



ANNUAL REPORT 2019-20

SYDNEY COMMUNITY COLLEGE LIMITED

**SYDNEY
COMMUNITY
COLLEGE**

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AGENDA - ANNUAL GENERAL MEETING - DECEMBER 16 2020

WELCOME

APOLOGIES

MINUTES OF PREVIOUS ANNUAL GENERAL MEETING

PRESENTATION OF REPORTS

CHAIRMAN'S REPORT

PRINCIPAL'S REPORT

ACTIVITY REPORTS

DIRECTORS' STATEMENT

FINANCIAL REPORTS

APPOINTMENT OF AUDITOR

ELECTION OF BOARD MEMBERS

OTHER BUSINESS

MINUTES ANNUAL GENERAL MEETING DECEMBER 11TH 2019

WELCOME

The Chair, Andrew Gonczi welcomed all to the meeting and declared the meeting open at 6:15pm.

APOLOGIES

Dr Roger Morris

PRESENT

Jean Janah (Management Accountant), Garry Traynor (CEO/Principal - Board Secretary)

Andrew Gonczi, Anitra Morgana, Sara Pantzer, Joanna Maxwell, Jenifer O'Connor

MINUTES OF THE PREVIOUS MEETING

AGM-Resolution:1112191 The minutes of the previous meeting were declared a true account - Moved Morgana/O'Connor - carried

REPORTS

- (i) Chairperson's Report: The Chairman spoke to a written report as tabled in the Annual Reports
- (ii) Principal's Report: The Principal spoke to a written report as tabled in the Annual Reports
- (iii) Activity Reports: The Principal spoke to the written reports as tabled in the Annual Reports
- (iv) Director's Report: The Director's spoke report was tabled in the Annual Reports
- (v) Finance Reports: The Management Accountant spoke to the audited reports as tabled in the Annual Reports

AGM-Resolution:1112192 That the reports be accepted. Moved Gonczi/Maxwell -Carried

AGM-Resolution:1112193 Appointment of the College Auditor. It was moved to appoint Northshore Accounting as the College Auditors for 2020

AGM-Resolution:1112194 (vi) Election of Board Members: Three nominations were received from the membership for vacant Board positions: Jenifer O'Connor and Joanna Maxwell. There being no other nominees, each nominee was declared elected.

6. ANY OTHER MATTERS

Nil - Meeting declared closed. 6:45pm

TO OUR STAKEHOLDERS

STRATEGIC HIGHLIGHTS

This was a very difficult trading year and the College, not unlike many other intuitions, has suffered from falling income and challenging trading environments.

FINANCIAL HIGHLIGHTS

As a trading year, the College will post a significant loss as indicated in the Financial Reports. It is clear that without the support of the federal and state governments during the COVID-19 pandemic, the loss would not have been survivable. We are indeed grateful for that support. We also note with gratitude the generous support of the Catholic Archdiocese in the form of rental reductions.

OPERATING HIGHLIGHTS

We note the flexibility and enthusiasm of our College tutors who moved much of their teaching practice to online presentation. The College students, for whom we exist, demonstrated their commitment to learning and engagement during this challenging year for which we are indeed grateful.

LOOKING AHEAD

We view the resilience of the College during the pandemic as a testimony to its future.

Garry John Traynor, OAM

College Principal/CEO

CHAIR'S REPORT

At the Annual General Meeting in December 2019, Andrew Gonczi retired as Chair after 3 years and 6 months in that role. The College Board acknowledges and thanks Andrew for his dedication to the College and his wealth of knowledge on education and training. In particular, we note his valuable work on the sale of the tennis centre lease and his ongoing efforts in negotiating current leasing arrangements for College premises and exploring new options for premises for the security of the College into the future. Thank you, Andrew.

Unsurprisingly, the most significant event for the College this year has been the impact of COVID-19 from March 2020 (and ongoing). The College closed all its sites in March and staff began to work remotely. The impact on cashflow was immediate and resulted in income from enrolments dropping by almost half for the period January- June 2020.

A Response Committee was established to enable rapid information sharing and decision making, made up of a mix of Board members and staff - Joanna Maxwell, Ian Balcomb, Garry Traynor, Jennifer Aldred, Jean Janah and Marcus Aldred-Traynor. The Committee met as frequently as was required and regularly reported back to the Board.

Both the Committee and the Board have kept a close watch on the College's operations and threats to its ability to remain viable and solvent. We note the March legislation to suspend provisions that would otherwise hold directors to account for trading while insolvent (and which expires on 31 December 2020).

The Board and the Committee factored in the support available from federal, state and local government and monitored other relevant legislation and rulings during the pandemic, including relief for commercial tenants, guidance on material uncertainty and the definition of a going concern.

Despite the difficult and changing times, the College maintained its governance standards; the Board has met the required number of times according to its Constitution, meetings and decisions made have followed procedure and Board and management have worked together for maximum effect.

