



**Chairo
Christian School**

Annual Report

**ANNUAL REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

Chairo Parent Governed Christian Education Limited
ABN 12 451 824 370 • ACN 659 952 299

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Executive Principal's Report for 2023

My mouth will tell of your righteous deeds, of your saving acts all day long— though I know not how to relate them all. I will come and proclaim your mighty acts, Sovereign Lord; I will proclaim your righteous deeds, yours alone.

Since my youth, God, you have taught me, and to this day I declare your marvelous deeds. Even when I am old and gray, do not forsake me, my God, till I declare your power to the next generation, your mighty acts to all who are to come.

*Your righteousness, God, reaches to the heavens, you who have done great things. Who is like you, God? **Psalm 71:15–19***

We celebrated our fortieth anniversary as a school during 2023, and we certainly had (and continue to have) much to celebrate! I believe we did that well throughout the year – with gusto and humility, and always seeking to give God the glory.

For me, one of the highlights of the year was the regular Facebook and Linc News posts of stories and photos from our past. Whether it was reading about the initial meetings of our founding families in the late 1970s, acquiring and developing land at Drouin East, countless working bees, the commencement of our first students or the growth we have seen across five campuses, and much more, every aspect filled me with wonder and awe. Praise God for what he has done in and through the lives of so many people over the years.

Two things strike about the passage from Psalm 71 that is quoted above. Firstly, the older I get, the more I can see God's goodness and providence in things. And anytime we see or experience God's goodness, we need to take time to 'proclaim those mighty acts'. Secondly, the writer goes further than saying we should delight in and declare the good deeds of the Lord. We should also 'tell them to the next generation'.

Chairo is built on a belief that parents are responsible for the education and training of their children. A vital and primary aspect of this responsibility is to take every opportunity to tell our children (and grandchildren!) what God has done – for us, for them and for all humankind. I trust that every student at Chairo found themselves part of a conversation during 2023 about how we have seen God's goodness and extravagance to us as a school over the previous four decades. And I trust that you were also able to see, hear and delight in God's work in this way.

We can be thankful for God's goodness across our campuses during the year, for the wonderful, creative, energetic and determined work of our students and for activities that grew and stretched students in every domain. And we can celebrate their accomplishments, which are a testimony to the richness of school life at Chairo.

Of course, none of this would be possible without the commitment of families to partner with Chairo in the way they do – to be willing to be disciplined and dedicated to this partnership – and for that we are incredibly thankful.

The main people who families partner with are teachers, and I wish to affirm the passionate and professional work done by each one of them. Every day, in safe and welcoming classrooms, exciting programs and rich experiences are planned, prepared and presented. This is such an important aspect of delivering on our core business – the transformation of every student!

Whilst we may see the work of teachers most clearly, we recognise that many staff members (nearly a third of all staff at Chairo) are also committed to student transformation through a range of other roles. When staff members order resources, pay bills, administer first aid, ensure the effective deliver of technology, develop and maintain facilities and grounds, manage budgets, prepare marketing material, and so many more tasks, they are doing so in ways that ensure the safe, reliable and rigorous operations of one school across five campuses. Our experience of Chairo is shaped strongly by all who serve in roles that enable high-quality Christian education.

There are two groups of hard workers you may have even less ‘line of sight’ of in your daily engagement with Chairo. They are the governance and operational leaders of the school – the directors and executive leaders. Every month, members of Chairo’s governing Board meet to review, plan, prioritise and strategise a wise way forward for our school. These volunteers carry enormous responsibility to lead in ways that ensure Chairo achieves its mission and vision.

The Principals and Business Manager work with the Board to enact planning and strategy to ensure that quality and compliance is worked out in every aspect of our school community. Again, without the contribution of these key leaders, we could not enjoy and benefit from excellence in Christian education.

Praise God for the many ways that he blessed Chairo throughout 2023. Together, we can proclaim and praise the Lord’s goodness.

Simon Matthews



Board Chair's Report for 2023

We proclaim to you what we have seen and heard, so that you also may have fellowship with us. And our fellowship is with the Father and with his Son, Jesus Christ. 1 John 1:3

Congratulations to all students who attended Chairo in 2023, whether in kindergarten or Year 12 or anywhere in between. The completion of each school year is a real milestone in the lives of young people, and it is the prayer of our company directors that each Chairo student will experience such milestones with Jesus Christ.

I'd like to thank our directors, as well as Simon Matthews, Roger Simons and Darryl Martin, for their ongoing commitment to informed and prayerful governance at Chairo. In 2023, we welcomed three new directors, Gavin Armitage, Aven Eddington and Steve Messer, who joined Justin Groenewaldt, Marcus van Heijst, Louise Hood, Sam Nalder, Heath Easton and myself. Melissa Rumble concluded her time as a director at the AGM in May, having served faithfully for more than ten years.

My appreciation also goes to those who serve on our Finance Committee and to each Finance Team staff member. Their work plays a significant role in Chairo remaining in a strong financial position, capable of continuing Christ's work, as he wills, into the future.

Some significant developments at governance level in 2023 included the release of *Growing Stronger: Strategic Statement (2023–2032)* and our partnership with other Christian schools to establish the CITE (Christian Initial Teacher Education) Alliance. Ongoing preparations to commence Year 11 at Leongatha was another strategic highlight, as was master planning undertaken for our Drouin campuses.

It is encouraging for the future of Chairo to see our company membership continuing to grow steadily. We added 20 new members in 2023, bringing us to a total of 59 members at the end of the year.

I wish to take this opportunity to thank our staff members for their inspiring dedication to students, our parents for their invaluable partnership with the school and our students for their commitment to achieving their best.

