



**COUNTRY EDUCATION FOUNDATION
OF AUSTRALIA LTD** ACN: 103 889 452
Financial Statements for the year ended
DECEMBER 2022



Education changes lives. And families. And communities.

Country Education Foundation of Australia Ltd

ACN 103 889 452

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For the Year Ended 31 December 2022

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Chairman's Report

For the Year Ended 31 December 2022

While continuing to deal with the residual challenges of COVID-19 the year has been marked by consolidation and measured growth. As an organisation we have focused on improving the support to our 44 local foundations, so they can operate more efficiently and successfully. The compliance obligations imposed in today's world has meant that we have been required to invest in policies and procedures that meet all our respective obligations. Whilst on the surface not a particularly exciting endeavour, it has involved considerable investment by the Board and the CEF team.

Without doubt, the highlight of the year has been the appointment of our new patron Judy Brewer AO. Judy has long been associated with the Foundation through her husband, The Hon. Tim Fischer AC, who was a long serving and committed Patron. Judy brings a wonderful enthusiasm and pragmatism to living and working in regional Australia which is truly inspirational. Her introduction at the Alumni Awards in Canberra highlighted her affinity with our mission and her empathy for the youth of our regions and the challenges they face. We are incredibly thankful for her agreement to be involved.

The Alumni Awards were not only an opportunity to showcase the achievements of our recipients but provided a clear reminder to our volunteers, as to the value of their work. The increasing profile of and participation in the event is a measure of the maturing nature of our organisation which turns 30 this year. Celebrating our growth over this period, combined with the ambitious plans to grow our footprint and sustainability, becomes the focus of our energies at present. This is a remarkable journey from the first community foundation established in 1993 in Boorowa, NSW.

It is widely acknowledged that the mental health and well-being of Australia's youth, particularly those in the regions, has been greatly impacted by the pandemic years. To provide vital support to the young people we work with, we have introduced a service providing access to psychologists and counsellors for those who require it.

The past year saw the holding of a biannual gathering of volunteers in Canberra. To witness the diversity of our volunteers, bound together by common purpose is always an inspirational experience, and this event was no different. The gathering of some 50 people from across the network all with a range of ideas on how to make ourselves more valuable was thought-provoking. All agree there is a need to expand our geographic coverage which hopefully sees us moving further into Victoria and Queensland before we seek opportunities in Tasmania and Western Australia. Much of this ambition forms the basis of our strategic plan, which can only be fulfilled if our fundraising endeavours can be achieved.

The team under the leadership of Juliet Petersen continues to thrive in our own premises, based in Orange, NSW. We now fully occupy the building that we moved in to two years ago. The commitment the team exhibits when mixed with their professionalism shows in the level of engagement now recognised by Government, but most particularly our communities and alumni.

We are indebted to our treasurer, David Smithers AM, who has guided the financial growth and stability of the organisation. Our endeavours are directed to '*future-proofing*' ourselves against potential adversity and challenges. Our financial stability served us well during the COVID period, where we were retained all our staff and the momentum of our activities. This financial capacity will enable the next phase of our growth.

As always, I express my heartfelt thanks to those in the CEF family, who continue to share our concern for young Australians, striving to find their way through education and vocational experience in the regional and remote areas of the country. Their financial and moral encouragement has sustained us through challenging times, and it is never taken for granted.

Nicholas Burton Taylor AM
Chairman

Country Education Foundation of Australia Ltd

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Directors' Report

31 December 2022

The directors present their report on Country Education Foundation of Australia Ltd for the financial year ended 31 December 2022.

General information

Directors

The names of the directors in office at any time during, or since the end of, the year are:

Names	Position	Appointed/Resigned
Nicholas Burton Taylor AM FCA	Chairman	
Julia Burton Taylor OAM	Secretary	
David Smithers AM FCA	Treasurer	
Catherine Walker	Director	
Peita Burton Taylor	Director	
Dougal Geddes	Director	
Paula McLean	Director	Appointed 24 February 2022

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

Principal activities and significant changes in nature of activities

The principal activities of Country Education Foundation of Australia Ltd during the financial year were:

- To improve the education and career prospects of the youth of regional Australia by providing assistance, encouragement and support.
- To facilitate the formation and operation of community based education foundations with the purpose of advancing the aims of the Foundation.

