



2020 Annual Report

**Incorporating Notice of
Annual General Meeting**

ABN 31 004 992 750

Chair
M.D. Houlihan

Company Secretary
D Nicholson
B.Bus. C.P.A.

Life Members
Lucien Anceschi
James Bonthorne
John Brenan
John Burnell

Life Governors
Les Clarke AM
Lyn Littlefield OAM
Ross Fett
Chris Heysen

Vice-Chair
R.E. Bailey
J.L. Grant

Auditors
Deloitte Touche Tohmatsu
477 Collins Street
Melbourne 3000

Yvonne Canty
James Cummane
Lyn Gilbert
Chris Heysen
Michael Houlihan
Val Jones
Greg King
Keith McKechnie
Brian McLean
Ruth Nicholls
Paul Pattison
Helen Rees-Sterry
Paolo Riboni
Bob Ross
Sandra Shaw
Cordell Short
Rein Tender
James Troedel
Geoff Watt
Allen Williams

Deceased Life Members
Des Davey OAM
Arthur Kirkright
Beryl Nichols
Charis Pelling
David Warner
David Wilkinson

Directors
N. Kara
S.C. Le Plastrier
P.A. Northey
C.M. Steven
C. Ward
S.R. Wenn

Registered Office
Eltham College
1660 Main Road
Research 3095

Postal Address
PO Box 40
Eltham 3095

"Growing Hearts and Minds"

DIRECTORS – ATTENDANCE AT BOARD MEETINGS 2020/2021

	Mar	Apr	AGM Jun	Jul	Aug	Sep	Oct	Nov	Dec	Mar	Total
Houlihan M.	*	**	*	***	**	**	*	*	*	*	15/15
Bailey R.	*	**	*	***	**	**	*	*	*	*	15/15
Grant J.	*	**	*	***	**	**	*	*	*	*	15/15
Kara N.	*	*	*	**	**	**	*	*	*	-	12/15
Le Plastrier S.	*	**	*	***	**	**	*	*	*	*	15/15
Munnings P.	*	**	*	-	-	-	-	-	-	-	4/4
Northey P.	*	**	*	**	**	**	*	*	*	*	14/15
Nicholson D. (Sec)	*	**	*	***	**	**	*	*	*	*	15/15
Steven C.	-	**	*	**	**	**	*	*	*	*	13/15
Taranto R.	*	**	*	-	-	-	-	-	-	-	4/4
Ward C.	*	**	*	**	**	**	*	*	-	*	13/15
Ward G.	-	*	*	-	-	-	-	-	-	-	2/4
Wenn S.	*	**	*	***	**	**	*	*	*	*	15/15

NOTICE OF ANNUAL GENERAL MEETING

ELTHAM COLLEGE (ABN 31 004 992 750)

NOTICE IS HEREBY GIVEN that the FORTY NINTH ANNUAL GENERAL MEETING of the Members of ELTHAM College will be held at ELTHAM College, 1660 Main Road, Research, on Wednesday, 28 April 2021 at 8.00pm. **The meeting will be held by electronic means.**

1. Ordinary Business

- to ratify the Minutes of the AGM held on 24 June 2020.
- to receive and adopt the Financial Statements for the year ended 31 December 2020.
- to appoint Pitcher Partners as Auditor for the ensuing year.

2. Election of Directors

To elect five members of ELTHAM College to the ELTHAM College Board of Directors, in accordance with Clause 7.4(a) of the ELTHAM College Constitution.

Michael Houlihan, Clare Steven, Paul Northey and Neriman Kara have completed their tenure of office and have elected to retire from the Board. One position remained vacant after the 2020 AGM.

3. Procedure for Nomination of Directors

Nominations of directors are made under Clause 7.4(b) of the Constitution. Nominees must be financial Members of ELTHAM College.

Any member who requires a copy of the ELTHAM College Constitution may obtain one from the Business Office. Completed nomination forms must be received by the Company Secretary at least 11 clear days before the Annual General Meeting.

In accordance with a decision of the Board, candidates nominating for election as directors are asked to enclose a personal election statement of not more than 250 words giving brief particulars of their candidature. Election statements will be forwarded to members seven days prior to the Annual General Meeting, if an election of directors is to be held. Nomination forms are available from the Business Office.

4. Other Business

- To transact any other business that may be legally brought before the Meeting.



D Nicholson
Secretary
29th March 2021, Research.

NOTE: Each member entitled to attend and vote at this Meeting may appoint a proxy. A proxy must be a Member. The instrument appointing a proxy must be deposited at the Registered Office of ELTHAM College not less than 48 hours before the person named in such instrument purports to vote in respect thereof. A proxy form is enclosed.

PRINCIPAL'S REPORT

COVID-19 Response

The College was in a good position to respond to the impact of COVID-19. Our response was predicated on many planning sessions by the Board, the leadership team and other members of the College community. Their roles were to apply government decisions and the consequential flow on effect for students, staff and families.

The response to COVID-19 by the Board has been outlined in the Chair's report. The College wishes to acknowledge the significant additional work by the Board during the pandemic. Their support and wisdom saw us weather the pandemic with calm leadership.

The College staff also played an amazing role in supporting the students and each other during the more challenging times of 2020. Staff were often teaching their classes while their own family were learning online in the same house, and perhaps a spouse conducting their business.

The College leadership team had the additional challenge of managing the day to day changes which schools in the state were required to respond. The smooth conduct of the College during 2020 was a testament to their planning and subsequent communications.

One group that provided wonderful advice in the early days of the pandemic was the COVID-19 Support Team. This was a group of parents and alumni who assisted the College with professional advice and supportive checklists to help calibrate our decisions. We thank this group who were providing support in the midst of their own COVID-19 challenges.

Having said this, I am pleased to report that ELTHAM College has weathered the challenges of COVID-19 in a very good position.

Class of 2020

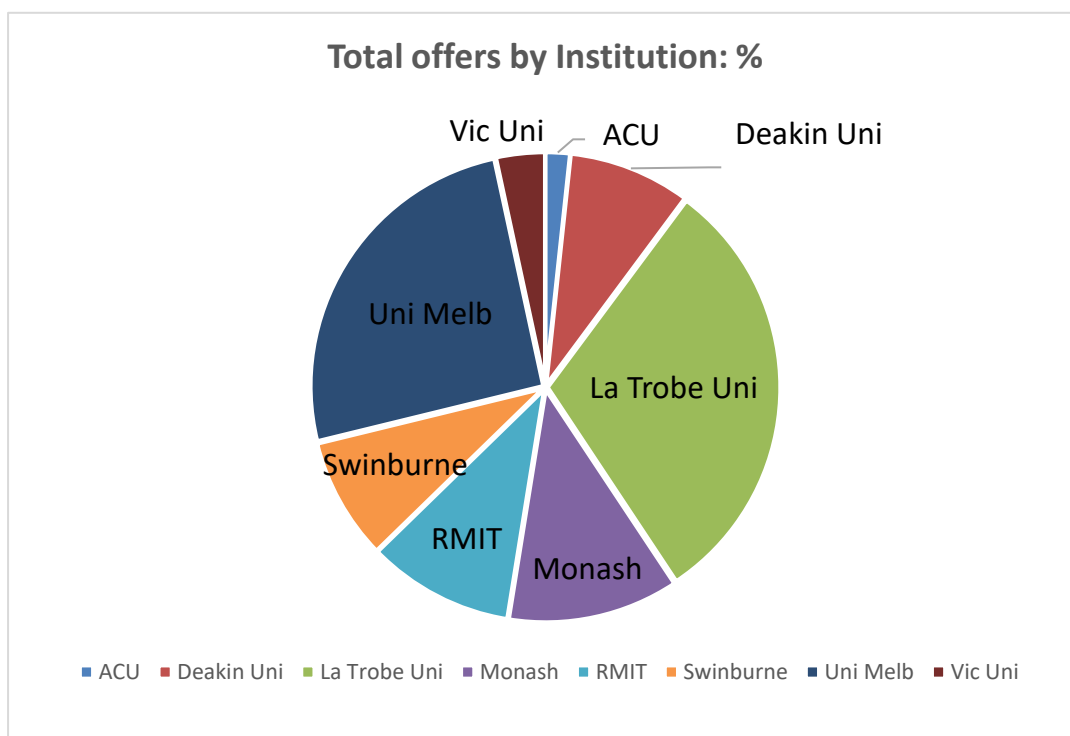
The class of 2020 provided some exceptional results. Forty three per cent of the cohort had course offers from universities during term three of 2021 and 70% gained their first choice of university place. This compares favourably with the previous year.

