



Swan Christian
EDUCATION ASSOCIATION

Annual Report 2020





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Our Mission



Empowering and equipping children and young people to flourish in life, by welcoming them into our schools that are shaped by Christian faith and values, and creating an environment where all within the community can truly belong, learn and thrive.

SOUTHERN HILLS
Christian College



Our Vision

To be a thriving system of interdependent Christian schools in Australia that are inspired by the mission initiated by Jesus Christ to equip and empower those we serve to experience life in all of its fullness.

Our Values



Love

We are captivated by the love and compassion for all people that Jesus Christ modeled, which inspires us to serve students from all backgrounds, irrespective of their family's religious or non-religious beliefs, cultural heritage and financial means.



Joy

We believe that life is a gift from God to be celebrated and enjoyed in community. We desire nothing less than to see our students and staff joyfully and diligently engaging in learning, having fun and laughing easily.



Stewardship

We recognise that everything we have is a provision from God that is to be carefully stewarded. This motivates us to have a heart of gratitude for the finances, resources, talents and abilities we have and to manage them prudently and wisely.



Humility

We are committed to excellence, integrity and fairness in all that we do, but recognise that as part of humankind, we are all imperfect. For this reason, in humility, we embrace authenticity, transparency and accountability throughout our organisation.



Justice

Integral to the mandate for Christian people and organisations is the imperative to care for the vulnerable, protect the weak, challenge the oppressor and embrace fairness in all matters. These principles implore us to challenge any behaviours that undermine the physical, social or spiritual safety of our students or staff and foster a culture characterised by respect, fairness and care for all.

Our Priorities



Learning

Enhance the quality of teaching and learning across our schools and strengthen its alignment with our mission.



Leadership

Continue to develop our current leaders and nurture future leaders who understand the SCEA mission and can lead competently with integrity.



Interdependence

Establish governance structures, systems and processes that align with our mission and values, promote collaboration throughout our school network and lead to organizational effectiveness, efficiency, sustainability, and wellbeing.

President's Report



What a year we have just endured! As I write my 2020 Annual Report, I reviewed my last Report for reflection; we were just launching into the new SCEA era, and little did we know what was in front of us.

I want to acknowledge the pain and suffering and loss that people across the world have endured and are continuing to endure, and I feel truly blessed to live in Western Australia, with our health system and ability to think freely and have Christian schooling. As the pandemic took hold of Australia, SCEA was facing the very real prospect of taking a significant financial hit due to loss of income from the loss of enrolments from families who had potentially lost their jobs due to the pandemic. We had to move very quickly to try to accommodate what was happening, which included considering the welfare of our staff and students and families.

As we look back over the past 12 months, I think the SCEA Team has handled the difficulty of the initial lockdown, the partial opening of schools under strict COVID-19 rules, and then the subsequent 'return-to-school' protocols with a sense of collegiality and professionalism. The SCEA Board continued to meet to provide strategic oversight to Dr Graeme Cross and the Senior Leadership Team (SLT) through online meetings during this time.

SCEA now caters for more students and families than at any time in its history. Our enrolments increased in 2020, and this has coupled with the implementation of individual school performance targets to produce excellent financial results for our organisation. It is apparent that, during these difficult times, more families are looking to independent schooling for their family's education. This is very encouraging as we have the opportunity to show them the love of Jesus Christ.

Strategically, we have seen the development of the Beechboro Christian School to its own permanent site, the ramifications of MetroNET on Ellenbrook Christian College, and construction of new buildings on both the Mundaring Christian College and Northshore Christian Grammar School sites. This was in addition to the improvement of all the schools through School Building Development Funds.

I would like to acknowledge the support of the Board through the past 12 months. The way Board Members managed the uncertainty is to be applauded. I would also like to acknowledge Charlene Woodbine as a co-opted Board Member who was up for the challenge of joining the Board in difficult times. We all need to acknowledge the tireless work of Dr Graeme Cross, the SLT and all our staff. Everyone stepped up to the challenge. I would also like to acknowledge our Association Members who provided us with support and guidance throughout the difficult year.

Whilst we know we are still facing uncertain times; I feel humbled by how well SCEA has managed the past twelve months. We are now in a solid position for the future and it is a blessing to be doing God's work.

A handwritten signature in black ink, appearing to read 'Robert Edkins', written in a cursive style.

Mr Robert Edkins
SCEA President

Chief Executive Officer's Report



2020 was a year that was defined by significant challenges and extraordinary blessings for SCEA.

During Term 1, we faced the implications of the COVID-19 pandemic. In response, we opted to plan for the possibility of a major adverse impact on the enrolment and finance fronts, while at the same time prepared to shift our educational programs into an 'off campus' mode of learning, where students could continue their education at home with support from our schools.

The way our schools responded to this crisis was simply inspirational. With a deep desire to see our students continue their learning, despite the changing circumstances, the SCEA staff came together and delivered a high-quality program that was appreciated by the families we serve. Interestingly, it is very clear that the community recognised the professionalism of our schools in this crisis and responded by telling their friends - because the enrolment growth was extraordinary in 2020.


During this period, where independent schools in Western Australia have been reported as growing by 2.7 per cent, and schools within the Christian Schools Australia (CSA) network nationally have grown by 2.0 per cent, SCEA enrolments have risen by 10.8 per cent. God has clearly blessed the work of our SCEA team.

During the year, our SCEA Association and Board released the vision, mission and corporate values statements that will now drive everything we are doing in our schools into the foreseeable future. At the heart of these documents is a commitment to student flourishing and the teaching of Jesus in John 10:10 (b), where He states:

"I have come that they may have life, and have it to the full".

We know that experiencing life in all of its fullness comes when we encounter the love and presence of Jesus in our lives and communities. Our hope moving forward is that as students and their families join our school communities, they truly belong, learn and thrive.

Thank you for allowing me the honour of leading this amazing organisation.


Dr Graeme Cross
SCEA Chief Executive Officer

Beechboro Christian School



"He has shown you, O man, what is good; And what does the LORD require of you? To act justly, to love mercy, and to walk humbly with your God."

Micah 6:8

The year of 2020 brought many unexpected challenges for Beechboro Christian School (BCS). Despite these challenges, our community has continued to flourish. With the onset of COVID-19 early in the year, our community faced territory that we had not needed to consider previously.

This saw our students engage in a period of 'home learning'. Through the use of video lessons and digital activities created by our teachers (and accessed at home through an online learning platform) our staff supported each other to navigate this new way of teaching. This resulted in a smooth transition from face-to-face learning to learning-from-home for our students and their families.

Due to the restrictions placed on schools, aspects of our extra-curricular program were either cancelled or postponed. Despite this, our students displayed resilience in the face of these challenges.

Another significant milestone for the school was the decision made by the SCEA Board to appoint a stand-alone Principal for Beechboro Christian School. The school had been led by an Executive Principal across two schools; BCS and ECC, for the previous five years.

This announcement was very well received by our families and staff and sent a message of strength within our growing community. I was humbled to be appointed as the Principal of our school for this next phase. To support this new structure, Mrs Clare Midgley's title changed from Curriculum Coordinator to Deputy Principal in 2020.

After many years of prayer, an agreement was made to purchase land along Bennett Springs Drive which will become the permanent home of Beechboro Christian School. This opportunity was made possible through the work of Dr Graeme Cross, Chief Executive Officer of SCEA, Mr Rowan Joubert, Chief Financial Officer of SCEA, and the SCEA Board.

In 2021, work will begin with the architects to design the master plan of the new site. In the coming years, the move to our new permanent site at Crystal Turn, Bennett Springs will become a reality.

