



# ANNUAL REPORT 2023





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# DIRECTORS

## CHAIR

J. L. Grant

## VICE-CHAIR

R. E. Bailey  
C. Gebert

## DIRECTORS

H. Campbell  
B. Hayes  
S. C. Le Plastrier  
R. Lollback  
G. Montagnese  
B. Shrimpton  
S. Tooley

## COMPANY SECRETARY

S. R. Wenn

## AUDITORS

Pitcher Partners  
Lvl 13/664  
Collins Street  
Docklands 3008

## REGISTERED OFFICE

ELTHAM College  
1660 Main Road  
Research 3095

## POSTAL ADDRESS

PO Box 40  
Eltham 3095

## LIFE GOVERNORS

Lyn Littlefield O AM  
Ross Fett  
Chris Heysen

## LIFE MEMBERS

Lucien Anceschi  
James Bonthorne  
John Brenan  
John Burnell  
James Cummane  
Lyn Gilbert  
Michael Houlihan  
Val Jones

Greg King  
Simon Le Plastrier  
Justin Littlefield  
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 GOVERNORS

Les Clarke AM

## DECEASED LIFE MEMBERS

Yvonne Canty  
Des Davey OAM  
Arthur Kirkright  
Beryl Nichols  
Charis Pelling  
David Warner  
David Wilkinson

## DIRECTORS ATTENDANCE AT BOARD MEETINGS

MEMBER	13-FEB 2023	27-MAR 2023	15-MAY 2023	24-MAY 2023*	6-JUN 2023	21-AUG 2023	16-OCT 2023	11-DEC 2023	TOTAL
J. Grant	•	•	•	•	•	•	•	•	8/8
R. Bailey	•	•	•	•	•	•	•	-	7/8
H. Campbell	•	•	•	•	•	•	•	•	8/8
C. Gebert	•	•	-	•	•	•	•	•	7/8
B. Hayes	•	•	•	-	•	•	•	•	7/8
S. Le Plastrier	•	•	-	-	-	•	•	•	5/8
B. Lollback	-	-	-	-	•	•	•	•	4/4
G. Montagnese	-	-	•	•	•	•	•	•	6/8
B. Shrimpton	•	-	-	-	-	-	-	-	1/1
S. Tooley	•	•	•	•	•	•	•	•	8/8
S. Wenn (Sec)	•	•	•	•	•	•	•	•	8/8

\*AGM

## OTHER MEETINGS OF THE BOARD

MEMBER	8/2/2023 Joint Meeting Foundation	22/3/2023 Master Plan Strategy	TOTAL
J. Grant	•	•	2/2
R. Bailey	•	•	2/2
H. Campbell	-	-	0/2
C. Gebert	•	•	2/2
B. Hayes	•	•	2/2
S. Le Plastrier	•	•	2/2
G. Montagnese	•	-	1/2
B. Shrimpton	•	-	1/1
S. Tooley	•	-	1/2
S. Wenn (Sec)	•	•	2/2





## Our Purpose – Why are we here...

*To grow hearts and minds and help our community prosper*



## What will we be known for...

### *Authentic learning that is a daring adventure*

- Critical thinkers who can solve complex problems
- Individualised learning pathways to enable our young people to fulfil their potential
- Use the world as a classroom
- Exceptional educators and support teams

### *Connected and engaged community*

- A culture of philanthropy enabling ourselves and others to thrive
- Wellbeing at the heart of everything we do
- Long-term transformative partnerships

### *What we do today will have a lasting impact on tomorrow*

- Innovating for the future
- Resilient and sustainable business systems and processes
- Efficient use of resources

## How will we work...



Be courageous



Be curious



Be respectful



Own it



One team

## Measures of success...



Learning outcomes



Engagement



Financial performance

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# PRINCIPAL'S REPORT

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## *Welcome to the annual report of ELTHAM College.*

### **Harold Mitchell AC 13/05/1942 – 10/02/2024**

It is with great sadness that ELTHAM College acknowledges the passing of Harold Mitchell AC, a College founder, past parent, grandparent and College Life Member. We extend our deepest sympathies to Harold's family and large network of friends and colleagues.

Harold is widely respected for his innovations across a number of industries, and his vision informed the establishment of ELTHAM College, the first major independent secular school in Australia. His legacy is deeply embedded in the DNA of the school.

A man known for his great generosity and philanthropy, in 2000, Harold launched the Harold Mitchell Foundation to make a positive and sustainable difference in education, health and arts.

Chair of ELTHAM College, Jim Grant, remembers, "He had an energetic and infectious attitude to life and his impact was felt widely. Harold was a key player in the founding of ELTHAM College and remained a welcome member of our community ever since.

"Harold gave steadfast and generous support to many charities and institutions. His philanthropic ethos and love of the arts saw him as a very generous donor to the school, including providing major funding for the Harold Mitchell Performing Arts Centre."

In honour of his ongoing philanthropic support to the College, the music building at ELTHAM College was named the Harold Mitchell Performing Arts Centre in 2015 and Harold's portrait, painted for the Archibald Prize, hangs in the foyer.

ELTHAM College has flourished as a result of the vision and generosity of its founders. Harold's contribution to the school across many years is significant, impacting on successive generations of students. His presence is felt in our College values, which our students and staff embody in their daily activities at the College.

Harold was instrumental in conceptualising the City Campus and its success over time. He was also a

key founder of the Melbourne City School in 2010. Melbourne City School was the first and only school in Melbourne's CBD at the time.

Harold was also generous with his time and insight. Former College Principal Simon Le Plastrier observes, "In my early days at the College Harold was a great mentor to me, helping to guide some of the decision making of the time. He came to the school on a number of occasions to meet with College student leaders, spending a significant amount of time with these groups over the years."

In the Australia Day Honours of 2004 Harold Mitchell was made an Officer (AO) of the Order of Australia, and in the Queen's Birthday Honours of 2010, he was appointed a Companion (AC) of the Order of Australia, then Australia's highest civilian honour.

The ELTHAM College community mourns Harold's passing with great sadness, and gratitude for his vision and enduring generosity.

### **OUR STRATEGIC PLAN**

Throughout 2023 we made progress on a wide range of strategic projects all designed to support us in our mission to, "Grow hearts and minds and help our community prosper".

#### ***Authentic Learning***

Authentic Learning is a crucial component of the education experience at ELTHAM College. The College aims to ensure that all young people receive learning that is relevant to their current and future world and challenges them to "be curious" and "be courageous", motivating them to try new things and see learning as a "daring adventure".

During 2023 we continued to seek out, plan, deliver and publicise opportunities for authentic learning. We successfully completed much of the complex task of mapping the P-12 curriculum, using this work to review key areas of the curriculum as a consequence. Our Authentic Learning events continued to flourish, with numbers attending and customer satisfaction levels for both Think ELTHAM and the AMPED music conference continuing to improve.

Our Heads of Faculty have worked collaboratively to develop strategies to enhance student performance in Senior School Subjects. Professional Learning Communities were

introduced to support this work, and these will be expanded in 2024.

A new Co-curricular Program was implemented from Term 1 this year, with 92 offerings across Junior and Senior School that now fall under 8 categories: Active, Belong, Communicate, Community, Create, Discover, Explore and Outreach. We commenced the year with a fun and engaging Co-curricular Expo to allow students to explore their options. This was a successful event that will be embedded in the College calendar at the start of each year. End of semester reports now have co-curricular involvement listed, reflecting their importance to the holistic education we provide.

### **Growth**

In 2023 the College successfully completed a new Brand Strategy aligned to our Strategic Plan, mission, purpose and values. We have made some key appointments to our Marketing and Enrolments team, and have subsequently made changes to our communications and social media output. We made significant progress towards a new college website, ready for launch early in 2024.

We continued to streamline our admissions processes and delivered a high-quality inaugural ELTHAM Open Day and Twilight market which not only engaged the community, but supported our goal to make an ELTHAM College education widely accessible.

### **Wellbeing**

Our strategy has wellbeing at the heart of everything we do. This applies equally to our staff, students and wider community. At ELTHAM we are looking to build on the already strong health and wellbeing focus by investing in initiatives and programs that ensure we evolve our support for this need in the context of what is happening at the time.

During 2023 the College has:

- Developed and published a wellbeing page on mE and College website
- Created and published a whole-school Wellbeing Framework
- Developed child friendly versions of child safe policies in consultation with our students.

### **People**

Our focus continues to be investing and implementing key projects and initiatives that attract and retain staff, identify internal succession opportunities and ensure our staff's skills continually evolve.

During 2023 we developed and successfully implemented a Performance, Development and Growth system for all staff. Called 'Values and Achievements', it provides all staff with the opportunity to reflect on strengths and areas for growth on an ongoing, annual basis.

We carried out a comprehensive Organisational Culture Inventory, sharing the results with all staff, and have developed an action plan for implementation as a consequence of recommendations from the report.

Throughout 2023 we were engaged in negotiating a new Enterprise Bargaining Agreement. This was successfully completed by the end of the year, with the 2023-2025 agreement being approved by the Fair Work Commission.

### **Community**

In 2023 we progressed several initiatives in line with our purpose of helping our community prosper and creating a connected and engaged community.

We invited parent and guardian feedback through the ISV LEAD survey, to better understand the experiences and needs of our family community. The wide range of responses and valuable aggregated results will be used to help develop future strategic initiatives.

2023 saw us bring back our Twilight Market after a hiatus due to COVID and combine it with our new look Open Day. Both events were held on Friday 3 March from 4pm and presented a unified experience of all that ELTHAM College has to offer students, family members, and our broader community. The events also enabled us to show off our whole campus.