During lockdown, the program team at the College rapidly adapted a range of online offerings, which have exceeded initial expectations, generated significant much-needed cashflow - and attracted potential students from regional NSW, other parts of Australia and even overseas. I pay tribute to the dedication of staff in making adjustments to the program, in disseminating the technological platform to tutors and students and in pivoting roles as needed to keep things going. It speaks to the hard work of management and staff, but also to their creativity, agility and willingness to try something new in difficult circumstances. A formidable effort and achievement.

Students proved very loyal to the College, which has helped enormously in the pivot to online operations and now the gradual return to face-to-face classes. Their trust in the College and the quality of its work was built up over decades but has never been as critical as now.

I would like to thank all the Board members for their commitment to the College, particularly this year. And, as mentioned above, the management and staff who have by their efforts kept the College alive and adaptive in these changing times.

I hope that 2021 brings a smoother ride for the College, its staff and students - and us all.

Joanna Maxwell

Chair, Sydney Community College.

I acknowledge the Gadigal people of the Eora nation, on whose land stands the Rozelle campus of Sydney Community College. I recognise their continuing connection to land, waters and culture and I pay my respects to their elders past, present and emerging.

PRINCIPAL'S REPORT

THE BEGINNING OF A YEAR TO REMEMBER

As we reflect on the events of our trading year 2019-20, the frightening impact of the bushfires and drought and then the impact of the COVID-19 pandemic, it is likely that we will see the year as a test to the strengths inherent in the College. Certainly, without government support, it is apparent that the College would have at least needed to hibernate, but more likely that we would have considered other harder decisions. In this regard, the College is not unlike many other businesses at this moment.

The year did start with a great deal of promise. The College short course programme was continuing to grow in strength and reputation and initiative such as the membership programme were beginning to see class sizes swell.

<i>Half Year</i>	Enrolments	Income
<i>Jan-Jun 2019</i>	5620	\$1,253,234
<i>Jan-Jun 2020</i>	4440	\$646,254
<i>Difference</i>	-1180	(\$606,980)
<i>Jul-Dec 2019</i>	5105	\$1,105,566
<i>Jul-Dec 2018</i>	5248	\$1,191,987
<i>Difference</i>	-143	(\$86,421)

The table above demonstrates the impact the two limiting factors to the Short Course income. The first indicator is Jul-Dec 2019, a period when the Nation was consumed by the tragedy of drought and fires and the second of course, is Jan-Jun 2020 where enrolment income is effectively halved due to the impact of the COVID-19 restrictions.

With regard to the pandemic, it was apparent in February 2020 that matters were serious and would become worse. At a management level, we watched the situation carefully and by March 2020, took the decision to halt all operations. All staff left for home office locations and arrangements were put in place to implement technological management of incoming calls, emails and internet chats and staff meetings. I commend the flexibility of all staff as they rose to meet this challenge.

In the coming weeks, there was a significant effort made by Jean Janah and Marcus Aldred-Traynor, to transition as many classes as possible to an online delivery platform. We chose Zoom for that purpose and the effort made to develop skills and capacity of all available tutors, most of whom had no experience of this platform, was remarkable.

Thankfully, our arrangement with Holmes Colleges in the CBD has meant that we had no leasehold commitment and we were able to retreat from the CBD without any financial penalty. At our main campus in Rozelle, early negotiations were put in place by the landlords to implement rental reductions and payment delays. Other financial lease payment holidays were negotiated along with GST payment plans and by the time JobKeeper was announced, the College had a positive survival plan.

The College Board moved to extend critical decision-making responsibility to a Crisis Response Committee consisting of from the Board Joanna Maxwell (Chair), Ian Balcomb and myself and from the management team, Jean Janah, Jennifer Aldred and Marcus Aldred-Traynor. This arrangement allowed the College to act quickly and responsibly while keeping the Board informed.

As all operations were ceased, the RTO was also not able to deliver its funded programme commitments. The NSW state government allowed for some of those funds to be converted into Infrastructure Funding and other funds into programme support. Clearly, without the support by Federal and State governments during this period, other more radical action would have needed to be implemented.

I pay particular tribute to the College staff and in particular the teaching staff, who as a team, rose to meet this challenge, which remains on-going. I also commend the College Board for its clear headed and diligent management of a year that we would all rather consider in retrospect.

