

The Geelong College Foundation Ltd

ABN 27 006 718 458

Financial Statements

For the Year Ended 31 December 2022

The Geelong College Foundation Ltd

ABN: 27 006 718 458

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The Geelong College Foundation Ltd

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Directors' Report

31 December 2022

The directors present their report on The Geelong College Foundation Ltd for the financial year ended 31 December 2022.

Information on directors

John Alexander (Sandy) Hutton

Qualifications

B.Comm University of Melbourne, Associate- Securities Institute of Australia

Experience

Director since 23 February 2011

Bio

Sandy has been a Board member of the Foundation since 2011. Sandy attended The Geelong College from 1971 to 76 as a boarder at Mackie House and was House Prefect in 1976. Sandy was also a member of the 1st VIII Rowing in 1976 and the 1st XVIII Football in 1975 & 76. Sandy completed a Bachelor of Commerce at the University of Melbourne between 1977-80 and resided at Ormond College. He completed post graduate studies as an Associate at the Securities Institute of Australia before starting out as a Securities Trader with First National. After working with Dalgety Australia as their Victorian Finance Manager, Sandy worked at several stockbroking firms including D & D Tolhurst, Credit Suisse First Boston, Morgan Stanley and Bell Potter Securities where he is currently a Senior Private Client Adviser. Sandy is also a Principal of Nigretta Pastoral and Co-chair of Annual Giving at Ormond College.

Andrew Cameron

Qualifications

Certificate wool classing (Gordon Institute), Certificate of Agriculture (Glenormiston Agriculture College)

Experience

Director since 26 October 2011

Bio

Andrew attended The Geelong College from 1965 to 1978. Andrew is married to Deb and has three children, Rebecca (OGC 2007), Charles (OGC 2008) and George (OGC 2011). He is the Managing Director of Rocklea Pastoral Company and a Director of the following: Jubilee Park Vineyard, Inverleigh Hotel, Pircarra Pty Ltd, Broderick Road Investments and Eulameet Developments Pty Ltd. Andrew was a Councillor for the Golden Plains Shire from 2012-2016.

Richard Carr

Qualifications

B.Com, CAANZ, CTA, GAICD, Dip FP

Experience

Director since 25 February 2015

Bio

Richard has been a Foundation member since 1999 and a Board member since 2015. He attended The Geelong College from 1971 to 1976 and served on The Geelong College Council from 2001 to 2013. He is a past parent of Georgina (OGC 2008), Emily (OGC 2010) and James (OGC 2011). He is a Director of Deakin University Council and member of the Deakin University Audit and Risk Committee. He is also a Founding Director of Kardinia Health, Director of Anglesea Surf Lifesaving Club, Director of Active Geelong and Treasurer of Geelong Try Boys. Richard is a Chartered Accountant and Director of West Carr & Harvey in Geelong. He has significant experience providing taxation, business and valuation services to a broad range of clients. Richard works with Geelong's leading law firms, medical professionals, professional service firms, primary producers, retailers and the not-for-profit sector.

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Directors' Report

31 December 2022

Information on directors

Information on directors

Scott Mcivor Chrinside

Experience

Bio

Director since 11 August 2015

Scott is a founding Director of the Foundation in 1987. He is a third generation Old Collegian (OGC 1970) and a former School Captain in 1973. Together with wife Deb he is a past parent of Sally (OGC 2005), Jess (OGC 2008), Lily (OGC 2010) and Hannah (OGC 2012). Mr Chrinside's roles within the school community have included Former President of the Old Geelong Collegians Association, Former President and Current Patron of the Albert Bell Club, Founding President of the Netball Parents Support Group and Carnival Convener in 1999.

His passion for sport at The Geelong College has seen him coach rowing for both girls and boys at various times between 1977 and 2015. He also enjoyed assisting with First Netball for some years and he chaired and was a member of the Boat Club Committee for many years.