Mr Michael Bolan
Principal



**Beechboro
Christian School**

Ellenbrook Christian College

"I love the Lord, for he heard my voice; he heard my cry for mercy. Because he turned his ear to me, I will call on him as long as I live."
Psalm 116:1-2

In recent years, Ellenbrook Christian College (ECC) has been through a period of significant transition and the 2020 College year was the first time since 2013 that a principal has been solely responsible for the College. The key focus for the 2020 year has been the realignment of the College to be one College, starting at Pre-Kindergarten and progressing through to Year Twelve, ensuring that students and families have one journey through the College to the point of graduation in Year Twelve.

The end of 2020 brought a change in the leadership structure across the College, as Mrs Liana Luyt, our Head of Primary, made the decision to pursue Doctoral studies and an alternative career pathway. This change provided an opportunity to rethink our structure in support of creating a Pre-Kindergarten to Year Twelve College model. A new leadership structure was created, that included a Deputy Principal role, an amalgamation of the Head of Secondary and the vacant Head of Primary roles. A new middle leadership structure was designed to create a framework for effective collaboration.

The impact of the COVID-19 pandemic was heavy on our students, especially our senior students who, despite the upset, were able to continue learning through online programs and virtual/video linked lessons. The swift and efficient way that the College staff were able to adapt to this very significant challenge meant that we were able to continue to assess and report student attainment throughout the year.

The outstanding dedication of our staff shone through with the release of our academic results. The College recorded its most successful ATAR score in its 20-year history and we were placed in the top 100 Western Australian schools for Year Twelve results for the first time. Although NAPLAN did not take place, we were able to collect data from other sources and the College experienced improved academic results in all areas. Also worthy of highlight was the success of the Year Nine students completing their Online Literacy and Numeracy Assessment (OLNA). A very high number of passes was achieved, ensuring WACE attainment in Year Twelve for those students.

Several families joined our community last year, ensuring an increase in student numbers across Ellenbrook Christian College. This increase was testimony to the hard work and dedication of all staff who are working diligently at all times to make the College a great place to be. I am very grateful to the Lord for the growth and blessing we have seen in all areas of the College.

Mr Michael Pitman
Principal



Ellenbrook
CHRISTIAN COLLEGE

Kalamunda Christian School



"Keep moving forward."

Philippians 3:14

It is my pleasure to present this 37th Annual Report for Kalamunda Christian School (KCS), and my first as principal. As the only non-denominational independent school in the City of Kalamunda, our school enjoys strong standing in the region for its provision of quality Christian education from Pre-Kindergarten through to Year Six.

With over 35 years specialising in educating across the first nine foundational years of learning, we know what it takes to cultivate character and competencies foundational to flourishing lives and community in the 21st Century.

All we do is based upon our deep Christian foundations and commitment to the good news of Jesus Christ and his love for us all. That is why we have an open-enrolment policy, as we want as many families as possible to have their children benefit from a holistic Christian education marked by a deeply caring and diverse culture, rich learning and quality teaching, extensive extra-curricular programs, and positive community partnerships.

2020 for Kalamunda Christian School was a year marked by challenge, change, and celebration. The year will be remembered for and in many ways defined by the pandemic that has swept the world and changed all our worlds. Though Western Australia was spared the suffering experienced in other states and countries, the school and its community was impacted by disruption and repositioning, including (for a short time) the need to deliver learning online. Alongside of this, the school continued to grapple with a range of challenges such as the effect of quite a dramatic fall in enrolments over the preceding three years, the resulting budget constraints and realignment of staffing requirements.

In terms of leadership, there were two significant changes that shaped the year. The first of these was the reorientation and strengthening of Swan Christian Education Association, of which the school is a member school, under the new Chief Executive Officer, Dr Graeme Cross. The second was my commencement as new principal for Term 4.

Wonderfully, the journey through and with these substantial challenges and changes both confirmed the strength of the school's community and its staff to the foundations of the school's faith, values, and vision. These provided the impetus to keep moving forward with a renewed sense of purpose and resolve.

Dr Gregg Weaver
Principal



Mundaring Christian College

“Unless the Lord builds the house, the builders labor in vain. Unless the Lord watches over the city, the guards stand watch in vain. In vain you rise early and stay up late, toiling for food to eat— for he grants sleep to those he loves. Children are a heritage from the Lord, offspring a reward from him.”
Psalm 127:1-3

The Mundaring Christian College (MCC) year began with the promise of significant growth in the Secondary Campus and the third stage of our building program. The onset of the pandemic and the drastic changes in learning environments meant that our plans for the year were set to change.

It is times of challenge that reveal the culture, professionalism, and agility of our College. Our staff culture is optimistic and collaborative. At the Primary Campus, Teachers of Year Five and Six operated workshops to help staff in the earlier years adapt to age-appropriate learning based off campus, and the use of technology. At the Secondary Campus, where students had their own devices, the emphasis was consolidating our platforms and supporting students and parents with home learning.

Information meetings and online briefings across the College were effective. The professionalism of our staff was revealed through hard work and creative practice that provided both administrative and learning practice that could be effective in an uncertain future. Celebrations of community included drive-by giveaway of learning packs in the Primary Campus, with associated dress-up and the production of regular short and entertaining videos called “Good morning MCC” designed to inform and build community and lift morale.

There was a special emphasis on Pastoral Care during this time and in the ensuing days where Chaplains and Pastoral staff contacted all of our families and especially supported our Year Twelve students. It is significant to realise that our Year Twelve students maintained their resolve and all achieved WACE and very positive results.

2020 also saw the development of our College learning philosophy which emphasised the Whadjuk Noongar word for Mundaring which means ‘a high place’. This philosophy emphasised challenging ourselves and striving for noble goals for students. Out of the challenges of 2020, Mundaring Christian College revealed our strong culture and ability to find creative opportunities.

Mr Rod McNeill
Principal



Mundaring
CHRISTIAN COLLEGE

Northshore Christian Grammar School



"Blessed is the one who does not walk in step with the wicked or stand in the way that sinners take or sit in the company of mockers, but whose delight is in the law of the LORD, and who meditates on his law day and night. That person is like a tree planted by streams of water, which yields its fruit in season and whose leaf does not wither - whatever they do prospers."

Psalm 1:1-3

The year 2020 marked the beginning of Northshore Christian Grammar School's (NCGS) fourth year in existence. We welcomed our first cohort of Year Nine's at our campus on Scotthorn Drive in Alkimos, and the demand for Christian education continued to be strong throughout the year.

The world will remember 2020 as the 'Year of COVID-19', and the staff at Northshore did well to adapt to the challenges presented by the pandemic.

The resilience in our growing school community was incredible to witness as staff seamlessly switched modes of instruction from face-to-face to online learning and several 'blended' models in-between as the situation continually changed.

The school continued to grow despite the challenging conditions based on the hallmarks of our calling as an organisation: go further, give more, be ready for everything.

The culture that has been cultivated at the school is warm, personal and respectful. It is the result of sound biblical teaching and moral grounding. It is a place where love is extended to all. This safe, supportive environment is now impacting the educational outcomes within our school, with some outstanding achievements taking place in 2020.

Our school continues to be the 'new school' within the SCEA network, with new buildings taking shape around us each day. Because of the enrolment growth in late 2020, plans for future development were accelerated, and this required new staff and new structures to be put in place for the needs of the community to be met fully.

As always, we look to God for our needs as a school, and we prayerfully offer up to Him what he has blessed us with so abundantly.

We have a number of churches that meet on the school site each week, a growing prayer network that our parents participate in. We believe that our relationships with each other and the people around us are of paramount importance to everything we do.

Mr Stuart Chisholm
Principal



Southern Hills Christian College

"You will not succeed by your own strength or by your own power. The power will come from my Spirit."

