

SYDNEY MONTESSORI SOCIETY
(A Company Limited by Guarantee)
A.C.N. 001 265 738

SYDNEY MONTESSORI SOCIETY
(A Company limited by Guarantee)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31 DECEMBER 2021

SYDNEY MONTESSORI SOCIETY
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A.C.N. 001 265 738

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
DECEMBER 2021**

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DIRECTORS' REPORT

DIRECTORS

The Directors are pleased to present their report together with the audited Financial Statements of Sydney Montessori Society for the year ended 31 December 2021.

The names of the Directors in office of this report are:

	<u>Date Appointed</u>	<u>Position</u>
Sheng Jason Zhang	18/02/2020	Chairman
Shikha Chadha	18/02/2020	Treasurer
Alessia Campagna	27/04/2021	Fundraising
Donovan Sia	15/02/2022	Vice Chair
Melissa Tjakrawisada	15/02/2022	Secretary
Denise Underwood	19/05/2020	Principal

Those who resigned in 2021/2022:	<u>Date Appointed</u>	<u>Date Resigned</u>
Andrew Hansen	20/02/2018	31/03/2022
James McCullough	20/02/2018	16/11/2021
Shruthi Samudrala	18/02/2020	16/03/2021

Information on Directors

Sheng Jason Zhang- Chairperson

Qualifications- Bachelor of Commerce (Finance Major), Bachelor of Laws (Honours).

Experience- Currently the founder and chief investment officer of JAZ Capital. Ten years' experience in investment banking, acquisitions, mergers, and infrastructure analysis.

Shikha Chadha- Treasurer

Qualifications- Master of Business in Accounting & Finance, Bachelor of Commerce, Diploma in Financial Services.

Experience- Eleven years in Financial Services

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Alessia Campagna- Fundraising

I am a Freelance Marketer focused on Brand & Content Strategy & Execution. With over 15 years' experience working with big name brands, small to medium businesses and start-ups I have honed my craft as a brand and content specialist.

Donovan Sia

Qualifications-Masters Property and Development, Bachelor of Engineering, Civil Engineering, Diploma Architectural Technology

Experience- A Real Estate Development Manager and Project Management strategist skilled in acquisition, design, master planning and delivery.

Melissa Tjakrawisada

Qualifications- Registered Psychologist, endorsed in clinical psychology.

Experience-Clinical psychologist since 2017 and registered psychologist with NSW

Denise Underwood- Principal

Qualifications- Masters in Business Administration, Masters in Primary Teaching, Bachelor of Education Early Childhood, Diploma in Montessori Teaching.

Experience-

Thirty years teaching in Preschools, including twenty-five years as Principal/ Director.

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Meetings of Directors

During the financial year and to the date of this report 12 meetings of Directors were held. Attendance by each Directors was as follow:

Name of Director	Number Eligible to attend	Number attended
Sheng Jason Zhang	12	12
James McCullough	10	9
Andrew Hansen	12	11
Shikha Chadha	12	11
Shruthi Samudrala	2	2
Alessia Campagna	9	5
Denise Underwood	12	12
Donovan Sia	2	2
Melissa Tjakrawisada	2	2

Objectives and Priorities

The vision of the School is to realise the potential in each child by developing independence, adaptability and a passion for learning. The objectives include providing high quality education consistent with Montessori methods for the local community within an effective physical environment in a financially sustainable manner.

The current priorities (both short and long term) are centred on ensuring strong student enrolments, ensuring staff capacity and development, as well as continued building improvements.

Principal Activities

The principal activity during the year was the operation of a school providing a Montessori education for 3-6 years old children. The school also did fundraise and planning for future premises, the income from which has been taken up in the building fund.

Performance Measurement

The school uses a variety of quantitative and qualitative key performance indicators including feedback from parents, formal staff review, reviews by Department of Education and NESAs, financial surplus and fundraising targets.

Operating Results

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The net profit amounted to \$141,160. Likely developments in the operations of the economic entity and the expected results of those operations in future financial years have not been included in the Financial Statements as the inclusion of such information is likely to result in unreasonable prejudice to the economic entity.

Events Subsequent to Balance Date: Since the end of the financial year, the Directors are not aware of any matter or circumstances not otherwise dealt with in the report.