The 2020 median, the mid-point score, for our VCE studies was 32 compared with 34 last year. The ATAR median was a little lower than 2019 moving from 85 to 79 this year. While this score is lower, it still meant that our median was in the top 21% of the state.

Of the 61 students who attempted a scored VCE, 13 achieved an ATAR score better than 90 (placing them in the top 10% of the state). This is 21% of the cohort (compared with 33% in 2019; 27% in 2018). The VCE Class of 2019 achieved 10% of scores above 40, which places them in the top 9% of the state. Last year this score was 20%. We congratulate Sophia Laidlaw who received the top score for the cohort (98.8), affording her the honour Dux of ELTHAM College for 2020. Thomas Kelly received a perfect score (50) in Sport & Recreation.

University Places

Latrobe University continues to be the most preferred university for our students. It seems to be marketing well and the students speak very highly of the offerings there. Many of our students were offered places at a number of different universities both in Victoria and interstate. This is the first time we have seen such diversity in applications. There were six places offered at that Australian National University (ANU). This is a very good outcome for the College.



Over 2020 the College has continued to develop its strategic plan, with a strong focus on building the teaching and learning environment within the College. Some of the programs we have implemented include:

1. TEACHING AND LEARNING:

- a. As reported in 2019, the College continues to develop the mapping of curriculum on Rubicon Atlas using an Understanding by Design (ubD) template. The aim for 2020 was to complete an audit of the Curriculum. This proved to be a challenge given the interruptions caused by COVID-19.
- b. We began the introduction of Harvard's Project Zero with professional learning for staff ongoing. This professional learning has been slowed by the pandemic, but began to gain more traction toward the end of the academic year. The College's new Director of Curriculum, Helen Lucas, has facilitated professional learning around formative assessment with world renowned educator Dylan Wiliam. Prof Wiliam is assisting the College staff to not only build their approach to Project Zero's visible learning, but assisting staff to build further their understanding of assessment for learning.
- c. The College has developed and implemented a standardised test feedback process with appropriate governance. In 2020 and 2021 these assessments will help inform our teaching practice.

2. LEADERSHIP AND ORGANISATIONAL GROWTH:

- a. The new Director of People and Culture, Rebecca Millar, began at the College in 2020. Rebecca has spent most of the 2020 academic year reviewing policies and procedures, working through the Enterprise agreement and assisting the leadership team with our response to COVID-19.
- b. Ms Millar is also developing our response to the LEAD staff survey.
- c. The College is developing a new strategic plan which will be available in mid-2021.
- d. The College was able to replace ELTHAMinAction school tours with an online version of this activity. The attendance numbers remained consistent with around 20-30 families per tour, although the first event for 2021 has 80 families booked in.

3. STUDENT ENGAGEMENT:

2020 was a very difficult year to build on Student Engagement. Many of the College wide events were cancelled due to COVID-19. Some of the events included Junior and Senior School House athletics and Senior School House swimming, House Music, Year 10-12 Formals, Year 12 dinners, the plays and musical events, ensembles rehearsals, and most sporting activities.

We were able to undertake the following events:

- a. Online assemblies and ANZAC Day service
- b. A number of online ensemble rehearsals
- c. Carson Trophy and Lara McQuillan public speaking
- d. Monthly Individual student check in by staff
- e. The annual LEAD Year 12 exit survey continued to demonstrate results well above the ISV norms in all categories.
- f. New uniform review well underway
- g. A review of the pastoral care system and structure has begun using the Collaborative for Academic, Social, and Emotional Learning (CASEL) model, with the recommendation for the creation of student mentors. Mentors were introduced in the Senior School at the commencement of 2021.

4. ATTRACTING, RETAINING AND DEVELOPING STAFF:

Over the past year the College has:

- a. Attracted a number of highly qualified staff to take on roles within the College. This includes a new Head of Mathematics, Head of the City Experience and Head of Early Learning Centre.
- b. Ms Millar is also developing a program to provide professional feedback to both faculty and educational support staff which will be in place by the end of 2021.

5. COMMUNICATION AND CONNECTION:

The College has:

- a. Engaged CIRC consulting to review and guide our marketing strategy.
- b. Provided representation on the Nillumbik Economic Development Advisory Committee.
- c. Continues to grow annual donations with 40% of families supporting the College.
- d. Been able to maintain our online connection with alumni, all reunions for 2020 were cancelled. In 2021 these reunions will, by necessity, be combined with reunions that would have been held last year.

6. PHYSICAL AND FINANCIAL DEVELOPMENT AND SUSTAINABILITY:

To further enhance College facilities we have:

- a. Developed the new Amplify space which was opened in 2021.
- b. Continued work on an Environmental Master Plan with a planning committee consisting of parents, students, staff and board members meeting once a month.
- c. Commissioned plans to enhance the nature strip and entrance to the College on Main Road with implementation planned for 2021.
- d. Introduced the following new software support programs
 - i. SchoolTV – an online resource designed to empower parents with credible and sound information with realistic, practical, and ongoing support strategies.
 - ii. Funnel – an enrolment package that assists with the process of commencing at the College.
 - iii. Metabase – a data visualization tool.

We are well on track to meet the goals of the Strategic Plan and look forward to presenting our new Strategic Plan in 2021.

STUDENT INFORMATION

Each year the College reflects on the data provided by state testing and internal standardised assessments. We wish to ensure the thinking culture at ELTHAM College equips students to extend their learning within an "interdisciplinary, forward thinking, technology rich environment; a place where students develop passions and strive to maximise their potential. An ELTHAM education provides experiences that encourage unlimited learning – where the bounds of knowledge and discovery can reach as far as a student's imagination."

National Testing

NAPLAN was not conducted.

YEAR 12 OUTCOMES

2020 VCE results

As outlined above, the results for the Class of 2020 were not as strong as in previous years. In the VCE rankings, assessed by a combination of median and scores above 40, the College has moved its ranking from 138 in 2014 and 64 in 2018, to 44 in 2019 – in 2020 our ranking was 71.

In 2020, 61 students took part in a scored VCE.

- 13 students achieved an ATAR score better than 90 (21%), 10% achieved 40+ study scores.
- The median study score was 32 compared with 34 in 2019.
- 43% of students attained an ATAR above 80, with an ATAR median of 79.
- Sophia Laidlaw scored 98.8 affording her the title "Dux of ELTHAM College" for 2020.
- 98% (92% in 2018) of students achieved their first, second or third university preferences.

Curriculum

The College has continued to focus on building a curriculum through Understanding by Design (UbD), and Harvard's Project Zero program for curriculum delivery. In 2021, as stated above, we will continue to focus on building capacity with assessment with the support from Dylan Wiliam.

In 2020 we welcomed a new Director of Curriculum, Helen Lucas. Helen joined the College after a number of years working in international schools.