Zechariah 4:6

Every year brings something new and different at Southern Hills Christian College (SHCC), and 2020 was certainly no exception. Despite the new challenges 2020 held, what remains steady is the growth we see in our students, the commitment shown by our staff, and the support we receive from our fantastic parent community. The greatest constant is the faithfulness of God that covers all the work that we do. These things are what make Southern Hills a great place to be. These are the things that we celebrate.

It was encouraging to see multiple community groups recognise our College as a unique and wonderful location. We were honoured to host a DFES training event where our Cadets had the opportunity to get involved and try their hand at all the various equipment available to use. Our Year Three to Six's excitedly took part in 'Jump Rope for Heart'. Their hard work paid off, raising \$4,679 for the Heart Foundation. The Student Leadership team raised a significant amount of funds through various initiatives which could then be donated to charities such as Care Australia and Operation Christmas Child.

2020 was a particularly interesting year: the COVID-19 pandemic demanded that we use electronic media to present remote learning. Teachers were required to dig deep into their repertoire of teaching skills and to apply old skills to new technologies. On return to school, we conducted mock-NAPLAN tests and our students demonstrated the application of skills that were acquired while learning online.

The introduction of QUEST (our Extension and Enrichment program) was a new initiative in 2020 and the program stretched students from Year One to Six. Students worked in small groups with like-minded peers on a variety of projects. Our College values the fundamental skills of reading, writing and numeracy but it is equally important that they learn the skills that will allow them to dream big, explore possibilities, recognise opportunities and think creatively.

The staff at Southern Hills prayerfully invest in the students they teach, knowing that it is the Lord who brings fruit to our labours.

Mr Paul Beacham
Principal



SOUTHERN HILLS
Christian College

Swan Christian College



“Trust in the Lord with all your heart and lean not on your own understanding; in all your ways submit to him, and he will make your paths straight.”
Proverbs 3:5-6

The year began with the intention of building a stronger sense of community across Swan Christian College (SCC). We wanted to improve connections within the wider community, local industry, church groups, other schools; and fellow SCEA schools. Not only was it felt that this would lift our profile in the community, it would also result in a possible increase in enrolments as more people became aware of what the College had to offer.

Years Seven - Twelve launched the Living Well program for the start of 2020 and the Deans of Year and mentor teachers worked hard to deliver the wellbeing program for all students. This meant that specialist programs and guest speakers could be engaged to work with students and parents focusing on our students' holistic development, beyond the traditional core curriculum. The aim of the program is to equip students to flourish and achieve outstanding results, during their schooling life and beyond.

The College leadership was concerned that enrolment numbers were down by 80 students to 1423 as the 2020 school year started. By the end of the year, enrolments were up to 1485 and the 2021 year looked promising. Having started the year with solid intentions, plans were severely disrupted in late March when Western Australia experienced its first COVID-19 outbreak and the pandemic we had heard so much about became reality. First term ended with the College delivering remote learning which we titled *learning@home* and students worked with a mixture of material delivered on the learning management system, SEQTA, and with some practical work packs. These work packs were particularly useful in the early learning years where students were too young to work with SEQTA.

Swan Christian College implemented Swan Community Outreach as a joint staff and parent community care program. Parents were invited to drop off goods; food, clothing and home essentials that could be distributed to the needy in the community. This was not limited to school families.

All aspects of Swan Christian College operations were closely reviewed this year by a registration visit from the Department of Education and Training, resulting in our license to operate being renewed for the maximum period.

The College was congratulated on all aspects of our program and encouraged by the report provided. The second half of 2020 saw significant planning taking place.

The College community was involved in developing a Strategic Plan for 2021-2025, a School Improvement Plan for specific targets in 2021 and a Master Plan for the campus that will inform the building, refurbishment and repurposing of buildings for the next ten years.

Mr Adrian Scott
Principal





Detail of Orange
Oil Painting
by Sarah Wheat, Year 11
Swan Christian College

Board of Directors



Mr Robert Edkins

- Chairman of the Board
- Constitution Committee
- Membership and Nominations Committee
- Risk Management Committee

Meetings Attended: 10/10



Mr Craig Clark

- Board Vice-Chair
- Finance Committee Chair

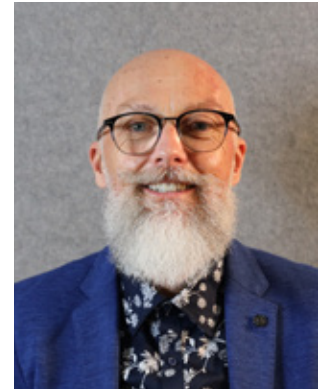
Meetings Attended: 10/10



Ms Shelley Forbes

- Education Committee Chair

Meetings Attended: 6/10



Mr Steve McAlpine

- Membership and Nominations Committee

Meetings Attended: 9/10



Mr Don Warner

- Board Member

Meetings Attended: 9/10



Ms Charlene Woodbine

- Finance Committee Member

Meetings Attended: 4/10
*co-opted in August 2020



Mr Ken Carter

- Finance Committee Chair (Former)

Meetings Attended: 3/10
*Resigned June 2020



Mr Terry Myers

- Education Committee (Former)

Meetings Attended: 8/10
*Resigned November 2020



Ms Lauren Chaine

- Board Member (Former)

Meetings Attended: 2/10
*Resigned June 2020

Declared Interests

The following declarations indicate conflicts or potential conflicts of interest as a director of Swan Christian Education Association Inc.

Mr Robert Edkins

- Child at Swan Christian College
- Managing Director, Food Fibre and Land International Group
- Chairman, Point Peron Aquatic Youth and Family Association
- Director, Rangelands NRM Coordinating Group
- Director, Metabolic Symphony (concluded August 2018)

Mr Craig Clark

- Children at Kalamunda Christian School
- Employer provides services to SCEA schools

Ms Shelley Forbes

- Works for Alta-1 (Elected 4 November 2019)
- Previously Worked for Catholic Education of Western Australia (Concluded November 2019)

Mr Steve McAlpine

- Child at Swan Christian College (another graduated 2018)
- Spouse runs a SCEA EAP
- Pastor at Providence, who leases building from Swan Christian College

Mr Don Warner

- Chairman of the Board - Sowilo Community school (Board Chairperson: February 2018, Board Member: October 2013-2018)

Ms Charlene Woodbine

- Works for Alta-1
- Spouse employed at Swan Christian College

Mr Ken Carter (Resigned June 2020)

- Spouse previously employed at SCEA in ICT role (concluded February 2019)
- Child previously at Swan Christian College (graduated 2018)

Mr Terry Myers (Resigned November 2020)

- Spouse employed at Swan Christian College
- Son employed at Swan Christian College

Ms Lauren Chaine (Resigned June 2020)

- None reported

Board Professional Development

The following is a list of Professional Development programs undertaken by the Board. (NB: Not every member of the Board completed every Professional Development activity.)