There were no significant changes in the nature of Country Education Foundation of Australia Ltd's principal activities during the financial year.

Country Education Foundation of Australia Ltd

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Directors' Report

31 December 2022

Operating results and review of operations for the year

Operating results

The surplus for the year ended 31 December 2022 amounted to \$757,560 (2021: \$863,290).

Review of operations

During the year ended 31 December 2022 the Country Education Foundation of Australia continued to raise funds for investment in the education of regional students, in a very competitive fundraising environment. The support of universities, private and corporate foundations and individual donors made possible the continuation of this important work.

The funds raised have, as in past years, been distributed to students through a network of over 40 local committees which are supported by their many loyal volunteers.

The costs of operations have also been carefully managed throughout the year.

Other items

Significant changes in state of affairs

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

Events after the reporting date

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

Information on directors

Nicholas Burton Taylor AM FCA

Qualifications

Experience

Chairman

FCA

Founding Chairman of Country Education Foundation of Australia; Boorowa Education Foundation; Principal of Hillgrove Pastoral, Founder and former Managing Director of Hays Personnel (Australia); Director of Bush Heritage Australia and MH Premium Farms, Past Chancellor of Southern Cross University; Past Chairman of Delta Agribusiness, Australian Agricultural Company, Airservices Australia, Australian Topmaking Services; Past Director of CSR Limited, Hazelton Airlines, Rural Press, Sydney Airport Corporation, Meat Research Corporation; Past President of Chartered Accountants Australia and New Zealand.

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Directors' Report

31 December 2022

Information on directors

Julia Burton Taylor OAM
Experience

Secretary

Founding member of the Country Education Foundation of Australia and a committee member of the Boorowa Education Foundation; Director of Hillgrove Pastoral Company; Partner Kennys Creek Angus.

Catherine Walker
Experience

Director

Member of Yass District Education Foundation; Past Executive Officer, Country Education Foundation of Australia; Partner of Ledgworth Partnership grazing property in the Yass district; Chair of Yass Aged Care Foundation; Past President of the Ski Club of Australia and Ascham Parents Association.

David Smithers AM FCA
Qualifications
Experience

Treasurer

FCA

Director of James N. Kirby Foundation Pty Ltd, former director of Genea Ltd, former Chairman of PwC and Member of Global PwC Board. Fellow of Chartered Accountants Australia and New Zealand and the Australian Institute of Company Directors. Past President of Chartered Accountants Australia and New Zealand and former Executive General Manager of Leighton Holdings, former director of Sydney Olympics 2000 Bid Limited and Chairman of its Finance Commission.

Peita Burton Taylor
Qualifications
Experience

Director

MEvM, BA

CEO, Burton Taylor Foundation; Founding family member Country Education Foundation of Australia; Marketing Manager, Kenny's Creek Angus; Producer, Jack Morton Worldwide.

Dougal Geddes
Qualifications

Director

Bachelor of Commerce 1976 (Accounting); Bachelor of Laws 1978 (UNSW)

Experience

Principal of Foulsham & Geddes from 1982 to 2015; consultant to the firm 2015 to September 2022; Member of the Law Society of New South Wales Ethics Committee 2000 - 2001 and 2004 - 2007; Member of the Law Society of New South Wales Practice & Conduct Committee 2002 - 2003; Member of the Law Society of New South Wales Succession & Elder Law Committee 2008 - 2015; Starlight Foundation: Volunteer Management Service provider 2001 - 2003; Sydney City Mission: Mentor in Catalyst Program 2009 - 2012; Trustee of The Airmen's Foundation of Papua New Guinea 1998 - 2019. Mentor with Raise Foundation since 2020; Mentor with Youth Off the Streets since 2021; Mentor with Police and Youth Clubs since 2021.