It is my prayer that we will continue to be united as a school community in 2024, celebrating what we have in common, accepting what we think differently about and acknowledging the worth of each uniquely created individual.

Rob Bruce



Business Manager's Report for 2023

Enter his gates with thanksgiving and his courts with praise, give thanks to him and praise his name, for the Lord is good and his love endures forever, his faithfulness continues through all generations. Psalm 100:4–5

The 2023 year saw the commencement and completion of several smaller projects, including upgrading pathways and disabled access at Leongatha, replacement of IT equipment across the campuses, pathway and balustrading improvements at Drouin and playground improvements at Traralgon and Pakenham. Stage 3 of the Pakenham Senior School Centre was completed during the year and the next stage has already commenced.

The benefits of all these projects will be experienced by the school community for years to come. We pray and trust that all these capital improvements will continue to advance Chairó's mission and vision, and God's plans for the school.

Prep to Year 12 enrolments across the school for 2023 were 1,568 students compared to 1,566 in 2022. For 2024, enrolment numbers across the campuses are budgeted to be 1,580 students. Kindergarten student numbers continue to be consistent, with enrolments expected to be 175 or more students in 2024.

Capital development across the school is planned to increase during 2024, with the completion of Stage 4 of the Senior School Centre project at Pakenham and commencement of the Leongatha Senior School Centre. Further improvements and smaller projects across all campuses are also planned to be completed.

We continue to be thankful for the financial support of both the Commonwealth and Victorian State governments. The move towards more targeted needs-based funding continues and this has assisted us in our circumstances, allowing us to meet the diverse needs of our student population and maintain access for lower income families.

I wish to thank each of our wonderful support staff members. Without the competence and hard work of our talented teams in property, administration, finance, policy and compliance, ICT, community relations and marketing, event management, classroom support, technology and catering, there is no doubt that our ability to achieve our mission to provide excellence in Christ-centred education would be lessened. It is a privilege to work alongside these people in helping to support our teachers, students and families.

In summary, God has blessed the school community greatly over many years and Chairó continues to have many reasons to be optimistic about our future, as we seek to glorify God in all that we do.

Roger Simons



Chairo Parent Governed Christian Education Limited
ABN 12 451 824 370
ACN 659 952 299
Directors' report 31 December 2023

The directors present their report, together with the financial statements, on the company for the year ended 31 December 2023.

Objective of the Company

The Objective of the Company is to advance Christian education by:

- (a) establishing, operating and maintaining one or more Schools to provide education and services from a biblical worldview perspective in accordance with the Statement of Faith.
- (b) establishing, operating and maintaining one or more Early Learning Centres to provide education and services from a biblical worldview perspective in accordance with the Statement of Faith.
- (c) acting as trustee and to perform and discharge the duties and functions incidental thereto where this is incidental or conducive to the attainment of the Object; and
- (d) doing such other things as are incidental or conducive to the attainment of the Object, including the establishment of a public fund.

Principal activities

During the financial year the principal continuing activities of the company was providing Christian Education in the West Gippsland, Cardinia, Bass Coast & Latrobe Valley regions of Victoria.

Directors

The following persons were directors of the company during 2023, for the remainder of the financial year and up to the date of this report, unless otherwise stated:

Rob Bruce
Justin Groenewaldt
Marcus Van Heijst
Heath Easton
Sam Nalder
Melissa Rumble – Resigned from 29/5/2023
Louise Hood
Aven Eddington – Appointed from 1/8/2023
Steve Messer – Appointed from 14/9/2023
Gavin Armitage

Meetings of directors

The company's Board of Directors ('the Board') held 11 meetings during 2023, and the number of meetings attended by each director were:

Rob Bruce – 11	Justin Groenewaldt – 11	Marcus Van Heijst - 7
Heath Easton – 6	Sam Nalder – 7	Melissa Rumble - 3
Louise Hood – 10	Aven Eddington – 5	Steve Messer - 3
Gavin Armitage - 11		

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Directors' report 31 December 2023

Information on directors

Rob Bruce

Training/qualifications

- BSc
- AICD courses:
 - Introduction to Strategy & Risk
 - Introduction to Finance
 - Introduction to Governance
 - Company Directors Course

Board/committee experience

- Chairo Board: 2018 to present (current Chairman)
- Chairo Board committees:
 - Board Executive Committee (current)
 - Board Development Committee (current)
- Other boards/committees:
 - QNCC Pty Ltd (Director and Chairman)
 - I2E2 Pty Ltd (Director and Chairman)
 - Ancient Wealth Pty Ltd (Director and Chairman)

Relevant vocational experience

- Principal Network Architect (IT)

Justin Groenewaldt

Training/qualifications

- Master of Commerce
- Bachelor of Jurisprudence (Law)
- Christian Education National course: Bible in the Belly of the School

Board/committee experience

- Chairo Board: 2020 to present
- Chairo Board committees:
 - Finance Committee
 - Board Risk & Audit Committee (current)

Relevant vocational experience

- Human Resources Manager (various employers)
- Senior Leadership/Management (various employers)

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Directors' report 31 December 2023

Marcus Van Heijst

Training/qualifications

- M.Hort.Sc

Board/committee experience

- Chairo Board: 2019 to present (current Treasurer)
- Chairo Board committees:
 - Board Executive Committee (current)
 - Finance Committee (current)
- Other boards/committees: Board of Protected Cropping Australia

Relevant vocational experience

- Account Manager responsible for commercial activities in Oceania region
- Technical Director responsible for South-East Asia region

Heath Easton

Training/qualifications

- BSc (Hons)
- BTh and Dip Min
- Christian Education National course: Bible in the Belly of the School