- Child Safe Organisations Session
- Student Wellbeing Session
- Staff Survey Results Session
- Cardus Launch
- Risk Management Seminar (WorkCover)
- Policy Development
- Christian Schools Australia (CSA) National Policy Forum
- Developing Effective Policies and Procedures
- Disability Standards in Education Parts 1 and 2
- Mandatory Reporting Training
- National Leaders' Summit (CSA)
- Biblical Literacy Training
- SCEA Cardus Launch
- Child Safety Workshop
- 5-Day HR Program

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- Financial Overview
- Audited Financial Statements

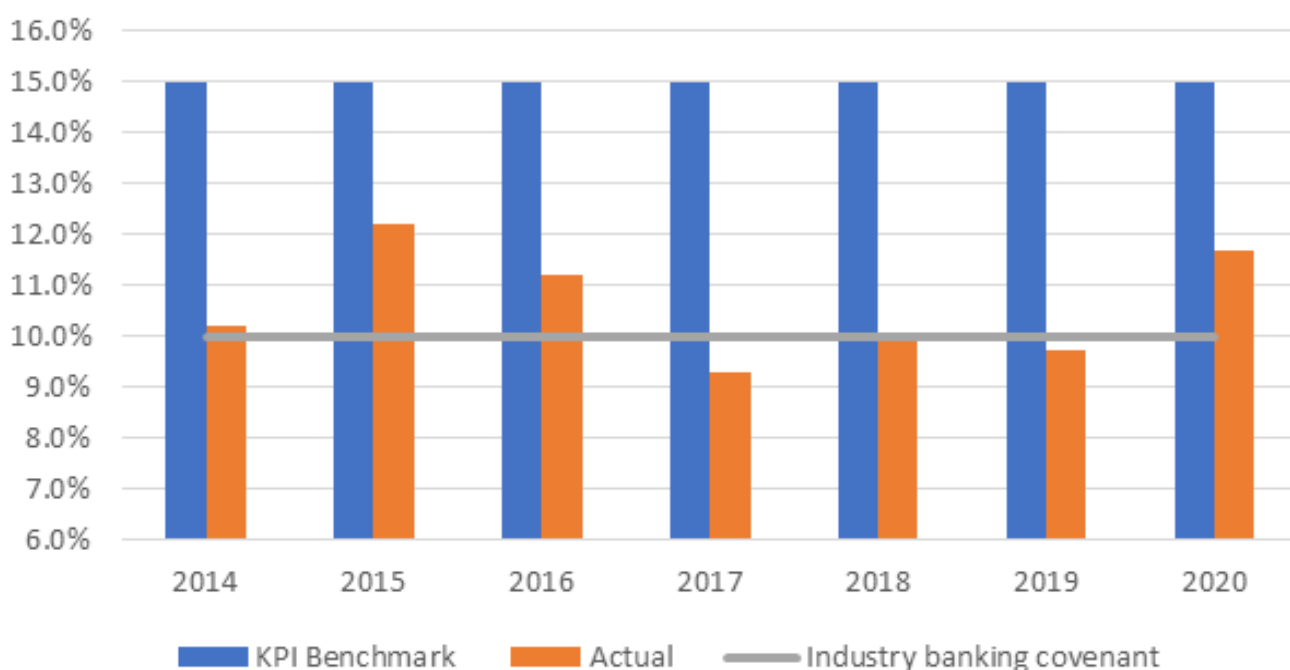
Financial Overview

2020 was an example of God's incredible blessings in the face of the worldwide COVID-19 pandemic. We received an unqualified report from our auditors, which is included in the published financial statements on the following pages.

I am pleased to report that we met our lending banking covenants and exceeded the Board approved budget.

SCEA has embarked on a financial improvement strategy process by focusing on Key Performance Indicators (KPI's) to remain financially sustainable for the future. All schools have achieved their specific targets both independently and as a collective.

Operating Margin for the period 2014 - 2020



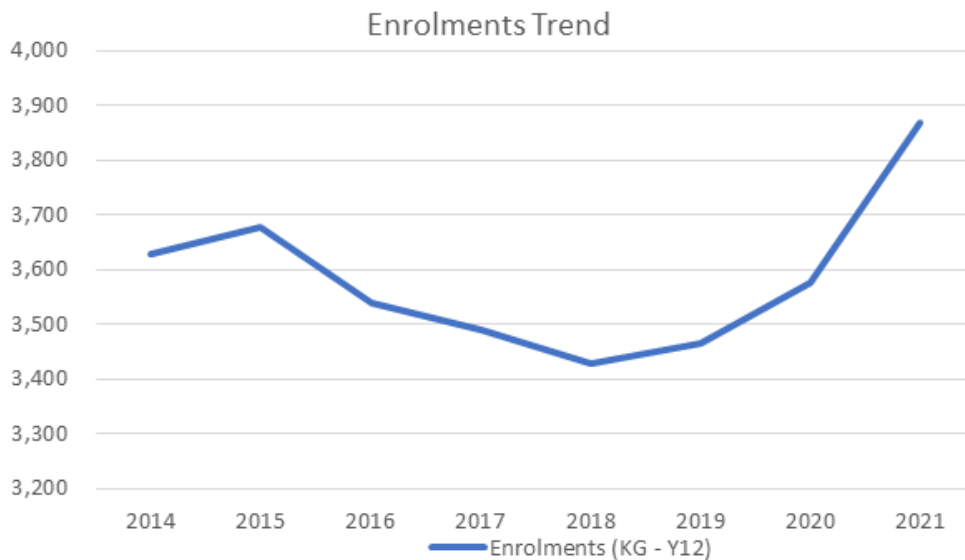
Our main challenge is to ensure financial sustainability in the years ahead so that we pass on an effective and strong organisation to the next generation. By putting in place sound business and operational targets and practices, we aim to be in a position to produce sufficient cash for future capital projects and for the ongoing success of our schools.

Enrolment Numbers and Government Funding

During the start of the COVID-19 pandemic, there was a significant perceived risk of the potential for a reduction of enrolment numbers within independent schools.

The opposite has actually been the case for us.

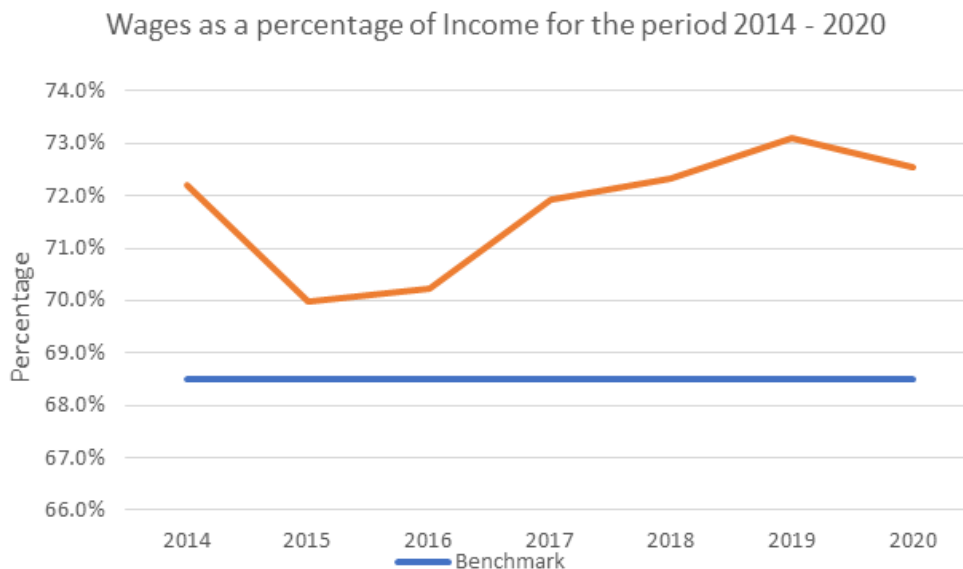
Our enrolments grew from February 2020 to February 2021 by 370 (10.5%). This is a testament to the hard work of all our staff and the trust that our parents and students have in us.



Staffing Costs

Staffing costs are our primary expense, and the challenge remains to manage this expense in the context of our business model. The focus for 2020 was to maintain our current staffing during the pandemic, and we are delighted that we were able to achieve our current result without the need to stand down or make staff redundant, as was the case in other schools.

Our continued enrolment growth and management of staffing expenses remains the focus for the medium term.