His professional career in Agriculture was as Managing Director in the Chrinside Group of Companies but time was made to be Founding Chairman of the Victorian Serrated Tussock Working Party, Founding Chairman of the Geelong Landcare Network and a former Chair of 3 Weeds of National Significance for the Federal, New South Wales and Victorian Governments.

Scott has been a Country Fire Authority Volunteer for 47 years of which he has held the rank of Group Officer or Deputy Group Officer for 20. He is currently a Deputy Group Officer in the Coastal Group and a volunteer member in Lorne.

He was pleased to formalize his experience as a Company Director by gaining a Graduate of the Australian Institute of Company Directors. He is also a Graduate of the Queensland University Executive Development Program for Primary Producers.

As part of his semi-retirement he is again Chairman of Southern Farming Systems the high rainfall cropping and farming systems researcher for southern Australia and he is Vice President of the Foundation.

Lauren Betts

Experience

Bio

Director since 20 February 2019

Lauren was elected as a member of the Foundation Board in 2019. After attending The Geelong College as a boarder at Mossgiel from 2003 to 2005, Lauren completed a Bachelor of Laws and a Bachelor of Arts (Media and Communications) at The University of Melbourne where she was a resident at Queens College.

Lauren has worked as a solicitor since 2011, including in the Projects team at Herbert Smith Freehills and as an in-house corporate lawyer for the ASX listed consumer electronics retailer JB Hi-Fi.

Lauren now runs a legal practice in Geelong, Betts Legal, with her husband Nick Betts (OGC 2002) and has three young daughters.

Directors' Report

31 December 2022

Information on directors

Information on directors

Anna Webb

Experience

Bio

Director since February 2020

Anna is a current College parent and married into a family that has a long history at The Geelong College. Her husband, Paul Gorell (OGC 1981), father in law, Rex Gorell (OGC 1956) and brothers in law Brett (OGC 1982) and Jason (OGC 1989) - are all Old Collegians.

Anna has a Bachelor of Arts Degree from the University of Melbourne with a major in Psychology.

Anna's professional career has spanned Sydney and Melbourne. Her marketing, public relations and sponsorship roles have mainly focused on the telecommunications industry, the Arts and not for profit sector and, in more recent times, the health industry.

Anna has two children currently at the school, Tommy and Edwina. Her three stepchildren, Zoe (OGC 2015), Emma (OGC 2016) and William (OGC 2018) also attended Geelong College.

Nick Gilchrist

Experience

Bio

Director since 31 March 2021

Nick Gilchrist was appointed to The Geelong College Foundation in 2021. He attended The Geelong College from 1996 to 2001. Nick is married to Tracey Gilchrist (OGC 2001) and they have four children, three of which attend The Geelong College.

Nick attended Deakin University where he completed a Bachelor of Computing Information Systems and a Diploma of Project Management and is currently a Systems Administrator for the City of Greater Geelong. Nick is involved with the Lorne Surf Life Saving Club and his other interests include skiing, cycling, running and beekeeping.

Sue Swan

Experience

Bio

Director since May 2022

Sue was born and educated in Hobart and has a Bachelor of Arts Degree from the University of Tasmania majoring in Geography and Psychology. Sue completed her Registered Nursing training at The Royal Hobart Hospital.

Sue's professional career has spanned the private hospital and private medical specialist sectors and she was Director of Services, 'Menzies Malvern' in Melbourne.

Sue is married to James Swan and their son Will is currently in Year 12 at The Geelong College. Sue is a stepmother of four older children, Kate, David, Andrew and Georgie.

Bradley Fenner

Experience

Bio

Director since August 2022

Bradley was a day student at The Geelong College from 1970 to 1975, following two older brothers. After studies in Arts and Education at Melbourne University, he embarked on a teaching career, working in schools in four Australian states, as well as in the UK and New Zealand. He was successively Headmaster of Westminster School in Adelaide, King's College in Auckland and most recently Prince Alfred College in Adelaide.

In mid-2022 Bradley retired to the family property at Clunes in Central Victoria to support his wife Barbara in farming and farm stay operations. Barbara and he have three adult children.