ELTHAM College Community Association (ECCA) events continue to foster community engagement, with great atmosphere at both the Mother's Day and Father's Day breakfasts. Students were invited to these events, with the special people in their life and were treated to student musical performances and hosted by the Directors of Senior and Junior School. Our other key volunteer groups such as Friends of Music and Performing Arts (FoMPA) and the Philanthropy Working Party (PWP) have also played key roles in creating and driving social impact for the College.

An important part of our community is our Alumni, and our Alumni Committee was hard at work in 2023 collaborating with the College on reunions, student engagement, supporting career days, and volunteering at key College events.

### Resource Optimisation and Process Efficiency

With the recent period of high inflation and its subsequent impact on operating expenses, the strategic focus on resource optimisation and process efficiency has never been more important.

The College continues to review its expenditure profile annually as part of the budget approval process ensuring it provides appropriate resources to continue to deliver on its purpose of growing hearts and minds; while also challenging expenditure in areas that are not core to our purpose or are no longer required. We also continue to work strategically with our many business partners looking for ways to both improve efficiency of delivery and reduce costs.

This work will continue into 2024 with plans in place to explore the opportunity to commercialise some of the College's physical assets in order to reduce operating costs or drive additional revenue for the school, together with a focus on removing or improving key operating processes that are inefficient or unnecessary, freeing up time and improving staff engagement.

### CLASS OF 2023

The Class of 2023 had a strong academic outcome. Through various College events and camaraderie, the Class of 2023 demonstrated outstanding leadership, with dignity and care for each other, and the College as a whole.

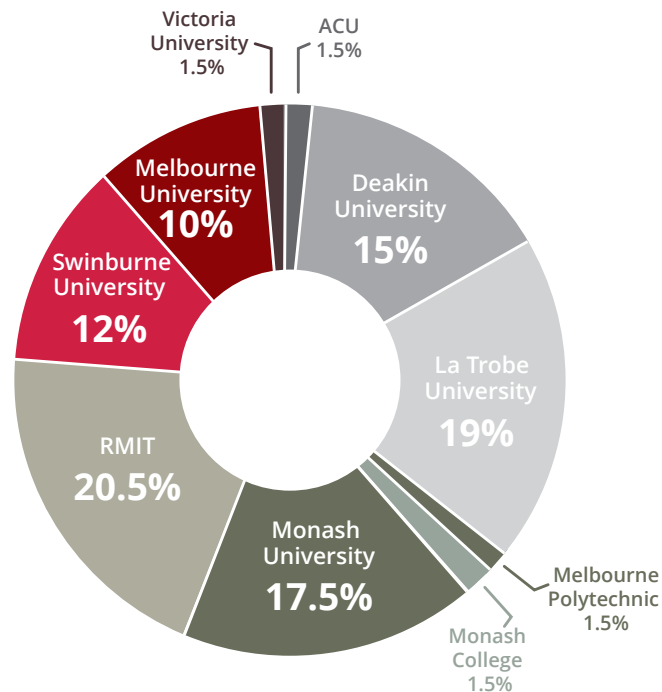
In 2023 at ELTHAM College 67 students completed a scored VCE, with a standout 13 achieving an ATAR score higher than 90, representing 19.4% of that cohort.

We are especially proud of the 61% of our departing Year 12 cohort who attained an ATAR of 80 or above. This means that almost two thirds of this group were in the top 20% of the state, continuing and building upon the growth in ELTHAM College student performance over the last 10 years.

We congratulate 2023 College Captain Amelia Trinh who achieved the top score of 98.15, affording her the honour and title of Dux of ELTHAM College for 2023.

### University Places

The student Tertiary offers for the Class of 2023 totalled 68 and varied significantly to previous years with RMIT being the most popular destination. Students were accepted into a wide range of courses at a variety of institutions.



### NATIONAL TESTING (NAPLAN)

Following the cancellation of the NAPLAN cycle in 2021 and 2022 this year saw the College's Year 3 and Year 5 students participate in this national assessment program for the first time and a gap of four years since the participation of our current Year 7 and Year 9 students.

NAPLAN results, when benchmarked against National and State outcomes remained strong in 2023. Year 3 results were pleasing, with 90% of the cohort being reported as Strong or Exceeding in Reading, 80% as Strong or Exceeding in Writing and Grammar & Punctuation, 75% as Strong or Exceeding in Numeracy and 70% at these levels in Spelling.

The Year 5 profile was also positive with almost every student exceeding or at the expected standard across the five areas tested. Reading and Writing both recorded outcomes at the Strong or Exceeding level of 90% and 95% respectively. Spelling outcomes at the Strong or Exceeding level were at 75% with both Numeracy and Grammar & Punctuation at 85%.

Year 7 outcomes were pleasing with results in Reading (87%), Writing (75%), Spelling (83%) and Numeracy (89%) at the Strong or Exceeding level. Grammar & Punctuation produced an outcome of 74% at higher outcomes. Across the five assessed areas the Year 7 cohort recorded an average of 30% at the Exceeding level.

In Year 9 over 95 % of the cohort recorded results at or above the expected standard. Reading and Writing were particularly strong with 39% and

35% recording outcomes at the Exceeding level respectively. Numeracy saw 89% of the cohort achieve outcomes at the Strong or Exceeding level.

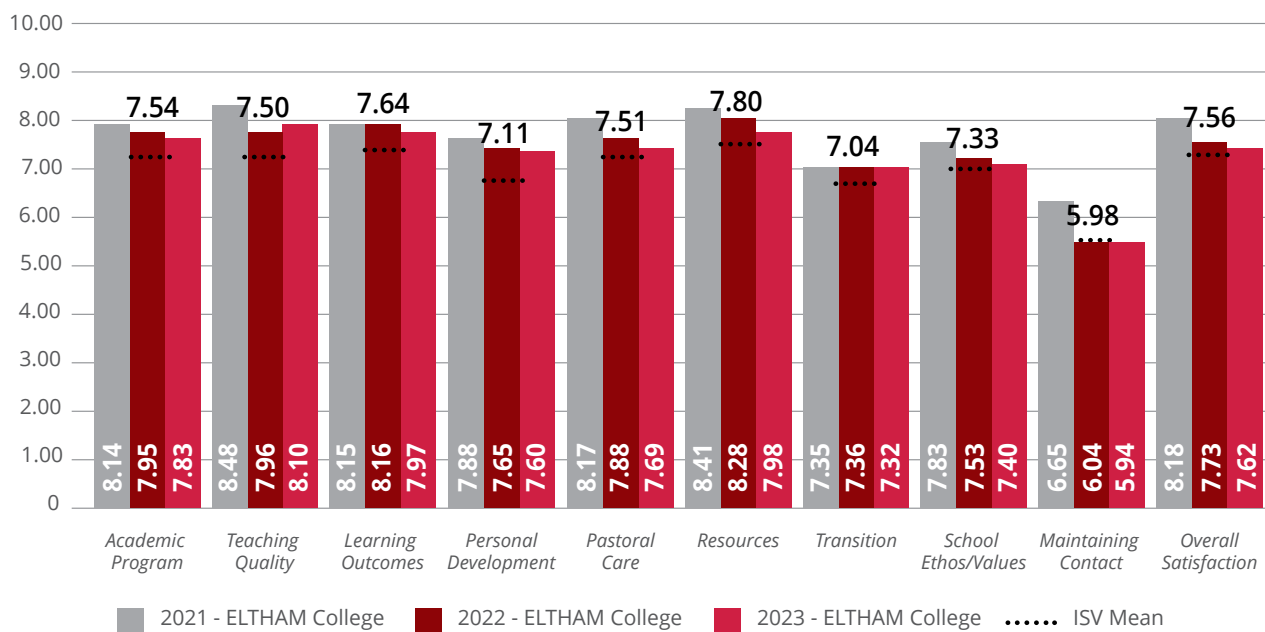
The College continues to steadfastly support every young person's right to 'give it a go'. Historically this has enabled a high proportion of those young people with learning difficulties to access the NAPLAN process and a number of students for whom English is not their first language (LOTE).

## YEAR 12 EXIT SURVEY

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

The 2023 survey built on the responses from previous years and continues to be positive. In all areas the student's responses were above or on par with the Independent School (ISV) mean.

### Overall means per domain versus all schools and statistically similar schools



## STUDENT ATTENDANCE

ELTHAM College students attend regularly and with a positive attitude towards learning. The attendance data reported to the Australian Government was 91%.

## STAFF ATTENDANCE

Staff absence through personal leave (sick leave or carer's leave) resulted in attendance statistic of 96.80%.

### Permanent Staff FTE

FTE	Total work Hours for 2023	Personal Leave Total Hrs taken for 2023	% Absence	% Attendance
137.83	273294.84	8746.45	3.20%	96.80%

## STAFF QUALIFICATIONS

ELTHAM's staff is highly qualified with just over one quarter holding Doctorates, Masters or Honours. A full list of Teaching Staff, together with their qualifications can be obtained from the Director of People and Culture.

Qualification	(%)
Doctorate	2
Masters	23
Honours Degree	7
Graduate Diploma	20
Bachelor Degree	90
Diploma	37

## PROFESSIONAL LEARNING

In 2023 the College introduced a new appraisal system. Based on organisational Values, the intent of the system is to ensure consistency and fairness in setting performance expectations, providing feedback, recognising and rewarding achievements, fostering professional growth, and guiding career development.

A co-creation group of staff volunteers was established and this group provided input into design of the system. The group then conducted a pilot, which tested the system and how it would work. The group reconvened after the pilot, suggesting recommendations for building on

strengths and identifying areas for improvement in the system. Training was provided for all staff in relation to the benefits of the new system and goal setting. Managers participated in additional training about creating psychological safety during the process and performance and development coaching. The new system was implemented across the College in August 2023.