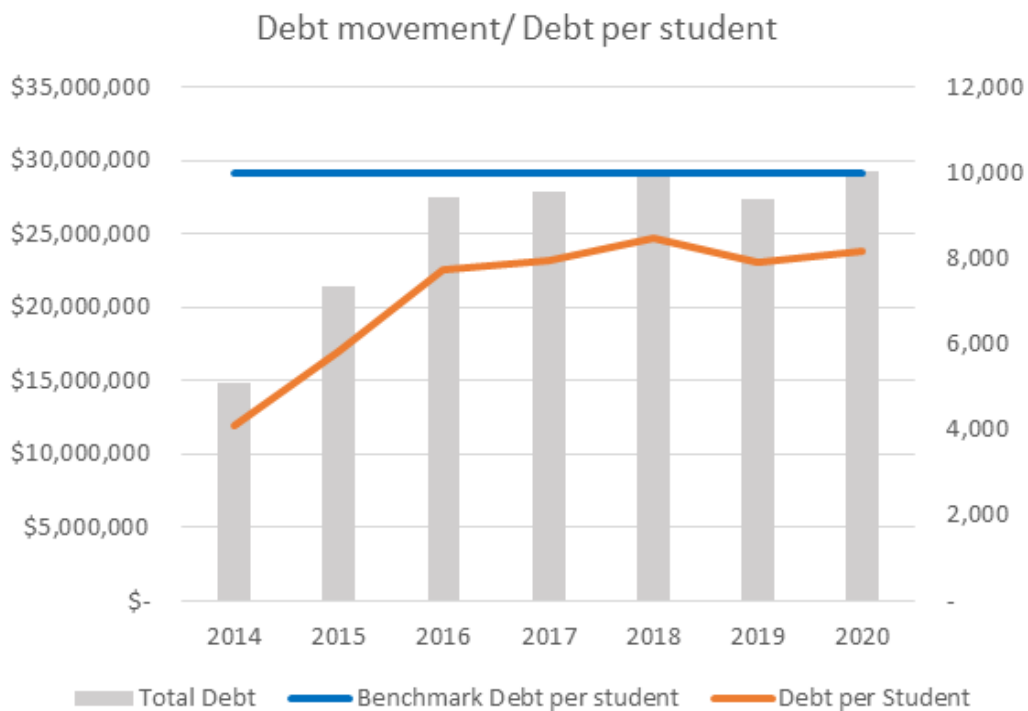


Capital and Debt

During 2020, the enclosure of the undercover area and additional classrooms and specialist rooms at Mundaring Christian College (Secondary Campus) were completed on time and on budget. This was a much-needed space to address the enrolment growth.

The process has commenced for a SCEA-wide capital planning process that includes detailed master planning of each school. Capital expenditure and improvements is a key component of the financial strategy of our schools. This process will take 12 - 18 months and, once complete, will form the blueprint of the major capital projects and related debt needs for the next 8 - 10 years.

SCEA continues to carry a sizeable debt. At the end of 31 December 2020, this was \$29.3Mil. Debt is vital for our capital expenditure; however, it does add weight to the organisation's long-term financial obligations.



Summary

Swan Christian Education Association (SCEA) has maintained its strategy to keep sufficient cash reserves to fund its operational and working capital requirements. During 2020, this strategy was significantly tested during the initial and subsequent stages of COVID-19. SCEA was able to navigate this challenging time by supporting families in granting them financial assistance where needed. We are well-positioned to maintain our current financial result and reach our medium to long-term financial strategy.

Mr Rowan Joubert
Chief Financial Officer



Swan Christian
EDUCATION ASSOCIATION

Annual Financial Statements

31 December 2020

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To The Board of Directors

Auditor's Independence Declaration under Section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012

As lead audit partner for the audit of the financial statements of Swan Christian Education Association Inc for the financial year ended 31 December 2020, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours faithfully



BENTLEYS
Chartered Accountants



DOUG BELL CA
Partner

Dated at Perth this 26th day of May 2021

Independent Auditor's Report

To the Members of Swan Christian Education Association Inc.

Opinion

We have audited the accompanying financial report, being a special purpose financial report, of Swan Christian Education Association Inc. ("the Association"), which comprises the statement of financial position as at 31 December 2020, the statement of financial performance, the statement of cash flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the financial report of Swan Christian Education Association is in accordance with the Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) presents fairly, in all material respects the Association's financial position as at 31 December 2020 and of its performance for the year ended on that date in accordance with the Accounting Policies as disclosed in note 1;
- (b) complying with the Associations Incorporation Act 2015 (WA); and
- (c) the Australian Charities and Not-for-profits Commission Regulation 2013.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the Board to meet the requirements of the Associations Incorporation Act 2015 (WA) and the Australian Charities and Not-for-profits Commission Regulation 2013. As a result, the financial report may not be suitable for another purpose.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement. 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 Association in accordance with the auditor independence 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.

Independent Auditor's Report

To the Members of Swan Christian Education Association Inc. (Continued)



Responsibilities of Directors for the Financial Report

The Directors are responsible for the other information. The other information comprises the information included in the Association's annual report for the year ended 31 December 2020, 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 are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Associations Incorporation Act 2015 (WA) and the *Australian Charities and Not-for-profits Commission Act 2012* and is appropriate to meet the needs of the members. The Directors' responsibility also includes 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 ability of the Association 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 Association or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our responsibility is to express an opinion on the financial report based on our audit. 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.

Independent Auditor's Report

To the Members of Swan Christian Education Association Inc. (Continued)



- 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used based on the accounting policies disclosed in Note 1 and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association'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 Association 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 those charged with governance 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.

BENTLEYS
Chartered Accountants

DOUG BELL CA
Partner

Dated at Perth this 26th day of May 2021

SWAN CHRISTIAN EDUCATION ASSOCIATION INC

DIRECTORS' DECLARATION

In the opinion of the Board of Swan Christian Education Association Inc

The Board have determined that this special purpose financial report should be prepared in accordance with the accounting policies outlined in note 1 to the financial statements.

In the opinion of the Board, the financial report as set out on pages 2 to 14:

1. The attached financial statements and notes thereto satisfy the requirements of the Australian Charities and Not-for-profit Commission Regulation 2013 and Associations Incorporated Act 2015 (Act) including :

a) Presents fairly in all material respects the Associations' financial position and its performance for the year ended 31 Dec 2020 in accordance with the Accounting policies as disclosed in note 1;

2. At the end date of this statement there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

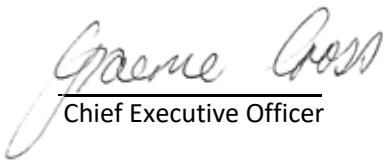
3. The Directors have resolved not to revalue the land and buildings this year.

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

On behalf of the Board by resolution of the Directors.



President



Chief Executive Officer

Date : 24/05/2021

SWAN CHRISTIAN EDUCATION ASSOCIATION INC

**STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 December 2020**

INCOME	NOTE	2020 \$	2019 \$
Families income inc Tuition fees		20,417,780	20,145,498
Interest Income		101,700	233,911
Other net income	3	3,523,370	2,672,458
Profit on Sale of Assets		21,818	2,257
Rental Income		102,944	80,712
Special Educational Grants		949,627	865,294
State & Commonwealth Grants		41,870,256	40,235,533
TOTAL INCOME		66,987,495	64,235,663
EXPENDITURE			
<i>Tuition</i>			
Salaries		34,776,711	33,652,423
Tuition Expenses		2,766,748	3,518,786
		37,543,459	37,171,209
<i>Administration & General</i>			
Administration Salaries		6,044,611	6,128,124
Admin, computers, bank, cleaning & security		1,217,000	1,202,908
Maint / Grounds & Cleaning Wages & Exp		3,108,341	3,047,261
Advertising Staff and Marketing		250,077	269,058
Professional fees	4	137,745	342,285
Bad debts write off		61,670	90,813
Depreciation		4,206,256	3,880,166
Doubtful Debt expense/(reversal)		196,148	(41,834)
Insurance General		334,651	307,451
Light, Rates, Water & Telephone		691,812	850,855
Long Service Leave		1,119,533	859,544
OH&S expenses		41,472	21,379
Printing, Stationery & Office		292,313	300,318
Super, Staff expenses and WCA	5	5,110,237	5,292,770
Subscriptions		227,078	166,134
Transport, Motor Vehicle & Travel		544,049	499,580
		23,582,993	23,216,812

This Statement of Financial Performance should be read in conjunction with the accompanying notes.