Board/committee experience

- Chairo Board: 2021 to present
- Chairo Board committees: Board Education Committee (current)
- Other boards/committees:
 - Drouin Presbyterian Church Board of Management
 - Drouin Presbyterian Church Session (Committee of Elders)
 - Board of Melbourne East Christian Counselling Centre
 - METRO Committee of the Presbyterian Church of Victoria

Relevant vocational experience

- Ordained Minister of Religion (Senior Pastor at Drouin Presbyterian Church)

Chairo Parent Governed Christian Education Limited

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Directors' report 31 December 2023

Sam Nalder

Training/qualifications

- Cert 4 Training & Assessment
- Cert 3 Public Safety (Fire Fighting & Emergency Operations)
- Christian Education National courses:
 - Board Basics
 - Board Foundations

Board/committee experience

- Chairo Board: 2021 to present
- Chairo Board committees: Finance Committee (current)
- Other boards/committees: Board of Bairnsdale Christian College (past)

Louise Hood

Training/qualifications

- Secretarial studies
- ISV Financial Literacy Seminar
- CEN courses:
 - Board Basics
 - Foundations of Christian Education
 - Bible in the Belly of Culture

Board/committee experience

- Chairo Board: 2014 to present (current Secretary)
- Chairo Board committees:
 - Board Executive Committee (current)
 - Board Education Committee (current)
 - Company Membership Committee (current)
- Other boards/committee:
 - MOPS (Mother of Pre Schools) Committee at Drouin Presbyterian Church
 - Drouin Presbyterian Church Diaconal Care Team (current Chair/Secretary)

Relevant vocational experience

- Secretarial/administrative support positions

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Directors' report 31 December 2023

Melissa Rumble

Training/qualifications

- Christian Education National courses:
 - Board Basics
 - Board Foundations
 - Board Function
 - Board Performance
 - Foundations of Christian Education
 - Introduction to Finance
 - Bible in the Belly of the School
 - Bible in the Belly of Culture

Board/committee experience

- Chairo Board: 2013 to present (current Vice Chair)
- Chairo Board committees:
 - Board Executive Committee (current)
 - Board Education Committee (current)
 - Company Membership Committee (current)
 - Welfare Committee
- Other boards/committees:
 - Board of Bairnsdale Christian College (2022)
 - Committee of Sonshine Toy Library (2004–2009)

Relevant vocational experience

- Office Manager

Aven Eddington

Training/qualifications

- Diploma: Leadership & Management
- Diploma: Occupational Health & Safety Management
- Cert IV Human Resources Management
- Cert IV Training & Assessment

Board/committee experience

- Chairo Board: 1/8/2023 onward
- Drouin Presbyterian Church Board of Management (past)

Relevant vocational experience

- Senior Leadership/Management (various employers)
- Health, Safety & Wellbeing Advisory (various employers)
- Human Resources Advisory (various employers)

Chairo Parent Governed Christian Education Limited

ABN 12 451 824 370

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Directors' report 31 December 2023

Stephen Messer

Training/qualifications

- Bachelor Of Education
- Graduate Diploma of Adolescent Health
- Master of Divinity

Board/committee experience

- Chairo Board: 1991-92 & 14/9/2023 onward
- Eldership Community Church Warragul 2001-2011
- Eldership (active observer) at Warragul Presbyterian Church: 2020 to present
- Eldership at Maffra Community Church: 2021 to present

Relevant vocational experience

- Secondary teacher (Nhill High School, Warragul High School, Chairo Christian School): 1981-2003, 2014
- Casual relief teacher, Years 3-12 (Chairo Christian School, St Paul's Anglican Grammar School, Maranatha Christian School, Belgrave Heights Christian School): 2012-13
- Pastor at Community Church Warragul: 2003-11
- Pastor at Pakenham Baptist Church: 2015-2019
- Pastor at Warragul Presbyterian Church: 2020 to present
- Pastor at Maffra Community Church: 2021 to present

Gavin Akkrill Armitage

Training/ Qualifications

- BTech Information Technology
- BSC Honours Computer Science

Board Committee Experience

- Pastoral Search Committee: 2020-2021

Relevant vocational experience

- Technical and Consulting services (Information Technology)

Chairo Parent Governed Christian Education Limited
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Directors' report 31 December 2023

Contributions on winding up

Each Member undertakes to contribute to the Company's property if the Company is wound up while they are a Member, or within 1 year after they cease to be a Member.

This contribution is for:

- (i) payment of the Company's debts and liabilities contracted before they ceased to be a Member;
- (ii) the costs of winding up; and
- (iii) adjustment of the rights of the contributories among themselves. The amount is not to exceed \$1.

If any property remains on the winding up or dissolution of the Company and after satisfaction of all its debts and liabilities, then, that property may not be paid to or distributed among the Members but must be transferred to one or more funds or institutions as determined by the Members at or before the time of dissolution of the Company.

Auditors Independence Declaration

A copy of the auditor's independence declaration as required under subdivision 60-40 of the *Australian Charities and Not-for-profits Commission Act* is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors.

On behalf of the Directors:



: Director Mr. Robert Bruce



: Director Mr. Marcus Van Heijst

Dated at Drouin this 2nd day of May 2024

AUDITORS INDEPENDENCE DECLARATION UNDER SUBDIVISION 60-40 OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012 TO THE BOARD OF CHAIRO PARENT GOVERNED CHRISTIAN EDUCATION LIMITED

As lead auditor, I declare that, in relation to our audit of the financial report of Chairo Parent Governed Christian Education Limited for the financial year ended 31 December 2023, to the best of my knowledge and belief, there have been:

- (a) No contraventions of the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012*; and
- (b) No contraventions of any applicable code of professional.