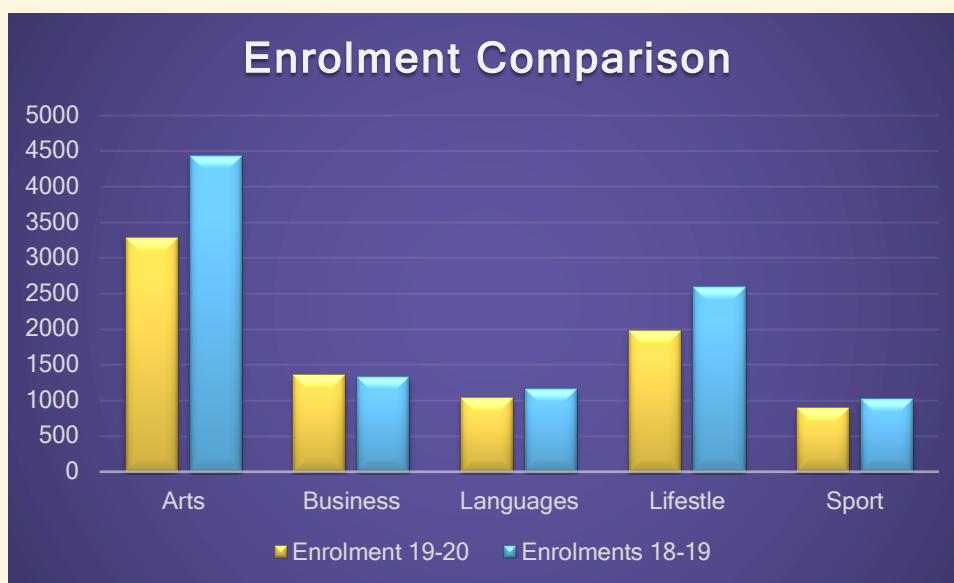
Garry John Traynor, OAM

Principal/CEO.

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ACTIVITY REPORTS

SHORT COURSE PROGRAMME



Arts remains the biggest area of offering and demand, however 19-20 did see a fall clearly as a response to COVID-19. Although some subjects in the Arts category can be delivered online, it tends to be a category more suited to face-to-face. All categories except Business fell.



The average class size across the categories in the reporting period was 5.6. If Sport is removed as it has small one-on-one classes such as Tennis and Swimming, the class average rises to 6.2. This is still short of the Board objective of 8.

KEY PERFORMANCE MEASURES

- Average class sizes above 8 - not achieved;
- Delivery of 1200 plus classes per year - achieved
- Successful tenders for the provision of training awarded - achieved

RTO REPORTS

During the year under review the College applied for, and was successful in gaining a NSW Government Smart and Skilled Contract. Smart and Skilled provides eligible students with government-subsidised Vocational Education and Training (VET) training and the College has been contracted to deliver training under the essential area of foundation skills. Foundation skills are fundamental to a person's participation in the workplace, the community and in education and training. Foundation skills are a combination of language, literacy and numeracy (LLN) skills and employability skills and, more recently, digital skills.

Training under the contract commenced in early 2020 and was halted due to the COVID-19 pandemic from March until June when 16 students completed their Certificate II in Skills for Work and Vocational Pathways FSK20113. We wish them well in their next steps with training and employment. These students undertook their training with the assistance of our community partner, the Canterbury City Community Centre (or 4cs).

Delivery under our NSW Government Adult and Community Education (ACE) Program was also interrupted by the pandemic. The ACE Program delivers partial accredited VET qualifications (short courses) to disadvantaged learners. Unfortunately, during the year under review, our delivery in conjunction with our community partner CORE Community Services in south western Sydney did not recommence due to the need for CORE to adhere to public health requirements. Our work with 4Cs, however, was able to continue after lockdown. We continue to strongly value our relationships with our community centres, particularly given the strong connection they have to our identified cohort for the College's subsidised training - migrants, refugees and humanitarian visa holders.

Training will continue to be planned and delivered under our NSW Government Funded contracts for 2020-21 consistent with the College's COVID Safe policies and procedures. For our VET training off-site, this will involve use of multiple sites to manage student occupancy safely, flexibility in the timing and locations of training and in the equipment used and program planning which is adaptable to ensure student progression is assured within a COVID environment.

Our RTO team has performed admirably during the year under review, despite the unplanned and difficult circumstances. Their resilience and commitment to the task afforded continuity and a quality training experience for students and supported the College in this important area of its activities.

TECH SAVVY SENIORS (TSS)

During 2019-20 year, the College continued to deliver this programme at its Rozelle campus. Designed to support those 55 years and over in the development of their digital literacy skills, the TSS delivered workshops in 5 areas - social media platforms, email use, internet use and security, computers and smart device technology, as well as internet banking. Again, in March with lockdown, TSS was halted in the interests of public health but will recommence at the end of 2020 thanks to the renewal of our contract with the NSW Government and Telstra. Our tutor, Terry Constanti, is to be commended for his on-going commitment and flexibility in the delivery of the valuable skills training to give seniors the opportunity to develop the knowledge and confidence in the use of technology for socialising, accessing important services and conducting personal business. No more was this capacity needed and of value than during the pandemic lockdown.