SWAN CHRISTIAN EDUCATION ASSOCIATION INC

**STATEMENT OF FINANCIAL PERFORMANCE - continued
for the year ended 31 December 2020**

	2020	2019
	\$	\$
Interest	960,289	1,000,710
Rent- Leased Properties	3,131	22,556
	963,420	1,023,266
TOTAL EXPENDITURE	62,089,872	61,411,287
Assets scrapped	-	574
NET OPERATING SURPLUS FOR THE YEAR	4,897,623	2,823,802
NON-OPERATING ACTIVITIES		
TRANSFERS FROM / (TO) RESERVES AND FUNDS		
Transfer from / (to) Family Hardship Fund	17 45,080	-
Transfer from / (to) School Development Fund	20 (528,071)	(602,108)
NET SURPLUS TRANSFERRED	4,414,632	2,221,694

This Statement of Financial Performance should be read in conjunction with the accompanying notes.

SWAN CHRISTIAN EDUCATION ASSOCIATION INC

STATEMENT OF FINANCIAL POSITION
as at 31 December 2020

	NOTE	2020 \$	2019 \$
CURRENT ASSETS			
Cash at Bank	6	13,243,066	10,931,070
Receivables	7	1,347,434	1,285,118
Prepayments	8	452,498	579,341
Stock		368,383	309,593
Total Current Assets		15,411,381	13,105,122
NON-CURRENT ASSETS			
Property, Plant & Equipment	9	98,842,487	93,861,033
Right of use Asset	21	111,486	536,157
Total Non-current assets		98,953,973	94,397,190
TOTAL ASSETS		114,365,354	107,502,312
CURRENT LIABILITIES			
Payables	10	2,825,417	3,132,982
Provisions - Current	11	2,746,420	2,299,296
Current Lease Liability	21	59,765	40,505
Loans payable within 12 months	12	15,594,795	1,656,238
Total Current Liabilities		21,226,397	7,129,021
NON-CURRENT LIABILITIES			
Provisions - Non-Current	11	2,604,134	2,279,821
Non - Current Lease Liability	21	62,996	511,485
Loans	13	13,703,836	25,730,936
Total Non-Current Liabilities		16,370,966	28,522,242
TOTAL LIABILITIES		37,597,363	35,651,263
NET ASSETS		76,767,991	71,851,049
<u>Represented by:</u>			
Accumulated Surplus	14	60,828,987	56,414,355
School councils	15	130,301	118,490
Building / Library Fund	16	608,001	600,493
Family Hardship Fund	17	104,920	150,000
School Development Fund	20	3,123,857	2,595,786
Revaluation Reserve Account	18	11,971,925	11,971,925
NET EQUITY		76,767,991	71,851,049

This Statement of Financial Position should be read in conjunction with the accompanying notes.

SWAN CHRISTIAN EDUCATION ASSOCIATION INC

**STATEMENT OF CASH FLOWS
for the year ended 31 December 2020**

	2020	2019
	\$	\$
<u>Cash Flows From Operations</u>		
Receipts from student fees	20,665,306	19,978,362
Grants received recurrent	42,819,883	41,100,827
Other income	1,041,144	1,056,587
Interest Received	101,700	233,911
Payments to suppliers and employees	(56,599,309)	(56,953,914)
Interest and borrowing costs paid	(960,289)	(1,000,710)
Net Cash Flows From Operations	7,068,435	4,415,063
<u>Cash Flows From Investing Activities</u>		
Funding other projects - Government Grants	1,766,980	983,020
Enrolment Bonds received / (refunded)	(24,850)	(122,753)
Non refundable endowment & building fund	818,190	713,563
Acquisition of buildings and plant and equipment	(9,187,710)	(5,805,889)
Net Cash Flows (used in)/from Investing	(6,627,390)	(4,232,059)
<u>Cash Flows From Financing Activities</u>		
<u>Loans draw down</u>		
Loans Repaid	(1,656,238)	(1,699,986)
Proceeds from loans	3,567,695	(16,305)
Repayment of lease liabilities	(40,506)	(37,784)
Net Cash Flows (used in)/ from Financing	1,870,951	(1,754,075)
NET CASH FLOWS	2,311,996	(1,571,071)
Cash Position		
Opening Balance	10,931,070	12,502,141
Net Cash Flows	2,311,996	(1,571,071)
Closing Balance	13,243,066	10,931,070

This Statement of Cash Flows should be read in conjunction with the accompanying notes.

SWAN CHRISTIAN EDUCATION ASSOCIATION INC

Notes to the accounts for the year ended 31 December 2020

1 Summary of significant Accounting Policies

These special purpose accounts reflect the activities of the Swan Christian Education Association (Inc). The accounts incorporate the following schools and colleges:

Southern Hills Christian College	Mundaring Christian School
Beechboro Christian School	Swan Christian College
Ellenbrook Christian College	Kalamunda Christian School
Northshore Christian Grammar School	

The Association is not a reporting entity because in the opinion of the directors there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, these special purpose financial statements have been prepared to satisfy the directors' reporting requirements under the Association's constitution, Associations Incorporations Act 2015 (WA) and the Australian Charities & Not-for-profits Commission Regulation 2013 and are prepared in accordance with the accounting policies below.

a) Basis of Preparation.

The accounts are prepared in accordance with the historical cost convention on an accrual basis. Except where otherwise stated accounting policies are consistent with those of the previous year.

b) Income Tax.

Swan Christian Education Association Inc is exempt from payment of income tax under section 23(2) of the Income Tax Assessment Act.

c) Property, Plant and Equipment

Land is stated in the statement of financial position at their revalued amounts, being the fair value at the date of revaluation.

Revaluations are performed by independent valuers. Any revaluation movements arising on the revaluation of land is recognised in the revaluation reserve. Land is not depreciated.

<u>Site</u>	<u>Date of valuation adopted in financial report</u>
Swan Christian College	22-Jul-09
Swan Christian College - Junior School Campus	22-Jul-09
Kalamunda Christian School	31-Dec-05
Mundaring Christian School	31-Dec-05
Southern Hills Christian College	31-Dec-05
Ellenbrook Christian College	31-Dec-05
Padbury Terrace (Association Office)	31-Dec-05
Beechboro Christian School	18-Dec-20

Plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

1 Summary of significant Accounting Policies cont.....

Depreciation

The following Depreciation rates have been applied to calculate the charge for the year:

Buildings	%
Constructed:-	
i) Buildings	2.5
ii) Auxiliary structures (shade structures, gazebos etc.)	20
Transportables	10
Plant & Machinery	10
Furniture and Equipment	
Furnishings (desks chairs cabinets shelving etc.)	10
Music equipment	15
Computers	25
Motor Vehicles	
All vehicles	20
Low value assets	33.3

d) Inventories

The uniform inventory is valued at the lower of cost and net realisable value

e) Employee Entitlements

Liabilities for annual leave are recognised, and are measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date. A liability for long service leave is recognised, and is measured at the current value of leave owing to the respective employees. Calculation has been made for all employees on a pro-rata basis (excluding the first two years) of the long service in terms of their Enterprise Bargaining Agreement of SCEA Inc - and non teaching staff. No consideration is given to future wage rates and salary levels.

f) Provision for Doubtful Debts and Bad Debts written off

A provision for doubtful debts is made following an assessment of overdue debtors and bad debts are only written off where it is confirmed that these will not be received.

g) Security Arrangements

The Bank overdraft and Bank loans disclosed in Note 12 and Note 13 are secured by mortgages over some of the fixed property of the Association

h) Going Concern

The financial statements have been prepared on a going concern basis. The Board believes this basis is appropriate because the Association has adequate finance facilities in place as disclosed in Note 19, to cover timing differences.

