



Swan Christian
EDUCATION ASSOCIATION

Annual Report 2021





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Our Mission

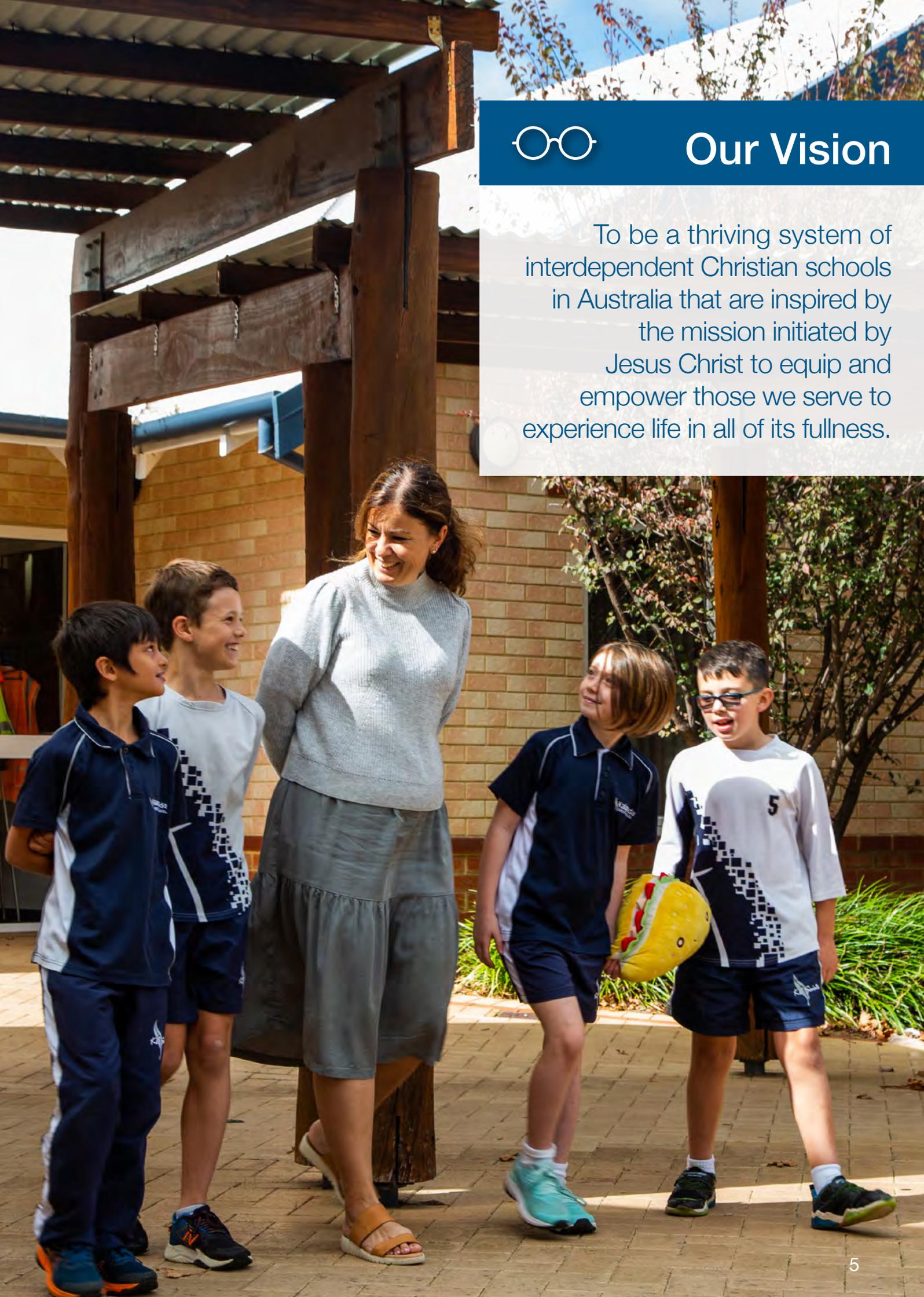


Empowering and equipping children and young people to flourish in life, by welcoming them into our schools that are shaped by Christian faith and values, and creating an environment where all within the community can truly belong, learn and thrive.