Bradley is a Director of Campion Education and serves on the Board of the International Methodist Education network. He has a passion for, and extensive experience in, promoting philanthropy and building endowment to support institutions.

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Directors' Report

31 December 2022

Meetings of directors

During the financial year, [insert number] meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
John Alexander (Sandy) Hutton	4	3
Andrew Cameron	4	4
Richard Carr	4	4
Scott Mcivor Chrinside	4	4
Lauren Betts	4	3
Anna Web	4	4
Nick Gilchrist	4	4
Sue Swan	3	3
Bradley Fenner	2	1

Company secretary

The following person held the position of Company secretary at the end of the financial year:

Shannyn Leach (BCom, CPA) has been the company secretary since 2010. Prior to this role, Shannyn Leach has held Directorships in Pie in the Sky Travel Ltd and the Collingwood Football Club Foundation Ltd. Ms. Leach has also held the position of Company Secretary at the Collingwood Football Club Ltd, Pie in the Sky Travel Ltd and the Collingwood Football Club Foundation Ltd. She is the current board member of The Geelong Gallery.

Principal activities and significant changes in nature of activities

The principal activity of The Geelong College Foundation Ltd's is to support and assist the Geelong College to ensure the preservation, improvement and development of the schools educational offerings and facilities

There were no significant changes in the nature of The Geelong College Foundation Ltd's principal activities during the financial year.

Foundation objectives

The Foundation is established to support and assist The Geelong College (the College) Council and to encourage and foster financial support from the past students, parents of students and friends of the College for the benefit of the College including the preservation, improvement and development of the educational offering and facilities of the College including but without limitation to these general objects are expressed:

- To invite past students, parents of students and friends of the College to become Members and as Members to participate and join more actively and effectively in supporting and assisting the Council to promote and carry out the objectives of the College, namely the provision for students of a liberal, balanced and general education with the purpose of fostering their intellectual, aesthetic, physical, spiritual and moral growth and within which Christian faith, worship and practice in harmony;
- To encourage the making of gifts including bequests and devises to or for the benefit of the College or the Foundation or to any of the funds or accounts or any trusts or funds established for the benefit of the College;

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Directors' Report

31 December 2022

Foundation objectives

Foundation objectives

- To enlist the support including the financial support of past students, parents of students and friends of the College for activities calculated to improve the education provided by the College including the employment of teaching staff with special skills, the carrying out of research and the provision of scholarships, bursaries, endowments, allowances, visits from distinguished scholars and others with qualifications which enable them to contribute to the education of the students and the teaching staff of the College, the acquisition of books, works of art, plant and equipment and land and buildings and the construction and maintenance of buildings and facilities; and
- To raise money for all of the purposes referred to above by any method including the undertaking of or participation in commercial ventures of any kind that is resolved by the Board of Management with the consent of the Council that is desirable and in the interests of the College and the Foundation to apply. Short term objectives are to:

Strategy for achieving the objectives

The strategy of the Foundation for achieving the objectives includes offering, enlisting and encouraging the College community and others to donate in various forms as per the constitution, providing the revenue for investment via recommendations from the Foundation Chair, ratified by the board of management.

Members' guarantee

The Geelong College Foundation Ltd is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$ 5 for members, subject to the provisions of the company's constitution.

At 31 December 2022 the collective liability of members was \$ 1,285 (2021: \$ 1,225).

Operating results and review of operations for the year

Review of operations

The surplus of the Foundation amounted to \$ 18,628,842 (2021: \$325,809).

Other items

Events after the reporting date

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

Future developments and results

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

The Geelong College Foundation Ltd

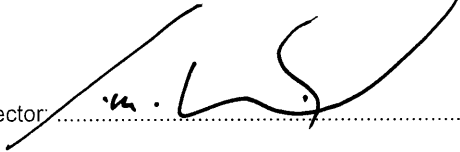
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Directors' Report
31 December 2022

Auditor's independence declaration

The auditor's independence declaration in accordance with section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012 for the year ended 31 December 2022 has been received and can be found on page 7 of the financial report.