The Association is dependent on the ongoing receipt of grants from federal and state governments to ensure the continuance of its education services.

The Commercial Bank Loans expire on the 31 Aug 2021. The Association intends to renew with the current financial institution and does not have any reason to suggest that the loans will not be able to be renewed on similar or more attractive terms.

Some provisions and funds received in advance are also included in current liabilities.

1 Summary of significant Accounting Policies cont.....

i) Library stock

The library stock are fully depreciated in the year of purchase.

j) Revenue

Tuition Fees

Tuition fees are recognised in the period of tuition by the Association. Tuition fees received in advance are recognised as unearned income liability, until such point that the tuition is rendered.

Government Grants

The Association receives government grants which are required to be measured under AASB 1058 Income of Not-for-Profit Entities. Timing of income recognition is dependent on whether such a transaction gives rise to a liability, a performance obligation (a promise to transfer a good or service), or, an obligation to acquire an asset. Such grants are recognised as a liability when received and recognised as income upon completion of the building pursuant to the grant.

Interest Income

Interest income is recognised on an accrual basis taking into account the interest rate applicable to the financial assets.

k) Receivables

Tuition receivables are measured at cost. Tuition receivables are assessed for indicators of impairment at the end of each reporting period. A separate provision for doubtful debts is recognised for any estimated loss from collection of tuition receivables. When a tuition receivable is considered uncollectible, it is written off against the provision for doubtful debts account.

l) Other Financial Liabilities

Other financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

m) Capital Contributions Fund

Until 31 Dec 2017, capital grants received by the Association in excess of \$100,000 relating to the acquisition were included in equity as capital contributions in order to recognise the income over the useful life of the asset and thereby matching the revenue with the expenditure over this period. These contributions were credited to income over the expected useful life of the related assets on a straight line basis.

n) School Council, Building / Library Funds & Family Hardship Fund

School Council funds are administered by the schools and the funds are raised to facilitate projects out of the normal school curriculum and the funds are allocated accordingly.

The Building / Library funds are accumulated from donations made by members and staff of the association to fund future building projects.

The family hardship fund was established to assist families with financial hardship to continue their enrolments by making a contribution to the tuition fees.

1 Summary of significant Accounting Policies cont.....

o) Leases

The Association as lessee

At inception of a contract, the Association assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability are recognised by the Association where the Association is a lessee. However, all contracts that are classified as short-term leases (i.e., a lease with a remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expenses on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at the commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Association uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, any lease payments made at or before the commencement date and any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest.

Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Association anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

The Association as lessor

Upon entering into each contract as a lessor, the Association assesses if the lease is a finance or operating lease. A contract is classified as a finance lease when the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases not within this definition are classified as operating leases.

Rental income received from operating leases is recognised on a straight-line basis over the term of the specific lease. Initial direct costs incurred in entering into an operating lease (for example, legal cost, costs to set up equipment) are included in the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

Rental income due under finance leases are recognised as receivables at the amount of the Association's net investment in the leases.

When a contract is determined to include lease and non-lease components, the Association applies AASB 15 to allocate the consideration under the contract to each component.

Based on the assessment by the Association, it was determined there was no impact on the Association. As such, the Association has not recognised a lease liability and right-of-use asset for all leases (with the exception of short-term and low-value leases) recognised as operating leases under AASB 117: Leases where the Association is the lessee.

There has been no significant change from prior year treatment for leases where the Association is a lessor.

Lease liabilities are measured at the present value of the remaining lease payments, where applicable. The Association's incremental borrowing rate as at 1 January 2019 was used to discount the lease payments.

The right-of-use assets, where applicable for the remaining leases have been measured and recognised in the statement of financial position as at 1 January 2019 by taking into consideration the lease liability and the prepaid and accrued lease payments previously recognised as at 1 January 2019 (that are related to the lease).

SWAN CHRISTIAN EDUCATION ASSOCIATION INC

Notes to the accounts for the year
ended 31 December 2020

	2020 \$	2019 \$
2 Gross income		
Canteens	633,272	667,682
Uniforms	238,410	188,324
3 Other Net Income		
Transport	111,948	78,144
Uniform Shops	69,644	45,902
Other income	1,595,777	1,534,473
	(20,979)	30,919
Capital Grants	1,766,980	983,020
	3,523,370	2,672,458
Other Income includes donations, hire, capital grants and fundraising		
4 Audit and Professional Fees		
Fee for audit	54,623	44,103
Other professional fees	83,122	298,182
	137,745	342,285
5 Staff Related Expenses		
The major items included in Staff Expenses are Superannuation \$3,979,873 (2019 - \$4,052,225) and Workers Compensation and Income Protection \$1,026,963 (2019 - \$1,034,262)		
6 Cash Assets		
General Funds	8,997,475	8,025,109
Building Fund	639,879	627,308
Family hardship and bonds	104,940	100,000
Library Fund	91,942	91,002
School Accounts	236,282	278,283
Term Deposits Funds invested	3,172,548	1,809,368
	13,243,066	10,931,070
7 Receivables		
Debtors- Tuition	2,497,273	2,548,651
Bad & Doubtful debts provision	(1,480,149)	(1,284,001)
Debtors - Sundry	330,310	20,468
	1,347,434	1,285,118
8 Prepayments		
Computer expenses	320,169	270,122
Payroll	-	141,829
Other	132,329	167,390
	452,498	579,341

SWAN CHRISTIAN EDUCATION ASSOCIATION INC

**Notes to the accounts for the year
ended 31 December 2020 (Continued)**

9 Property, Plant & Equipment	2020	2019
<i>Freehold Land and Buildings & Improvements</i>	\$	\$
Swan Christian College		
Buildings & Improvements - At Cost	20,721,958	20,680,634
Less: Accumulated Depreciation	(7,699,498)	(7,072,261)
Land - Valuation 22 July 2009	5,748,317	5,748,317
	18,770,777	19,356,690
Swan Christian College - Junior School Campus		
Buildings & Improvements -At Cost	3,742,669	3,742,669
Less: Accumulated Depreciation	(1,743,513)	(1,614,260)
Land - Valuation 22 July 2009	1,991,862	1,991,862
	3,991,018	4,120,271
Swan Christian College - Trade Training Centre		
Buildings & Improvements - At Cost	4,645,504	4,645,504
Plant and equipment - At cost	1,318,912	1,312,992
Less: Accumulated Depreciation	(2,078,376)	(1,796,770)
	3,886,040	4,161,726
Kalamunda Christian School		
Buildings & Improvements -At Cost	7,509,126	7,504,976
Less: Accumulated Depreciation	(1,974,328)	(1,787,849)
Land - Kalamunda - At Independent Valuation 31 December 2005	830,000	830,000
	6,364,798	6,547,127
Mundaring Christian College - Primary Campus		
Buildings & Improvements -At Cost	6,705,640	6,664,524
Less: Accumulated Depreciation	(2,488,793)	(2,315,680)
Land - Mundaring - At Independent Valuation 31 December 2005	400,000	400,000
	4,616,847	4,748,845
Property, Plant & Equipment		
Mundaring Christian College - Parkerville Campus		
Land at cost	2,202,931	2,202,931
Building and Improvement at cost	17,909,513	14,191,593
Impairment - Transportable	(105,304)	(105,304)
Less: Accumulated Depreciation	(1,548,129)	1,186,850
	18,459,011	17,476,070

SWAN CHRISTIAN EDUCATION ASSOCIATION INC

**Notes to the accounts for the year
ended 31 December 2020 (Continued)**

9 <i>Property, Plant & Equipment continued...</i>	2020 \$	2019 \$
Beechboro Christian School		
Land at Cost	2,900,869	-
Buildings & Improvements -At Cost	4,139,238	4,103,973
Less: Accumulated Depreciation	(2,961,864)	(2,667,564)
	4,078,243	1,436,409

A new piece of land was purchased on 18 December 2020 at Bennet Springs. The existing School will be transitioned to this new site in the next 2 years.