Directors' Benefits: No Director has received or become entitled to receive, during or since the financial year, a benefit because of a contract made by the Company, controlled entity or a related body corporate with the Director, a firm of which the Director is a member or an entity in which the Director has a substantial financial interest.

Other: The Company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

No indemnities have been given during or since the financial year, for any person who is or has been an auditor of the Company. Indemnities have been given to persons who are or have been Directors of the Company and premiums of \$1,998.90 were paid in relation to Directors indemnity insurance.

No party has applied for leave of court to bring proceedings on behalf of the company or to intervene in any proceedings to which the company is a party for the purpose of taking responsibilities on behalf of the company for all or any part of those proceedings.

The Sydney Montessori Society was incorporated as a Company limited by guarantee on the 20th of November 1974, to carry on the activities previously carried out by the Sydney Montessori Society. Pursuant to the Company's memorandum of association, every member has undertaken, in the event of a deficiency or winding up, to contribute an amount not exceeding \$50. The total maximum members' liability on winding up is \$1,500 based on 30 members.

Auditor's Independence Declaration

A copy of the Auditor's Independence declaration as required under section 307C of the *Corporations Act 2001* is set out below.

Resolution

Signed in accordance with a resolution of the Directors.

Shikha Chandra (Treasurer):



Jason Zhang (Chairperson):



22.04.2022

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AUDITORS INDEPENDENCE DECLARATION UNDER
SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF SYDNEY MONTESSORI SOCIETY

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

1. No contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

Signature:



Mark Stuart Pressland Wilkinson
ASIC Registered Company Auditor: 4485

Liability limited by a scheme approved under Professional Standards Legislation

Date: 25 April 2022
Address: 6 Kintyre Crescent (PO Box 235), Leopold Vic 3224
Email: auditvalue@bigpond.com
Telephone: 0418 77 22 12

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**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR
THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021	2020
		\$	\$
Revenue	3	651,071	587,502
Expenses, excluding finance costs	2	(509,911)	(475,330)
Finance costs		<u>0</u>	<u>0</u>
Profit before tax		141,160	112,172
Income tax expense	1(a)	<u>0</u>	<u>0</u>
Profit for the year		141,160	112,172
Other comprehensive income-transfer to Retained Earnings		<u>0</u>	<u>0</u>
Profit and other comprehensive income for the year attributable to members		141,160	112,172

The accompanying notes form part of the Financial Statements

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BALANCE SHEET AS AT 31 DECEMBER 2021

	Note	2021	2020
		\$	\$
Current Assets			
Cash	4	843,788	705,228
Receivables	5	0	0
Other	6	301	1,658
Total Current Assets		844,089	706,886
Non-Current Assets			
Property, plant and equipment	7	24,600	26,238
Total Non-Current Assets		24,600	26,238
Total Assets		868,689	733,124
Current Liabilities			
Creditors and other payables	8	268,469	274,063
Provisions	9	38,086	38,086
Total Current Liabilities		306,555	312,149
Total Liabilities		306,555	312,149
Net Assets		562,134	420,975
Members' Funds		562,134	420,975

The accompanying notes form part of the Financial Statements

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STATEMENT OF CHANGES EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

	Current Earning	Retained Earnings	Total
	\$	\$	\$
Balance as at 01/01/2020	(10,172)	318,974	308,802
Profit attributable to Members	112,172		112,172
Transfers to and from Reserves			
Transfers to and from Retained earnings			0
Other Comprehensive Income - Transfers to Retained earnings	0	0	0
Balance as at 31/12/2020	102,000	318,974	420,974
Profit for the year	141,160		141,160
Other Comprehensive Income - Transfers to Retained earnings	0	0	0
Balance as at 31/12/2021	243,160	318,974	562,134

The accompanying notes form part of the Financial Statements

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CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 \$	2020 \$
Cash flows from operating activities			
<i>Receipts</i>			
Fees, forfeited security deposits		159,642	193,127
Interest received		1,672	2,212
Other -Transfers from Building Fund (Rent), Donations		630	300
<i>Cash flows from government</i>			
Receipts of subsidies		489,127	391,863
<i>Payments</i>			
Wages and salaries		(432,582)	(381,536)
Suppliers and others		(77,726)	(14,471)
Net cash (used in)/received in operating activities	2	<u>140,763</u>	<u>191,495</u>
 Cash flows used in investing activities			
Payments for purchase of property, plant and equipment		(2,203)	(3,998)
 Cash at the beginning of the financial year	 1	 <u>705,228</u>	 <u>517,731</u>
Cash at the end of the financial year		<u>843,788</u>	<u>705,228</u>

The accompanying notes form part of the Financial Statements.