Crowe Audit Australia

CROWE AUDIT AUSTRALIA

G. Robertson

GORDON ROBERTSON

Partner

Date: 2nd May 2024

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Chairo Parent Governed Christian Education Limited
Statement of Profit or Loss and Other Comprehensive Income
for the year ended 31 December 2023

	Note	2023 \$	2022 \$
Revenue	3	40,133,247	35,852,112
Employee benefits expense	5	(26,063,064)	(24,266,924)
Borrowing costs expense		(118,122)	(82,750)
Depreciation and amortisation expense	5	(2,697,753)	(2,538,631)
Transport Costs		(1,169,936)	(1,090,187)
Cleaning/Maintenance/Utilities Costs		(1,449,760)	(1,502,088)
Tuition/camps/excursion expenses		(1,801,381)	(1,537,940)
Other expenses (incl. Kinder Expenses)		(4,178,009)	(3,748,456)
Surplus before income tax expense		2,655,222	1,085,136
Income tax expense	1(i)	-	-
Surplus for the year		2,655,222	1,085,136
Other Comprehensive Income, net of income tax			
Net Gain on Asset Revaluation	13	-	11,176,587
Total Other Comprehensive Income		-	11,176,587
Total Comprehensive Income for the year		2,655,222	12,261,723
Surplus attributable to:			
Members of the company		2,655,222	1,085,136
Surplus for the year		2,655,222	1,085,136
Total Comprehensive Income attributable to:			
Members of the company		2,655,222	12,261,723
Total Comprehensive Income for the year		2,655,222	12,261,723

The accompanying notes form part of the financial statements

Chairo Parent Governed Christian Education Limited
Statement of Financial Position
as at 31 December 2023

		2023	2022
		\$	\$
Current Assets			
Cash and cash equivalents	6	121,344	153,538
Receivables	7	553,355	735,541
Prepayments		1,033,447	796,718
Money held in trust accounts		-	23,680
Total Current Assets		1,708,147	1,709,477
Non-Current Assets			
Property, plant and equipment	8	79,794,016	78,140,930
Right of use assets	9	788	23,517
Total Non-Current Assets		79,794,804	78,164,447
Total assets		81,502,950	79,873,924
Current Liabilities			
Creditors		331,739	316,098
Accrued Expenses		2,090,576	1,865,792
Lease Liabilities – Plant & Equipment	10/12	-	22,445
Provision for Employee Entitlements	11	2,679,632	2,500,737
Other		351,220	293,971
Total Current Liabilities		5,453,167	4,999,043
Non-Current Liabilities			
Provision for Employee Entitlements	11	498,052	516,083
Borrowings – Bank Bill	10	4,107,711	5,570,000
Total Non-Current Liabilities		4,605,763	6,086,083
Total Liabilities		10,058,930	11,085,126
Net Assets		71,444,020	68,788,798
Equity			
Retained surplus		28,548,068	26,257,320
Reserves	13	42,895,952	42,531,478
Total Equity		71,444,020	68,788,798

The accompanying notes form part of the financial statements

Chairo Parent Governed Christian Education Limited
Statement of Changes in Equity
for the year ended 31 December 2023

2023

	Retained Surplus	Capital Grants Reserve	Asset Revaluation Reserve	Total Equity
	\$	\$	\$	\$
Opening Balance	26,257,320	6,684,148	35,847,330	68,788,798
Net Surplus	2,655,222	-	-	2,655,222
Net transfer from retained surplus for amortisation	(364,474)	364,474	-	-
Balance at 31 December 2023	28,548,068	7,048,622	35,847,330	71,444,020

2022

	Retained Surplus	Capital Grants Reserve	Asset Revaluation Reserve	Total
	\$	\$	\$	\$
Opening Balance	24,866,550	6,989,782	24,670,743	56,527,075
Net Surplus	1,085,136	-	-	1,085,136
Gain on Asset Revaluation	-	-	11,176,587	11,176,587
Net transfer to retained surplus for amortisation	305,634	(305,634)	-	-
Balance at 31 December 2022	26,257,320	6,684,148	35,847,330	68,788,798

The accompanying notes form part of the financial statements

Chairo Parent Governed Christian Education Limited
Statement of Cash Flows
for the year ended 31 December 2023

	Note	2023	2022
		\$	\$
Cash Flows from Operating Activities			
Receipts from Student Charges		8,996,970	8,432,910
Other Income		1,672,555	1,174,978
Grants		31,521,773	28,263,857
Interest Received		19,054	3,550
Borrowing Costs Paid		(118,122)	(82,750)
Payments to Suppliers and Employees		(37,344,057)	(34,831,596)
Net Cash Flow from Operating Activities	14	4,784,173	2,960,949
Cash Flows from Investing Activities			
Proceeds from disposal of Property Plant & Equipment		51,327	-
Payments for Property Plant & Equipment		(4,374,604)	(4,494,744)
Net Cash used in Investing Activities		(4,323,277)	(4,494,744)
Cash Flows from Financing Activities			
Proceeds from Capital Grants		1,027,644	411,879
Proceeds/ (Repayment) of Small Capital Leases		(22,445)	(26,607)
Proceeds/ (Repayment) of Loan		(1,462,289)	1,146,000
<i>Net Cash Flow from Financing Activities</i>		(457,090)	1,531,272
<i>Net Increase/ (Decrease) in Cash Held</i>		(32,194)	(2,523)
Cash at beginning of Year		153,538	156,061
<i>Cash at End of Year</i>		121,344	153,538

The accompanying notes form part of the financial statements

Chairo Parent Governed Christian Education Limited
Notes to and forming part of the Financial Statements
for the year ended 31 December 2023

Note 1: Material Accounting Policy Information

The financial statements are for Chairo Parent Governed Christian Education Limited (the “company”) as an individual entity, incorporated and domiciled in Australia. The company is a not-for-profit company limited by guarantee.