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

Director: 
Scott Chirnside

Director: 
Richard Carr

Dated this 5th day of March 2023

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SUBDIVISION 60-40 OF *THE AUSTRALIAN CHARITIES
AND NOT-FOR-PROFITS COMMISSION ACT 2012*
TO THE DIRECTORS OF THE GEELONG COLLEGE FOUNDATION LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2022, there have been no contraventions of the auditor independence requirements as set out in any applicable code of professional conduct in relation to the audit.



MOORE AUSTRALIA AUDIT (VIC)
ABN 16 847 721 257



RYAN LEEMON
Partner
Audit and Assurance

Melbourne, Victoria

8 March 2023

The Geelong College Foundation Ltd

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

		2022	2021
	Note	\$	\$
Income	5	20,211,310	729,958
Profit/(loss) on sale of financial assets		(21,008)	15,567
Scholarships and bursaries expense		(99,858)	(97,020)
Management expense		(129,545)	(121,616)
Investment property outgoings		(24,124)	(21,584)
Donations		(1,154,888)	(75,000)
Other expenses		(41,709)	(32,743)
Administration expenses		(39,817)	(17,215)
Finance expenses		(71,519)	(54,538)
Surplus for the year		18,628,842	325,809
Other comprehensive income			
Net gain/(loss) on revaluation of financial assets		(283,922)	1,001,741
Other comprehensive income for the year		(283,922)	1,001,741
Total comprehensive income for the year		18,344,920	1,327,550

The accompanying notes form part of these financial statements.

The Geelong College Foundation Ltd

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Statement of Financial Position

As At 31 December 2022

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	350,621	266,373
Trade and other receivables	7	93,073	107,639
Inventories	8	13,840	14,665
Other assets	11	6,249	7,555
TOTAL CURRENT ASSETS		463,783	396,232
NON-CURRENT ASSETS			
Trade and other receivables	7	6,000,000	7,000,000
Other financial assets	9	10,116,360	10,089,776
Investment properties	10	27,000,000	8,250,000
TOTAL NON-CURRENT ASSETS		43,116,360	25,339,776
TOTAL ASSETS		43,580,143	25,736,008
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	14,604	15,389
TOTAL CURRENT LIABILITIES		14,604	15,389
NON-CURRENT LIABILITIES			
Borrowings	13	2,400,000	2,900,000
TOTAL NON-CURRENT LIABILITIES		2,400,000	2,900,000
TOTAL LIABILITIES		2,414,604	2,915,389
NET ASSETS		41,165,539	22,820,619
EQUITY			
Reserves		3,259,179	3,543,101
Retained earnings		37,906,360	19,277,518
TOTAL EQUITY		41,165,539	22,820,619

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity For the Year Ended 31 December 2022

2022

	Retained Earnings	Contribution membership Fund	Investment Revaluation Reserve	Total
	\$	\$	\$	\$
Balance at 1 January 2022	19,277,518	102,200	3,440,901	22,820,619
Surplus attributable to members	18,628,842	-	-	18,628,842
Revaluation increment/(decrement)	-	-	(283,922)	(283,922)
Balance at 31 December 2022	37,906,360	102,200	3,156,979	41,165,539

2021

	Retained Earnings	Contribution Membership Fund	Investment Revaluation Reserve	Total
	\$	\$	\$	\$
Balance at 1 January 2021	18,951,709	102,200	2,439,160	21,493,069
Surplus attributable to members	325,809	-	-	325,809
Revaluation increment/(decrement)	-	-	1,001,741	1,001,741
Balance at 31 December 2021	19,277,518	102,200	3,440,901	22,820,619

The accompanying notes form part of these financial statements.