In 2021 and 2022, Education staff worked with Dylan William (one of the world's leading educational experts in assessment for learning). The key focus of this work was on providing assessment feedback to improve student learning. In 2023, this was put into practice by trialling Professional Learning Communities using Dylan William's framework. The Professional Learning Communities experimented with different teaching strategies, as well as peer observations and feedback, with a view to improving teaching practice and student outcomes. The feedback from this pilot group provided information about how the program will be expanded into 2024.

## 2023 ENROLMENTS

	K to 12	P to 12
Starting figure	690	642
New students	38	32
Exits (inc end T4 exits)	84	58
End of Year Total	644	616
Retention rate	93%	96%

## INTERNATIONAL STUDENTS

In 2023, the appetite for study abroad remained consistently strong, with international enquiries significantly higher than 2022. Long Term Full Fee Paying (FFP) enquiries were up 84% and enquiries for international students holding Permanent or Temporary Resident Visas were up 145% from 2022. We commenced 2023 with 23 FFP students, with a further 7 long term students joining us throughout the year. We also had one student from France and two students from China join the College for short term study experiences.

We continued to diversify our international cohort, with long term students now hailing from Mainland China, Hong Kong, Macau, Iran, Vietnam, Myanmar and Thailand. This diversity in country of origin enriches the cultural fabric of the College, providing authentic experiences for local students and students from different cultures and ethnicities to learn and develop side by side in an educational setting. The upward trend in international enquiries, applications and enrolments towards the end of 2023 is promising for 2024, as we move towards pre-COVID levels of international student enrolments.

## CONCLUSION

With key programs becoming established, and a healthy number of new staff employed at the end of the year for a 2024 start, we look forward to seeing the College continue to flourish.



**RICHARD LISLE**  
Principal/CEO  
ELTHAM College

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# CHAIR'S REPORT

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*This year saw accomplishments achieved and challenges overcome for ELTHAM College thanks to the contributions of many in our community.*

## CHANGE OF PRINCIPAL/CEO

We saw our Principal/CEO Simon Le Plastrier retire after a decade in the role and we welcomed Richard Lisle as our new Principal/CEO.

Richard's appointment concludes an extensive national executive search with the Board considering an exceptional field of candidates. The College selected an educational leader of outstanding capabilities, including his considerable leadership experience and strength in building strong school communities. I am confident that Richard will inspire staff, students and parents alike, while respecting ELTHAM's culture.

Richard brings 16 years senior educational leadership experience gained across multiple schools, as Deputy Principal, Head of Faculty and working in the gifted and talented space. Originally commencing his career in the United Kingdom, Richard has been involved in the Australian education environment since 2007 and was most recently Deputy Principal at St Peter's Girls' School in Adelaide.

Warm welcome Richard.

## APPRECIATION

I want to express my appreciation to our students, their parents and carers, our staff, our community and my Board colleagues, who together, deliver on our purpose "to grow hearts and minds and help our community prosper."

Overwhelmingly our parents and carers are engaged and generous to the school in meaningful ways across a wide range of activities. This active involvement is a key factor in making the ELTHAM educational experience a daring adventure.

To our educators, business and operations staff, I offer my heartfelt thanks. We are blessed with high quality and committed people.

And congratulations to the many students who have achieved so much in a wide range of endeavours.

We are also fortunate to have a highly cohesive Board who are thoughtful and dedicated. I'm very grateful to all of them for their wisdom, good counsel, respect and encouragement. Our Board reviews its effectiveness annually and the results are very pleasing as we govern and monitor the College. A special thanks to our Company Secretary Stuart Wenn who does consistently excellent work for the Board.

I also want to thank the ELTHAM College Foundation, ECCA and our Alumni for their encouragement and support.

## BOARD PRIORITIES

The Board has a set of priorities that I have discussed with the Executive and the whole staff which are consistent with our Strategy and referred to in the Principal/CEO Report.

The Board priorities for 2023 and continuing into 2024 are as follows.

- Student Safety and Wellbeing – responding to the Government Child Safe standards is a vital priority.
- Financial Stability is an area of considerable focus. We are in a good position to have a positive trading result and no debt. However, we have some serious challenges:
  - Our rising cost base will be a familiar story. As inflation and rising costs hit the economy more broadly, schools are not immune.
  - While it did not affect 2023, in 2024 and beyond we will be liable for the newly introduced State Government of Victoria Payroll Tax. Victoria is the only state in the Commonwealth to have such a tax applied to independent schools and we will be in a position where we are paying significantly more to the State Government via this tax than the grant contribution they make to the College. This tax will add approximately \$1 million to our annual cost base.
  - Gaining enrolments is increasingly competitive and so we are heavily invested in our brand, reputation and reaching out to our community and beyond. This a major area of focus and energy.



- Delivering our Comprehensive Master Plan
- Diligent attention to Risk Management through our comprehensive Risk Framework and well-developed Risk appetite.
- Monitoring the implementation of a clear and focused Strategic Plan including its many metrics and accountabilities.
- Ensuring a high quality, high performing and responsive educational offer.
- Building a constructive workplace and school culture. We measured our culture and now have a plan to address the issues raised. This also involved focusing on our values.

- Developing high calibre leadership and staff capability and elevating performance management and accountability.
- Being strategic about employee relations and development.
- Delivering on our Growth of Sport Strategy.
- Ensuring that we continue to foster and deepen a culture of philanthropy.
- Planning for the School's 50th Anniversary in 2024.



Team



Culture



Core Values

**JIM GRANT**  
Chair  
ELTHAM College Board

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## FAREWELL AND THANKS TO SIMON LE PLASTRIER

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*"In a world that often emphasises achievement and success, let us remember that true greatness lies in the goodness of one's character. Goodness is the foundation upon which all achievements should be built. It is kindness, empathy, and integrity that set the stage for academic excellence, personal growth, and positive relationships. It's the values we instil in our students that shape them into compassionate, responsible, and successful individuals."*

– SIMON LE PLASTRIER

Simon was first appointed as our Principal/CEO in 2013 after an exhaustive process. Following a decade of service in the role, Simon retired at the end of 2023. His contribution to ELTHAM College has been a significant one, for which I and many others are grateful.

His energy and commitment were apparent, productive and meaningful. His curiosity and broad scanning, pattern connecting and roaming mind was a feature many observed.

He was kind to so many teachers, parents, and most importantly, students. He was also transparent and open.

Simon grew the capability of staff such that we have seriously talented teachers and we are increasingly now known in Melbourne as a destination for quality educators.

He led our approach to staff and student relationships and used our state-of-the-art PIVOT wellbeing tool to great effect. Simon supported staff continuous development and learning.

He led in an exemplary way our response to the COVID-19 environment, where at all times his interest was the wellbeing and education of our students.

He drove reflective practice and innovation, encouraging and supporting staff and teachers to look outside of the current paradigms, identify the future direction of education ensuring that the College is positioned at the forefront of educational change.

He showed a visibly deep conviction that our school has a responsibility to encourage students to be good people and that they can only do this, as he said by:

*“Understanding depth of character and learning to tap into their intellectual capacity and caring for others, being passionate learners and finding their unique voice.”*

At a personal level he gave his time in abundance to improve both the performance and resilience of many young people. This is a critically important attribute of any school leader; Simon’s authentic approach and generosity was significant, spending 1-on-1 time with many students.

He is a man of humanity, decency, and integrity, caring for others and with a great ability to connect.

Simon has also been a big-hearted donor to the school, without fanfare or the need for acknowledgement. His generosity is deeply valued and appreciated.

He has left a significant legacy at the school. I’m sure many of us have had moments with him that are memorable. I know that I have.

*We will miss his compassion, deep thinking, comradery and stewardship. He has left the College as a better school than the one he found, with many lives positively impacted through his care and counsel.*

***Simon we wish you only the best and we salute and embrace you.***

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# DIRECTOR'S REPORT

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Your Directors have pleasure in submitting herewith the financial statements for the year ended 31 December 2023, 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:

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## CHAIR

### James Louis GRANT

*Experience: Director since 2013*

*Chair since May 2021*

#### Working Groups:

- Performance & Culture Group

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## VICE CHAIRS

### Ruth Elizabeth BAILEY

*Experience: Director since 2012*

*Vice Chair since May 2016*

#### Board Committee:

- Board representative on ECCA Committee

#### Working Groups:

- Performance & Culture Group
- Philanthropy Working Party

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### Cynthia Anne GEBERT

*Experience: Director since 2021*

*Vice Chair since June 2021*

#### Board Committee:

- Finance Committee (Chair)

#### Working Groups:

- Performance & Culture Group

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## DIRECTORS

### Heather Joy CAMPBELL

*Experience: Director since 2021*

#### Board Committee:

- Finance Committee
- Risk & Audit Committee

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### Bryony Elizabeth HAYES

*Experience: Director since 2021*

#### Board Committee:

- Risk & Audit Committee (Chair)

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### Simon Charles LE PLASTRIER

*Experience: Director since 2014*

*Employee: Principal – ELTHAM College*

#### Board Committee:

- Finance Committee

#### Working Groups:

- Performance & Culture Group

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### Rebecca LOLLBACK

*Experience: Director since 2023*

#### Board Committee:

- Finance Committee
- Risk & Audit Committee

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### Siabh O'MARA

*Experience: Appointed to the Board in February 2024*

#### Board Committee:

- Finance Committee

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### Gabrielle Kate MONTAGNESE

*Experience: Director since 2021*

#### Board Committee:

- Finance Committee

#### Working Groups:

- Philanthropy Working Party (Chair)

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### Bradley James Michael SHRIMPTON

*Experience: Director since 2021*

#### Board Committee:

- Finance Committee
- Resigned from the Board – March 2023*

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### Sharon Leigh TOOLEY

*Experience: Director since 2021*

#### Board Committee:

- Risk & Audit Committee
-

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## COMPANY SECRETARY

### Stuart Ross WENN

*Experience: Secretary since July 2021*

#### Board Committee:

- Finance Committee

#### Working Groups:

- Performance & Culture Group
- 

All directors have been in place for the financial year and to the date of this report, unless otherwise noted.