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Directors' Report

31 December 2022

Information on directors

Paula McLean
Experience

Director
Book editor of education and fiction. Author of Good Foods for Babies and Toddlers and Playpower parenting books. Founding Trustee of the McLean Foundation. Founder of the Nature Writing Prize for Australian writers. Immediate past Deputy Chair of The Stella Prize for women's writing and Stella Patron. Recipient of Philanthropy Australia's Life Membership Award in 2021.

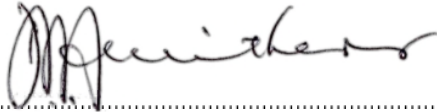
Meetings of directors

During the year 4 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Nicholas Burton Taylor AM FCA	4	4
Julia Burton Taylor OAM	4	4
Catherine Walker	4	4
David Smithers AM FCA	4	3
Peita Burton Taylor	4	4
Dougal Geddes	4	4
Paula McLean	4	4

Signed in accordance with a resolution of the Board of Directors:


Director:
Nicholas Burton Taylor AM FCA


Director:
David Smithers AM FCA

Dated 5 May 2023

Country Education Foundation of Australia Ltd

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Auditor's Independence Declaration to the Directors of Country Education Foundation of Australia Ltd

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2022, there have been:

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



Caroline Wilcher
Director
Boyce Assurance Services Pty Ltd

Dubbo
Dated 5 May 2023

167 Brisbane Street
PO Box 1100
Dubbo NSW 2830
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Cooma

Dubbo

Goulburn

Moree

Wagga Wagga

Authorised Audit Company
Registered Auditor Number: 270202

Knowledge. Insight. Experience.

Country Education Foundation of Australia Ltd

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Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 December 2022

	Note	2022 \$	2021 \$
REVENUE AND OTHER INCOME			
Education partners cofunding		321,895	284,611
Donations - General		2,444,683	2,089,890
Donations - Administration		29,000	26,191
Donations - Projects		122,961	95,179
Donations - Special Purpose		510,000	350,000
Events and merchandising		-	74
Services revenue		235,219	240,880
Investment and other income	3	166,048	129,225
Total revenue and other income		3,829,806	3,216,050
EXPENDITURE			
Students and regional foundations		2,356,062	1,947,784
National office network support			
Advocacy and community education		179,540	136,492
Fundraising events		7,605	-
Fundraising overhead		143,180	115,569
Administrative expenses		338,685	243,350
Depreciation	8(a)	25,047	23,780
Total national office network support		694,057	519,191
Total expenditure		3,050,119	2,466,975
Gains/(losses) on financial assets			
Net fair value gains/(losses) on financial assets		(22,128)	114,215
Surplus for the year		757,560	863,290
Total comprehensive income for the year		757,560	863,290

The accompanying notes form part of these financial statements.

Country Education Foundation of Australia Ltd

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Statement of Financial Position

As At 31 December 2022

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	1,136,351	905,668
Trade and other receivables	5	23,717	28,934
Other assets	6	7,773	4,679
TOTAL CURRENT ASSETS		<u>1,167,841</u>	939,281
NON-CURRENT ASSETS			
Financial assets	7	2,795,448	2,141,460
Property, plant and equipment	8	1,231,540	1,244,714
TOTAL NON-CURRENT ASSETS		<u>4,026,988</u>	3,386,174
TOTAL ASSETS		<u>5,194,829</u>	4,325,455
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	42,382	75,287
Contract liabilities	10	608,836	523,383
Employee benefits	11	28,622	25,348
TOTAL CURRENT LIABILITIES		<u>679,840</u>	624,018
NON-CURRENT LIABILITIES			
Contract liabilities	10	58,000	23,000
Employee benefits	11	25,120	4,128
TOTAL NON-CURRENT LIABILITIES		<u>83,120</u>	27,128
TOTAL LIABILITIES		<u>762,960</u>	651,146
NET ASSETS		<u>4,431,869</u>	3,674,309
EQUITY			
Retained surplus		4,015,729	3,674,309
Reserves	12	416,140	-
TOTAL EQUITY		<u>4,431,869</u>	3,674,309

The accompanying notes form part of these financial statements.