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Statement of Cash Flows For the Year Ended 31 December 2022

	2022	2021
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from fundraising, donations and other revenues	1,620,906	36,885
Payments to suppliers	(1,327,939)	(260,260)
Payments for scholarships, bursaries and contributions	(232,175)	(150,768)
Dividends received	760,988	480,444
Interest received	93,982	105,005
Net cash provided by operating activities	915,762	211,306
CASH FLOWS FROM INVESTING ACTIVITIES:		
Net sale/(purchase) of financial assets (shares)	(331,514)	(78,264)
Net cash used in investing activities	(331,514)	(78,264)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of borrowings	(500,000)	-
Net cash used in financing activities	(500,000)	-
Net increase/(decrease) in cash and cash equivalents held	84,248	133,042
Cash and cash equivalents at beginning of year	266,373	133,331
Cash and cash equivalents at end of financial year	6 350,621	266,373

The accompanying notes form part of these financial statements.

The Geelong College Foundation Ltd

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Notes to the Financial Statements

For the Year Ended 31 December 2022

The financial report covers The Geelong College Foundation Ltd as an individual entity. The Geelong College Foundation Ltd is a not-for-profit Company, registered and domiciled in Australia.

The principal activity of the Company for the year ended 31 December 2022 is to support and assist the Geelong College to ensure the preservation, improvement and development of the schools educational offerings and facilities.

The functional and presentation currency of The Geelong College Foundation Ltd is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

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

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

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

2 Change in Accounting Policy

(a) Transition to General Purpose - Simplified Disclosure Standard (SDS) reporting

In the previous year, the Company prepared special purpose financial statements which complied with all recognition and measurement requirements.

In adopting this standard, the Company has applied AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors.

There are no significant impacts of the transition and description of the change in accounting policies to Australian Accounting Standards - Simplified Disclosures. There was no impact on the recognition and measurement as a result of the change in basis of preparation, however some additional disclosures have been provided in the current year, with the prior period comparatives also provided where required.

3 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Notes to the Financial Statements

For the Year Ended 31 December 2022

3 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue from contracts with customers

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Company are:

Donations

Donations and bequests are recognised as revenue when received and the Foundation has control of the funds.

Sale of goods

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

Interest income

Interest is recognised using the effective interest method.

Dividend income

Dividends are recognised when the entity's right to receive payment is established.

Rental income

Investment property revenue is recognised on a straight-line basis over a period of the lease term so as to reflect a constant periodic rate of return on the net investment.

Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

(b) Income tax

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

(c) Goods and services tax (GST)

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

Receivables and payable are stated inclusive of GST.

Notes to the Financial Statements

For the Year Ended 31 December 2022

3 Summary of Significant Accounting Policies

(c) Goods and services tax (GST)

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

(d) Investment property

Investment property is carried at fair value which includes expenditure that is directly attributable to the acquisition of the investment property. Periodic fair value movements are reflected through the statement of profit or loss.

(e) Financial instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Amortised cost

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Notes to the Financial Statements

For the Year Ended 31 December 2022

3 Summary of Significant Accounting Policies

(e) Financial instruments

Financial assets

Fair value through other comprehensive income

Equity instruments

The Company has a number of strategic investments in listed and unlisted entities over which they do not have significant influence nor control. The Company has made an irrevocable election to classify these equity investments as fair value through other comprehensive income as they are not held for trading purposes.

These investments are carried at fair value with changes in fair value recognised in other comprehensive income (financial asset reserve). On disposal any balance in the financial asset reserve is transferred to retained earnings and is not reclassified to profit or loss.

Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at FVTPL.

Net gains or losses, including any interest or dividend income are recognised in profit or loss (refer to hedging accounting policy for derivatives designated as hedging instruments.)

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Company uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Notes to the Financial Statements

For the Year Ended 31 December 2022

3 Summary of Significant Accounting Policies

(e) Financial instruments

Financial assets

Credit losses are measured as the present value of the difference between the cash flows due to the Company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise trade payables, bank and other loans and lease liabilities.