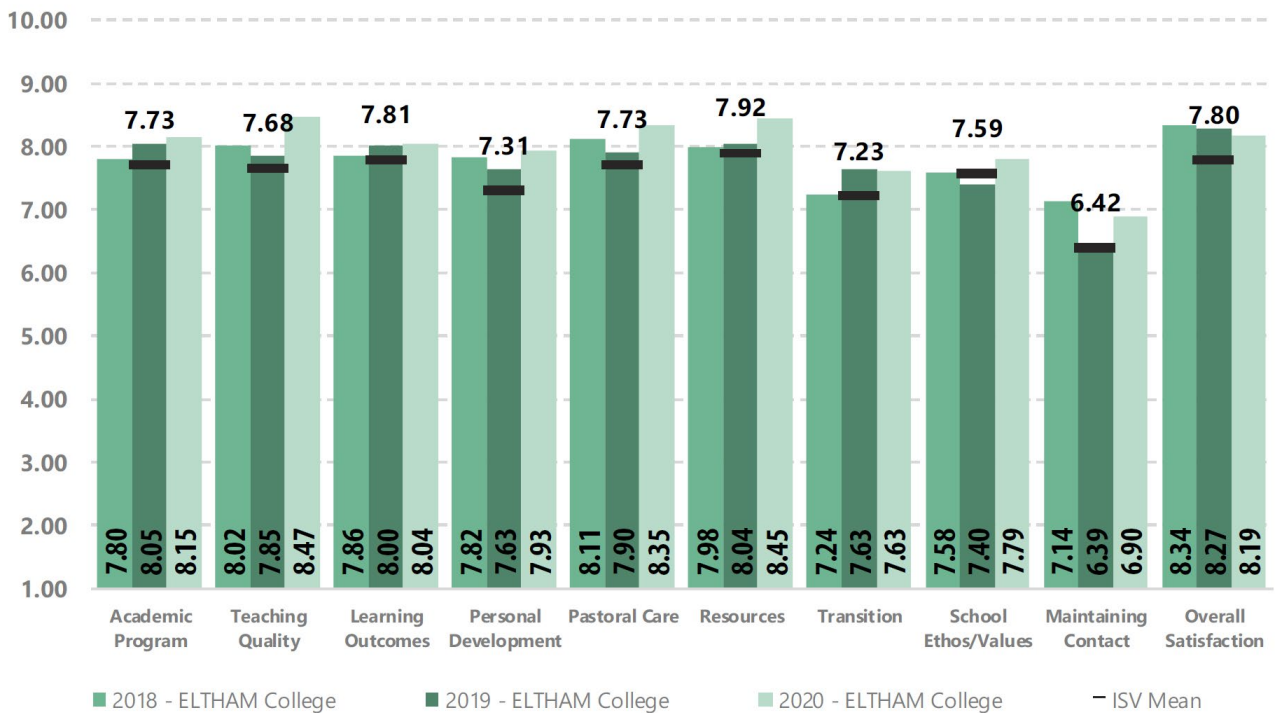
We continue the work to ensure the "ELTHAM College curriculum is designed using Understanding by Design, mapped on Rubicon Atlas with an approach reflecting the learning dispositions of Project Zero within a differentiated curriculum."

Year 12 Exit Survey

Since 2014 the College has undertaken the Independent Schools Victoria (ISV) LEAD Year 12 Exit Survey. This survey benchmarks the College against other independent schools and provides a strong reflection of the students schooling experience.

The 2020 survey built on the response from previous years and continues to be positive. In all areas the students' responses were well within the Independent School mean (ISV mean).

Overall means per domain versus all schools and statistically similar schools



Student Retention

The retention rate for 2020 for Prep to Year 12 was 92.85%

Student Attendance

ELTHAM students attend regularly and with a positive outlook towards their schooling experience. Here is our attendance data as reported to the Australian Government. This can be viewed on myschool.edu.au

As stated in each annual report we are very supportive of families taking time to expose their children to other 'worldly learning experiences', but this is not reflected in the figures that the Federal Government requires. We believe this is unfortunate as students on exchanges (UK, France, Spain, and China) for example are actively involved in schooling and should be classed as in attendance.

Staff Attendance

Staff absence through personal leave (sick leave or carer's leave) in 2020 resulted in an attendance statistic of 97.23%

Staff Qualifications

ELTHAM's staff is highly qualified with over one quarter holding Doctorates, Masters or Honours degrees. A full list of Teaching Staff, together with their qualifications can be viewed at reception upon request.

	Percentage (%)
Doctorate	2.35
Masters	24.7
Honours Degree	8.2
Graduate Diploma	41.2
Bachelor Degree	21.2
Diploma	2.35

Expenditure and Teacher Participation in Professional Learning

Enrolment

Despite the impact of COVID-19, 2020 saw a good increase in enrolments. The year commenced with 664 students (ELC – Year 12) and concluded with 675.

International Students

COVID-19 saw a significant impact on the College's ability to build on our international program with the government restricting the arrival of international students. We have maintained contact with our agents in traditional countries of origin for these students and enquiries still remain positive.

We also continue to investigate other international markets with the Registrar, Franceen Challons and the Principal attending a number of online agent seminars in 2020.

Conclusion

The College finished the 2020 academic year in a strong position, despite the challenges of COVID-19. Clearly many of the traditional programs were not able to take place. Having said that, the College began 2021 with renewed vigour and a strong sense of optimism.



Simon Le Plastrier
Principal

CHAIR'S REPORT

It gives me great pleasure to present the 2020 ELTHAM College Annual Report.

It is no understatement that 2020 has been the most challenging year in the history of the College. The global pandemic has had a severe impact on humanity, directly from the COVID-19 illness, emotionally, and from disruption to our everyday activities.

The College was shut down in terms of physical student attendance for a significant amount of time in 2020. This meant a shift to remote learning, which our staff and students rapidly adapted to both professionally and efficiently. Remote learning was assisted by our robust technology.

The future is of course not guaranteed, having experienced a five day lock down in Victoria in early February. We remain dependent upon the on-going management of COVID-19 by the government and our people.

The global economic impact was severe, and this was recognised by our Board. Carefully considered assistance was provided to all parents in terms of reduced fees and composite fees, the deferral of billing, and flexible repayment arrangements with families.

During the crisis, the Board met on a fortnightly basis to ensure that the College adapted to the rapidly developing situation. The College Executive formed a COVID Response Group to deal with the sometimes overwhelming and conflicting information provided.

Overall, I am pleased to report that the College responded appropriately, in a considered way, and at a very high level. As an outcome, the College retained almost all enrolments, and while we continue to face issues arising from international students not being able to come to Australia, our enrolments position is still favourable.

Fees in 2021

The College made the decision to maintain tuition and composites fees for 2021 at 2020 levels. This decision of the Board was in further recognition of the difficult times our economy faces, and the human cost of COVID-19. This decision will obviously impact the 2021 financial results, however the Board is firmly of the belief that our responsibility is first and foremost to our community as an educational institution and not-for-profit.

Board Election 2021

The new structure of the Board after the 2020 Extraordinary General Meeting is up to 9 elected Directors, up to 3 nominated Directors, and the College Principal. Elected Directors are subject to a maximum of three three-year terms.

The Board election for 2021 will see four of our Directors, including myself, retire from the Board. With one position vacant, five positions are available for election.

Clare Steven, Director since 2013, is retiring from the Board to focus on her new full-time role. Clare has been a strong force on our Finance Committee, contributing with a combined understanding of both finance and marketing.

Neriman Kara, Director since 2016, is retiring from the Board to focus on her new role at Telstra. Neriman has provided her knowledge and experience to the Risk Committee.

Paul Northey, Director since 2018, is retiring from the Board to balance time with family, his executive career in financial services at CareSuper and to continue to support his other community commitments and interests. Paul has contributed to the school board including as a member of finance, risk, and master facilities.

I have been a Director since 2006, and the third Chair of the College since 2016.

As a result, with an existing vacancy, 5 positions will be available. This will provide the opportunity for College Members with appropriate skills, experience, and judgement to join the Board and direct the strategic path of the College. After the 2021 AGM, the newly constituted Board will actively seek to appoint Directors in areas where additional skills are desirable.

2020 College Operations

The Board set a budget for 2020 which very quickly became obsolete, given the impact of COVID-19. Whilst fee revenue was substantially reduced, government stimulus packages assisted the College, and shut downs meant that operational expenses were limited (with subsequent reductions in composite fees).

The focus in 2020 became to limit expenses and conserve cash. However, the College did not seek to reduce its fixed staffing expenses, consistent with our not-for-profit status and approach to people and culture.

Given the expected budgeted deficit, the College worked with our lenders, Bendigo Bank, to ensure the College's liquidity. Given our very low maximum debt level of \$3M, the Bendigo Bank had no hesitation in supporting our approach to finances during the pandemic by providing an additional \$3M facility. As it transpired, this facility was not required, and was released back to the Bendigo Bank at the end of 2020.

The final result for 2020 was a modest operating surplus of \$187K, which is less than 1% of revenue.

The operating surplus is then increased by the substantial donations received from the ELTHAM College Community, \$118K, and the ELTHAM College Foundation which, despite itself facing a difficult year, donated \$800K to support the College's capital works program. A small reducing adjustment from the former defined benefit scheme of \$19K meant an overall surplus of \$1.086M.

The medium-term objective of the College Board is to ensure the College achieves an operating surplus before donations. While this will not be achieved in 2021, the steady growth in enrolments will allow this objective to be achieved.