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Notes to the statement of cash flows

1. Reconciliation of cash
For the purposes of the Cash Flow Statement, cash includes cash on hand and cash at bank.

2. Reconciliation of net cash (used)/received in operating activities to operating profit:

	2021	2020
	\$	\$
Operating profit before income tax and other comprehensive income	141,160	112,172
Depreciation – non cash	627	1,805
Amortisation of improvements – non cash	3,212	4,301
Increase/(Decrease) in receivables	0	2,200
(Increase)/Decrease in other current assets	1,357	4,863
(Increase)/Decrease in other non-current assets	0	0
Increase/ (Decrease) in creditors and borrowings	(5,594)	66,154
Increase/ (Decrease) in provisions	0	0
Net cash (used in)/received in operating activities	140,762	191,495

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1. STATEMENT OF ACCOUNTING POLICIES

The Directors have determined that the Company is not a Reporting Entity.

The Financial Statements are a Special Purpose Financial Report prepared in order to satisfy the financial reporting requirements of the Company and the needs of the Members.

The Financial Statements cover The Sydney Montessori Society and the Sydney Montessori Society School Building Fund as separate entities. The Sydney Montessori Society is a Company Limited by Guarantee, incorporated and domiciled in Australia.

The Financial Statements have been prepared in accordance with the requirements of the following Australian Equivalents of International Financial Reporting Standards (AIFRS) and the Corporations Act in so far as they are applicable to Non-Reporting Entities.

AASB 101	Presentation of Financial Statements
AASB 102	Inventories
AASB 107	Cash Flow Statements
AASB 108	Accounting Policies, Changes in Accounting Estimates & Errors
AASB 110	Events after the Balance Sheet Date
AASB 116	Property Plant and Equipment
AASB 117	Leases
AASB 118	Revenue
AASB 119	Employee Benefits
AASB 124	Related party Disclosures
AASB 136	Impairment of Assets
AASB 137	Provisions, Contingent Liabilities and Contingent Assets
AASB 1004	Contributions
AASB 1048	Interpretation and application of standards
AASB 1054	Australian additional disclosures
AASB 1057	Application of Australian Accounting Standards

No other Australia Accounting Standards, Urgent Issues Group Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been specifically applied.

The Financial Statements have been prepared on the basis of a Going Concern and on an accruals basis; are based on historic costs and do not take into account changing money values, or except where specifically stated, current valuations of non-current assets.

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1. STATEMENT OF ACCOUNTING POLICIES (continued)

The following is a summary of the significant accounting policies adopted by the Company in the preparation of the Financial Statements These policies have been consistently applied.

(a) Income Tax

The Company is exempt from taxation under Section 51 of the Income Tax Assessment Act Property, Plant & Equipment

(b) Property, Plant & Equipment

Property, plant and equipment are included at cost or at independent or Directors' valuation. The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated over the useful lives commencing from the time the asset is ready for use, at rates approximating 5% on a prime cost basis. Leasehold improvements, as show at Note 7 of the Financial Statements, relate to the refurbishment of the property at Cressy Road, North Ryde. Contributions received for no or a nominal value are recognised at their fair value on acquisition date as an asset in the Balance sheet and as revenue in the Statement of Profit or Loss and Other Comprehensive Income.

(c) Member's Equity

The Sydney Montessori Society was incorporated as a Company limited by guarantee on 20 November 1974. Pursuant to the Company's memorandum of association, every member has undertaken, in the event of a deficiency or winding up, to contribute an amount not exceeding \$50.

(d) Industry & Geographical Segments

The Company operates wholly within Australia in the industry of school and kindergarten education.

(e) Employee Benefits

Provision is made in respect of the Company's liability for long service leave at balance date. Long service leave is accrued in respect of employees with more than 1 year of service with the Company. Untaken annual leave entitlements (if any) are provided for.