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(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 stated 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!"

At the Annual General Meeting in 2022, the College presented its' updated strategic "plan on a page", defining "Our Purpose - why are we here", "What we want to be known for", and "How we will work."

In developing the plan our purpose was determined to be "To grow hearts and minds and help our community prosper". The objective was to continue our core focus on growing the hearts and minds of each child but also acknowledging the equally important element of doing so for the betterment of others by including in our purpose that we want to "help our community prosper".

**The plan also defined three key areas "we want to be known for":**

1. Authentic learning that is a daring adventure,
2. Connected and engaged community,
3. What we do today will have a lasting impact on tomorrow.

The College also reviewed and further refined its' values and while they are referred to in the plan as "how we will work", they equally apply to our staff, students and our community.

**They are:**

.....  
 · Be Courageous

· Be Curious

· Be Respectful

· Own it, and

· One team  
 .....

**The plan is supported by six strategic objectives:**

1. **Growth** – Grow our business through increased enrolments
2. **Authentic Learning** – Deliver learning relevant for our students' current and future world and increase participation in the co-curricular program
3. **Wellbeing** – Improve the health and wellbeing of our community
4. **People** – Attract, retain and invest in staff
5. **Community** – Philanthropy is lived and understood by all
6. **Resource Optimisation and Process Efficiency** – Reduce operational complexity, waste and the amount of resources used by the College.

Annually, the ELTHAM College Executive defines key deliverables to support these objectives together with measures to assess success and these are presented to the Board for endorsement.

Achievement of these strategic objectives and associated deliverables are measured and monitored regularly by the ELTHAM College Board and its committees with a focus on three key measures of success: Learning outcomes, engagement and financial performance.

As part of this process 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 also undertakes regular reviews of its operations with a focus on constant and never-ending improvement in order to achieve its purpose.

The Finance Committee measures and monitors ELTHAM College's growth objectives relating to enrolment levels and financial performance and integrity.

The Risk & Audit Committee monitors compliance and assesses ELTHAM College's exposure to risk and the effective management of risk. A key focus of this committee in 2023 was the successful refresh of the College's compliance management framework, the embedding the Risk Management Framework implemented in 2022 and continuing to develop and review the College's risk culture.

The Performance and Culture Working Group oversees the implementation of ELTHAM College's strategy and its development of a constructive culture.

The Philanthropy Working Party advises and supports ELTHAM College's goal to "build an enduring culture of philanthropy".

Each of these Committees and Working Groups reports and provides updates to the full Board at each of its' meetings during the year.

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 Strategic Plan.

(c) The deficit from operations of ELTHAM College for the year ended 31 December 2023 was (\$1,780K) (2021: deficit (\$915K)).

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.

This will change in 2024 with the Victorian State Government removing this exemption from July 1 2024 for non-government schools with an income per student of more than \$15,000 being subject to payroll tax.

(d) During Principal Simon Le Plastrier's extended period of absence and part-time return to work (May – December 2023), Jim Grant, Chair, was asked by the Board to step in on a wide range of matters requiring him to take significant periods of absence from his business. As a result, he received remuneration in 2023 of \$50,672.60 inclusive of GST.

No other 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.

(e) Subsequent to reporting date, the bank facility with Bendigo and Adelaide Bank Limited which expired on 31 December 2023, was renewed to a new expiry date of 31 December 2028. A \$600,000 equipment finance limit was also approved for use on equipment purchases.

Other than where described above, there has been no matter or circumstance, which has arisen since 31 December 2023 that has significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 31 December 2023, of the ELTHAM College, or
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 31 December 2023, of the ELTHAM College.

(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 \$2,928.43 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.
- (1) The auditor's independence declaration for the year ended 31 December 2023 is included on page 27.
  - (2) 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 7 and 12 of the 2023 Annual Report) and to be presented on behalf of the Board of Directors to Members at the Annual General Meeting on the 22 May 2024.

DATED AT Research this 29th Day of April, 2024.



C.A.GEBERT  
Director



B.E.HAYES  
Director

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# DIRECTOR, BUSINESS AND OPERATIONS REPORT

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To say the economy has been unpredictable in the past few years is probably an understatement. With 2020 and 2021 being significantly challenging due to the COVID-19 pandemic and its resulting impacts, 2022 equally challenging due to high inflation which peaked at 7.4% in the fourth quarter or 2022; 2023 still proved challenging as a result of a continued period of high inflation albeit declining and with interest rates continuing to rise across the year with the cash rate increasing from 3.10% in January to 4.35% in December.

The term “cost of living pressures” became part of the political narrative and social discourse as governments at all levels and organisations across the entire economy dealt with these rapidly changing economic factors.

In these types of environments, more unstable than stable, budgets are set but need to be flexible as assumptions that underpin them can be wrong in a short period of time.

The College has a detailed and considered budget preparation process and the Executive team, Finance Committee and the Board reviews its progress to plan regularly.

Through the resultant proactive financial management, the College was able to return a better than budgeted result.

## **Fees in 2023**

As part of the annual budget cycle, the College set its fees for 2023 in August of 2022. Given the majority of families choose to pay annual tuition fees as four termly instalments, two terms in advance, term 1 fees are invoiced and paid at the start of term 4.

In setting fees, the Board always seeks to strike the right balance between keeping them at a level that assists the achievement of our strategic objective to ‘enable more students to experience an ELTHAM College education’ and our desire to move from being ‘a low, high-tuition fee school to being a high, mid-tuition fee school’ while ensuring we have the resources to achieve our purpose of ‘helping grow hearts and minds and helping our community prosper.’

In 2023, Junior School tuition fees were maintained at 2020, 2021, and 2022 levels and Senior School tuition fees increased by 3%.

When setting fees for 2024, inflation was still running at 5.2%, significantly above the Reserve Bank of Australia’s (RBA) target range of 2-3%. In considering an appropriate rate to increase fees for 2024, the College needed to consider the impact of this together with the impact of increased mortgage rates on families’ capacity to invest in an ELTHAM College education.

In addition to the challenging economic environment detailed above, ELTHAM College will be impacted significantly by the decision of the Victorian State Government to remove the current payroll tax exemption.

From 1 July 2024, non-government schools with an income per student more than \$15,000 will be subject to payroll tax of 4.85% plus an additional 1.0% (0.5% for the Mental Health Surcharge and 0.5% for the Covid Recovery Surcharge).

The impact of this tax is expected to be approximately \$500K in 2024 and circa \$1M in 2025.

Despite this, the decision was made that Junior School tuition fees were further maintained at 2020, 2021, 2022 and 2023 levels, meaning no increase for 4 years. For the Senior School, the College increased tuition fees by 4% which is at the low end of the average fee increases made by the majority of independent schools.

A recent School Fees Report prepared by Edstart (a leading education payment company that provides comprehensive fee management services to schools) based on the analysis of 704 non-Government schools in Australia, showed the average fee increase for schools whose families have a similar capacity to contribute (CTC) score as ELTHAM (a measure used by the government to allocate funding), was 6.60% in Greater Melbourne and 6.66% across Victoria.

In short, ELTHAM made a strategic decision to reduce the impact of fee increases on families, preferring to provide continued support for families as they transition from the impact of the Covid years and deal with current cost of living pressures as the economy finds its new normal.

However, with the introduction of payroll tax and the associated budget recovery levies imposed by the Victorian State Government together with the inflationary impact on expenses and relatively modest fee increases over the past few years relative to other independent schools, the College may need to consider higher fee increases in the coming years.

### **Budget in 2023**

The budget set by the College for 2023 planned for a significant deficit in recognition of higher than normal inflation increasing some non-discretionary expenditure significantly e.g. insurance premiums increased 23%, increased investment in teaching program budgets (4.5%), additional one-off investments in marketing (new website), the provision for salary increases as part of the planned conclusion of enterprise bargaining negotiations, the implementation of new roles to support student wellbeing and our health, sport and physical education programs and increased investment in the College's IT systems which was made to de-risk the business and improve infrastructure.

The College has an historically strong cash position and no debt. This meant it was not impacted directly by interest rate increases with the exception of some lease arrangements negotiated on new equipment.

The College had budgeted for an operating deficit of \$2,343K in 2023. The flexible and proactive approach the College takes to constantly review, adjust and reallocate its resources meant that the final result for 2023 was a reduced operating deficit of \$1,962K. This was a significantly better than budgeted outcome by \$381K.

The operating deficit was then reduced by substantial donations from the ELTHAM College community of \$118K and the ELTHAM College Foundation of \$64K, although this was down from \$111K in 2022. These funds are used to support the College's capital works program.

Therefore, after including these our overall deficit for 2023 was \$1,780K.

The College continues to generate strong surplus Earnings Before Interest, Tax and Depreciation and Amortisation (EBITDA) from its operations and the Executive and Board remain focused on continuing to work on its medium-term strategic objective of returning to an operating surplus before donations.

However, the Board expects the impact of building depreciation to continue to be a drag on the achievement of this surplus given the College's current capacity to support increased enrolments within its current building footprint.

Domestic enrolments are expected to be flat in the short term. However opportunities for growth exist from promoting ELTHAM to a wider geographic catchment, continuing to look for ways to make it easier for families to travel to the College, with people moving from inner suburbs into the green wedge, more local families working from home and not travelling to the CBD and with capacity being reached at some more established independent schools.

We are also seeing increased interest from international students, however the federal government's tightened focus on the Genuine Temporary Entrant (GTE) requirement attached to sub-class 500 student visa applicants has seen some applications recently rejected.