Capital Expenditure

Despite the impact of COVID-19, the College invested over \$1.02M into capital projects in 2020. This included an upgrade of our Early Learning Centre facilities, and planning for the Amplify Learning Space, which was completed over the summer break. The College completed some 28 "minor" capital projects at a cost of \$432K, directed toward continuous improvement of facilities, and invested a further \$157K in technology.

Fees

As noted above, the Board made the decision to not increase fees for 2021. Whilst this decision does not support the medium-term strategy of achieving an operating surplus, the College Board felt that this was the right thing to do for our community in difficult times.

Enterprise Bargaining

The College has completed the agreement with staff, and the agreement is in the process of being formalised to present to the Fair Work Commission. Our objective is to ensure that we retain quality people by properly rewarding them.

Board Operations

The Board meets on a regular basis, including every two weeks at the outset of the COVID-19 pandemic, the 2020 EGM and the delayed AGM, and also attended the annual May workshop. The Board sets the strategic direction of the College, and invites presentations from the College Executive and external speakers to assist in forming those strategies.

Board Committees

The College Board is supported by four Committees – Finance, Risk, Master Facilities and Development. Each has responsibility for the main areas of governance addressed by the Board, and recommends strategies consistent with their focus.

Link to Foundation

The College is supported by the ELTHAM College Foundation, which raises money from the operation of childcare centres. The Directors of the Foundation are dedicated to generating funds to support the College, and do so on a voluntary basis.

In 2020 the Foundation provided \$800K of funds to the College. These funds support improvements to infrastructure as noted above, including funding the Amplify Learning Space.

Associations

Our Associations continued their significant efforts to support the College. ECCA and associated "Friends of" groups support the College parent community, and the ELTHAM College Alumni continues to support students past and present through engagement activities, and in so doing, supports the College. Obviously 2020 has been a difficult year for our associations, however planning for 2021 is well underway.

Conclusion

In the introduction to this report I recognised the difficult year 2020 has been. Clearly this has been a shared experience, and has required extraordinary effort from our entire community.

The ELTHAM College Board, staff, and our community has risen to the challenge, and we believe is stronger for the experience. Our Board is comprised of Directors who have been elected by the College Community to provide governance and strategic direction to the College, and they have certainly gone above and beyond in 2020. I thank the Directors for the wisdom and skill they have brought to the many issues faced in 2020.

Further, on behalf of the Board, I continue to acknowledge the dedication and commitment of the Principal, staff, students, and all members of our community who work so hard to make the College a leader in education, in what was most certainly difficult circumstances.



M.D. Houlihan
Chair

DIRECTORS' REPORT

Your Directors have pleasure in submitting herewith the financial statements for the year ended 31 December 2020, together with Notes to and forming part of the Accounts. This report is made in accordance with a resolution of the directors.

(a) Names of directors in office during the year of this report are as follows:

Chair

Michael David HOULIHAN
Experience: Director since 2006
Chair since February 2016
Board Committee: Finance Committee

Vice Chairs

James Louis GRANT
Experience: Director since 2013
Vice Chair since May 2018
Board Committee: Risk Committee (Chair)

Ruth Elizabeth BAILEY
Experience: Director since 2012
Vice Chair since May 2016
Board Committees: Development Committee (Chair)
Board representative on ECCA Committee

Directors

Neriman KARA
Experience: Director since 2016
Board Committee: Risk Committee

Simon Charles LE PLASTRIER
Experience: Director since 2014
Employee: Principal – ELTHAM College
Board Committees: All Committees except Risk Committee

Paul MUNNINGS
Experience: Director since 2014
Board Committees: Master Facilities Committee
Retired JUNE 2020

Paul Adrian NORTHEY
Experience: Director since 23 April 2018
Board Committees: Finance Committee
Master Facilities Committee

Clare Margaret STEVEN
Experience: Director since 2013
Board Committees: Finance Committee

Riccardo TARANTO
Experience: Director since 2014
Board Committee: Master Facilities Committee
Retired JUNE 2020

Christopher WARD
Experience: Director since 2016
Board Committee: Master Facilities Committee (Chair)
Risk Committee

Geoffrey Robert WARD
Experience: Director since 2016
Board Committee: Risk Committee
Retired JUNE 2020

Stuart Ross WENN
Experience: Director since 2019
Board Committee: Finance Committee (Chair)
Development Committee

Company Secretary

David Hugh NICHOLSON
Experience: Secretary since 2015
Business Manager since 2014
Board Committees: All Committees except Risk Committee

DIRECTORS' REPORT

(cont'd)

- (b) The long term objective of ELTHAM College is to be a significant leader in schooling by creating a thinking environment where students develop and maximise their potential. The preamble to the 2018 Strategic Plan states that: "ELTHAM College grows the heart and mind of each child. We believe school is a daring adventure where children learn to think for themselves, in preparation for a future of exciting possibilities. Located in an extraordinary environment, students experience an engaging, rigorous, world ready curriculum while being supported with warmth, care and respect. At ELTHAM College we inspire!" The College strategic plan is currently being reviewed for the next five year period.

We aim to ensure ELTHAM College students are equipped to extend their learning within a forward thinking, individually tailored, technology rich environment. The ultimate aim of an ELTHAM College education is to create an environment for unlimited learning – where the bounds of knowledge and discovery can reach as far as a student's imagination will take them. ELTHAM College students are preparing for life in a world that is ever-changing. Beyond academic learning, ELTHAM College students develop confidence, optimism, curiosity, flexibility, resilience and so learning to make wise choices to ensure success. ELTHAM College will provide experiences to challenge, encourage and support students to achieve their full potential and become true citizens of the world.

The Charter of ELTHAM College contains the following eight guiding elements, acknowledging the Wurundjeri people of the Kulin Nation as the traditional owners of the land on which ELTHAM College stands:

1. The thinking culture at ELTHAM College ensures students are equipped and motivated to extend their own learning within an interdisciplinary, forward thinking, technology rich environment; a place where they can develop passions and maximise their potential.
2. We prepare our students for life after school. With us they develop the wisdom, confidence, optimism, curiosity, flexibility and resilience to become passionate, active and engaged citizens of our ever-changing world.
3. Our students are supported by a caring community that promotes trust and respect, from interpersonal to community relationships. ELTHAM College values a strong voice in all students, which is encouraged by a culture of open minds and kind ears.
4. ELTHAM College offers students opportunities beyond the traditional academic domain, with exceptional visual and performing arts, sport, technology, hospitality, outdoor education, international exchange and intercultural connection programs that challenge and inspire.
5. ELTHAM College staff embrace excellence, encourage new ideas and foster collaboration. All staff lead by example and are committed to the culture of unlimited learning for themselves as professionals and for their students.
6. ELTHAM College's bushland setting provides a unique opportunity for students to gain respect for, and an understanding of, the natural environment. From its foundation ELTHAM College has fostered a culture that aspires to sustainable and responsible practices. Coupled with our City Experience, opportunities for our students to experience different worlds are plentiful.
7. ELTHAM College engages with our local and global community to ensure students value their place in the world, and understand their ethical and responsible contribution to that world. ELTHAM College has a vibrant and passionate parent community, who support the distinct values and spirit of the College. Past ELTHAM College students, staff and families stay connected via our active alumni body. ELTHAM College is also well supported by its strong relationship with the ELTHAM College Foundation.
8. Our kind of leadership means our students build a world-class leadership program, our Executive embraces contemporary educational thinking, with a desire to invoke change, and our Board sets the direction of ELTHAM College while ensuring sound financial management, good governance, and development of an innovative planning agenda.

Achievement of these objectives is measured and monitored regularly by the ELTHAM College Board and its committees. ELTHAM College monitors performance in all the traditional ways set by Government (VCE, ATAR scores, NAPLAN testing) as well as regular assessment of learning. ELTHAM College conducts formal surveys of staff, students and parents to assess the success of our 21st Century schooling objectives.

The objectives relating to enrolment levels and financial performance and integrity are measured and monitored by the Finance Committee of the Board throughout the year and reported to the full Board at each of its meetings during the year.

The Risk Committee of the Board monitors compliance and assesses ELTHAM College's exposure to risk and the effective management of risk and reports to the full Board at each of its meetings during the year.

The Master Facilities Planning Committee reviews and assesses the integrity of current and future building projects and reports to the full Board at each of its meetings during the year.