(f) Revenue

Government grants (Contributions) from NSW Department of Education and NESAs are recognised in the Balance Sheet and Statement of Profit or Loss and Other Comprehensive Income at fair value when the Company obtains control of the contribution or the right to receive the contribution. It is probable the economic benefits comprising the contribution will flow to the entity; and the can be measured

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1:STATEMENT OF ACCOUNTING POLICIES (continued)

reliably. Recognition of Revenue received in advance (Government Grants, Tuition Fees, and Membership Fees) is deferred in the Balance Sheet.

(g) Goods and Services Tax (GST)

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

(h) Stock on Hand

Stock on hand is measured at cost less provision for loss of service potential. Provision is made in the period in which obsolete and slow moving stock is identified.

(i) Related Party Transactions

No transactions occur with Directors or other Related Parties requiring disclosure in these Financial Statements.

(j) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to entities in the economic entity are classified as finance leases. Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments including any guaranteed residual values. Lease payments are allocated between the reduction of the leased liability and the lease interest expense for the period. Lease assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term. Lease payments from operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

(k) Economic Dependence

The Company is dependent on Government Subsidies for a material part of its revenue. At the date of these Financial Statements, the Directors have no reason to believe that Governments will not continue to support the Company.

1: STATEMENT OF ACCOUNTING POLICIES (continued)

(l) Creditors and other payables

Creditors and other payables represent the liabilities for goods and services received by the Company that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within thirty days.

(m) Cash and cash equivalents

Cash and cash equivalents included cash on hand, deposits available on demand with banks, other short-term highly liquid investments with original maturities of three to six months or less, and bank overdrafts, if any.

(n) Receivables and prepayments

Receivables include amounts due from parents for services provided. Prepayments represent amounts paid by the Company at the end of the reporting period for goods and services yet to be received. Receivables and prepayments are expected to be collected/realised within twelve months from the end of the reporting period. The balance is recognised as a current asset.

(o) Impairment

At the end of each reporting period, the Company assesses whether there is any indication that an asset may be impaired. After testing, any excess of the asset's carrying value over its recoverable amount is recognised in the Statement of Profit or Loss and Other Comprehensive Income.

(p) Critical accounting estimates and judgments

The Company evaluates estimates and judgments incorporated into the Financial Statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

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2:OPERATING PROFIT

The operating profit before income tax includes the following items of revenue and expense:

	2021	2020
	\$	\$
EXPENSES		
Amortisation of improvements	3,212	4,301
Audit fees (paid or accrued)	4,950	5,390
Classroom and cleaning	11,055	12,277
Depreciation of plant and equipment	627	1,805
Employee costs	432,582	381,536
Insurance – Childcare, Directors and Officers	10,402	9,640
Other	22,787	24,163
Provision for long service leave-net	0	0
Rent / Licence	19,348	31,221
Utilities	4,948	4,997
TOTAL EXPENSES	509,911	475,330

No Director received remuneration during the year.

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3: OPERATING REVENUE

REVENUE	2021	2020
	\$	\$
Donation	630	300
Enrolment Fees	1,490	900
Forfeited Security Deposits	2,400	6,600
Government subsidies Dept. Ed & PDSP	362,671	202,294
Government grant Dept. Ed (outside equip)	0	(6,850)
Interest received	1,672	2,212
Membership Fees	3,200	2,560
Tuition & other fees (incl. SRS Entitlement, \$25,990)	152,552	183,067
Cash Flow Boost & Job Keeper	0	118,876
Commonwealth Funding (kindergarten chn)	126,456	77,543
TOTAL OPERATING REVENUE	651,071	587,502

4: CASH	2021	2020
	\$	\$
Cash on hand	200	200
Cash at the Bank	541,698	403,138
Term Deposit	301,890	301,890
TOTAL CASH	843,788	705,228