The Buildings and improvements is located on land that is held on a 20 year lease from the Cracovia club. Only 2 years remain on the lease after notice was given in Dec 20.

Southern Hills Christian College		
Buildings & Improvements -At Cost	6,055,444	5,960,594
At Independent Valuation 31 December 2005		
Less: Accumulated Depreciation	(2,400,485)	(2,247,484)
Land - Armadale - At Independent Valuation 31 December 2005	900,000	900,000
	4,554,959	4,613,110
Ellenbrook Christian College		
Buildings & Improvements -At Cost	13,673,115	13,633,741
At Independent Valuation 31 December 2005		
Less: Accumulated Depreciation	(4,682,520)	(4,294,739)
Land - Ellenbrook - At Independent Valuation 31 December 2005	2,100,000	2,100,000
	11,090,595	11,439,002
Padbury Terrace (Association Office)		
Buildings & Improvements -At Cost	1,098,043	1,098,043
At Independent Valuation 31 December 2005		
Less: Accumulated Depreciation	(388,087)	(358,925)
Land - Association - At Independent Valuation 31 December 2005	1,200,000	1,200,000
	1,909,956	1,939,118
Northshore Grammar Christian School		
Land at cost	5,126,711	5,126,711
Buildings & Improvements - At Cost	12,641,516	12,333,827
Less: Accumulated Depreciation	(921,645)	(590,048)
	16,846,582	16,870,490
<i>Other Assets</i>		
Plant & Machinery - at Cost	1,746,815	1,384,733
Less: Accumulated Depreciation	(581,187)	(406,273)
	1,165,628	978,460
Computer Hardware & Software - at Cost	11,787,147	11,080,673
Less: Accumulated Depreciation	(10,716,902)	(10,207,265)
	1,070,245	873,408
Furniture & Equipment- at Cost	7,601,565	6,950,072
Less: Accumulated Depreciation	(5,794,017)	(5,434,143)
	1,807,548	1,515,929

SWAN CHRISTIAN EDUCATION ASSOCIATION INC

**Notes to the accounts for the year
ended 31 December 2020 (Continued)**

	2020	2019
	\$	\$
9 Property, Plant & Equipment continued...		
Motor Vehicles - at Cost	485,288	468,204
Less: Accumulated Depreciation	(261,596)	(321,978)
	<u>223,692</u>	<u>146,226</u>
Library - at valuation	977,273	938,994
Less: Accumulated Depreciation	(970,725)	(927,143)
	<u>6,548</u>	<u>11,851</u>
The library stock was valued at Directors valuation in 2009. Replacements are fully depreciated in the year of purchase.		
Total Property, Plant & Equipment	<u>98,842,487</u>	<u>93,861,035</u>
10 Payables		
Payables and accruals	2,613,003	2,895,718
Families, bonds and outside funds	212,414	237,264
	<u>2,825,417</u>	<u>3,132,982</u>
11 Provisions		
Current Liability		
Long service leave - Current	877,492	623,022
Executive study leave	86,400	89,600
Annual leave	1,052,576	855,933
General Provisions	675,000	679,500
Employment related provisions	54,952	51,241
	<u>2,746,420</u>	<u>2,299,296</u>
Non-Current Liability		
Long Service Leave	2,604,134	2,279,821
	<u>2,604,134</u>	<u>2,279,821</u>
12 Loans		
Current Portion - Payable next 12 months		
Commercial Bank Loans and leases - Current	14,100,928	356,666
State Government Low Interest Loans - Current	1,493,867	1,299,572
	<u>15,594,795</u>	<u>1,656,238</u>
The existing Commercial Bank Loans terminates on 31 Aug 2021, therefore the full liability is shown in current loans. The Association intends to renew these loans with the same financial institution. The loans are secured over a number of freehold land and buildings and the the average interest rate on these are 4.18%		
13 Loans		
Long Term Loans		
Commercial Bank Loans	-	14,100,928
State Government Low Interest Loans	13,703,836	11,630,008
	<u>13,703,836</u>	<u>25,730,936</u>
14 Accumulated Funds		
Opening Balance	56,414,355	54,192,661
Net Surplus for the year	4,414,632	2,221,694
	<u>60,828,987</u>	<u>56,414,355</u>
15 School Council funds		
Net balances at year end	130,301	118,490
16 Building / Library Fund		
Opening Balance	600,493	599,413
Net Contributions/(Distributions)	7,508	1,080
	<u>608,001</u>	<u>600,493</u>

SWAN CHRISTIAN EDUCATION ASSOCIATION INC

Notes to the accounts for the year
ended 31 December 2020 (Continued)

	2020 \$	2019 \$
17 Family Hardship Fund		
Opening Balance	150,000	150,000
Current year assistance less transfers	(45,080)	-
	104,920	150,000
This fund has been established to assist families in financial hardship Current year hardship applications has been funded as part of fee assistance		
18 Revaluation reserve		
Revaluation reserve	11,971,925	11,971,925
	11,971,925	11,971,925
19 Finance Facilities		
The Association continues to receive recurrent and capital grants from Commonwealth and State Government funding.		
In addition, the Association has general bank finance facilities of \$32m (2019 - \$27m) in place of which \$2.9m (2019 : \$6.6M) is undrawn. This includes an overdraft facility of \$0.5m.		
20 School Development Fund		
Amounts resolved to be appropriated to fund	2,595,786	1,993,678
Plus amounts transferred - current year	818,190	713,563
Less amounts appropriated - current year	(290,119)	(111,455)
	3,123,857	2,595,786
21 Leases		
<u>Right of use assets</u>		
Balance at 1 Jan 2020	536,157	
AASB 16 adjustment - modification of Lease Contract	(371,055)	
Accumulated Depreciation	(53,616)	
	111,486	536,157
<u>Lease Liabilities</u>		
Balance at 1 Jan 2020	551,989	
AASB 16 adjustment - modification of Lease Contract	(429,228)	
	122,761	
<u>Breakdown</u>		
Current	59,765	40,504
Non-current	62,996	511,485
	122,761	551,989

During Dec 2020, 2 year notice was given in terms of the lease agreement to the Crocavia club that the lease will terminated by 31 Dec 2022. This has caused a AASB 16 adjustment since the lease term has now changed from 20 years to 2 years.

SWAN CHRISTIAN EDUCATION ASSOCIATION INC

**Notes to the accounts for the year
ended 31 December 2020 (Continued)**

22 Subsequent Events

There have been no subsequent events that occurred after the end of 31 Dec 2020 that significantly affect the stated affairs or operations at the school.

23 Covid 19

The world and local community has been impacted by the ongoing impact of COVID-19. The Association has been monitoring the potential impact of COVID-19 and its operations and has plans in place to minimise the impact and is well placed financially to sustain short term disruptions to its operations. Given the uncertainty over the situation, the Association is not in a position to determine the full impact that COVID-19 will have on its operations, or quantify any financial impact.

24 Capital Commitments

The Association has no capital commitments outstanding as of 31 Dec 2020.



Swan Christian
EDUCATION ASSOCIATION



Beechboro
Christian School



Ellenbrook
CHRISTIAN COLLEGE



Kalamunda
CHRISTIAN SCHOOL



Mundaring
CHRISTIAN COLLEGE



Northshore
Christian Grammar School



SOUTHERN HILLS
Christian College



Swan
Christian College