(f) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is evidence of an impairment indicator for non-financial assets. Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated. The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss. Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

Notes to the Financial Statements

For the Year Ended 31 December 2022

3 Summary of Significant Accounting Policies

(g) Cash and cash equivalents

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

(h) Adoption of new and revised accounting standards

The Company has adopted all standards which became effective for the first time at 31 December 2022, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company.

4 Critical Accounting Estimates and Judgments

Those charged with governance make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - fair value of financial instruments

The Company has certain financial assets and liabilities which are measured at fair value. Where fair value has not been able to be determined based on quoted price, a valuation model has been used. The inputs to these models are observable, where possible, however these techniques involve significant estimates and therefore fair value of the instruments could be affected by changes in these assumptions and inputs.

Key estimates - fair value of investment properties

The Foundation has certain financial assets and liabilities which are measured at fair value. Where fair value has not been able to be determined based on quoted price, a valuation model has been used. The inputs to these models are observable, where possible, however these techniques involve significant estimates and therefore fair value of the instruments could be affected by changes in these assumptions and inputs.

The Geelong College Foundation Ltd

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Notes to the Financial Statements

For the Year Ended 31 December 2022

5 Revenue and Other Income

	2022	2021
	\$	\$
- Sale of goods	-	45
- Interest received	93,982	105,005
- Dividend received	670,398	587,888
- Rental income	30,720	30,720
- Revaluation of Investment Property	18,750,000	-
- Events income	18,587	-
- Donations	647,623	6,300
	20,211,310	729,958

6 Cash and Cash Equivalents

Cash at bank and in hand	350,621	266,373
	350,621	266,373

7 Trade and Other Receivables

CURRENT		
GST receivable	-	185
Accrued income	93,073	107,454
Total current trade and other receivables	93,073	107,639

NON-CURRENT

Loan to The Geelong College Ltd	(a) 6,000,000	7,000,000
	6,000,000	7,000,000

(a) \$7 million loan agreement in place. Interest of 1.5% p.a. with a review date of 10 November 2024. On 2nd March 2022, a \$1million debt forgiveness was provided by The Geelong College Foundation to The Geelong College in the form of a donation reducing the loan to \$6 million.

8 Inventories

CURRENT		
Stock on hand	13,840	14,665
	13,840	14,665

9 Other Financial Assets

Financial assets at fair value

NON-CURRENT

Equity securities - at fair value through Other Comprehensive Income	10,116,360	10,089,776
	10,116,360	10,089,776

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Notes to the Financial Statements For the Year Ended 31 December 2022

10 Investment Properties

	2022	2021
	\$	\$
Investment property - fair value	27,000,000	8,250,000
	<u>27,000,000</u>	<u>8,250,000</u>

During the 2022 financial year the investment property was independently valued by Preston Rowe Paterson, this resulted in a valuation increment of \$18,750,000.

11 Other Non-Financial Assets

CURRENT		
Prepayments	6,249	7,555
	<u>6,249</u>	<u>7,555</u>

12 Trade and Other Payables

CURRENT		
Trade and other payables	14,604	15,389
	<u>14,604</u>	<u>15,389</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

13 Borrowings

NON-CURRENT		
Bank loans	2,400,000	2,900,000
	<u>2,400,000</u>	<u>2,900,000</u>

Westpac Bank Loan has a limit of \$3,000,000 maturing on 17 January 2024.

14 Reserves

(a) Investment Revaluation Reserve

The investment revaluation reserve records unrealised gains on revaluation of the Foundation's portfolio of investments in public companies that are carried at fair value.

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Notes to the Financial Statements For the Year Ended 31 December 2022

14 Reserves

(b) Contribution Membership Fund

One of the qualifications for membership of The Geelong College Foundation is the making of a gift over \$5,000 to the Foundation, The Geelong College, The Geelong College Building Fund, The Geelong College Library Fund or The Geelong College Scholarship Fund. The Contribution membership fund records the specific contributions made by members of The Geelong College Foundation Ltd.