Country Education Foundation of Australia Ltd

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Statement of Changes in Equity

For the Year Ended 31 December 2022

2022

	Retained surplus	CAANZ scholarship reserve	Total
Note	\$	\$	\$
Balance at 1 January 2022	3,674,309	-	3,674,309
Surplus for the year	757,560	-	757,560
Transfer from retained surplus to reserve	(416,140)	416,140	-
Balance at 31 December 2022	4,015,729	416,140	4,431,869

2021

	Retained surplus	CAANZ scholarship reserve	Total
	\$	\$	\$
Balance at 1 January 2021	2,811,019	-	2,811,019
Surplus for the year	863,290	-	863,290
Balance at 31 December 2021	3,674,309	-	3,674,309

The accompanying notes form part of these financial statements.

Country Education Foundation of Australia Ltd

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Statement of Cash Flows

For the Year Ended 31 December 2022

	2022	2021
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from donors and education partners	3,789,427	3,113,464
Payments to suppliers, beneficiaries and employees	(3,036,803)	(2,401,421)
Dividends received	135,528	51,982
Interest received	8,752	2,395
Rental income	5,152	21,856
Net cash provided by/(used in) operating activities	13 902,056	788,276
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	8(a) (11,873)	(46,384)
Purchase of financial assets	(659,500)	(1,756,418)
Net cash used by investing activities	(671,373)	(1,802,802)
Net increase/(decrease) in cash and cash equivalents	230,683	(1,014,526)
Cash and cash equivalents at beginning of year	905,668	1,920,194
Cash and cash equivalents at end of financial year	4 1,136,351	905,668

The accompanying notes form part of these financial statements.

Country Education Foundation of Australia Ltd

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Notes to the Financial Statements

For the Year Ended 31 December 2022

The financial report covers Country Education Foundation of Australia Ltd as an individual entity. Country Education Foundation of Australia Ltd is company limited by guarantee, registered and domiciled in Australia. The company is also a registered charity with the *Australian Charities and Not-for-profits Commission Act 2012*.

The functional and presentation currency of Country Education Foundation of Australia Ltd is Australian dollars.

1 Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 Summary of significant accounting policies

(a) Income tax

The company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(b) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable.

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

Education partners cofunding

The Country Education Foundation of Australia partners with universities and colleges to offer additional funding to regional students to access post school education. Revenue from education partners is initially recognised as a contract liability until the matched funds have been expended in accordance with the terms of agreement.

Notes to the Financial Statements

For the Year Ended 31 December 2022

2 Summary of significant accounting policies

(b) Revenue and other income

Donations

Donations and bequests are recognised as revenue when received, unless the donation has been provided with specific performance obligations attached such as the provision of a scholarship. When donations are received whereby the Country Education Foundation of Australia incurs a performance obligation to deliver funds in accordance with the conditions imposed by the contributor, the donation is initially recognised in the statement of financial position as a contract liability until the funds have been expended as instructed.

Services revenue

The CEF national office derives services revenue by applying an administrative charge in accordance with agreements in place with education partners, receiving contributions to administration from donors to specific purposes such as scholarships in accordance with agreements in place and deducting a 10% administration contribution from donations received on behalf of local foundations.

The services revenue is applied the costs of providing the national office support network.

Investment and other income

Investment and other income is comprised of dividends, distributions and interest from the company's investments and rental income from the leasing of office space.

Dividends and distributions are recognised on a cash receipts basis. Franking credits relating to dividends and distributions are recognised as income as the company is entitled to apply for a refund of these franking credits.

Rental income is recognised on a straight line basis over the term of the lease.

Other income is recognised on an accruals basis.

(c) Goods and services tax (GST)

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

Receivables and payables are stated inclusive of GST.