The Development Committee seeks to engender a culture of philanthropy, plans fundraising programs and reports to the full Board at each of its meetings during the year.

DIRECTORS' REPORT

(cont'd)

All Board and Executive Reviews, and the daily operations of our schools, are conducted in accordance with the Strategic Directions of the entity as described in ELTHAM College's 5-year Strategic Business Plan.

- (c) The surplus from operations of ELTHAM College for the year ended 31 December 2020 was \$1,104,957 (2019: loss (\$1,120,011)).

It was not necessary to make provision for Income Tax as ELTHAM College claims exemption from Income Tax under the Income Tax Assessment Act 1997.

- (d) An amount of \$3,811 (2019: \$10,006) was paid to Image Mill for signage, of which Director Paul Munnings is the owner.

Except for the above no director of ELTHAM College has received or become entitled to receive a benefit by reason of a contract made by ELTHAM College or a related corporation with a director or with a firm of which he/she is a member or with a Company in which he/she has a substantial material interest. The above mentioned payments are considered to have been made on normal commercial terms and conditions.

- (e) No matters or circumstances have arisen since the end of the financial year, which have significantly affected or may significantly affect the operations of ELTHAM College, the result of those operations or the state of affairs of ELTHAM College in subsequent financial years.

- (f) ELTHAM College has not, during or since the financial year, in respect of any person who is or has been an officer or auditor of ELTHAM College or of a related body corporate:

- indemnified or made any relevant agreement for indemnifying against a liability, including costs and expenses in successfully defending legal proceedings; or
- paid or agreed to pay a premium in respect of a contract insuring against a liability for the costs or expense to defend legal proceedings except for the payment of a standard directors and officers liability insurance premium of \$1,709 to cover events other than wilful breach of duty.

- (g) No person has applied for leave of the Court to bring proceedings to which ELTHAM College is a party for the purpose of taking responsibility on behalf of ELTHAM College for all or any part of those proceedings. ELTHAM College was not a party to any such proceedings during the year.

- (h) ELTHAM College's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

- (i) The directors are of the opinion that ELTHAM College has complied with all relevant environmental legislation so far as it concerns the operations of ELTHAM College.

- (j) The auditor's independence declaration for the year ended 31 December 2020 is included on page 11.

- (k) Members are required to pay \$10 membership fees per year. Members guarantee to contribute an amount not exceeding \$20 per member to the assets of ELTHAM College in the event of winding up.

Events other than those of a Financial nature:

Comments on all other aspects of ELTHAM College's activities and future developments have been omitted from this report in favour of a full coverage of events which is contained in the Principal's Report and the Chair's Report (refer pages 2 to 7 of the 2020 Annual Report) and to be presented on behalf of the Board of Directors to Members at the Annual General Meeting on the 28 April 2021.

DATED AT Research this 29th Day of March, 2021.



S.R. WENN
Director



C.M. STEVEN
Director

The Board of Directors
Eltham College Limited
1660 Main Road
RESEARCH VIC 3095

29 March 2021

Dear Board Members

Eltham College Limited

In accordance with the Subdivision 60-C of *Australian Charities and Not-for-profits Commission Act 2012*, I am pleased to provide the following declaration of independence to the directors of Eltham College Limited.

As lead audit partner for the audit of the financial statements of Eltham College Limited for the financial year ended 31 December 2020, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely



DELOITTE TOUCHE TOHMATSU



Sandra Lawson
Partner
Chartered Accountants

Independent Auditor's Report to the Members of Eltham College Limited

Opinion

We have audited the accompanying financial report, being a special purpose financial report of Eltham College Limited (the "Entity"), which comprises the statement of financial position as at 31 December 2020, the statement of profit or loss and other comprehensive income, the statement of cash flows and the statement of changes in equity for the year ended on that date, notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the Directors' declaration.

In our opinion, the accompanying financial report of the Entity is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (the "ACNC Act"), including:

- (i) giving a true and fair view of the Entity's financial position as at 31 December 2020 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1, 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 Entity in accordance with the auditor independence requirements of the *ACNC Act* 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.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *ACNC Act*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.



Other Information

The Directors are responsible for the other information. The other information comprises of the Directors' Report, 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 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 Directors' Responsibilities for the Financial Report

The Directors of the Entity 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 *ACNC Act* and is appropriate to meet the needs of the members. The Directors' responsibility also includes 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 entity 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 entity 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, 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.

Deloitte.

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



DELOITTE TOUCHE TOHMATSU



Sandra Lawson
Partner
Chartered Accountants
Melbourne, 29 March 2021

DIRECTIONS' DECLARATION

As detailed in Note 1 to the financial statements, ELTHAM College is not a reporting entity because in the opinion of the Directors there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, the financial report is a special purpose financial report prepared in order to meet the needs of Members and which has been prepared specifically for distribution to members in accordance with ELTHAM College's constitution. The report has been prepared in order to meet the Directors' reporting requirements under the Australian Charities and Not-for-profits Commission Act 2012.

The Directors declare that:

- a) in the directors' opinion, there are reasonable grounds to believe that ELTHAM College will be able to pay its debts as and when they become due and payable; and
- b) in the Directors' opinion, the attached financial statements and notes thereto are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including compliance with accounting standards as disclosed in note 1 and giving a true and fair view of the financial position and performance of ELTHAM College.

Signed in accordance with a resolution of the Directors made pursuant to s60.15 of the Australian Charities and Not-for-profits Commission Regulation 2013.

On behalf of the Directors



R.E. BAILEY
Director



J.L. GRANT
Director

DATED at Research this 29th Day of March, 2021.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2020		2020	2019
	Notes	\$	\$
Revenue	2	23,360,570	20,993,961
Less expenses			
Administrative expenses		409,372	511,346
Borrowing expenses and imputed interest on leases	3	142,369	169,526
Depreciation	3	2,422,150	2,390,397
Facility expenses		1,244,713	1,575,331
Finance and legal expenses		416,942	295,330
Promotion and marketing expenses		467,231	533,817
Salaries and related expenses		15,778,007	14,816,327
Tuition related expenses		1,374,829	1,821,898
Total expenses		<u>22,255,613</u>	<u>22,113,972</u>
Surplus/(Deficit) from operations		<u>1,104,957</u>	<u>(1,120,011)</u>
Surplus/(Deficit) attributable to members of the entity		<u>1,104,957</u>	<u>(1,120,011)</u>
 Other Comprehensive Income			
Actuarial (Loss)/gain on defined benefits plan	13	(19,000)	(4,000)
Total other comprehensive income for the year		<u>(19,000)</u>	<u>(4,000)</u>
Total Comprehensive income for the year		<u>1,085,957</u>	<u>(1,124,011)</u>

The Notes to the Accounts form an integral part of these Financial Statements

STATEMENT OF FINANCIAL POSITION

as at 31 December 2020		2020	2019
	Notes	\$	\$
Current Assets			
Cash and cash equivalents	4	971,581	234,137
Trade and other receivables	5	433,626	484,365
Inventories	6	178,528	163,334
Prepayments	7	522,423	357,753
Other Financial Assets	8	595,479	554,706
Total Current Assets		<u>2,701,637</u>	<u>1,794,295</u>
Non-Current Assets			
Property, plant and equipment	9	25,627,974	26,734,725
Right of Use Asset	9	2,138,670	2,331,576
Total Non-Current Assets		<u>27,766,644</u>	<u>29,066,301</u>
TOTAL ASSETS		<u>30,468,281</u>	<u>30,860,596</u>
Current Liabilities			
Trade and other payables	10	4,386,017	4,192,217
Provisions	12	3,059,618	2,721,177
Lease Liabilities		296,501	249,772
Deferred Revenue		107,151	78,232
Total Current Liabilities		<u>7,849,287</u>	<u>7,241,398</u>
Non-Current Liabilities			
Lease liabilities		2,080,956	2,272,289
Deferred Revenue		295,292	258,755
Borrowings	11	10	2,000,000
Provisions	12	210,562	138,937
Retirement benefit obligations		40,000	43,000
Total Non-Current Liabilities		<u>2,626,820</u>	<u>4,712,981</u>
TOTAL LIABILITIES		<u>10,476,107</u>	<u>11,954,379</u>
NET ASSETS		<u>19,992,174</u>	<u>18,906,217</u>
EQUITY			
Retained earnings		15,062,970	13,977,013
Asset revaluation reserve	14	4,929,204	4,929,204
TOTAL EQUITY		<u>19,992,174</u>	<u>18,906,217</u>