The principal accounting policies that are material to the company in the preparation of the financial statements are set out below.

New or Amended Accounting Standards and Interpretation adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Boards (‘AASB’) that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

These general purpose financial statements have been prepared in accordance with the *Australian Accounting Standards - Simplified Disclosures* issued by the Australian Accounting Standards Board (‘AASB’) and the *Australian Charities and Not-for-profits Commission Act 2012*, as appropriate for not-for-profit oriented entities.

The financial statements are for the company as an individual entity. For the purpose of preparing the financial statement, the company is a not-for-profit entity. Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions.

The presentation currency used in the financial statements is Australian dollars (\$). Amounts in these financial statements are stated in Australian dollars unless otherwise noted.

Going concern

The financial statements are prepared on a going concern basis. This assessment is dependent upon the judgement that government funding will continue to be received in accordance with historic and budget expectations. Key judgements and estimates related to the going concern basis of preparation are presented in Note 2 (i).

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, certain financial assets.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 2.

Chairo Parent Governed Christian Education Limited
Notes to and forming part of the Financial Statements
for the year ended 31 December 2023

Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, unless otherwise stated.

(a) Revenue

Revenue arises mainly from:

- (i) Rendering of education services;
- (ii) Rendering of other services supplementary to education services;
- (iii) Government grant funding; and
- (iv) Interest received.

To determine whether and when to recognise revenue, the Company follows a 5-step process:

- (1) Identifying the contract with a customer;
- (2) Identifying the performance obligations;
- (3) Determining the transaction price;
- (4) Allocating the transaction price to the performance obligations; and
- (5) Recognising revenue when/as the performance obligation(s) are satisfied.

Revenue, including government grant funding that is subject to a funding arrangement that is both enforceable and sufficiently specific regarding its purpose, is recognised at a point in time or over time, when (or as) the Company satisfies performance obligations by transferring the promised goods to its customers.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

Government grant funding provided to the Company in accordance with a funding arrangement that is not both enforceable and sufficiently specific regarding its purpose, is recognised as revenue in the statement of profit or loss and other comprehensive income when the Company obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets is the rate inherent in the instrument.

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

Chairo Parent Governed Christian Education Limited
Notes to and forming part of the Financial Statements
for the year ended 31 December 2023

(b) Property, Plant and Equipment

Land and buildings

Land and buildings are shown at fair value, based on periodic valuations by external independent valuers, or at cost, less subsequent depreciation and impairment for buildings.

Increases in the carrying amounts arising on revaluation of land and buildings are credited in other comprehensive income through to the revaluation surplus reserve in equity. Any revaluation decrements are initially taken in other comprehensive income through to the revaluation surplus reserve to the extent of any previous revaluation surplus of the same asset. Thereafter the decrements are taken to profit or loss.

Based on general Land and Buildings indexation figures, the company does not believe that the fair value has increased by more than 10% since our last revaluation in June 2022.

Plant and equipment

Plant and equipment are brought to account at cost less, where applicable, any accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

The carrying amount of plant and equipment is reviewed annually to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the estimated replacement cost of the asset. The cost of plant and equipment constructed within the Company includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

(c) Depreciation

The depreciable amount of all fixed assets are depreciated on a straight line basis over the useful lives of the assets to the school from the time the asset is held ready for use.

All buildings were revalued in July 2022, though management have decided to adopt 50 years as the useful length of life for all buildings. The only exceptions are when the building was already revalued for a length of time greater than 50 years, and revising the length of life down to 50 years would subsequently result in no fair value.

The depreciation rates used for the current and comparative year for each class of depreciable asset are:-

Class of Fixed Asset	Depreciation Rate
Buildings & Site Improvements	1.33-20%
Plant and Equipment	5% - 50%

Chairo Parent Governed Christian Education Limited
Notes to and forming part of the Financial Statements
for the year ended 31 December 2023

(d) Impairment of Assets

At each reporting date, the Company reviews the carrying values of its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and replacement cost, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

(e) Cash

Cash and cash equivalents include cash on hand and deposits held at call with banks.

(f) Trade & Other Receivables

Other receivables are recognized at amortised cost, less any allowances for expected losses.

(g) Employee Entitlements

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to reporting date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Contributions are made by the Company to an employee superannuation fund and are charged as expenses when incurred.

(h) Current and Non-current Classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is current when:

- i.* it is expected to be realised or intended to be sold or consumed in normal operating cycle; or
- ii.* it is held primarily for the purpose of trading; or
- iii.* it is expected to be realised within twelve months after the reporting period; or
- iv.* the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Chairo Parent Governed Christian Education Limited
Notes to and forming part of the Financial Statements
for the year ended 31 December 2023

(h) Current and Non-current Classification (Continued)

A liability is current when:

- i.* it is expected to be settled in normal operating cycle;
- ii.* it is held primarily for the purpose of trading; it is due to be settled within twelve months after the reporting period; or
- iii.* there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

(i) Income Tax

In accordance with Section 50-5 of the Income Tax (Assessment) Act 1997, the Company is exempt from income tax.

(j) 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 Taxation 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.

(k) Leases

For any new contracts, the Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

To apply this definition, the Company assesses whether the contract meets three key evaluations which are whether:

- (i) The Company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract; and
- (ii) the Company has the right to direct the use of the identified asset throughout the period of use. The Company assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Chairo Parent Governed Christian Education Limited
Notes to and forming part of the Financial Statements
for the year ended 31 December 2023

(k) Leases (Continued)

Measurement and recognition of leases as a lessee

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the statement of financial position. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised. Variable lease payments which do not depend on an index or a rate (such as lease payments based on a percentage of Company sales) are excluded from the initial measurement of the lease liability and asset and are expensed as incurred

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

On the statement of financial position, right-of-use assets have been reported separately to property, plant and equipment and lease liabilities.