5: RECEIVABLES

Current tuition fees receivable	0	0
TOTAL RECEIVABLES	0	0

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6: OTHER ASSETS	2021	2020
	\$	\$
Current prepayments	(179)	1,140
Stock on hand (At Cost less provision 2021: \$1,750, 2020: \$1,750, 2019: \$2,586 2018: \$2,050)	480	518
TOTAL OTHER ASSESTS	301	1,658
7: PROPERTY, PLANT AND EQUIPMENT	2021	2020
	\$	\$
Plant and equipment at cost	49,970	49,970
Less: Accumulated depreciation	(45,711)	(45,083)
(Depreciation of 2021: \$627, 2020: \$1,805, 2019: \$1,044, 2018: \$545)	4,259	4,887
Total Plant and Equipment	4,259	4,887
Leasehold improvement at cost	343,560	341,358
Less: Accumulated amortisation	(323,219)	(320,007)
Total Leasehold improvement	20,341	21,351
Leasehold improvement were purchased of \$2,202 (2020: \$Nil)		
Amortisation of \$3,212 was charged (2020: \$4,301)		
TOTAL PROPERTY, PLANT AND EQUIPMENT	24,600	26,238

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8: CREDITOR & OTHER PAYABLES

	2021	2020
	\$	\$
Current		
Trade creditors, accruals and clearing accounts	87,702	88,901
Government funding in advance	24,373	30,496
Tuition fees in advance	-	-
Membership fees in advance	-	-
Net GST payable	31,296	23,513
Amount due to Building Fund	75,598	67,353
Refundable security deposits	49,500	63,800
TOTAL CREDITOR & OTHER PAYABLES	268,469	274,063

Trade creditors, accruals and clearing accounts include \$23,220 (2018: \$15,291) owing to the building fund.

9: PROVISIONS

	2021	2020
	\$	\$
Current Provision for long service leave	38,086	38,086
TOTAL PROVISIONS	38,086	38,086

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10: COMMITMENTS FOR CAPITAL EXPENDITURE AND OPERATING LEASES

Non-cancellable operating leases contracted for but not capitalised in the Financial Statements:
Commitments arising from the License Agreement with the Council of Ryde as referred to in the narrative.

	2021	2020
	\$	\$
Payable Not later than 1 year		
Later than 1 year but not later than 5years		
Later than 5 years	-	-

According to a representative of the Ryde City Council :

" Tania (Gamble) passed on your (Denise Underwood) email to me, and I just wanted to let you know the existing licence will continue to stay in a hold-over state probably until the end of the year. My team is currently updating the Community Buildings Licensing Policy and are hoping to have it adopted by Council later in the year. My manager has asked me to assure you that we are very happy with you as a tenant and have absolutely no intention of asking you to vacate the premises. We will be in touch about starting the renewal process as soon as the Licensing Policy is adopted by Council".
Tania Gamble is the Team Leader Community Services for Ryde City Council.

11. CONTINGENT LIABILITIES

The Company had no contingent liabilities at Balance Date.

12. CAPITAL MANAGEMENT

The Company's capital consists of its financial assets less its financial liabilities.

Directors control the capital of the Company to ensure that adequate cash flows are generated to fund its programs and ensure that the overall risk management is in line with this objective. Risk management practices included a late fee policy, forfeiture of security deposits, and regular analysis of profitability and future cash flow requirements.

Directors manage the Company's capital by assessing its financial risks and responding to changes in these risks and in the market. These responses include the consideration of tuition fee levels.

The strategy of the Company in managing its future cash flow requirements is to ensure that sufficient cash is on hand to meet employee costs and to pay trade and other payables.

There have been no changes to the strategy adopted to control the capital of the Company since prior year and the Company continues to have no net debt.

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13. MEMBERS GUARANTEE

The Sydney Montessori Society was incorporated as a Company limited by guarantee on 20 November 1974, to carry on the activities previously carried out by the Sydney Montessori Society. Pursuant to the Company's memorandum of association, every member has undertaken, in the event of a deficiency or winding up, to contribute an amount not exceeding \$50. The total maximum members' liability on winding up is \$1,950, based on 39 members.

14. EVENTS AFTER THE REPORTING DATE

There have been no significant events occurring after the balance date, which may affect either the operations or results of the operations of the Company.

The Financial Statements were authorised for issue by the Directors on the date shown in the Statement by Directors.

15. ENTITY DETAILS

The registered office of the Company is:
109 Cressy Road, North Ryde NSW 2113

The principal place of business is:
109 Cressy Road, North Ryde NSW 2113

The trading name of the business is:
The Children's House Montessori School.

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STATEMENT BY DIRECTORS

The Directors have determined that the Company is not a reporting entity and that these Financial Statements should be prepared in accordance with the accounting policies described in note 1.