The Notes to the Accounts form an integral part of these Financial Statements

STATEMENT OF CHANGES IN EQUITY

	Accumulated Funds	Asset Revaluation Reserve	Total
Balance at 31 December 2018	15,522,779	4,929,204	20,451,983
Adoption of AASB 16	(99,463)	-	(99,463)
Adoption of AASB 15	(322,292)	-	(322,292)
Balance at 1 January 2019	15,101,024	4,929,204	20,030,228
Deficit for the year 2019	(1,120,011)		(1,120,011)
Other comprehensive loss for the year	(4,000)		(4,000)
Total comprehensive loss for the year	(1,124,011)		(1,124,011)
Balance as at 31 December 2019	13,977,013	4,929,204	18,906,217
Balance at 1 January 2020	13,977,013	4,929,204	18,906,217
Surplus for the year 2020	1,104,957		1,104,957
Other comprehensive loss for the year	(19,000)		(19,000)
Total comprehensive surplus for the year	1,085,957		1,085,957
Balance at 31 December 2020	15,062,970	4,929,204	19,992,174

STATEMENT OF CASH FLOWS

For the year ended 31 December 2020		2020	2019
	Notes	\$	\$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from fundraising		918,262	633,362
Receipts from school fees, grants and other income		22,987,047	21,210,344
Payments to suppliers and employees		(19,770,252)	(19,037,692)
Interest received		761	560
Interest and other costs of finance paid		(142,369)	(44,861)
Net cash provided by operating activities	17(b)	3,993,449	2,761,713
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		11,082	17,683
Purchases of property, plant and equipment		(994,376)	(3,056,870)
Net cash used in investing activities		(983,294)	(3,039,187)
CASH FLOW FROM FINANCING ACTIVITIES			
Net (repayment of)/proceeds from borrowings		(1,999,990)	500,000
Repayment of lease liability		(272,721)	(229,596)
Net cash (used in)/provided by financing activities		(2,272,711)	270,404
Net increase/(decrease) in cash and cash equivalents		737,444	(7,070)
Cash and cash equivalents at the beginning of the financial year		234,137	241,207
Cash and cash equivalents at the end of the financial year	17(a)	971,581	234,137

The Notes to the Accounts form an integral part of these Financial Statements

NOTES TO THE FINANCIAL STATEMENTS

1. Statement of Accounting Policies

This financial report is a special purpose financial report prepared in order to meet the needs of Members and which has been prepared specifically for distribution to Members in accordance with ELTHAM College's constitution. The directors have determined that ELTHAM College is not a reporting entity. The report has been prepared in order to meet the directors' reporting requirements under the Australian Charities and Not-for-profits Commission Act 2012.

For the purposes of preparing the financial statements, ELTHAM College is a not-for-profit entity. The financial report has been prepared in accordance with the Australian Charities and Not-for-profits Commission Act 2012, the recognition and measurement principles of Australian Accounting Standards and the disclosure requirements of Accounting Standards AASB 101 'Presentation of Financial Statements', AASB 107 'Cash Flow Statements' AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors' and AASB 1054 'Australian Additional Disclosures'.

The financial report was authorised for issue by the directors on **29th March, 2021**. ELTHAM College is a company limited by guarantee, incorporated and domiciled in Australia. The financial report covers ELTHAM College as an individual entity.

The financial report is prepared on an accruals basis and is based on historic costs except for the measurement of freehold land.

Going Concern and working capital management

The financial report has been prepared on the going concern basis, which considers:

- The reported surplus of \$1,104,957.
- Expectations of future operating results, which include receipt of the recurrent grant funding of \$2,118,559 in January 2021 used to fund operations.
- The current asset deficiency as discussed below; and
- Continued positive operating cash flows in the future, like that reported in the current year of \$3,993,449 (2019: \$2,761,713).

While the Statement of Financial Position discloses a net current asset deficiency of \$5,179,070 (2019: \$5,447,103), the Directors consider the following:

- The total outstanding long service leave liability of \$1,858,095 (2019: \$1,665,643) is not expected to be paid in full in the next 12 months.
- Family deposits of \$672,342 (2019: \$838,067) are also included as a current liability as they may be repayable within period of less than 12 months should a student leave ELTHAM College. These deposits whilst reducing as enrolment processes have been altered since 31 December 2016 are not expected to be paid in full in the next 12 months.
- The availability of \$2,999,990 from a loan facility, which is due to expire in 2023. The drawn amount of \$10 is disclosed as a non-current liability. This facility is secured over the assets of the College and the Directors believe there is no reason this facility will not continue to be available as and if required.

ELTHAM College has no current liabilities in respect of bank loans due to borrowings with Bendigo Bank. Borrowings of ELTHAM College are secured by business loans on a ten year term from 2013. At 31 December 2020, \$ 2,999,990 of the available loan facility remains undrawn and the drawdown amount as at 31 December 2020 was \$10 and disclosed as non-current liability.

Critical accounting judgements and key sources of estimation uncertainty

In the application of ELTHAM College's accounting policies, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis and are detailed in this report within each applicable note. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. These are described below in ELTHAM's College's accounting policies.

Judgements are made in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements. One of these areas is depreciation rates. These rates are reviewed annually by the directors to ensure that assets are being appropriately depreciated.

Judgements are made in relation to the student retention rates used when determining the deferral income recognised. Retention rates are calculated based on the historical actual data and management' expectation of the average length students are expected to stay at ELTHAM College and the deferred enrolment fees are amortised on straight lining based on this.

Due to the nature of receivables, the ability of parents to pay fees can change from time to time. Under the requirements of the expected loss model per AASB 9, the entire debtor book is regularly assessed and an expected loss provision is raised. Additionally, all long standing debts are identified and those which are unlikely to be received have been specifically included in the provision for doubtful debts. These judgments are primarily based on the past history of the debtor book and any correspondence with parents.

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

1. Statement of Accounting Policies (cont'd)

Critical accounting judgements and key sources of estimation uncertainty (cont'd)

Employee leave estimates include the expected future pay rise amount, probability rates of employees reaching their vesting period and discount rates as determined by the Board, other estimates are used by the actuary in calculating the defined benefit amounts which include the discounted bond rates and return on assets.

No key assumptions have been made concerning the future and there are no other key sources of estimation uncertainty at the balance date that the directors consider have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Recognition and Derecognition

Financial assets and financial liabilities are recognised when the College becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Impairment of financial assets

The entity recognises a loss allowance for expected credit losses in respect of trade receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

Trade and other receivables

The College makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the College uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

1. Summary of significant accounting policies

In the current year, the College has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for an accounting period that begins on or after 1 January 2020.

New and revised Standards and amendments thereof and Interpretations effective for the current year that are relevant to the College include:

- AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material
- Conceptual Framework for Financial Reporting and AASB 2019-1 Amendments to Australian Accounting Standards – References to the Conceptual Framework
- AASB 2019-5 Amendments to Australian Accounting Standards – Disclosure of the Effect of New IFRS Standards Not Yet Issued in Australia

The application of these amendments did not have any material impact on the disclosures or the amounts recognised in the Company's financial statements.

New and revised Australian Accounting Standards in issue but not yet effective

At the date of authorisation of the financial statements, the College has not applied the following new and revised Australian Accounting Standards, Interpretations and amendments that have been issued but are not yet effective:

Standard/amendment	Effective for annual reporting periods beginning on or after	Applicable from year ended
AASB 1060 'General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities'	1 January 2022	31 December 2023
AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments	1 January 2022	31 December 2023
AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current and AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date	1 January 2023	31 December 2024

The College is currently undertaking a review of the issued standards not yet effective but believe none of the standards will have any significant impact.

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

1. Summary of significant accounting policies (cont'd)

(a) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost less where applicable, accumulated depreciation, except for freehold land which is measured at fair value.

Property

Buildings held for use for the provision of services or for administrative purposes are measured on the cost basis.

Freehold land is held at a revalued amount being the fair value at the date of revaluation. Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined using fair values at the end of each reporting period.

Plant and Equipment

Items of plant and equipment are measured on the cost basis.

The carrying amount of property, plant and equipment is reviewed annually by the directors to ensure it is not in excess of the recoverable amount of those assets based on depreciated replacement cost. Depreciated replacement cost is the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset.