The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment (see Note 8).

(l) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Chairo Parent Governed Christian Education Limited
Notes to and forming part of the Financial Statements
for the year ended 31 December 2023

Note 2: Critical Accounting Estimates and Judgments

The preparation of the financial statements requires the Company to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. The Company continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. The Company bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, which the Company believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

i. Working Capital Deficiency

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. The Company believes it is a going concern for strong reasons as continuing enrolment numbers for 2024 have led directly to government grant funding which was paid to the Company in the second week of January 2024, totaling \$13.76 million including GST, which more than meets current liabilities. Other reasons include the projected timing of repayment of liabilities, the existence of an approved finance facility and significant unencumbered assets.

For the year ended 31 December 2023, although the School recorded a net current asset deficiency of \$3,745,020 (2022: Deficiency \$3,289,566), it also recorded a surplus from operating activities of \$2,655,222 (2022: Surplus \$1,085,136) and positive cash inflows from operating activities of \$4,784,173 (2022: \$2,960,949).

ii. Impairment

The Company assesses impairment at each reporting date by evaluation of conditions and events specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions. No impairment has been recognised in respect of property, plant and equipment at reporting date.

iii. Employee benefits provision

As per Note 1(g), the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Chairo Parent Governed Christian Education Limited
Notes to and forming part of the Financial Statements
for the year ended 31 December 2023

Note 2: Critical Accounting Estimates and Judgments (Continued)

- iv. *Estimation of useful lives of assets*
 The Company determines the useful lives and related depreciation and amortisation charges for its property, plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated.
- v. *Bad debt provision*
 The Company evaluates the collectability of accounts receivable on an ongoing basis based on historical bad debts, customer credit-worthiness, current economic trends and changes in payment activity. A provision is created recognising likely bad debts of the Company taking into account the individual factors as outlined above for each customers debt at the 31 December 2023.

Note 3: Revenue

	2023	2022
	\$	\$
Tuition fees revenue	8,416,570	7,882,407
State government grants	5,738,752	5,356,872
Commonwealth government grants	21,930,999	19,961,603
Interest received	19,054	3,550
Student transport	507,655	447,119
Other income	1,051,783	1,098,744
Donations	449,299	2,910
Early Learning Centre government grants	986,406	375,940
Early Learning Centre fee revenue	393,968	311,088
Early Learning Centre Free Kinder discount	(388,883)	-
Capital Grant	1,027,644	411,879
Total Revenue	40,133,247	35,852,112

Chairo Parent Governed Christian Education Limited
Notes to and forming part of the Financial Statements
for the year ended 31 December 2023

	2023	2022
	\$	\$
Note 4: Capital Grants		
Block Grant Authority – Aust./ Vic. Govt.	1,027,644	411,879
Note 5: Expenses		
Employee Benefits expense includes:		
Defined Contribution Superannuation expense	2,492,129	2,195,721
<i>Depreciation and amortisation expense:</i>		
- Property, plant and equipment:		
- Buildings	2,021,780	1,922,126
- Plant and Machinery	96,917	94,348
- Furniture and Equipment	285,850	282,682
- Motor vehicles	32,486	40,274
- Computer Equipment	237,991	172,073
	2,675,024	2,511,503
- Right-of-use assets:		
- Plant and equipment	22,434	26,833
- Computer Equip	295	295
	22,729	27,128
Total depreciation and amortisation expense	2,697,753	2,538,631
<i>Finance costs – Right of Use Assets and Leases:</i>		
- Interest expense for Right of Use Assets	432	1,541
- Interest expense for short term and low value leasing arrangements	23,258	23,783
Total interest expense for Financing	23,690	25,324

Chairo Parent Governed Christian Education Limited
Notes to and forming part of the Financial Statements
for the year ended 31 December 2023

	2023	2022
	\$	\$
Note 6 Current Assets – cash and cash equivalents		
Cash on Hand	2,450	2,450
Cash at Bank	118,894	151,088
	121,344	153,538
Note 7 Current Assets – receivables		
Debtors – Fees	684,347	629,069
Sundry debtors	(3,061)	23,620
Tax Clearing Account	195,346	340,440
Less Provision for doubtful debts	(323,277)	(257,588)
	553,355	735,541
Reconciliation Of Provision for doubtful debts		
Balance At Beginning Of year	257,588	288,650
Amounts recognised as doubtful	83,639	(2,388)
Amounts Written off	(17,950)	(28,674)
	323,277	257,588

Chairo Parent Governed Christian Education Limited
Notes to and forming Part of the Financial Statements
for the year ended 31 December 2023

	2023	2022
	\$	\$
Note 8 Non-current Assets		
Land At Valuation	10,225,000	10,225,000
Land At Cost	1,720,000	1,720,000
	11,945,000	11,945,000
Buildings and Improvements at Valuation	63,269,000	63,269,000
Buildings and Improvements at Cost	3,595,112	183,530
Less Provision for Depreciation	(2,843,843)	(822,064)
	64,020,269	62,630,466
Plant and Equipment at Cost	8,124,118	8,169,346
Less Provision for Depreciation	(5,383,330)	(5,702,869)
	2,740,788	2,466,477
Capital Works in Progress	1,087,959	1,098,987
Total Non Current Assets	79,794,016	78,140,930

This table shows the movement in the carrying amount of each class of property, plant and equipment between the beginning and the end of the current financial year.