Given these opportunities, the impact of payroll tax and the need to make strategic investments to continue to improve our offering, the College is planning that a return to an operating surplus will not occur in 2024.

### **Capital Expenditure in 2023**

In 2023, the Board approved a capital budget of \$2.1M. The majority of these funds were allocated to the first wave of projects as part of a new College Masterplan. Most of these funds were expended in pre-planning phases and booked as work-in-progress. The significant work involved meant that the College only spent \$954K on capital projects in 2023.

This included spending associated with project planning (design, quantity surveying, geotech reporting, town planning and engineering services); works in progress relating to the College Masterplan totalling \$281K; some smaller capital projects relating to facilities upgrades across the College totalling \$399K; teaching capital projects totalling \$63K; vehicle and equipment purchases totalling \$65K and a further \$146K investment in technology infrastructure.

Engagement continues with staff, students and community partners in relation to phase 1 masterplan projects with some works expected to commence in the second half of 2024.

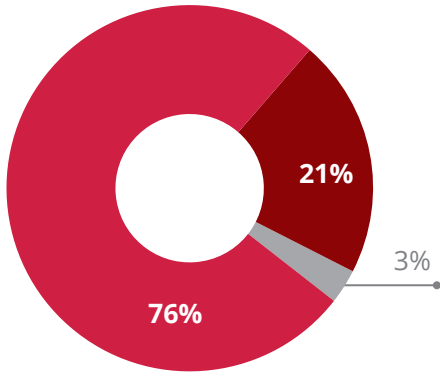


**STUART WENN**  
**Director, Business and Operations**  
**ELTHAM College**

# INCOME AND EXPENDITURE

## Total Revenue

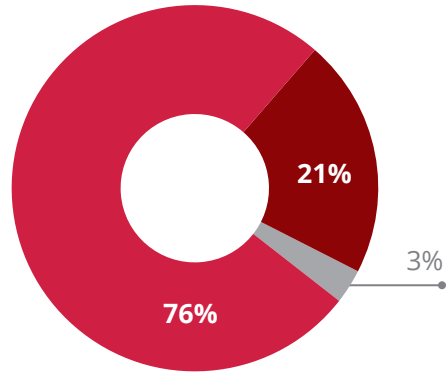
2023



<span style="color: #c00000;">■</span> Net Tuition Fees	76%
<span style="color: #800000;">■</span> Government Grants	21%
<span style="color: #808080;">■</span> Other Income	3%

## Total Revenue

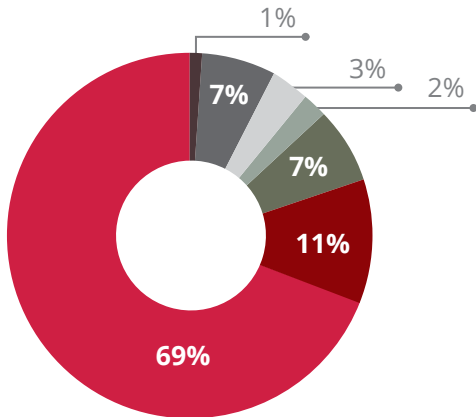
2022



<span style="color: #c00000;">■</span> Net Tuition Fees	76%
<span style="color: #800000;">■</span> Government Grants	21%
<span style="color: #808080;">■</span> Other Income	3%

## Operating Expenses

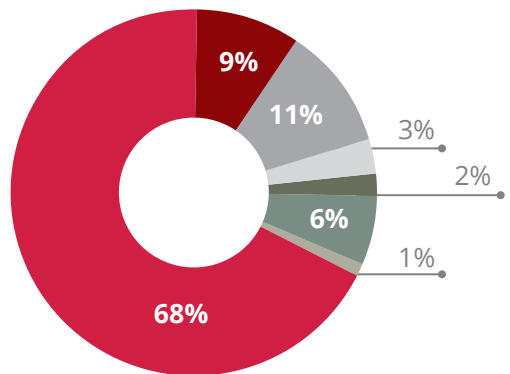
2023



<span style="color: #c00000;">■</span> Salaries and Related Expenses	69%
<span style="color: #800000;">■</span> Tuition Related Expenses	11%
<span style="color: #404040;">■</span> Borrowing Costs	0%
<span style="color: #404040;">■</span> Depreciation	7%
<span style="color: #808080;">■</span> Finance and Legal	2%
<span style="color: #c0c0c0;">■</span> Administrative Expenses	3%
<span style="color: #404040;">■</span> Facility Costs	7%
<span style="color: #404040;">■</span> Promotion	1%

## Operating Expenses

2022



<span style="color: #c00000;">■</span> Salaries and Related Expenses	68%
<span style="color: #800000;">■</span> Tuition Related Expenses	9%
<span style="color: #404040;">■</span> Borrowing Costs	0%
<span style="color: #808080;">■</span> Depreciation	11%
<span style="color: #c0c0c0;">■</span> Finance and Legal	3%
<span style="color: #404040;">■</span> Administrative Expenses	2%
<span style="color: #404040;">■</span> Facility Costs	6%
<span style="color: #808080;">■</span> Promotion	1%





# FINANCIAL REPORT 2023

FOR THE YEAR ENDED 31 DECEMBER 2023

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**AUDITOR'S INDEPENDENCE DECLARATION  
TO THE DIRECTORS OF ELTHAM COLLEGE**

In relation to the independent audit for the year ended 31 December 2023, to the best of my knowledge and belief there have been no contraventions of APES 110 *Code of Ethics for Professional Accountants* (including *Independence Standards*).



T LAPHORNE  
Partner



PITCHER PARTNERS  
Melbourne

Date: 29th April 2024

**ELTHAM COLLEGE**  
**ABN: 31 004 992 750**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	2023 \$	2022 \$
<b>Revenue and other income</b>			
Fee revenue	4	19,044,891	18,030,089
Other revenue	5	5,738,522	5,412,946
Other income	5	210,945	254,938
		<u>24,994,358</u>	<u>23,697,973</u>
<b>Less: expenses</b>			
Administration expenses		(895,689)	(701,689)
Depreciation and amortisation expense	6	(1,944,937)	(2,244,433)
Employee benefits expense		(18,427,924)	(16,783,686)
Facility expenses		(1,776,851)	(1,477,087)
Finance costs	6	(45,198)	(106,716)
Finance and legal expenses		(467,870)	(442,811)
Promotion and marketing		(351,007)	(340,855)
Tuition related expenses		(2,794,630)	(2,502,256)
Wine production expenses		(21,611)	(13,616)
Net loss on disposal of non-current assets	6	(49,485)	-
		<u>(26,775,202)</u>	<u>(24,613,149)</u>
		<u>(1,780,844)</u>	<u>(915,176)</u>
<b>Deficit for the year</b>			
<b>Other comprehensive income</b>			
<i>Items that may be reclassified subsequently to profit and loss</i>			
Revaluation of property, plant and equipment	18	-	915,000
		-	915,000
<b>Other comprehensive income for the year</b>		<u>-</u>	<u>915,000</u>
<b>Total comprehensive loss for the year</b>		<u><u>(1,780,844)</u></u>	<u><u>(176)</u></u>

**ELTHAM COLLEGE**  
**ABN: 31 004 992 750**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2023**

	Note	2023 \$	2022 \$
<b>Current assets</b>			
Cash and cash equivalents	7	1,214,868	1,664,417
Receivables	8	671,227	858,080
Inventories	9	268,170	236,475
Other assets	10	321,786	652,405
Other financial assets	11	633,271	633,271
<b>Total current assets</b>		<u>3,109,322</u>	<u>4,044,648</u>
<b>Non-current assets</b>			
Property, plant and equipment	12	24,325,913	25,178,954
Lease assets	13	579,555	387,956
<b>Total non-current assets</b>		<u>24,905,468</u>	<u>25,566,910</u>
<b>Total assets</b>		<u>28,014,790</u>	<u>29,611,558</u>
<b>Current liabilities</b>			
Payables	14	76,489	1,976,519
Lease liabilities	13	370,893	359,373
Borrowings	17	10	10
Provisions	15	2,460,118	2,601,344
Other liabilities	16	4,799,546	4,324,637
<b>Total current liabilities</b>		<u>9,507,056</u>	<u>9,261,883</u>
<b>Non-current liabilities</b>			
Lease liabilities	13	359,690	325,243
Provisions	15	106,683	169,962
Other liabilities	16	298,737	331,002
<b>Total non-current liabilities</b>		<u>765,110</u>	<u>826,207</u>
<b>Total liabilities</b>		<u>10,272,166</u>	<u>10,088,090</u>
<b>Net assets</b>		<u>17,742,624</u>	<u>19,523,468</u>
<b>Equity</b>			
Asset revaluation reserve	18	5,844,204	5,844,204
Accumulated funds	19	11,898,420	13,679,264
<b>Total equity</b>		<u>17,742,624</u>	<u>19,523,468</u>

**ELTHAM COLLEGE**  
**ABN: 31 004 992 750**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

	<b>Asset revaluation reserve \$</b>	<b>Accumulated funds \$</b>	<b>Total equity \$</b>
<b>Balance as at 1 January 2022</b>	4,929,204	14,594,440	19,523,644
Deficit for the year	-	(915,176)	(915,176)
Other comprehensive income for the year	915,000	-	915,000
<b>Total comprehensive loss for the year</b>	<u>915,000</u>	<u>(915,176)</u>	<u>(176)</u>
<b>Balance as at 31 December 2022</b>	<u>5,844,204</u>	<u>13,679,264</u>	<u>19,523,468</u>
<b>Balance as at 1 January 2023</b>	5,844,204	13,679,264	19,523,468
Deficit for the year	-	(1,780,844)	(1,780,844)
<b>Total comprehensive loss for the year</b>	<u>-</u>	<u>(1,780,844)</u>	<u>(1,780,844)</u>
<b>Balance as at 31 December 2023</b>	<u>5,844,204</u>	<u>11,898,420</u>	<u>17,742,624</u>