15 Financial Risk Management

The Company is exposed to a variety of financial risks through its use of financial instruments. The Company's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets. The most significant financial risks to which the Company is exposed to are described below:

Specific risks

- Liquidity risk
- Credit risk
- Market risk - currency risk, interest rate risk and price risk

Financial instruments used

The principal categories of financial instrument used by the Company are:

- Trade receivables
- Cash at bank
- Bank overdraft
- Investments in listed shares
- Trade and other payables
- Floating rate bank loans

Financial assets

Held at amortised cost

Cash and cash equivalents	350,621	266,373
Trade and other receivables	6,000,000	7,000,000
Equity securities - at fair value through Other Comprehensive Income	10,116,360	10,089,776

Total financial assets

2022	2021
\$	\$
350,621	266,373
6,000,000	7,000,000
10,116,360	10,089,776
16,466,981	17,356,149

Financial liabilities

Financial liabilities measured at amortised cost

Total financial liabilities

2,414,604	2,915,389
2,414,604	2,915,389

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Notes to the Financial Statements

For the Year Ended 31 December 2022

16 Members' Guarantee

The Foundation is incorporated under the Corporations Act 2001 and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$5 each towards meeting any outstandings and obligations of the Company. At 31 December 2022 the number of members was 257 (2021: 245).

17 Key Management Personnel Disclosures

The remuneration paid to key management personnel of the Company is \$ Nil (2021: \$ Nil).

18 Auditors' Remuneration

	2022 \$	2021 \$
Remuneration of the auditor Moore Australia Audit (Vic), for:		
- auditing the financial statements	6,500	6,000
- assistance with preparation of the financial report	1,500	1,000
	<u>8,000</u>	<u>7,000</u>

19 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 31 December 2022 (31 December 2021: None).

20 Related Parties

(a) The Company's main related parties are as follows:

The Geelong College Ltd

(b) Loans to related parties

\$7 million loan agreement is in place. Interest of 1.5% p.a. with a review date of 10 November 2024. On 2nd March 2022, a \$1million debt forgiveness was provided by The Geelong College Foundation in the form of a donation reducing the loan to \$6 million.

	Opening balance \$	Closing balance \$	Interest paid/payable \$
Loan to The Geelong College Ltd			
2022	7,000,000	6,000,000	93,750
2021	7,000,000	7,000,000	105,000

The Geelong College Foundation Ltd

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Notes to the Financial Statements

For the Year Ended 31 December 2022

21 Events After the End of the Reporting Period

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

22 Statutory Information

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

The Geelong College Foundation Ltd
150 Noble Street
Newtown VIC 3220

The Geelong College Foundation Ltd

ABN 27 006 718 458

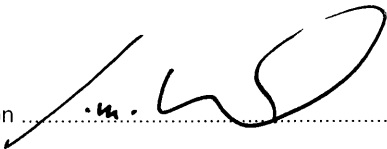
Directors' Declaration

The responsible persons declare that in the responsible persons' opinion:

- there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.


Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Responsible person



Scott Chirnside

Responsible person



Richard Carr

Dated

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE GEELONG COLLEGE FOUNDATION LIMITED****Report on the Audit of the Financial Report****Opinion**

We have audited the accompanying financial report of The Geelong College Foundation Limited (the Company), which comprises the statement of financial position as at 31 December 2022, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory notes and the responsible entities directors' declaration.

In our opinion the financial report of The Geelong College Foundation Limited has been prepared in accordance with Division 60 of 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 2022 and of their performance for the year ended on that date; and
- b) complying with Australian Accounting Standards – Simplified Disclosure and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*;

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the 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 responsible entities are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 31 December 2022, but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors for the Financial Report

The directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Simplified Disclosure and the ACNC Act, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company 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 has 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.

A further description of our responsibilities for the audit of the financial report is located on the Auditing and Assurance Standards Board website at:

http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf. This description forms part of our auditor's report.

Moore Australia
MOORE AUSTRALIA AUDIT (VIC)
ABN 16 847 721 257



RYAN LEEMON
Partner
Audit and Assurance

Melbourne, Victoria

8 March 2023