Depreciation

The depreciation amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, are depreciated over their estimated useful lives commencing from the first accounting year following the date of acquisition.

The gain or loss on disposal of all fixed assets is determined as the difference between the carrying amount of the asset at the time of disposal and the proceeds of disposal, and is included in operating profit of the company in the year of disposal.

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

Class of fixed Asset	Depreciation Rate
Buildings	2.5 %
Furniture, equipment & improvements	10% - 20%
Computer related equipment	33.3%
Right of use asset	Straight line over the lease agreement

(b) Income Tax

The income of ELTHAM College is exempt from income tax by virtue of the Income Tax Assessment Act 1997.

(c) Membership Subscriptions

Members are required to pay a \$10 membership fee per year. Members guarantee to contribute an amount not exceeding \$20 per member to the assets of ELTHAM College in the event of winding up.

(d) Employee entitlements

Provision is made for ELTHAM College's liability for employee entitlements arising from services rendered by employees to reporting date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries, annual leave and long service leave which will be settled after one year. Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those entitlements.

ELTHAM College has increased the provision for long service so as to recognise, in addition to vested liabilities arising from employees reaching seven years of service, the further liability of future entitlements to long service leave based on the probability of employees with less than seven years of service reaching an entitlement. This measurement is in accordance with Accounting Standard AASB 119 Employee Benefits.

Contributions are made by ELTHAM College to employee superannuation funds and are charged as expenses when incurred. The accounting policy for defined benefit fund is outlined in note (h).

(e) Revenue

Revenue from tuition fees, composite fees are recognised upon the delivery of the service or goods. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets. Revenue received for capital purposes and endowments is recorded as income through the profit or loss and then transferred to capital reserves or endowment reserves.

In addition to tuition income, ELTHAM College receives a fee upon enrolment of a student into an upcoming year. Under AASB 15, this fee represents a material right to receive future tuition services (being education as the fee entitles the student to a place in the school) and thus will be recognised as revenue over the expected school life of the student at the College. All future enrolment fees will be recognised as a liability upon receipt and then amortised to revenue over the expected school life of the student.

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

1. Summary of significant accounting policies (cont'd)

(e) Revenue (cont'd)

Government grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and that the grants will be received. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the company with no future related costs are recognised in profit or loss in the period in which they become receivable. Refer to note 2. Jobkeeper payments of \$3,288,000 were received and paid to employees as required.

(f) Cash & Cash Equivalents

For the purposes of the statement of cash flows, cash includes cash on hand and at call deposits with banks or financial institutions, net of bank overdrafts, and investments in money market instruments.

(g) Impairment of Assets

At each reporting date, ELTHAM College reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, ELTHAM College estimates the recoverable amount of the cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Assets with indefinite useful lives are tested for impairment annually and whenever there is an indication that the asset may be impaired.

The entity recognises a loss allowance for expected credit losses trade receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

(h) Defined Benefits Superannuation Fund

In respect of defined benefit plans, the cost of providing the benefits is determined using the projected unit credit method. Actuarial valuations are conducted annually. Consideration is given to any event that could impact the funds up to balance sheet date where the interim valuation is performed at an earlier date.

The amount recognised in the statement of financial position represents the present value of the defined benefit obligations adjusted for any unrecognised actuarial gains and losses and unrecognised past service costs less the fair value of the plan's assets. Any asset recognised is limited to unrecognised actuarial losses, plus the present value of available refunds and reductions in future contributions to the plan.

Actuarial gains and losses are amortised over the expected average remaining working lives of the participating employees in the scheme. Gains or losses on the curtailment of or settlement of a defined benefits plan are recognised on the income statement when ELTHAM College is demonstrably committed to the curtailment or settlement.

Past service costs are recognised when incurred to the extent that benefits are vested, and otherwise amortised on a straight-line basis over the vesting period.

Only certain staff are part of a defined benefit scheme (2020: 5, 2019: 7). All other employees are members of a defined Contribution scheme.

(i) Financial instruments

Loans and receivables, including parent loans

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Parent loans are repayable on demand and therefore classified as current liabilities.

Financial liabilities

Financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Recognition and Derecognition

Financial assets and financial liabilities are recognised when the College becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Impairment of financial assets

The entity recognises a loss allowance for expected credit losses on trade receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

1. Summary of significant accounting policies (cont'd)

(i) Financial instruments (cont'd)

Trade and other receivables

The College makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the College uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

(j) Borrowing Costs

All borrowing costs are recognised in profit and loss in the period in which they are incurred.

(k) Payables

Trade payables and other accounts payable are recognised when ELTHAM College becomes obliged to make future payments resulting from the purchase of goods and services.

(l) Provisions

Provisions are recognised when a present obligation (legal or constructive) as a result of a past event exists, it is probable that the obligation will be required to be settled, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

(m) Members

Membership as at 31 December

2020	2019
689	680

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

For the year ended 31 December 2020		2020	2019
	Notes	\$	\$
2. Revenue			
Fee Income - Net		13,682,622	14,992,982
Government Per Capita Grants			
- Victorian State Government		542,844	453,196
- Federal Government		3,766,523	3,845,849
		<u>4,309,367</u>	<u>4,299,045</u>
Victorian State Government Grants			
- Early Learning Centre		21,829	28,875
- Other		43,365	45,204
		<u>65,194</u>	<u>74,079</u>
Federal Government Grants			
- Capital Grants			-
- Other Government Grants		21,353	21,502
		<u>21,353</u>	<u>21,502</u>
Federal Government Funding			
- Jobkeeper		3,288,000	-
- BAS Cashflow		87,500	-
- ELC Covid Relief		366,343	-
		<u>3,741,843</u>	<u>-</u>
Gain on disposals of plant and equipment		11,082	17,682
Interest Received		761	560
Other income		610,086	954,749
Fundraising	2(a)	918,262	633,362
		<u>1,540,191</u>	<u>1,606,353</u>
Total revenue		<u>23,360,570</u>	<u>20,993,961</u>
2(a) Fundraising Receipts			
Building Fund		118,262	208,362
ELTHAM College Community Association		-	25,000
ELTHAM College Foundation Ltd		800,000	400,000
		<u>918,262</u>	<u>633,362</u>
3. Surplus from Operations			
Surplus from operations has been determined after:			
Expenses			
Borrowing costs – other persons		23,374	44,861
Finance cost on capitalised lease		118,995	124,665
		<u>142,369</u>	<u>169,526</u>
Depreciation of non-current assets		2,088,583	2,390,397
Depreciation of Leased Assets		333,567	320,617
		<u>2,422,150</u>	<u>2,390,397</u>
Movement in provisions			
Employee entitlements			
- Holiday pay		104,300	10,946
- Long Service Leave		264,077	133,569
- Study Leave		6,000	6,000
- Salary Accrual		35,689	90,163
Expenses resulting from movement in Provisions		<u>410,066</u>	<u>240,678</u>
Bad and doubtful debts			
- Bad debts written off		560	30,327
Increase (Decrease) in Provision for Doubtful Debts		73,245	1,689
Total bad and doubtful debts		<u>73,805</u>	<u>32,016</u>
Remuneration of auditors			
The auditor is Deloitte Touche Tohmatsu			
- Audit or review of the financial report		47,100	45,444
		<u>47,100</u>	<u>45,444</u>

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

For the year ended 31 December 2020	2020	2019
	\$	\$
4. Cash and Cash Equivalents		
Cash on hand	2,100	2,100
Cash at bank	969,481	232,037
	<u>971,581</u>	<u>234,137</u>
5. Trade and other receivables		
School fees outstanding	609,715	496,707
Less allowance for doubtful debts	(213,020)	(139,775)
	<u>396,695</u>	<u>356,932</u>
Other	36,931	127,433
	<u>433,626</u>	<u>484,365</u>
6. Current Inventories		
Work in progress – Wine production	<u>178,528</u>	<u>163,334</u>
7. Other current Assets		
Prepayments	<u>522,423</u>	<u>357,753</u>
8. Other Financial Assets		
Defined Benefit Fund – Cash at Bank	<u>595,479</u>	<u>554,706</u>
9. Property, Plant and Equipment and Right-of-Use Assets		
Freehold land at fair value	<u>6,860,000</u>	<u>6,860,000</u>
Buildings and site services	42,387,596	41,751,924
Less accumulated depreciation	(24,995,622)	(23,686,172)
	<u>17,391,974</u>	<u>18,065,752</u>
Plant and equipment	14,078,718	13,782,412
Less accumulated depreciation	(12,702,718)	(11,985,982)
	<u>1,376,000</u>	<u>1,796,430</u>
AASB16 Leases	3,035,047	3,005,440
Less accumulated depreciation	(896,377)	(661,320)
	<u>2,138,670</u>	<u>2,344,120</u>
	<u>27,766,644</u>	<u>29,066,301</u>