**ELTHAM COLLEGE**  
**ABN: 31 004 992 750**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flow from operating activities</b>		
Receipts from school fees and other income	20,773,624	19,255,545
Operating grant receipts	5,331,847	5,025,919
Receipts from fundraising	182,103	229,282
Payments to suppliers and employees	(25,466,159)	(22,631,876)
Interest received	61,247	22,303
Finance costs	(45,198)	(106,716)
<b>Net cash provided by operating activities</b>	<u>837,464</u>	<u>1,794,457</u>
<b>Cash flow from investing activities</b>		
Proceeds from sale of property, plant and equipment	31,605	23,386
Payment for property, plant and equipment	(953,590)	(1,281,173)
Contributions to defined benefit fund	-	(4,955)
<b>Net cash used in investing activities</b>	<u>(921,985)</u>	<u>(1,262,742)</u>
<b>Cash flow from financing activities</b>		
Principal portion of lease payments	(365,028)	(296,501)
<b>Net cash used in financing activities</b>	<u>(365,028)</u>	<u>(296,501)</u>
<b>Reconciliation of cash</b>		
Cash at beginning of the financial year	1,664,417	1,429,203
Net (decrease) / increase in cash held	<u>(449,549)</u>	<u>235,214</u>
<b>Cash at end of financial year</b>	<u><u>1,214,868</u></u>	<u><u>1,664,417</u></u>

**ELTHAM COLLEGE**  
**ABN: 31 004 992 750**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**NOTE 1: BASIS OF PREPARATION**

**General information**

The Directors have determined that Eltham College Limited ("ELTHAM College") is not a reporting entity on the basis that, 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, this financial report is a special purpose financial report, which has been prepared to satisfy the financial reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and for distribution to Members in accordance with the company's constitution.

The financial report covers ELTHAM College as an individual entity. ELTHAM College is a company limited by guarantee, incorporated and domiciled in Australia. ELTHAM College is a not-for-profit entity for the purpose of preparing the financial statements.

The financial report was approved by the Directors at the date of the Directors' report.

The financial report has been prepared in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, the *Australian Charities and Not-for-profits Commission Regulations 2022*, the recognition and measurement requirements specified by all Australian Accounting Standards and Interpretations, and the disclosure requirements of:

- AASB 101: Presentation of Financial Statements
- AASB 107: Statement of Cash Flows
- AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors
- AASB 124: Related Party Disclosures (to the extent required by the *Australian Charities and Not-for-profits Commission Regulations 2022* and the ACNC Commissioner's discretion)
- AASB 1054: Australian Additional Disclosures

*Historical Cost Convention*

The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets and liabilities as described in the accounting policies.

*Significant accounting estimates and judgements*

The preparation of the financial report requires the use of certain estimates and judgements in applying the ELTHAM College's accounting policies. Those estimates and judgements significant to the financial report are disclosed in Note 2 to the financial statements.

**Accounting policies**

The following accounting policies have been applied in the preparation and presentation of the financial report.

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**NOTE 1: BASIS OF PREPARATION (CONTINUED)**

**(a) Going concern**

The financial report has been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

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

- The reported deficit of \$1,780,844 (2022: \$915,176).
- The current asset deficiency as discussed below; and
- Continued positive operating cash flows in the future, like that reported in the current year of \$837,464 (2022: \$1,794,457).

The Directors are of the view that this is the appropriate basis of reporting, while acknowledging that ELTHAM College incurred a deficit from ordinary activities of \$1,780,844 (2022: \$915,176) during the year ended 31 December 2023, and as at that date ELTHAM College's total current liabilities exceeded total current assets by \$6,397,734 (2022: \$5,217,235).

The Directors have considered the following in determining the appropriate basis of reporting:

- The outstanding current long service leave liability of \$1,528,609 (2022: \$1,595,854) is not expected to be paid in full in the next 12 months;
- Fees received in advance of \$4,745,520 (2022: \$4,270,611) recognised as a current liability does not represent a cash outflow to be settled in the next 12 months and will be released to revenue upon the delivery of the performance obligation to the student, at the end of Term 1 2024;
- Parent deposits of \$534,753 (2022: \$415,500) are also included as a current liability however they are not expected to be paid in full in the next 12 months; and
- The availability of \$2,999,990 from a loan facility, which expired on 31 December 2023, and was renewed to 31 December 2028 subsequent to reporting date (Note 23). The drawn amount of \$10 is disclosed as a 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.

On this basis no adjustments have been made to the financial report relating to the recoverability and classification of the carrying amount of assets or the amount and classification of liabilities that might be necessary should ELTHAM College not continue as a going concern.

Accordingly, the financial report has been prepared on a going concern basis.

**(b) Income tax**

No provision for income tax has been raised as ELTHAM College is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**NOTE 1: BASIS OF PREPARATION (CONTINUED)**

**(c) Revenue**

*Tuition fees*

Revenue from tuition fees and composite fees are recognised upon the delivery of the service.

*Enrolment fees*

In addition to tuition income, ELTHAM College receives a fee upon the initial enrolment of a student. 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 tenure 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 tenure of the student.

*Revenue from contracts with customers*

Revenue from sale of goods or services, including wine sales and venue hire, is recognised at the point in time when the performance obligation of the transaction is satisfied and the costs incurred or to be incurred in respect of the transaction can be measured reliably. The performance obligation is satisfied when the risks and rewards of ownership are transferred to the buyer, which is considered to be at the time of delivery of the goods or services to the customer.

*Government grants*

Government grants are not recognised until there is reasonable assurance that the College will comply with the attached conditions 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 ELTHAM College with no future related costs are recognised in profit or loss in the period in which they become receivable.

**(d) Other revenue and other income**

*Membership subscription fees*

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.

As at 31 December 2023, there are 573 subscribed members (2022: 574).

*Interest revenue*

Interest revenue is measured in accordance with the effective interest method.

*Donations*

Donations are recognised as income when the ELTHAM College obtains control of the funds.

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

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023

**NOTE 1: BASIS OF PREPARATION (CONTINUED)**

**(e) Property, plant and equipment**

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

*Freehold land*

Freehold land is measured at revalued amounts, being the fair value at the date of the revaluation, less any accumulated impairment losses. At each reporting date the carrying amount of each asset is reviewed to ensure that it does not differ materially from the asset's fair value at reporting date. Where necessary, the asset is revalued to reflect its fair value every three to five years.

Increases in the carrying amounts arising on revaluation of freehold land is recognised in other comprehensive income and accumulated in equity. To the extent that the increase reverses a decrease of the same class of asset previously recognised in profit or loss, the increase is recognised in profit or loss. Decreases that offset previous increases of the same class of asset are recognised in other comprehensive income; all other decreases are recognised in profit or loss.

*Buildings*

Buildings are measured on the cost basis.

*Plant and equipment*

Plant and equipment is measured on the cost basis.

*Depreciation*

Land is not depreciated. The depreciable amount of all other property, plant and equipment is depreciated over their estimated useful lives commencing from the time the asset is held available for use, consistent with the estimated consumption of the economic benefits embodied in the asset.

Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

<b>Class of fixed asset</b>	<b>Depreciation rates</b>	<b>Depreciation basis</b>
Buildings at cost	2.5%	Straight line
Motor vehicles at cost	20%	Straight line
Furniture, equipment and improvements at cost	10% - 20%	Straight line
Computer equipment at cost	33%	Straight line

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**NOTE 1: BASIS OF PREPARATION (CONTINUED)**

**(f) Leases**

At the commencement date of a lease (other than leases of 12-months or less and leases of low value assets), ELTHAM College recognises a lease asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

*Lease assets*

Lease assets are initially recognised at cost, comprising the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date of the lease, less any lease incentives received, any initial direct costs incurred by ELTHAM College, and an estimate of costs to be incurred by ELTHAM College in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Subsequent to initial recognition, lease assets are measured at cost (adjusted for any remeasurement of the associated lease liability), less accumulated depreciation and any accumulated impairment loss.

Lease assets are depreciated over the shorter of the lease term and the estimated useful life of the underlying asset, consistent with the estimated consumption of the economic benefits embodied in the underlying asset.

*Lease liabilities*

Lease liabilities are initially recognised at the present value of the future lease payments (i.e., the lease payments that are unpaid at the commencement date of the lease). These lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, or otherwise using ELTHAM College's incremental borrowing rate.

Subsequent to initial recognition, lease liabilities are measured at the present value of the remaining lease payments (i.e., the lease payments that are unpaid at the reporting date). Interest expense on lease liabilities is recognised in profit or loss (presented as a component of finance costs). Lease liabilities are remeasured to reflect changes to lease terms, changes to lease payments and any lease modifications not accounted for as separate leases.

Variable lease payments not included in the measurement of lease liabilities are recognised as an expense when incurred.

*Leases of 12-months or less and leases of low value assets*

Lease payments made in relation to leases of 12-months or less and leases of low value assets (for which a lease asset and a lease liability has not been recognised) are recognised as an expense on a straight-line basis over the lease term.

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**NOTE 1: BASIS OF PREPARATION (CONTINUED)**

**(g) Cash and cash equivalents**

Cash and cash equivalents include cash on hand and at banks, short-term deposits with an original maturity of three months or less held at call with financial institutions, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

**(h) Inventories**

Inventories held for sale are measured at the lower of cost and net realisable value.