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



On behalf of the SCEA board I would firstly like to thank all our wonderful staff who have again had to work through very difficult times with the ongoing issues associated with the pandemic. The Board knows it has not been easy for our staff and we recognise their willingness to ensure we could continue to provide the level of service we are recognised for. In spite of the difficult year we have again been blessed with considerable growth in student numbers which has been amazing to witness. This has added to the pressure our staff have endured but it is truly amazing to see how we are growing and how this means we are able to witness to more children and their families.

As a board we are lucky enough to visit each of our schools during the year to meet with our principals and see and feel the amazing things that are happening right across our seven school sites. It is hard to describe to someone who has not been involved but we can honestly say we can actually feel the difference that has happened and is happening as it is palpable.

Our team are ensuring that we are getting the most cost-effective outcome under the current circumstances as best as physically possible. As a result of our growth we are undertaking possibly the largest building program in a single year of SCEA's history, which has its own added stresses due to the cost of building materials and construction. To accommodate the growth and to demonstrate the commitment we have to the Beechboro Community we have purchased land to build our own school adjacent to the current Beechboro School site. We do this with great excitement as we know this school is having a profound impact within the local area and will continue to grow from strength to strength.

I would also like to acknowledge our Association members who give us the support and encouragement we need to continue to grow this amazing organisation. We thank you for attending meetings and working with us as we discussed complex issues such as the constitutional changes we believed were necessary to position the Association for the future. The work of the Constitutional committee was exceptional and I thank all of you for your involvement and wisdom as we worked our way through a number of areas. As a result of the Committee's hard work, and the members acceptance of the changes, we now have a constitution which better reflects the world we live and work in and also the re-imagining of the role and structure of our parent committees.

I felt very privileged to be involved in the SCEA 40 year anniversary held at Mundaring Christian College and also the 40 year reunion of the SCEA pioneers held at the original meeting place in the Midland Town Hall. It was a very humbling experience to see everyone come together to meet with people they had not seen for a long time and old friends to celebrate SCEA and to recognise the willingness and sacrifice our members have made over the 40 years of our existence.

To my fellow board members, thank you for the sacrifices you continue to make to ensure SCEA is being well governed. In spite of your hectic lives you are always available for board and committee meetings and answering my call when I am seeking your guidance on an issue. You come fully prepared to cover all aspects of the business of SCEA including finances and education, building development and organisational risk. We are a complex business with a team of dedicated, skilled individuals who work well together and I thank you for your support for me as the Chairman of the Board, and the Association.

I commit the 2021 Annual Report to you.

God bless.

Mr Robert Edkins
SCEA President

Chief Executive Officer's Report



One of the features on the cover page of the SCEA Constitution is Psalm 127:1, which states, “Unless the Lord builds the house, the builders labour in vain”. This verse serves to remind us that if Christ is central to all that we are planning and doing at SCEA, God will be achieving his purposes both in us as individuals and through us as a Christian community of workers engaged in our mission. During the 2021 calendar year, we have had to hold firmly to this belief as we have celebrated wonderful developments and navigated the ongoing challenges that have emerged from the COVID-19 pandemic.

Integral to our SCEA mission is a desire to see our students’ flourish. While it is difficult to measure how effectively we achieve this goal, the staff members who work in our schools are constantly surrounded by examples of children and young people whose lives are being transformed by the education into which they are immersed. We must always tell these stories and celebrate all that we see God doing in the hearts and lives of those we serve.

In addition to each school report contained in the following pages, there are some highlights that we celebrate as a system of schools. For example, after many years of being located on leased property, Beechboro Christian School (BCS) will soon have a permanent home. The land has been secured, and plans are in place to see the relocation of students commence in readiness for the 2023 school year. As an Association, 2021 was the year that the Constitutional Review Committee completed its work and agreement was reached with Association Members to approve some major amendments, which now establish a foundation for us as we grow and mature as a system of schools in the years ahead. As can be seen in the following pages, SCEA has also seen a period of significant enrolment growth and an upturn in its financial health.