	Land \$	Buildings \$	Plant and Equipment \$	Work in Progress \$	Total \$
Balance at Beginning of the Year	11,945,000	62,630,466	2,466,477	1,098,987	78,140,930
Transfers	-	2,656,105	64,781	(2,720,886)	-
Additions	-	755,478	909,268	2,709,858	4,374,604
Disposals	-	-	(46,494)	-	(46,494)
Depreciation Expense	-	(2,021,780)	(653,244)	-	(2,675,024)
Balance at End of the Year	11,945,000	64,020,269	2,740,788	1,087,959	79,794,016

Chairo Parent Governed Christian Education Limited
Notes to and forming Part of the Financial Statements
for the year ended 31 December 2023

	2023	2022
	\$	\$
<u>Note 9: Right Of Use Assets</u>		
<i>Plant and equipment:</i>		
At cost	107,329	107,329
Accumulated depreciation	<u>(107,329)</u>	<u>(84,895)</u>
	<u>-</u>	<u>22,434</u>
 <i>Computer Equipment</i>		
At Cost	1,969	1,969
Accumulated Depreciation	<u>(1,181)</u>	<u>(886)</u>
	788	1,083
	<u>788</u>	<u>23,517</u>
Total right-of-use assets	<u><u>788</u></u>	<u><u>23,517</u></u>

Movements in Carrying Amounts

Movement in the carrying amounts for each class of right-of-use asset between the beginning and the end of the current financial year:

<i>Plant and Equipment</i>		
Balance at beginning of the year	22,434	49,267
Depreciation	<u>(22,434)</u>	<u>(26,833)</u>
Balance at end of the year	<u><u>-</u></u>	<u><u>22,434</u></u>
 <i>Computer Equipment</i>		
Balance at beginning of the year	1,083	1,378
Depreciation	<u>(295)</u>	<u>(295)</u>
Balance at end of the year	<u><u>788</u></u>	<u><u>1,083</u></u>

Chairo Parent Governed Christian Education Limited
Notes to and forming Part of the Financial Statements
for the year ended 31 December 2023

	2023	2022
	\$	\$
<u>Note 10: Borrowings</u>		
Current		
AV Equipment Lease	-	22,445
	-	22,445
Non-Current		
Bank Bill	4,107,711	5,570,000
	4,107,711	5,570,000

The Bank Bill Business Loan is secured by a mortgage over 585 Bald Hill Road, Nar Nar Goon and Lots 2 & 3 655 Bald Hill Road, Nar Nar Goon and a general security agreement over all existing and future assets, and undertakings.

Note 11: Provisions

Current		
Long Service Leave expected to be paid in current year	117,040	156,879
Long Service Leave not expected to be paid in current year	2,183,114	1,994,035
Annual Leave	379,478	349,823
	2,679,632	2,500,737
Non Current		
Long Service Leave	498,052	531,392

Note 12: Lease Liabilities

Current		
Plant and Equipment	-	22,445
	-	22,445
Non-current		
Plant and Equipment	-	22,445
	-	22,445
Total lease liabilities	-	22,445

Chairo Parent Governed Christian Education Limited
Notes to and forming Part of the Financial Statements
for the year ended 31 December 2023

Note 12 Lease Liabilities (continued)

The Company had leases for Plant and Equipment

Leases of plant and equipment were generally limited to a lease term of 3 years.

The Company no longer has any further Lease Liabilities at the end of 2023.

Maturity analysis of lease liabilities

The lease liabilities are secured by the related underlying assets. The undiscounted maturity analysis of lease liabilities at year end is as follows:

Payable - minimum lease payments		
- not later than one year	-	22,877
- later than one year and not later than five years	-	-
- greater than five years	-	-
Minimum lease payments	-	22,877
Less future finance charges	-	(432)
Present value of minimum lease payments	-	22,445

Chairo Parent Governed Christian Education Limited
Notes to and forming Part of the Financial Statements
for the year ended 31 December 2023

Note 12 Lease Liabilities (continued)

Lease payments not recognised as a liability

The Entity has elected not to recognise a lease liability for short term leases (leases of expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognised as lease liabilities and are expensed as incurred.

The expense relating to payments not included in the measurement of the lease liability is as follows:

	2023	2022
	\$	\$
Short-term leases	-	-
Leases of low value assets	418,260	479,126
	418,260	479,126

Note 13: Reserves

Capital Grants Reserve:

Balance at beginning of year	6,684,148	6,989,782
Net Transfer to / (from) Reserve	364,474	(305,634)
Balance at end of year	7,048,622	6,684,148

Asset Revaluation Reserve

Balance at beginning of year	35,847,330	24,670,743
Net Gain/ (Loss) On Revaluation of Building	-	11,176,587
Balance at end of year	35,847,330	35,847,330

Total Reserves Balance at end of year	42,895,952	42,531,478
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The capital grants reserve is held in recognition of grants received for capital purposes. The majority of these grants would need to be refunded on a pro rata basis, should the entity cease operations within a 20 year period after the receipt of the grant. The entity therefore recognises the grant as income and transfers the entire grant from retained earnings to the reserve in the year it is received and then transfers 5% from the reserve into retained earnings annually.

The capital grant for the Multipurpose BER Hall built at Leongatha Campus in 2010 requires the full grant amount to be refunded if operations cease within 7 years after the receipt of the grant and then transferred from the reserve to retained earnings annually on a pro-rata basis for the next 7 years following at a rate of 14.29% per year (years 8-14 after receipt of grant).

Chairo Parent Governed Christian Education Limited
Notes to and forming Part of the Financial Statements
for the year ended 31 December 2023

Note 13: Reserves (continued)

The capital grant for the Design and Technology Building built at Pakenham Campus in 2015 requires the grant to be refunded on a pro rata basis, should the entity cease operations within an 11 year period. The entity therefore transfers 9.09% from the reserve to retained earnings annually on a pro rata basis for the next 11 years.