**(i) Employee benefits**

*(i) Short-term employee benefit obligations*

Liabilities arising in respect of wages and salaries, annual leave and other employee benefits (other than termination benefits) expected to be settled wholly before twelve months after the end of the reporting period are measured at the (undiscounted) amounts based on remuneration rates which are expected to be paid when the liability is settled. The expected cost of short-term employee benefits in the form of compensated absences such as annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables in the statement of financial position.

*(ii) Long-term employee benefit obligations*

The provision for other long-term employee benefits, including obligations for long service leave and annual leave, which are not expected to be settled wholly before twelve months after the end of the reporting period, are measured at the present value of the estimated future cash outflow to be made in respect of the services provided by employees up to the reporting date. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee turnover, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that are denominated in the currency in which the benefits will be paid. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the change occurs.

Other long-term employee benefit obligations are presented as current liabilities in the statement of financial position if ELTHAM College does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur. All other long-term employee benefit obligations are presented as non-current liabilities in the statement of financial position.

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**NOTE 1: BASIS OF PREPARATION (CONTINUED)**

**(i) Employee benefits (Continued)**

*(iii) Retirement benefit obligations*

*Defined benefit superannuation plan*

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 in 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 (2023: 3, 2022: 3). All other employees are members of a defined contribution scheme.

**(j) Financial instruments**

*Initial recognition and measurement*

Financial assets and financial liabilities are recognised when ELTHAM College becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that ELTHAM College commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value adjusted for transaction costs, except where the instrument is classified as fair value through profit or loss, in which case transaction costs are immediately recognised as expenses in profit or loss.

*Classification of financial assets*

Financial assets recognised by ELTHAM College are subsequently measured in their entirety at either amortised cost or fair value, subject to their classification and whether ELTHAM College irrevocably designates the financial asset on initial recognition at fair value through other comprehensive income (FVtOCI) in accordance with the relevant criteria in AASB 9.

Financial assets not irrevocably designated on initial recognition at FVtOCI are classified as subsequently measured at amortised cost, FVtOCI or fair value through profit or loss (FVtPL) on the basis of both:

- (a) ELTHAM College's business model for managing the financial assets; and
- (b) the contractual cash flow characteristics of the financial asset.

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**NOTE 1: BASIS OF PREPARATION (CONTINUED)**

**(j) Financial instruments (Continued)**

*Trade creditors and accruals*

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the entity prior to the end of the financial year that are unpaid and arise when the entity becomes obliged to make future payments in respect of the purchase of these goods and services.

*Trade and other receivables*

Trade and other receivables arise from ELTHAM College's transactions with its customers and are normally settled within 14 days.

Consistent with both ELTHAM College's business model for managing the financial assets and the contractual cash flow characteristics of the assets, trade and other receivables are subsequently measured at amortised cost.

*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.

**(k) Borrowing costs**

Borrowing costs include interest expense calculated using the effective interest method and finance charges in respect of lease arrangements. Borrowing costs are expensed as incurred.

**(l) Goods and services tax (GST)**

Revenues, expenses and purchased assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

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

**(m) Comparatives**

Where necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**NOTE 2: SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS**

In the process of applying ELTHAM College's accounting policies, management makes various judgements that can significantly affect the amounts recognised in the financial statements. In addition, the determination of carrying amounts of some assets and liabilities require estimation of the effects of uncertain future events. Outcomes within the next financial year that are different from the assumptions made could require a material adjustment to the carrying amounts of those assets and liabilities affected by the assumption.

The following outlines the major judgements made by management in applying the ELTHAM College's accounting policies and/or the major sources of estimation uncertainty, that have the most significant effect on the amounts recognised in the financial statements and/or have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year:

*(a) Estimated fair value of non-financial assets*

Land is measured at fair value. Fair values have been based on independent external valuations which include direct sales comparisons which are the best estimate when determining fair value of land held by Eltham College. The independent valuation obtained and adopted in the previous financial year and relied upon in the current financial year included a material uncertainty clause due to the uncertainty resulting from COVID-19 and the impact it has on the independent valuation process.

The Directors believe the carrying amount of the land materially reflects its current fair value as at 31 December 2023.

*(b) Employee benefits*

The determination of employee benefit provisions required is dependent on a number of forward estimate assumptions including expected wage increases, length of employee service and bond rates.

*(c) Leases assets and lease liabilities*

At the commencement date of a lease (other than leases of 12-months or less and leases of low value assets), the ELTHAM College recognises a lease asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. In order to measure a lease asset and corresponding lease liability, the ELTHAM College is required to make a determination of the lease term.

This determination includes an assessment of whether the ELTHAM College is reasonably certain to exercise an option to extend the lease or to purchase the underlying asset, or not to exercise an option to terminate the lease. In making this judgement, the ELTHAM College considers all relevant facts and circumstances that create an economic incentive for the ELTHAM College to exercise, or not to exercise, the option, including any expected changes in facts and circumstances from the commencement date of the lease until the exercise date of the option.

**NOTE 3: ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE**

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the ELTHAM College. The ELTHAM College has decided not to early adopt any of these new and amended pronouncements. Management has assessed that none of these standards will have a material impact on the ELTHAM College's financial statements in the period of initial application.

**ELTHAM COLLEGE**  
**ABN: 31 004 992 750**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 4: FEE REVENUE</b>		
Fee income - net of discounts	<u>19,044,891</u>	<u>18,030,089</u>
 <b>NOTE 5: OTHER REVENUE AND OTHER INCOME</b>		
Other revenue		
Interest income	61,247	22,303
Government subsidies and support revenue	5,331,847	5,025,919
 Fundraising	 118,303	 117,782
ELTHAM College Building Fund donations	<u>63,800</u>	<u>111,500</u>
ELTHAM College Foundation Ltd	<u>182,103</u>	<u>229,282</u>
 Wine sales	 35,915	 20,924
Facility hire	<u>127,410</u>	<u>114,518</u>
	<u>5,738,522</u>	<u>5,412,946</u>
 Other income		
Gain on disposal of plant and equipment	-	23,386
Other income	<u>210,945</u>	<u>231,552</u>
	<u>210,945</u>	<u>254,938</u>

**(a) Details of income received from government**

<i>Government Per Capita Grants</i>		
Victorian state government	737,655	661,668
Federal government	<u>4,499,655</u>	<u>4,287,140</u>
	<u>5,237,310</u>	<u>4,948,808</u>
 <i>Other government grants and funding</i>		
Victorian state government		
- Early Learning Centre	43,891	25,757
- Other	<u>23,160</u>	<u>48,594</u>
	<u>67,051</u>	<u>74,351</u>
Federal government		
- Other	<u>27,486</u>	<u>2,760</u>

**ELTHAM COLLEGE**  
**ABN: 31 004 992 750**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 6: DEFICIT FROM OPERATIONS</b>		
Deficit from operations has been determined after:		
Expenses:		
Cost of sales - Hospitality and Wine Sales	114,034	111,637
Finance costs		
- Interest expense on lease liabilities	45,193	106,713
- Borrowing costs	5	3
	<u>45,198</u>	<u>106,716</u>
Depreciation of property, plant and equipment	1,725,541	1,928,388
Amortisation of lease assets	219,396	316,045
Bad and doubtful debts		
- Bad debts written off	128,368	22,688
- (Decrease) / increase in provision for doubtful debts	<u>(98,368)</u>	<u>7,312</u>
	<u>30,000</u>	<u>30,000</u>
Net loss on disposal of non-current assets		
- Loss on sale of property, plant and equipment	49,485	-
Remuneration of auditors for:		
<i>Pitcher Partners (Melbourne)</i>		
- Audit or review of the financial report	45,700	43,500
- Other non-audit services	<u>10,469</u>	<u>12,542</u>
	<u>56,169</u>	<u>56,042</u>
<b>NOTE 7: CASH AND CASH EQUIVALENTS</b>		
Cash on hand	1,035	835
Cash at bank	<u>1,213,833</u>	<u>1,663,582</u>
	<u>1,214,868</u>	<u>1,664,417</u>

**ELTHAM COLLEGE**  
**ABN: 31 004 992 750**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 8: RECEIVABLES</b>		
CURRENT		
Trade receivables	769,035	973,984
Allowance for credit losses	(149,439)	(247,807)
	<u>619,596</u>	<u>726,177</u>
Other receivables	51,631	131,903
	<u>671,227</u>	<u>858,080</u>
<b>NOTE 9: INVENTORIES</b>		
CURRENT		
<i>At cost</i>		
Work in progress - wine production	<u>268,170</u>	<u>236,475</u>
<b>NOTE 10: OTHER ASSETS</b>		
CURRENT		
Prepayments	<u>321,786</u>	<u>652,405</u>
<b>NOTE 11: OTHER FINANCIAL ASSETS</b>		
CURRENT		
Defined benefit fund - cash at bank	<u>633,271</u>	<u>633,271</u>
<b>NOTE 12: PROPERTY, PLANT AND EQUIPMENT</b>		
<b>Land</b>		
Freehold land		
At valuation	7,775,000	7,775,000
<b>Buildings and site services</b>		
At cost	16,204,418	44,030,232
Accumulated depreciation	(1,275,643)	(27,799,184)
	<u>14,928,775</u>	<u>16,231,048</u>

**ELTHAM COLLEGE**  
**ABN: 31 004 992 750**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 12: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)</b>		
<b>Plant and equipment</b>		
Plant and equipment at cost	1,423,774	14,763,644
Accumulated depreciation	<u>(445,385)</u>	<u>(14,035,124)</u>
	978,389	728,520
Capital work in progress	<u>643,749</u>	<u>444,386</u>
Total plant and equipment	<u>1,622,138</u>	<u>1,172,906</u>
Total property, plant and equipment	<u><u>24,325,913</u></u>	<u><u>25,178,954</u></u>

**(a) Valuations**

The fair values of freehold land have been determined by reference to independent valuations obtained during the 2022 financial year. Such valuations are performed on a fair value basis, being the amounts for which the assets could be exchanged between market participants in an arm's length transaction at the valuation date.