In the opinion of the Directors of the Company:

- 1
 - (a) The Statement of Profit or Loss and Other Comprehensive Income gives a true and fair view of the Company's profit or loss for the financial year ended 31st December 2021.
 - (b) The Balance Sheet gives a true and fair view of the Company's state of affairs as at the end of the financial year.
- 2 At the date of this statement, 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 Financial Statements and Notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

This statement is made in accordance with a resolution of the Responsible Entity, being the Board of Directors and is signed for and on behalf of the Directors by:

Jason Zhang (Chairperson):



Shikha Chandra (Treasurer):



Sydney

Date: 26.04.2022

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
SYDNEY MONTESSORI SOCIETY

(A Company limited by guarantee) (Page 1 of 4)

Scope

I have audited the accompanying Financial Statements, being a Special Purpose Financial Report of Sydney Montessori Society ("the Company"), which comprises the Balance Sheet as at 31st December 2021 and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Cash Flow Statement for the year then ended, a Summary of Significant Accounting Policies, other explanatory Notes and the Directors' Declaration.

Qualified Audit Opinion

In my opinion, except for the effects on the Financial Statements of such adjustments, if any, as might have been required had the limitation on my audit procedures referred to in the qualification paragraph not existed, the Financial Statements present fairly in accordance with the accounting policies described in Note 1 to the Financial Statements and with the financial position of the Sydney Montessori Society as at 31st December 2021, and the results of its operations and its cash flows for the year then ended and complies with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*.

Basis of Qualified Opinion

Donations and Fundraising activities form part of the revenue for the Company, which has determined that it is impracticable to establish controls over the collection of such monies prior to entry into its financial records. Accordingly, as the evidence available to me regarding these sources of revenue was limited, my procedures with respect to these revenues had to be restricted to the amounts recorded in the financial records. I therefore are unable to express an opinion whether such revenues obtained by the Company are complete.

Directors' Responsibility for the Financial Statements

The Directors' of the Company are responsible for the preparation and fair presentation of the Financial Statements and have determined that the accounting policies described in Note 1 to the Financial Statements are appropriate to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the needs of the Members. The Directors' responsibility includes implementing and maintaining internal controls they determine are necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In preparing the Financial Statements, 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

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Company or to cease operations, or have no realistic alternative but to do so. We have nothing to report in this regard.

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Information Other than the Financial Statements and Auditor's Report Thereon

The Directors are responsible for any other information included in the Financial Report, which is not covered by my Auditor's Report and accordingly I do not express any form of assurance conclusion thereon. In connection with my audit, my responsibility is to read such other information and consider whether the other information is materially inconsistent with the Financial Statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information; I am required to report that fact. I have nothing to report in this regard.

Auditor's Responsibility

My objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report to the Members that includes my opinion based on my audit and based on the accounting policies adopted by the Directors' as set out in Note 1. These policies do not require the application of all Australian Accounting Standards. 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 these Financial Statements.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements. I also:

- Identify and assess the risks of material misstatement of the Financial Statements, 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 my 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 audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

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- 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
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events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my Auditor's Report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my Auditor's Report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represents the underlying transactions and events in a manner that achieves fair presentation.
I 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 I identify during my audit.
I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Independence

In conducting my audit, I have complied with the independence requirements of the *Corporations Act 2001*. I confirm that the independence declaration required by the *Corporations Act 2001* previously provided to the Directors of the Company would be in the same terms if provided as at the date of this Auditor's Report.

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Basis of Accounting

Without further modifying my opinion, I draw attention to Note 1 of the Financial Statements, which describes the basis of accounting. The Financial Statements have been prepared for distribution to Members for the purpose of fulfilling the Directors' Financial Reporting responsibilities including those under Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the Financial Statements may not be suitable for other purposes. Accordingly, I disclaim any assumption of responsibility for any reliance on this Report or on the Financial Statements to which it relates to any other persons, or for any purpose other than that for which it was prepared.

Signature:



Mark Stuart Pressland Wilkinson
ASIC Registered Company Auditor: 4485

Liability limited by a scheme approved under Professional Standards Legislation

Date: 25 April 2022

Address: 6 Kintyre Crescent (PO Box 235), Leopold Vic 3224
Email: auditvalue@bigpond.com
Telephone: 0418 77 22 12