The capital grant for the Primary Library and Multipurpose Hall built at Traralgon in 2010 requires the full grant amount to be refunded if operations cease within half of the designated use period of 18.5 years years after the receipt of the grant (December 2010) and then transferred from the reserve to retained earnings annually on a pro-rata basis for the second half of the designated use period at a rate of 10.81% per year (April 2020 – Dec 2028).

Under the schools current BGA funding arrangement, all BGA grants are to be amortized over a period of time determined by the value of the grant, at a rate of 10 years for grants to \$500,000 and a further 1 year for every \$100,000 in excess of \$500,000. Once the period of time exceeds 50% of the overall length of time for each grant, amortization is to commence at an average rate over the remaining 50% of the overall length of time for the grant.

The Extension to Junior school/ Extension to Library & Resource Centre grant for the Pakenham campus has a duration of 13 years.

The Pakenham 9/10 Centre stage 1 & 2 grant has a duration of 14 years.

The Pakenham 9/10 Centre stage 3 & 4 grant has a duration of 12 years

A revaluation was completed at all campuses on all land and buildings during July 2022 by Opteon (Victoria) P/L.

Chairo Parent Governed Christian Education Limited
Notes to and forming Part of the Financial Statements
for the year ended 31 December 2023

Note 14: Cash Flows**Reconciliation of Net Cash Provided by Operating Activities to Operating Surplus**

	2023	2022
	\$	\$
Surplus for the year	2,655,222	1,085,136
Non Cash Flows in Operating Surplus		
Add back depreciation	2,697,753	2,538,631
Add back profit on sale of assets	(4,833)	-
Less proceeds from capital grant	(1,027,644)	(411,879)
Decrease/(Increase) in receivables	182,186	(347,361)
Increase in prepayments	(213,049)	(65,202)
Increase in payables & accrued expenses	240,425	81,860
Increase/(Decrease) in fees in advance	57,249	(121,173)
Increase in provision for employee entitlements	160,864	200,937
Net Cash Provided by Operating Activities	4,784,173	2,960,949

Note 15: Related Party Transactions/Directors Benefits/ Company Change**Directors:**

The names of Directors who have held office during the financial year are:

Marcus Van Heijst	Louise Hood	Justin Groenewaldt
Robert Bruce	Heath Easton	Melissa Rumble
Sam Nalder	Aven Eddington	Steve Messer
Gavin Armitage		

A number of directors are parents of children currently attending the school and, therefore, receive tuition and other schooling services; fees are set for and paid by the relevant directors at the published, scheduled rates.

No director, a firm of which a director is a member or an entity in which a director has a substantial financial interest, receives remuneration from services rendered to the economic entity, in accordance with the entity's constitution. The Chairman received an honorarium of \$5,500 during the financial year, as provided for in the constitution, in recognition of costs incurred personally.

Chairo Parent Governed Christian Education Limited
Chairo Christian School
ABN: 12 451 824 370
Notes to and forming Part of the Financial Statements
for the year ended 31 December 2023

Note 16: Economic Dependency

A significant portion of income is received by way of recurrent grants from the Victorian State and Australian Commonwealth Governments.

Note 17: Company Details

The registered office and principal place of business of the Company is 76 Balfour Road, Drouin, Victoria 3818.

Note 18: Contingent Liabilities

The Company had no contingent liabilities as at 31 December 2023 and 31 December 2022.

Note 19: Commitments

Stockwood Building Group and Chairo Christian School have a contract for the building of the VCE Centre Stage 2, signed on 20th of July 2023. 30.19% of the contracted price has been paid, leaving approximately \$1,626,335 owing at the 31st of December 2023.

Note 20: Key Management Personnel

The aggregate compensation, including superannuation and allowances, made to key management personnel of the Company is set out below:

	2023	2022
	\$	\$
Aggregate Compensation	419,301	405,871

Note 21: Events after 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.

Note 22: Remuneration of Auditors

Funding acquittal audit	3,417	200
Financial audit Services	18,500	17,210
	<u>21,917</u>	<u>17,410</u>

Chairo Parent Governed Christian Education Limited
Notes to and forming Part of the Financial Statements
for the year ended 31 December 2023
Directors' Declaration

In accordance with a resolution by the Directors of Chairo Parent Governed Christian Education Limited, the Directors of the Company declare that:

- the attached financial statements and notes satisfy the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and comply with Australian Accounting Standards - Simplified Disclosures; and
- the attached financial statements and notes give a true and fair view of the financial position of the Company as at 31 December 2023 and of its performance for the financial year ended on that date; and
- There are reasonable grounds to believe that the Company will be able to pay 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-profit Commission Regulations 2023.

On behalf of the Directors:



: Chairman Mr. Robert Bruce



: Treasurer Mr. Marcus Van Heijst

Dated at Drouin this *2nd* day of *May* 2024

Independent Auditor's Report to the Members of Chairo Parent Governed Christian Education Limited

Opinion

We have audited the financial report of Chairo Parent Governed Christian Education Limited (the Company), which comprises the statement of financial position as at 31 December 2023, 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 material accounting policy information, and the directors' declaration.

In our opinion, the accompanying financial report of Chairo Parent Governed Christian Education Limited has been prepared in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* (the ACNC Act), including:

- (a) giving a true and fair view of the Company'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 – Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 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 the Company in accordance with 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 comprises the information included in the Company's Directors' 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.

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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 the Board of Management 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 Requirements and the ACNC Act 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.

The directors are responsible for overseeing the Company'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.

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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by those charged with governance.
- Conclude on the appropriateness of the those charged with governance's 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 registered entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the responsible entities 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.

Crowe Audit Australia

CROWE AUDIT AUSTRALIA

G. Robertson

GORDON ROBERTSON

Partner

Dated at Pakenham this 3rd May 2024.