The independent valuation obtained and adopted in the current financial year included a material uncertainty clause due to the uncertainty resulting from COVID-19 and the impact it has on the independent valuation process.

The Directors believe the carrying amount of the land materially reflects its current fair value as at 31 December 2023.

**(b) Reconciliations**

Reconciliation of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year

*Freehold land*

Opening carrying amount	7,775,000	6,860,000
Net revaluation increments	<u>-</u>	<u>915,000</u>
Closing carrying amount	<u><u>7,775,000</u></u>	<u><u>7,775,000</u></u>

*Buildings and improvements*

Opening carrying amount	16,231,048	17,014,588
Additions	212,501	619,086
Transfers	(222,028)	-
Depreciation expense	<u>(1,292,746)</u>	<u>(1,402,626)</u>
Closing carrying amount	<u><u>14,928,775</u></u>	<u><u>16,231,048</u></u>

**ELTHAM COLLEGE**  
**ABN: 31 004 992 750**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 12: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)</b>		
<b>(b) Reconciliations</b>		
<i>Plant and equipment</i>		
Opening carrying amount	728,520	941,263
Additions	240,900	313,019
Disposals	(81,090)	-
Transfers	522,854	-
Depreciation expense	(432,795)	(525,762)
Closing carrying amount	<u>978,389</u>	<u>728,520</u>
<i>Capital work in progress</i>		
Opening carrying amount	444,386	95,318
Additions	500,189	349,068
Transfers	(300,826)	-
Closing carrying amount	<u>643,749</u>	<u>444,386</u>
<i>Total property, plant and equipment</i>		
Carrying amount at 1 January	25,178,954	24,911,169
Additions	953,590	1,281,173
Disposals	(81,090)	-
Net revaluation increments	-	915,000
Depreciation expense	(1,725,541)	(1,928,388)
Carrying amount at 31 December	<u>24,325,913</u>	<u>25,178,954</u>

**ELTHAM COLLEGE**  
**ABN: 31 004 992 750**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 13: LEASE ASSETS AND LEASE LIABILITIES</b>		
<b>(a) Lease assets</b>		
Land and buildings		
Buildings		
Buildings under lease	1,829,143	1,829,145
Accumulated depreciation	(1,640,715)	(1,454,233)
	188,428	374,912
Motor vehicles		
Motor vehicles under lease	8,018	78,266
Accumulated depreciation	(6,127)	(65,222)
	1,891	13,044
IT servers		
IT servers under lease	402,240	-
Accumulated depreciation	(13,004)	-
	389,236	-
Total carrying amount of lease assets	579,555	387,956
<b>(b) Lease liabilities</b>		
CURRENT		
Lease liability - buildings	344,155	345,511
Lease liability - motor vehicles	5,463	13,862
Lease liability - IT servers	21,275	-
	370,893	359,373
NON CURRENT		
Lease liability - buildings	-	325,243
Lease liability - IT servers	359,690	-
	359,690	325,243
Total carrying amount of lease liabilities	730,583	684,616
<b>NOTE 14: PAYABLES</b>		
CURRENT		
<i>Unsecured liabilities</i>		
Trade creditors	14,958	269,258
Parent deposits	534,753	415,500
Accrued expenses	451,603	632,999
Other payables	875,175	658,762
	1,876,489	1,976,519

**ELTHAM COLLEGE**  
**ABN: 31 004 992 750**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 15: PROVISIONS</b>		
CURRENT		
Annual leave	931,509	951,490
Long service leave	1,528,609	1,595,854
Study leave	-	54,000
	<u>2,460,118</u>	<u>2,601,344</u>
NON CURRENT		
Long service leave	<u>106,683</u>	<u>169,962</u>
 <b>NOTE 16: OTHER LIABILITIES</b>		
CURRENT		
Fees received in advance	4,745,520	4,270,611
Other current liabilities	54,026	54,026
	<u>4,799,546</u>	<u>4,324,637</u>
NON CURRENT		
Fees received in advance	<u>298,737</u>	<u>331,002</u>
 <b>NOTE 17: BORROWINGS</b>		
CURRENT		
<i>Secured liabilities</i>		
Bank loans	<u>10</u>	<u>10</u>

**(a) Assets pledged as security**

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. The bank facility agreement expired on 31 December 2023, and was renewed subsequent to reporting date (Note 23).

**ELTHAM COLLEGE**  
**ABN: 31 004 992 750**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 18: RESERVES</b>		
Asset revaluation reserve	<u>5,844,204</u>	<u>5,844,204</u>

The asset revaluation reserve relates to the revaluation of land as advised by Charter Keck Cramer, Property Advisors in April 2022. Land is held in the accounts at market value, with the reserve representing the increase in value above book value.

**NOTE 19: ACCUMULATED FUNDS**

Accumulated funds at beginning of year	13,679,264	14,594,440
Net deficit	<u>(1,780,844)</u>	<u>(915,176)</u>
	<u>11,898,420</u>	<u>13,679,264</u>

**NOTE 20: COMMITMENTS**

**(a) Capital expenditure commitments contracted for:**

- Acquisition of plant and equipment	<u>181,500</u>	<u>176,000</u>
Payable		
- not later than one year	<u>181,500</u>	<u>176,000</u>

**(b) Bank Guarantee**

- Guarantees held by Bendigo Bank	<u>88,275</u>	<u>88,275</u>
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**NOTE 21: RELATED PARTY TRANSACTIONS**

**(a) Transactions with related parties**

There were no transactions with related parties during the year ended 31 December 2023, or in the comparative period.

**NOTE 22: KEY MANAGEMENT PERSONNEL COMPENSATION**

Compensation received by key management personnel of the ELTHAM College

- short-term employee benefits	1,781,308	1,768,993
- post-employment benefits	179,284	151,825
- Director Remuneration	50,673	-
	<u>2,011,265</u>	<u>1,920,818</u>

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**NOTE 23: EVENTS SUBSEQUENT TO REPORTING DATE**

Subsequent to reporting date, the bank facility with Bendigo and Adelaide Bank Limited which expired on 31 December 2023, was renewed to a new expiry date of 31 December 2028. A \$600,000 equipment finance limit was also approved for use on equipment purchases.

Other than where described above, there has been no matter or circumstance, which has arisen since 31 December 2023 that has significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 31 December 2023, of the ELTHAM College, or
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 31 December 2023, of the ELTHAM College.

**NOTE 24: ELTHAM COLLEGE DETAILS**

The registered office of ELTHAM College is:

ELTHAM College  
1660 Main Road  
Research Victoria 3095

The principal places of business are:

ELTHAM College  
Main Campus  
1660 Main Road  
Research Victoria 3095

ELTHAM College Year 9 City Campus  
Level 2, 398 Lonsdale Street  
Melbourne Victoria 3000

**ELTHAM COLLEGE**  
**ABN: 31 004 992 750**

**DIRECTORS' DECLARATION**

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

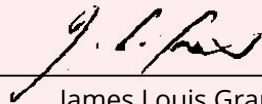
The Directors of the ELTHAM College declare that:

1. In the Directors' opinion, the financial statements and notes thereto, as set out on pages , satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*, including:
  - (a) complying with Australian Accounting Standards as detailed in Note 1 to the financial statements and the *Australian Charities and Not-for-profits Commission Regulations 2022*; and
  - (b) giving a true and fair view of the financial position as at 31 December 2023 and performance for the year ended on that date of the ELTHAM College in accordance with the accounting policies described in Note 1 to the financial statements.
2. In the Directors' opinion, there are reasonable grounds to believe that the ELTHAM College is able to pay all of its debts, as and when they become due and payable.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulations 2022*.



Director: \_\_\_\_\_  
Ruth Elizabeth Bailey



Director: \_\_\_\_\_  
James Louis Grant

Dated 29th day of April 2024

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ELTHAM COLLEGE

### Report on the Audit of the Financial Report

#### *Opinion*

We have audited the financial report, being a special purpose financial report of Eltham College Limited, "ELTHAM College", which comprises the statement of financial position as at 31 December 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and the Directors' declaration.

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

- (a) giving a true and fair view of ELTHAM College's financial position as at 31 December 2023 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

#### *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 ELTHAM College in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* "ACNC Act" and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* "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 - Material uncertainty related to freehold land valuation*

We draw attention to Note 2 and 12 in the financial report, which outline that the valuation report received in respect of the freehold land held by ELTHAM College contains a material uncertainty clause. The material uncertainty clause is due to the uncertainty resulting from COVID-19 and the impact it has on the independent valuation process. Our opinion is not modified in respect of this matter.

#### *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 to assist ELTHAM College to meet the requirements of 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.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ELTHAM COLLEGE

### Report on the Audit of the Financial Report

#### *Other Information*

The Directors are responsible for the other information. The other information comprises the information included in ELTHAM College's annual report for the year ended 31 December 2023, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### *Responsibilities of Management and Those Charged with Governance for the Financial Report*

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the ACNC Act and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing ELTHAM College's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate ELTHAM College or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing ELTHAM College's financial reporting process.

#### *Auditor's Responsibilities for the Audit of the Financial Report*

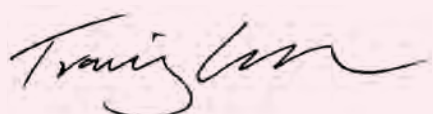
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF ELTHAM COLLEGE**

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 ELTHAM College's 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 ELTHAM College'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 ELTHAM College 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.



T LAPHORNE  
Partner



PITCHER PARTNERS  
Melbourne

Date: 29th April 2024

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