9(a) Movements in Carrying Amounts

Movements in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

2020

	Freehold Land	Buildings & Improvements	Plant and Equipment	Right of Use Assets	Total
Balance at 1 January 2020	6,860,000	18,065,752	1,796,430	2,344,120	29,066,301
Addition		635,674	387,369	130,473	1,153,517
Disposals			(28,668)	(2,356)	(31,024)
Depreciation		(1,309,452)	(779,131)	(333,567)	(2,422,150)
Carrying amount at end of Year	<u>6,860,000</u>	<u>17,391,974</u>	<u>1,376,000</u>	<u>2,138,670</u>	<u>27,766,644</u>

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

For the year ended 31 December 2020	2020	2019
	\$	\$
10. Trade and Other Payables		
Current		
Fees in advance	2,654,586	2,099,621
Parent deposits	672,342	838,067
Trade payables	230,169	237,107
PAYG Tax	-	-
Superannuation	-	122,006
Accrued Expenses	429,512	390,265
Fringe Benefit Tax	-	-
Other	399,408	505,151
	<u>4,386,017</u>	<u>4,192,217</u>
11. Borrowings		
Non-Current		
Bank Loans – Secured	10	2,000,000
	<u>10</u>	<u>2,000,000</u>
11(a) The bank overdraft facility and bank loans are secured by First mortgages over freehold land and buildings. ELTHAM College has a \$3,000,000 loan facility with Bendigo and Adelaide Bank Limited (refer note 16c).		
12. Provisions		
Current		
Employee Benefits:		
Holiday Pay	333,500	229,200
Long Service Leave	1,858,095	1,665,643
Study Leave	42,000	36,000
Salary Accrual	826,023	790,334
	<u>3,059,618</u>	<u>2,721,177</u>
Non-Current		
Employee Benefits:		
Long Service Leave	210,562	138,937
	<u>210,562</u>	<u>138,937</u>
13. Retained Earnings		
Balance at the beginning of the financial year	13,977,013	15,522,779
Adoption of AASB 16 Leases	-	(99,463)
Adoption of AASB 15 Deferred Revenue	-	(322,292)
Surplus/(Deficit) for the year	1,104,957	(1,120,011)
Actuarial Gain/(Loss) on defined benefit plan	(19,000)	(4,000)
Balance at end of the financial year	<u>15,062,970</u>	<u>13,977,013</u>
14. Asset Revaluation Reserve		
Opening Balance	4,929,204	4,929,204
Movement	-	-
Closing Balance	<u>4,929,204</u>	<u>4,929,204</u>

The asset revaluation reserve relates to the revaluation of land as advised by Charter Keck Cramer, Property Advisors. Land is held in the accounts at market value, with the reserve representing the increase in value above book value.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

For the year ended 31 December 2020	2020	2019
	\$	\$
15. Capital commitments for Expenditure		
Plant and Equipment		
No longer than 1 year	829,000	348,303

16. ELTHAM College is a public company limited by Guarantee, domiciled and incorporated in Australia, and is a not-for-profit organisation. Distributions to members are prohibited under ELTHAM College's Constitution.

17. Notes to the Statement of Cash Flows

17(a) Reconciliation of Cash and Cash Equivalents

For the purposes of the cash flow statement, cash and cash equivalents includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the financial year as shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:

Cash and Cash Equivalents

Cash on hand	2,100	2,100
Cash at bank	969,481	232,037
	<u>971,581</u>	<u>234,137</u>

17(b) Surplus from the year to net cash flows operations with operating activities

Surplus for the year	1,104,957	(1,120,011)
Non Cash Flows in Operating Profit:		
Gain on sale or disposal of non-current assets	(11,082)	(17,682)
Depreciation and amortisation of non-current assets	2,422,150	2,390,397
Bad and doubtful debts	73,805	32,016
Defined benefit scheme	(22,000)	16,000

Change in Net Assets & Liabilities:

Increase/(Decrease) in current receivables	(63,839)	(49,290)
Decrease/(Increase) in prepayments	(164,670)	83,909
Increase/Decrease in work in progress	(15,194)	(19,760)
Increase in Deferred Revenue	65,456	14,695
Increase/(Decrease) in payables	(361,165)	273,484
Increase in employee provisions	410,066	240,678
Increase in pre-paid fees	554,965	917,277
Net cash from operating activities	<u>3,993,449</u>	<u>2,761,713</u>

17(c) Standby arrangements with banks to provide funds and support facilities

Credit facility	3,000,000	3,000,000
Amount utilised	(10)	(2,000,000)
Unused credit facility	<u>2,999,990</u>	<u>1,000,000</u>

NOTES TO THE FINANCIAL STATEMENTS

(cont'd)

18. Subsequent Events

COVID-19 continues to be a significant health crisis across the globe and within our school community. The impact of this issue, not only on the delivery of the education program, but on the possible future cash flows of ELTHAM College and family economic pressures are unknown and are not accounted for within this report.

The College continues to monitor government regulations and remains well equipped to transition to remote learning should restrictions, similar to those experienced during the 2020 School year, be again experienced.

Apart from the matter reported above, no other matters or circumstances have arisen since the end of the financial year, which have significantly affected or may significantly affect the operations of ELTHAM College, the result of those operations or the state of affairs of ELTHAM College in subsequent financial years.

19. ELTHAM College Details

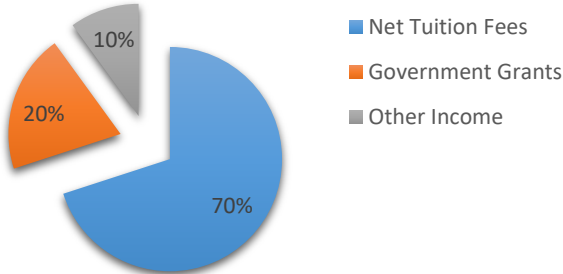
Details and Registered office of ELTHAM College is:

ELTHAM College (ABN 31 004 992 750)
1660 Main Road
Research Victoria 3095

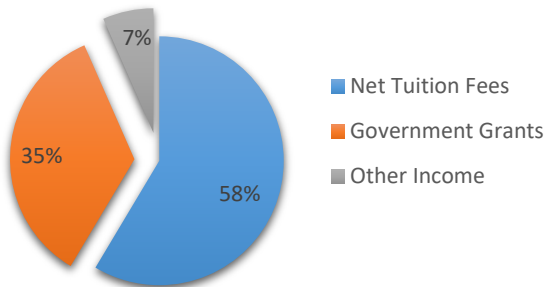
INCOME AND EXPENDITURE

2019 AND 2020

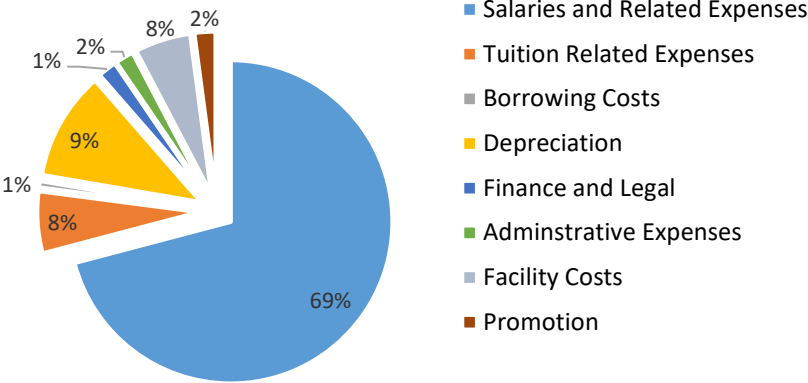
TOTAL REVENUE 2019



TOTAL REVENUE 2020



OPERATING EXPENSES 2019



OPERATING EXPENSES 2020

