplus		<u>352,681</u>	<u>133,034</u>
TOTAL FUNDS		<u>352,681</u>	<u>208,554</u>

The accompanying notes form part of these financial statements.

Newcastle Anglican Schools Corporation

ABN 59 080 029 391

Statement of Changes in Funds For the Year Ended 31 December 2021

	Accumulated Surplus	Schools Reserve	Total Funds
	\$	\$	\$
Balance at 1 January 2021	133,034	75,520	208,554
Total comprehensive income	144,127	-	144,127
Transfer from reserves to accumulated surplus	75,520	(75,520)	-
Balance at 31 December 2021	352,681	-	352,681

	Accumulated Surplus	Schools Reserve	Total Funds
	\$	\$	\$
Balance at 1 January 2020	41,354	75,520	116,874
Total comprehensive income	91,680	-	91,680
Balance at 31 December 2020	133,034	75,520	208,554

The accompanying notes form part of these financial statements.

Newcastle Anglican Schools Corporation

ABN 59 080 029 391

Statement of Cash Flows For the Year Ended 31 December 2021

	2021	2020
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	2,088,967	1,808,983
Payments to suppliers and employees	(2,008,354)	(1,957,555)
Interest received	2,250	1,904
Net cash provided by/(used in) operating activities	8	82,863
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of plant and equipment	-	(1,545)
Net cash provided by/(used in) investing activities	-	(1,545)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net increase/(decrease) in cash and cash equivalents held	82,863	(148,213)
Cash and cash equivalents at beginning of year	123,629	271,842
Cash and cash equivalents at end of financial year	206,492	123,629

The accompanying notes form part of these financial statements.

Newcastle Anglican Schools Corporation

ABN 59 080 029 391

Notes to the Financial Statements For the Year Ended 31 December 2021

1 Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

The Board has prepared the financial statements on the basis that the Corporation is a non-reporting entity because there are no users dependent on general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the reporting requirements of the Synod of the Anglican Diocese of Newcastle. It is considered to be a not-for-profit entity for financial reporting purposes under Australian Auditing Standards.

The financial statements have been prepared in accordance with the significant accounting policies disclosed below, which the Board has determined are appropriate to meet the needs of Synod of the Anglican Diocese of Newcastle. Such accounting policies are consistent with the previous period unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in notes.

(b) Comparative figures

Where necessary comparatives have been reclassified and repositioned for consistency with current year disclosures.

(c) Critical accounting estimates and judgements

The preparation of financial statements in conformity with accounting policies adopted requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Corporation's accounting policies.

(d) Economic dependence

The Corporation is dependent on the schools within the Anglican Diocese of Newcastle for the majority of its revenue used to operate the business. At the date of this report the Board has no reason to believe that the schools will not continue to engage the services of the Corporation.

(e) Income tax

The Corporation is exempt from income tax under section 50-5 of the Income Tax Assessment Act 1997.

Newcastle Anglican Schools Corporation

ABN 59 080 029 391

Notes to the Financial Statements For the Year Ended 31 December 2021

1 Summary of Significant Accounting Policies

(f) Revenue and other income

Recurrent levies

Recurrent levies charged to the Schools are determined based on enrolment figures proportionate to the annual operating budget for the Corporation. Recurrent levies are recognised over the period to which the levies relate.

Interest income

Interest income is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

(g) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian 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.

(h) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less which are convertible to a known amount of cash and subject to an insignificant risk of change in value.

(i) Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts.

Collectibility of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful debts is established on an expected credit loss - forward looking - basis for all trade receivables at amortised cost. The amount of the provision is the difference between the asset's carrying value amount and the nominal value of estimated future cash flows. The amount of the provision is recognised in the statement of surplus or deficit and other comprehensive income.

(j) Plant and equipment

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

Cost includes expenditure that is directly attributable to the asset.

Newcastle Anglican Schools Corporation

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Notes to the Financial Statements For the Year Ended 31 December 2021

1 Summary of Significant Accounting Policies

(j) Plant and equipment

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over the asset's useful life to the Corporation commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Leasehold improvements	14% PC
Computer equipment	33% PC
Office furniture and fittings	20% PC

The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of surplus or deficit and other comprehensive income.

(k) Employee benefits

Provision is made for the Corporation's liability for employee benefits arising from services rendered by employees to the end of the reporting year. Employee benefits are measured at the amounts expected to be paid when the liability is settled.

Newcastle Anglican Schools Corporation

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Notes to the Financial Statements For the Year Ended 31 December 2021

2 Revenue

	2021	2020
	\$	\$
Revenue from contracts with customers		
- Recurrent levies	2,114,966	1,750,571
Other income from ordinary activities		
- Interest income	2,250	1,904
- Other income	11,479	-
Other income from non-ordinary activities		
- Federal Government Cashflow Boost	-	100,000
Total Revenue	2,128,695	1,852,475

3 Auditor's Remuneration

During the year the following fees were paid or payable for services provided by the auditor:

Assurance Services		
- Audit of the financial statements	5,500	5,400
Other Assurance Services		
- Preparation of financial statements	2,500	2,450
	8,000	7,850

4 Plant and Equipment

Office furniture and fittings

At cost	20,811	20,811
Accumulated depreciation	(20,811)	(20,811)
Total office furniture and fittings	-	-