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

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

Notes to the Financial Statements

For the Year Ended 31 December 2022

2 Summary of significant accounting policies

(d) Property, plant and equipment

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

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight line or reducing balance basis over the asset's useful life to the company, commencing when the asset is ready for use.

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

Fixed asset class	Depreciation rate
Land	0%
Buildings	2.5% - 10%
Plant and equipment	20% - 40%
Furniture, fixtures and fittings	10%
Office equipment	20% - 66.67%
Motor vehicles	16.67%

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

(e) Impairment of non-financial assets

At the end of each reporting period the company determines whether there is evidence of an impairment indicator for non-financial assets.

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

The recoverable amount of an asset is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset.

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

Notes to the Financial Statements

For the Year Ended 31 December 2022

2 Summary of significant accounting policies

(f) Financial instruments

Financial assets

The company's financial assets comprise cash at bank, cash equivalents, trade and other receivables, shares in listed companies and exchange traded funds (ETF's).

Cash equivalents and trade and other receivables are measured at cost.

Shares in listed companies and ETF's are measured at fair value through profit or loss. Net gains or losses, including any dividend income are recognised in profit or loss.

Financial liabilities

The company's financial liabilities comprise trade and other payables measured at cost.

(g) Employee benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Changes in the measurement of the liability are recognised in profit or loss.

Country Education Foundation of Australia Ltd

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Notes to the Financial Statements

For the Year Ended 31 December 2022

3 Investment and other income

	2022	2021
	\$	\$
Dividends and distributions	135,528	51,982
Interest	8,524	2,395
Miscellaneous income	227	-
Share sales	16,617	52,992
Rental income	5,152	21,856
	<u>166,048</u>	<u>129,225</u>

4 Cash and cash equivalents

Bank balances	713,588	223,863
Crestone cash management account	422,763	681,805
	<u>1,136,351</u>	<u>905,668</u>

5 Trade and other receivables

CURRENT		
Trade receivables	2,658	16,163
GST receivable	2,664	-
Franking credits receivable	18,395	12,771
	<u>23,717</u>	<u>28,934</u>

6 Other assets

CURRENT		
Prepayments	7,773	4,679
	<u>7,773</u>	<u>4,679</u>

7 Financial assets

NON-CURRENT		
Shares in listed companies and ETF's	2,538,837	2,141,460
Fixed income notes	256,611	-
	<u>2,795,448</u>	<u>2,141,460</u>

Notes to the Financial Statements

For the Year Ended 31 December 2022

8 Property, plant and equipment

	2022	2021
	\$	\$
LAND AND BUILDINGS		
Land		
At cost	<u>284,050</u>	284,050
Buildings		
At cost	890,578	890,578
Accumulated depreciation	<u>(12,367)</u>	(8,112)
Total buildings	<u>878,211</u>	882,466
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	4,912	4,912
Accumulated depreciation	<u>(4,297)</u>	(3,961)
Total plant and equipment	<u>615</u>	951
Furniture, fixtures and fittings		
At cost	26,044	20,421
Accumulated depreciation	<u>(6,528)</u>	(4,526)
Total furniture, fixtures and fittings	<u>19,516</u>	15,895
Office equipment		
At cost	52,575	46,325
Accumulated depreciation	<u>(36,866)</u>	(27,804)
Total office equipment	<u>15,709</u>	18,521
Motor vehicles		
At cost	56,355	56,355
Accumulated depreciation	<u>(22,916)</u>	(13,524)
Total motor vehicles	<u>33,439</u>	42,831
	<u><u>1,231,540</u></u>	<u>1,244,714</u>

Country Education Foundation of Australia Ltd

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Notes to the Financial Statements