Jennifer Aldred

Senior Manager Funded Programmes, RTO

DEMOGRAPHIC REPORTS

Records selected: 1440 classes, 9545 enrolments

GENDER

Male:	2601	27.25%
Female:	6850	71.77%
Not stated:	94	0.98%
Total	9545	100%

AGE GROUP

0-10	0	0%
10-20	176	1.84%
20-30	1596	16.72%
30-40	2474	25.92%
40-50	1646	17.24%
50-60	1470	15.4%
60-70	1445	15.14%
70-80	417	4.37%
80+	79	0.83%
Not stated	242	2.54%
	9545	100%

POSTCODE

Rozelle	189	1.98%
Leichhardt	185	1.94%
Ashfield	96	1.01%
Balmain	96	1.01%
Annandale	88	0.92%
Drummoyne	80	0.84%
Marrickville	71	0.74%
Lewisham	68	0.71%
Lilyfield	68	0.71%
Glebe	67	0.7%
Not Stated	5388	56.45%
Other	3149	32.99%
	9545	100%

COUNTRY OF BIRTH

Australia	1222	12.8%
England	91	0.95%
Iraq	63	0.66%
Bangladesh	55	0.58%
Vietnam	39	0.41%
New Zealand	38	0.4%
Pakistan	36	0.38%
India	23	0.24%
United Kingdom,	22	0.23%
Hong Kong	21	0.22%
Not Stated	7643	80.07%
Other	292.6666	3.07%
	9545	100%

LANGUAGE SPOKEN AT HOME

English	967	10.13%
American	450	4.71%
Arabic	75	0.79%
Vietnamese	41	0.43%
Urdu	29	0.3%
Spanish	27	0.28%
Bangla	24	0.25%
Cantonese	15	0.16%
Burmese	14	0.15%
Bengali	11	0.12%
Not Stated	7739	81.08%
Other	153.6666	1.61%
	9545	100%

HIGHEST SCHOOL LEVEL

Did not go to school	8	0.08%
Year 8	20	0.21%
Year 9	7	0.07%
Year 10	66	0.69%
Year 11	41	0.43%
Year 12	1082	11.34%
Not stated	8321	87.18%
	9545	100%

PRIOR EDUCATIONAL ACHIEVEMENT

Bachelor's degree or higher degree level	2824	29.59%
Advanced diploma or associate degree level	159	1.67%
Diploma level	290	3.04%
Certificate IV	115	1.2%
Certificate III	112	1.17%
Certificate II	35	0.37%
Certificate I	28	0.29%
Miscellaneous education	168	1.76%
None	292	3.06%
Not stated	5522	57.85%
	9545	100%

EMPLOYMENT STATUS

Full-time employee	465	4.87%
Part-time employee	137	1.44%
Self-employed, not employing others	120	1.26%
Employer	17	0.18%
Employed - unpaid in family business	13	0.14%
Unemployed - seeking full-time work	62	0.65%
Unemployed - seeking part-time work	171	1.79%
Not employed - not seeking employment	253	2.65%
Not stated	8307	87.03%
	9545	100%

STATED DISABILITY TYPE

Hearing/Deaf	2	0.02%
Physical	4	0.04%
Intellectual	5	0.05%
Learning	1	0.01%
Mental illness	15	0.16%
Acquired brain impairment	0	0%
Vision	0	0%
Medical condition	19	0.2%
Other	7	0.07%
None	916	9.6%
Not stated	8576	89.85%
	9545	100%

INDIGENOUS STATUS

Aboriginal	3	0.03%
Torres Strait Islander	0	0%
Aboriginal and Torres Strait Islander	1	0.01%
Neither	1444	15.13%
Not stated	8097	84.83%
	9545	100%

FINANCIAL REPORTS

SYDNEY COMMUNITY COLLEGE LTD

ABN 53 136 500 313

FINANCIAL REPORT

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

SYDNEY COMMUNITY COLLEGE LIMITED

FINANCIAL REPORT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

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DIRECTORS REPORT

The directors present this report on the company for the financial year ended 30th June 2020.

DIRECTORS

The names of each person who has been a director during the year and to the date of this report are:

- Roger Morris
- Jenifer O'Connor
- Garry Traynor
- Anita Morgana
- Andrew Gonczi
- Joanna Maxwell
- Sara Pantzer
- Ian Balcomb

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

PRINCIPAL ACTIVITIES

The principal activities of the company during the course of the year were Community College operation including the operation of a Registered Training Organisation, RTO 90054.

SHORT-TERM AND LONG-TERM OBJECTIVES

The entity's short-term objectives are:

- To be a premier and self-sustaining non-for-profit provider of innovative education and training.

The entity's long-term objectives are:

- To enrich lives, to strengthen organisations and to build communities through innovative high-quality education and training.

STRATEGIES

- The planning, promotion and delivery of innovative short courses;
- The successful delivery of funded training.

KEY PERFORMANCE MEASURES

- Average class sizes above 8;
- Delivery of 1200 plus classes per year;
- Successful tenders for the provision of training awarded.

MEETINGS OF DIRECTORS

During the financial year 3 meetings of directors were held. Attendances by each director were as follows:

Number eligible to attend	Number attended
• Roger Morris	2
• Jenifer O'Connor	3
• Garry Traynor	3
• Anita Morgana	3
• Andrew Gonczi	3
• Joanna Maxwell	3
• Sara Pantza	3
• Ian Balcomb	3

The company 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 \$10 each towards meeting any outstanding obligations of the entity. At 31 December 2016, the total amount that members of the company are liable to contribute if the company is wound up is \$70 (2015 \$70).