Computer equipment

At cost	25,186	25,186
Accumulated depreciation	(23,991)	(21,916)
Total computer equipment	1,195	3,270

Leasehold improvements

At cost	-	13,400
Accumulated depreciation	-	(13,400)
Total leasehold improvements	-	-

Total plant and equipment	1,195	3,270
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Newcastle Anglican Schools Corporation

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Notes to the Financial Statements For the Year Ended 31 December 2021

4 Plant and Equipment

Movements in Carrying Amounts

Movement in the carrying amounts for each class of plant and equipment between the beginning and the end of the current financial year:

	Computer equipment \$	Total \$
2021		
Balance at the beginning of year	3,270	3,270
Additions	-	-
Depreciation expense	(2,075)	(2,075)
Balance at 31 December 2021	<u>1,195</u>	<u>1,195</u>
2020		
Balance at the beginning of year	4,288	4,288
Additions	1,545	1,545
Depreciation expense	(2,563)	(2,563)
Balance at 31 December 2020	<u>3,270</u>	<u>3,270</u>

5 Trade and Other Payables

	2021 \$	2020 \$
CURRENT		
Unsecured liabilities		
Trade creditors	70,133	4,513
Other payables and accruals	99,846	47,491
	<u>169,979</u>	<u>52,004</u>

Newcastle Anglican Schools Corporation

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Notes to the Financial Statements For the Year Ended 31 December 2021

6 Employee benefits

	2021	2020
	\$	\$
CURRENT		
Annual leave	71,469	117,374
Long service leave	22,067	36,250
	<u>93,536</u>	<u>153,624</u>
NON-CURRENT		
Long service leave	3,445	17,295
	<u>3,445</u>	<u>17,295</u>

7 Related Party Transactions

The Corporation's main related parties are as follows:

(a) Key management personnel

In relation to AASB 124: Related Party Disclosures, the Board has determined that key management personnel includes the Chief Executive Officer of the Corporation. The incumbent resigned in 2020 and was not replaced. Key management responsibilities are undertaken by senior Diocesan staff not directly employed by the Corporation.

Short-term employee benefits	-	264,585
Post-employment benefits	-	24,917
		<u>289,502</u>

(b) Other Related Parties of the Corporation

The Newcastle Anglican Governance Reform Ordinance 2017 (Governance Reform Ordinance) authorises that effective from 1 October 2020 the Board Members of the Newcastle Anglican Corporation (NAC) are also the Board Members of the Newcastle Anglican Schools Corporation and each school.

Other related parties include entities established under the Anglican Church of Australia (Bodies Corporate) Act 1938, close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

Newcastle Anglican Schools Corporation

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Notes to the Financial Statements For the Year Ended 31 December 2021

7 Related Party Transactions

Transactions and Outstanding Balances with Related Parties

General Fund and Budget Account

	2021	2020
	\$	\$
Expenditure:		
- Administration support	88,260	87,051
- Loan security levy	48,652	97,303
- Remuneration cost recovery	124,210	20,200
- Insurance administration charge	566	410
	<u>261,688</u>	<u>204,964</u>

Bishop Tyrrell Anglican College

Income:		
- Levies	623,124	538,868
- Additional administration costs	-	20,119
- Loan security levy	21,603	43,836
	<u>644,727</u>	<u>602,823</u>

Manning Valley Anglican College

Income:		
- Levies	348,123	255,270
- Additional administration costs	-	11,240
- Loan security levy	5,444	10,732
	<u>353,567</u>	<u>277,242</u>

Lakes Grammar - An Anglican School

Income:		
- Levies	712,937	611,184
- Additional administration costs	-	22,994
- Loan security levy	19,111	37,973
	<u>732,048</u>	<u>672,151</u>

Newcastle Anglican Schools Corporation

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Notes to the Financial Statements For the Year Ended 31 December 2021

7 Related Party Transactions

St Lukes Scone Grammar School

	2021	2020
	\$	\$
Income:		
- Levies	430,782	345,249
- Additional administration costs	-	13,909
- Loan security levy	2,494	4,762
	<u>433,276</u>	<u>363,920</u>

Anglican Savings and Development Fund

Assets:		
- Cash deposits	206,392	123,629
Income:		
- Interest income	2,250	1,904
	<u>208,642</u>	<u>125,533</u>

Anglican Care

Expenditure:		
- Remuneration cost recovery	<u>71,238</u>	4,400

Samaritans Foundation

Expenditure:		
- Remuneration cost recovery	172,302	12,341
Income:		
- Workers compensation recovery	11,305	4,762
	<u>183,607</u>	<u>17,103</u>

Trustees of Church Property

Expenditure:		
- Rent	<u>64,000</u>	64,000

Newcastle Anglican Schools Corporation

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Notes to the Financial Statements For the Year Ended 31 December 2021

8 Cash Flow Information

Reconciliation of result for the year to cashflows from operating activities

	2021	2020
	\$	\$
Operating surplus	144,127	91,680
Non-cash flows in operating surplus/(deficit):		
- depreciation	2,075	2,563
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(86,129)	(41,588)
- (increase)/decrease in other assets	(21,247)	(262,990)
- increase/(decrease) in trade and other payables	117,975	22,566
- increase/(decrease) in employee benefits	(73,938)	41,101
Cashflows (used in)/provided by operations	<u>82,863</u>	<u>(146,668)</u>