For the Year Ended 31 December 2022

8 Property, plant and equipment

(a) Movements in carrying amounts of property, plant and equipment

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

	Land	Buildings	Plant and equipment	Furniture, fixtures and fittings	Office equipment	Motor vehicles	Total
	\$	\$	\$	\$	\$	\$	\$
Year ended 31 December 2022							
Balance at the beginning of year	284,050	882,466	951	15,895	18,521	42,831	1,244,714
Additions	-	-	-	5,623	6,250	-	11,873
Depreciation expense	-	(4,255)	(336)	(2,002)	(9,062)	(9,392)	(25,047)
Balance at the end of the year	284,050	878,211	615	19,516	15,709	33,439	1,231,540
Year ended 31 December 2021							
Balance at the beginning of year	284,050	856,911	1,492	17,661	9,773	52,223	1,222,110
Additions	-	29,081	-	-	17,303	-	46,384
Depreciation expense	-	(3,526)	(541)	(1,766)	(8,555)	(9,392)	(23,780)
Balance at the end of the year	284,050	882,466	951	15,895	18,521	42,831	1,244,714

Country Education Foundation of Australia Ltd

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Notes to the Financial Statements

For the Year Ended 31 December 2022

9 Trade and other payables

	2022	2021
	\$	\$
CURRENT		
Trade payables	3,345	44,864
Credit cards	282	172
GST payable	-	692
Sundry payables and accrued expenses	5,945	272
Superannuation payable	12,070	6,907
PAYG payable	16,765	17,491
FBT payable	3,975	4,888
	42,382	75,287

10 Contract liabilities

CURRENT

Scholarship and other program partners

Eureka Foundation	26,692	736
Liveris Foundation	1,800	7,000
Audi Foundation	10,000	605
Thyne Reid Foundation	61,971	83,974
Loder Foundation	34,500	46,000
Kirby Foundation	10,290	-
Origin Foundation	8,250	10,750
Allan and Gill Gray	126,000	-
Raymond E Purves Foundation	19,600	22,850
The Snow Foundation	100,000	75,000
Tilt/Rye Park	25,000	-
McLean Foundation	36	-
Findex	13,625	15,000
SELX	-	8,000
WLVX Western Victoria	2,800	2,800
The Profield Foundation	-	45,643
William McIlrath Charitable Foundation	8,000	12,000
VERTO Ltd	-	10,000
Connell Estate	2,480	6,110
Zagora Foundation	199	199
	451,243	346,667
Education partners cofunding	157,593	176,716
	608,836	523,383

Country Education Foundation of Australia Ltd

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Notes to the Financial Statements

For the Year Ended 31 December 2022

10 Contract liabilities

	2022	2021
	\$	\$
NON-CURRENT		
Scholarship and other program partners		
William McLlarth Charitable Foundation	12,000	-
Tilt/Rye Park	25,000	-
Loder Foundation	-	23,000
Eureka Foundation	21,000	-
	<u>58,000</u>	<u>23,000</u>

The application of AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-profit Entities has been considered in regard to donations and education partners cofunding monies received, primarily for scholarships. The accounting standards require income to be brought to account upon receipt under AASB 1058 unless there is a contract or agreement in place with enforceable rights and obligations, and the agreement includes 'sufficiently specific' performance obligations under AASB 15.

The conditions attached to donations and education partners cofunding received have been reviewed against the above criteria. Based upon this review the above stated contract liabilities have been recognised in respect of funds received where the performance obligations under the agreements have not been satisfied at 31 December.

11 Employee benefits

CURRENT

Provision for employee benefits	<u>28,622</u>	25,348
	<u>28,622</u>	25,348

NON-CURRENT

Provision for long service leave	<u>25,120</u>	4,128
	<u>25,120</u>	4,128

Country Education Foundation of Australia Ltd

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Notes to the Financial Statements

For the Year Ended 31 December 2022

12 Reserves

CAANZ Scholarship Funds

The CAANZ scholarship reserve contains funds that were distributed to Country Education Foundation of Australia Ltd in 2022 by the Chartered Accountants Benevolent Foundation Limited as the trustee of both the Chartered Accountants Scholarship Fund and the Chartered Accountants Necessitous Circumstances Fund on the occasion of these funds being wound up.

The funds have been set aside by Country Education Foundation of Australia Ltd for investment to continue to assist students embarking on a career in the accounting profession by funding scholarships titled CAANZ-CEF scholarship.