AUDITORS INDEPENDENCE DECLARATION

The auditors' independence declaration for the year ended 30 June 2019 has been received and enclosed.

This directors' report is signed in accordance with a resolution of the Board of Directors.

Director: Garry John Traynor, OAM

Garry John Traynor

Dated this day 1/12/2020

SYDNEY COMMUNITY COLLEGE LTD

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

	NOTE	2020 (1 July 2019 -30 Jun 2020) \$	2019 (1 July 2018 -30 Jun 2019) \$
Revenue from ordinary activities	2	2,613,608	2,883,900
Expenses			
Course expenses		(384,679)	(419,958)
Employee expenses		(1,841,207)	(1,921,521)
Depreciation and amortization expenses	4	(142,519)	(141,964)
Borrowing costs expenses		-	-
Other expenses from ordinary activities		<u>(548,900)</u>	<u>(583,206)</u>
Surplus before income tax expense		(303,697)	(182,748)
Income Tax Expense	5	<u>-</u>	<u>-</u>
Surplus after income tax expense for the year attributable to the members		<u>(303,697)</u>	<u>(182,748)</u>
Other comprehensive income for the year, net of tax:			
	3	<u>-</u>	<u>-</u>
Total comprehensive income for the year attributable to the members	13	<u>(303,697)</u>	<u>(182,748)</u>

The accompanying notes form part of these financial statements. These financial statements have been subject to audit and should be read in conjunction with the attached Auditor's Report

SYDNEY COMMUNITY COLLEGE LTD

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

	NOTE	2020 (1 July 2019 - 30 Jun 2020) \$	2019 (1 July 2018 - 30 Jun 2019) \$
Assets			
Current Assets			
Cash	6	367,576	406,684
Accounts Receivable	7	-	-
Other Current Assets	8	53,402	61,619
Total Current Assets		<u>420,978</u>	<u>468,303</u>
Non-current Assets			
Fixed Assets		89,677	77,251
Leasehold Improvements		60,779	182,345
Intangible Assets		42,115	42,115
Total Non-Current Assets	9	<u>192,571</u>	<u>301,711</u>
Total Assets		<u><u>613,550</u></u>	<u><u>770,014</u></u>
Liabilities			
Current Liabilities			
Current Payables	10	393,759	310,532
Taxation Clearing	11	77,215	31,941
Provision for Employee Entitlements - current	12	58,191	49,218
Total Current Liabilities		<u>529,165</u>	<u>391,691</u>
Non-current Liabilities			
Provision for Employee Entitlements - non current	12	176,123	167,386
Other Non-Current Liabilities		46,876	45,856
Total Non-current Liabilities		<u>223,000</u>	<u>213,242</u>
Total Liabilities		<u><u>752,165</u></u>	<u><u>604,933</u></u>
Net Assets		<u><u>(138,615)</u></u>	<u><u>165,082</u></u>
Equity			
Retained Profit		165,082	347,829
Current Surplus/(Deficit)		(303,697)	(182,748)
Total Equity	13	<u><u>(138,615)</u></u>	<u><u>165,082</u></u>

The accompanying notes form part of these financial statements. These financial statements have been subject to audit and should be read in conjunction with the attached Auditor's Report.

SYDNEY COMMUNITY COLLEGE LTD

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

	NOTE	2020 (1 July 2019 - 30 June 2020) \$	2019 (1 July 2018 - 30 June 2019) \$
Cash Flow from Operating Activities			
Student Fees		1,203,805	2,771,312
Government Funded Programs		499,799	351,143
Interest Received		5,216	13,383
Other Income		254,605	-
Payments to suppliers and employees		(1,954,270)	(3,150,288)
Net Cash provided by operating activities	14 (b)	<u>9,155</u>	<u>(14,451)</u>
Cash Flow from investing activities			
Fixed Asset purchases		(36,717)	(12,522)
Sale of Fixed Assets		-	-
Net cash provided (used) by investing activities		<u>(36,717)</u>	<u>(12,522)</u>
Cash Flow from financing activities		(11,544)	(15,392)
Net cash from financing activities		<u>(11,544)</u>	<u>(15,392)</u>
Net increase/(decrease) in Cash Held		(39,108)	(42,366)
Cash at the beginning of the financial year		406,684	449,050
Cash at the end of the financial year		<u><u>367,576</u></u>	<u><u>406,684</u></u>

The accompanying notes form part of these financial statements. These financial statements have been subject to audit and should be read in conjunction with the attached Auditor's Report

SYDNEY COMMUNITY COLLEGE LTD

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

	NOTE	Retained Surpluses \$	Total Equity \$
Balance at 1 July 2018		347,829	347,829
Deficit after income tax expense for the year		(182,748)	(182,748)
Other comprehensive income for the year, net of tax			
Total comprehensive income for the year		(182,748)	(182,748)
Balance at 30 June 2019	13	<u>165,081</u>	<u>165,081</u>
Balance at 1 July 2019		165,081	165,081
Adjustment to the opening balance			-
Deficit after income tax expense for the year		(303,697)	(303,697)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		<u>(303,697)</u>	<u>(303,697)</u>
Balance at 30 June 2020	13	<u>-138,615</u>	<u>-138,615</u>

The accompanying notes form part of these financial statements. These financial statements have been subject to audit and should be read in conjunction with the attached Auditor's Report

SYDNEY COMMUNITY COLLEGE LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

The financial statements are for Sydney Community College Ltd as an individual entity incorporated and domiciled in Australia. Sydney Community College Ltd is a company limited by guarantee.

NOTE 1 : STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Boards and the Corporations Act 2001. The company is a not-for-profit entity for financial reporting purposes under the Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements, except for the cash flow information, have been prepared on an accrual 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.

Accounting Policies

a) Income Tax

Sydney Community College is a public educational institution providing learning activities and educational needs in the local community and therefore is exempt from paying income tax under Division 50 of the Income Tax Assessment Act 1997.

b) Goods and Services Tax (GST)

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

c) Employee Entitlements

The amounts expected to be paid to employees for pro-rata entitlements for annual leave and long service leave are accrued annually at current pay rates and included under salaries and wages.

d) Cash

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

SYDNEY COMMUNITY COLLEGE LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

e) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

- Rendering of services

Where contracts can be reliably measured, control of a right to be compensated for services has been attained.

- Interest

Recognised as interest is paid.

- Government Funded Programs

Revenue is recognised when control of the contribution or right to receive the contribution is obtained. For capital grant, it is recognised when the capital asset is ready for use.

f) Property, Plant and Equipment

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

- Impairment

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

If such an indication exists and where the carrying value exceeds the recoverable amount the asset is written down to the recoverable amount.

- Depreciation

Depreciation is provided for on a Prime Cost basis against all depreciable assets at the following rates. The leasehold improvements are amortised over the term of the lease or managements' expected length of the future lease.

Computer Equipment	25%
Office Furniture and Equipment	20 - 27%
Motor Vehicles	12.50%
Leasehold Improvements	10-20%

SYDNEY COMMUNITY COLLEGE LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

g) Board Members Emoluments

Board members receive no fees for attending meetings and are not paid any other remuneration or benefits.

h) Financial Instruments

Recognition

Financial instruments are initially recognised at cost, being the fair value of the consideration given, including acquisition charges associated with the investment. Subsequent to initial recognition these instruments are measured as set out below:

Loan and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Held-to-maturity investments

These investments have mixed maturities, and it is the company's intention to hold these investments to maturity. Any held-to-maturity investments held by the company are stated at amortised cost using the effective interest rate method.

Available-for-sale financial assets

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the Income Statement

i) Lease

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset but not the legal ownership are transferred to the entity, are classified as finance leases.

SYDNEY COMMUNITY COLLEGE LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the entity will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the lease term.

j) Going Concern Basis of Accounting

Due to the outbreak of COVID-19, the College board acknowledges the immediate impact on the trading circumstances. The Board has considered Going Concern and Material Uncertainty. The Board acknowledges that Material Uncertainty exists but is satisfied with the actions of the Management Team which have included:

1. Measures to control the overheads;
2. Actions to improve the income in the next financial year;
3. Appropriate risk measures to monitor and react to rapid changes in circumstances.

That after consideration of the financial situation of the College as at 30 June 2020 and an examination of the known trading environment including the predicted cash flows to 30 June 2021, that the College still meets the definition of Going Concern. It was further recognised that a thorough examination of the trading environment including a risk analysis of possible trading scenarios and the consequences of COVID-19 and other events and conditions, has provided Management with a view that although material uncertainty exists, it does not cast substantial doubt upon the entity's ability to continue as a Going Concern.

k) Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

Key Estimates

Impairment

As at 30 June 2020, the directors have performed a directors' valuation on the non-current assets. The main non-current assets in the company are the leasehold improvements. As the amortisation terms are comparably short at 5-10 years, the directors believe the carrying value of the non-current assets reflects the fair value less cost to sell at 30 June 2020.

SYDNEY COMMUNITY COLLEGE LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

NOTE	2020	2019
	(1 July 2019 - 30 June 2020) \$	(1 July 2018 - 30 June 2019) \$
2 REVENUE		
Operating activities		
- course fees	1,853,988	2,519,374
- government funded programs	499,799	351,143
- other income	254,605	-
	<u>2,608,392</u>	<u>2,870,517</u>
Non-operating activities		
- interest received	5,216	13,383
- profit on sale of fixed asset	-	-
- administration fees	-	-
	<u>5,216</u>	<u>13,383</u>
TOTAL REVENUE	<u>2,613,608</u>	<u>2,883,900</u>
3 OTHER REVENUE		
Profit on sale of asset	-	-
	<u>-</u>	<u>-</u>
4 PROFIT FROM ORDINARY ACTIVITIES		
Profit from ordinary activities before income tax expenses has been determined after:		
(a) Expenses		
Depreciation of property, plant and equipment	20,953	20,398
Amortisation of leasehold improvements	121,566	121,566
	<u>142,519</u>	<u>141,964</u>
Remuneration of auditors		
- audit or review services	7,350	7,457
- other services	-	-
Total Remuneration	<u>7,350</u>	<u>7,457</u>
5 INCOME TAX EXPENSES		
Exempted from paying income tax. Refer to Note 1 a).		
6 CASH		
Cash on Hand	248	(55)
Cash at Bank	367,329	406,739
	<u>367,576</u>	<u>406,684</u>

The College has a continuing unsecured loan facility up to a maximum of \$170,000 with the Commonwealth Bank of Australia.