The movement in the reserve for the year is comprised of:

	2022	2021
	\$	\$
Opening balance	-	-
2021 funds received	379,459	-
Scholarships paid	(14,000)	-
Investment earnings applied	50,681	-
	<u>416,140</u>	<u>-</u>

13 Reconciliation of result for the year to cash flows from operating activities

Surplus for the year	757,560	863,290
Non-cash flows in surplus:		
- depreciation	25,047	23,780
- net fair value gains/(losses) on financial assets	5,511	(167,207)
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	5,217	(24,921)
- (increase)/decrease in other assets	(3,094)	(704)
- increase/(decrease) in trade and other payables	(32,905)	34,110
- increase/(decrease) in contract liabilities	120,453	51,556
- increase/(decrease) in employee benefits	24,266	8,372
Cash flows from operations	<u>902,056</u>	<u>788,276</u>

The net fair value (gain)/loss on financial assets is composed of loss in market value of \$22,128 (2021 gain: \$114,215) reduced by realised share sales income per Note 3 of \$16,617 (2021: \$52,992).

14 Key management personnel remuneration

The total remuneration paid to key management personnel of the company during the year ended 31 December 2022 was \$120,275 (2021: \$116,292).

Country Education Foundation of Australia Ltd

ACN 103 889 452

Notes to the Financial Statements

For the Year Ended 31 December 2022

15 Related party transactions

During the 31 December 2022 financial year the Country Education Foundation engaged Crestone Wealth Management Ltd as its advisor and broker for investment activities. A related party was a principal of Crestone up until May 2022 when the firm was sold to another business. Crestone advised on \$2.1 million of securities purchases and sales for which they charged approximately \$9,000 in brokerage fees. In addition, the Country Education Foundation paid \$8,417 of portfolio management fees to Crestone.

There were no other related party transactions other than the receipt of donations from the board of directors and their related entities.

16 Contingencies

In the opinion of the directors, the company did not have any contingent liabilities at at 31 December 2022 (2021:None).

17 Events after the end of the reporting period

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

18 Statutory Information

The registered office and principal place of business of the company is:

Country Education Foundation of Australia Ltd
52 Hill Street
ORANGE NSW 2800

Country Education Foundation of Australia Ltd

ACN 103 889 452

Directors' Declaration

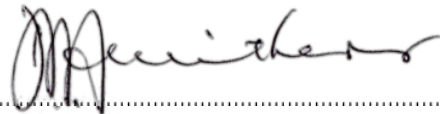
The directors of the company declare that:

1. The financial statements and notes, as set out on pages 7 to 21, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, *Charitable Fundraising Act (NSW) 1991* and *Charitable Fundraising Regulation (NSW) 2021*, and:
 - a. comply with Australian Accounting Standards - Simplified Disclosures; and
 - b. give a true and fair view of the financial position as at 31 December 2022 and of the performance for the year ended on that date of the company.
2. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.
3. The company has taken reasonable steps to comply with the *Charitable Fundraising Act (NSW) 1991* and the *Charitable Fundraising Regulation (NSW) 2021*.
4. In the directors' opinion, the company has appropriate and effective internal controls.

This declaration is made in accordance with a resolution of the Board of Directors.



Director
Nicholas Burton Taylor AM FCA



Director
David Smithers AM FCA

Dated 5 May 2023

Independent Auditor's Report to the members of Country Education Foundation of Australia Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Country Education Foundation of Australia Ltd (the company), which comprises the statement of financial position as at 31 December 2022, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

- (i) giving a true and fair view of the company's financial position as at 31 December 2022 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards - Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other Information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is included in the Directors' Report (but does not include the financial report and our auditor's report thereon).

Our opinion on the financial report does not cover the other information and 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.

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Authorised Audit Company
Registered Auditor Number: 270202

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

Responsibilities of Directors for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- 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.

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



Caroline Wilcher
Director
Boyce Assurance Services Pty Ltd

Dubbo
Dated 5 May 2023

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