SYDNEY COMMUNITY COLLEGE LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

NOTE	2020	2019
	(1 July 2019 - 30 June 2020)	(1 July 2018 - 30 June 2019)
	\$	\$
7 RECEIVABLES		
Trade Debtors	-	-
8 OTHER ASSETS		
- prepayments	53,402	61,619
- security deposits	-	-
- CC Disputed Transactions	-	-
	<u>53,402</u>	<u>61,619</u>
9 NON-CURRENT ASSETS		
- Office and Classroom furniture and equipment	517,717	484,338
- Less accumulated depreciation	(468,240)	(455,303)
	<u>49,478</u>	<u>29,035</u>
- Computer Equipment	36,633	36,633
- Less accumulated depreciation	(36,633)	(36,633)
	<u>-</u>	<u>-</u>
- Motor Vehicle	68,257	68,257
- Less accumulated depreciation	(28,058)	(20,041)
	<u>40,200</u>	<u>48,216</u>
- Leasehold improvements - Rozelle Campus (ITEC)	1,215,662	1,215,662
- Less accumulated amortisation	(1,154,883)	(1,033,317)
	<u>60,779</u>	<u>182,345</u>
- Leasehold improvements - Rozelle Campus	355,373	355,373
- Less accumulated amortisation	(355,373)	(355,373)
	<u>-</u>	<u>-</u>
Trademark	42,115	42,115
Total non-current assets	<u>192,571</u>	<u>301,711</u>
10 PAYABLES		
CURRENT		
- Trade creditors and other accruals	85,648	48,228
- Deferred Grant	-	-
- Fees paid in advance	285,321	232,121
- Wages Payables	(1,656)	(36)
- Superannuation Payables	24,447	30,218
	<u>393,759</u>	<u>310,532</u>

SYDNEY COMMUNITY COLLEGE LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

NOTE	2020	2019
	(1 July 2019 - 30 June 2020)	(1 July 2018 - 30 June 2019)
	\$	\$
11 TAX LIABILITIES		
- GST	18,867	14,642
- Withholding tax	58,348	17,299
- FBT instalment	2,624	2,831
FBT payable	(2,624)	(2,831)
	<u>77,215</u>	<u>31,941</u>
12 PROVISIONS		
CURRENT		
- Provision for annual leave	58,191	49,218
- Provision for long service leave	-	-
	<u>58,191</u>	<u>49,218</u>
NON-CURRENT		
- Provision for annual leave	-	-
- Provision for long service leave	176,123	167,386
	<u>176,123</u>	<u>167,386</u>
Number of permanent employees at year end	<u>12</u>	<u>12</u>
13 RETAINED PROFITS		
- Retained profits at the beginning of financial year	165,082	347,830
- Adjustment to the opening balance		
- net profit attributable to the company	(303,697)	(182,748)
- Retained profits at the end of the financial year	<u>(138,615)</u>	<u>165,082</u>
14 CASH FLOW INFORMATION		
a) Reconciliation of Cash		
Cash on Hand	248	(55)
Cash at Bank	367,329	406,739
	<u>367,576</u>	<u>406,684</u>

SYDNEY COMMUNITY COLLEGE LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

	2020 (1 July 2019 - 30 June 2020) \$	2019 (1 July 2018 - 30 June 2019) \$
14 CASH FLOW INFORMATION		
b) Reconciliation of cash provided by operating activities:-		
Operating profit/(deficit)	(303,697)	(182,748)
Add back non-cash items in operating activity		
Depreciation	142,519	141,964
Interest from HP payments	4,701	5,206
	<u>(156,476)</u>	<u>(35,579)</u>
Changes in assets and liabilities:		
Decrease/Increase in prepayments	8,218	(11,416)
Increase/Decrease in Security Deposits	-	-
Decrease/Increase in Trade Debtors	-	-
Decrease/Increase in Payroll Clearing Account	(7,392)	3,676
Decrease/Increase in Creditors and Accruals	32,169	(8,073)
Increase/Decrease in deferred grant	-	-
Increase/Decrease in Taxation Clearing accounts	45,274	16,457
Decrease/Increase in Prepaid Fees	53,199	16,567
Increase/Decrease in Provisions	(236)	30,694
Increase/Decrease in other non-current liabilities	1,020	(15,392)
Decrease/Increase in Fixed Assets	33,380	(11,384)
Decrease/Increase in Property Improvement	-	-
	<u>165,632</u>	<u>21,128</u>
Net cash by operating activities	<u><u>9,155</u></u>	<u><u>(14,154)</u></u>

SYDNEY COMMUNITY COLLEGE LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

15 FINANCIAL INSTRUMENTS

a). Interest Rate Risk

The company's exposure to interest risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective average interest rates on those financial assets and financial liabilities is as follows:

	Weighted average Effective Interest Rate		Floating Interest Rate		Fixed Interest Rate Maturing 1 - 5 Years		
	2020 %	2019 %	2020 \$	2019 \$	2020 \$	2019 \$	2020 \$
Financial Assets							
Cash	0.00%	0.00%	367,576	406,684	-	-	-
Investment	0.00%	0.00%	-	-	-	-	-
Total Financial Assets			367,576	406,684	-	-	-

b). Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognized financial assets is the carrying amount of those assets, net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes to the financial report.

The company does not have any material credit risk exposure to any single debtor.

c). Liquidity Risk

Vigilant liquidity risk management requires the company to maintain sufficient liquid assets (mainly cash and cash equivalents) to be able to pay debts as and when they become due and payable.

The company manages liquidity risk by maintaining adequate cash reserves by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Remaining contractual maturities

The following tables detail the company's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

	Weighted average Effective Interest Rate	1 year or less between 1 and 2 years	Remaining contractual maturities
<u>Interest bearing</u>			
Bank overdraft * (facility of \$150,000 overdraft limit available from CBA)			-
Credit card	-20.74%	288	288
Corporate charge card		-	-
Total financial liabilities		288	288

SYDNEY COMMUNITY COLLEGE LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

d). Net Fair Values

The net fair values of listed investments have been valued at the quoted market bid price at balance date adjusted for transaction costs expected to be incurred. For other assets and other liabilities net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in a standardized form other than listed investments. Financial assets where the carrying amount exceeds net fair values have not been written down as the company intends to hold these assets to maturity.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.

16 SEGMENT REPORTING

The company operates predominantly one business and geographical segment, being in the community college operation providing training courses to the general public.

17 COMPANY'S DETAIL

The principal place of business of the company is:

Sydney Community College Ltd
2a Gordon Street
Rozelle NSW 2039

END OF FINANCIAL STATEMENTS

SYDNEY COMMUNITY COLLEGE LTD

DIRECTORS' DECLARATION

In the directors' opinion:

- The attached financial statements and notes thereto comply with the Corporations Act 2001, the Australian Accounting Standards – Reduced Disclosure Requirements, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- The attached financial statements and notes thereto give a true and fair view of the company's financial position as at 30 June 2020 and of its performance for the financial year ended on that date; and
- There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Joanna Maxwell

Director

Dated: 01-12-2020

Garry John Traynor

Director

Dated: 01-12-2020

AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF SYDNEY COMMUNITY COLLEGE

In relation to our audit of the financial report of Sydney Community College Limited for the financial year ended 30 June 2020, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

North Shore Accountancy Pty Ltd



Brett Miller

Director

Registered Company Auditor

30 November

2020

Suite 108, 460 Pacific Highway, St Leonards NSW 2065

SYDNEY COMMUNITY COLLEGE LIMITED
ACN 136 500 313
INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of SYDNEY COMMUNITY COLLEGE LIMITED, which comprises the Statement of Financial Position as at 30 June 2020, the statement of Profit & Loss and Comprehensive Income, Statement of Cash Flows, and Statement of Changes in Equity and for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of SYDNEY COMMUNITY COLLEGE LIMITED, is in accordance with the Corporations Act 2001, including:

- (a) giving a true and fair view of the company's financial position as at 30 June 2020 and of its financial performance for the financial year ended; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1 and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1(j) in the financial report, which indicates a material uncertainty exists that casts significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined that there are no other matters to be described as key audit matters to be communicated in our report.

SYDNEY COMMUNITY COLLEGE LIMITED
ACN 136 500 313
INDEPENDENT AUDITOR'S REPORT

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

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the financial year ended 30 June 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 the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Corporations Act 2001 and is appropriate to meet the needs of the members. The director's 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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, the auditor exercises professional judgement and maintains professional scepticism throughout the audit. We also:

- Identify and assesses the risks of material misstatement of the financial report, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence that is sufficient and appropriate to provide a basis for the auditor's opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

SYDNEY COMMUNITY COLLEGE LIMITED
ACN 136 500 313
INDEPENDENT AUDITOR'S REPORT

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If the auditor concludes that a material uncertainty exists, the auditor is required to draw attention in the auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or condition may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that the auditor identifies during the audit.

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

North Shore Accountancy Pty Ltd
Brett J Miller



Suite 108, 460 Pacific Hwy, St Leonards NSW 2065

Dated: 2 December 2020

ANNUAL REPORT 2019-20

SYDNEY COMMUNITY COLLEGE LIMITED