While there has been much to celebrate in 2021, it must also be acknowledged that towards the end of the year, the issue of mandatory COVID-19 vaccinations imposed by the WA Government impacted us deeply. As a consequence, SCEA lost far too many highly valued staff members because of their decision not to be vaccinated. This was a challenging period and one that generated considerable sadness and threatened our unity.

Despite the challenges faced, we do look back over 2021 with a heart of gratitude for all that we have seen God achieve in our midst and look forward to the future with great hope and optimism.

To everyone who has been a part of the SCEA story in 2021, thank you for your valued contribution.



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

2021 was a wonderful year of continued growth, and opportunities for the students, staff and parents in our community. We were blessed not to be faced with the challenges of COVID for the majority of the year and were therefore able to continue with scheduled calendar events.

In 2021, the emphasis on quality teaching and learning remained and the whole school learning approaches, particularly in Literacy and Numeracy, were strengthened. Mrs Clare Midgley, our Deputy Principal, worked alongside our teaching staff in project teams with the focus on programming, Christian Living, Numeracy, and Literacy where staff were upskilled and actively involved in the school improvement goals and strategies set for the year.

Beechboro Christian School (BCS) completed the registration renewal that all non-government schools go through every few years to ensure the compulsory education requirements set by the Director General of the Department of Education are being met. This was a wonderful opportunity to share the quality of education and the standard of excellence that we pride ourselves on at BCS. The school received very positive feedback from the registration panel across all registration standards.

After many years of offering Japanese as our school's languages program, we transitioned in 2021 to Mandarin Chinese. The reason for this change was partly due to our Japanese teacher moving interstate with her family, but also the level of interest from parents in our community in their children being offered the opportunity to learn Mandarin. Mr James Bonallack, who has been part of our community for a number of years in various roles became our Mandarin teacher, ensuring the smooth transition of learning for our students in Years 3 to 6.

Over the course of the year, we had a number of staff changes due to maternity, long service, or medical leave. Throughout these times, the school was able to fill these positions with staff who embraced the values of our school and continued providing our students with every opportunity to flourish in a welcoming and loving Christian environment. In preparation for 2022, to support school priorities, Ms Jennifer Thomas was appointed as the Early Childhood and Languages Coordinator.

Development of plans for our new school site located on Bennett Springs Drive continued throughout 2021. Working alongside Parry and Rosenthal, our contracted architects, the focus of the first stage of this project was to design a purpose-built Early Learning Centre, in consultation with our Early Years teachers, and to relocate the current transportable classrooms for the commencement of the 2023 school year. Development approval was received, through a Joint Development Assessment Panel (JDAP) in December, allowing the project to move to tender stage over the Christmas period. We are excited to continue watching this project develop into 2022.

At the end of 2021, our Parent Committee was dissolved after many years of prayerful guidance, encouragement and support. In 2022, a new Parents in Partnership Committee will be formed in line with constitutional changes to SCEA that were voted and passed by Association Members and governing bodies. This welcome change will bring about fresh opportunities for all parents to be actively involved within this committee throughout the years to come.

Thank you to the students, families and staff who were part of our community in 2021.

Mr Michael Bolan
Principal



**Beechboro
Christian School**

Ellenbrook Christian College

“So don't lose a minute in building on what you've been given, complementing your basic faith with good character, spiritual understanding, alert discipline, passionate patience, reverent wonder, warm friendliness, and generous love, each dimension fitting into and developing the others. With these qualities active and growing in your lives, no grass will grow under your feet; no day will pass without its reward as you mature in your experience of our Master Jesus.”

2 Peter 1:5-8 (MSG)

The scripture that heads up this report has been inspirational throughout 2021 and could well stand as a permanent point of reference, as the Ellenbrook Christian College (ECC) leadership team work to forge a vision strong enough to launch the community into a confident and mature future. The message presents not only a high standard, but, importantly, one that is also practical, providing a corporate posture to which all community members can confidently aspire.

The 2021 year has been impacted by a range of events and circumstances and not the least of these being the ongoing effects of the COVID-19 pandemic. The overall community response to the virus has been largely good-natured and practical and has been efficiently supported by SCEA and the ECC Operational staff, who have interpreted the expectations and enabled a community outcome that has been coherent.

Over the course of 2021, one of the major catalysts for change has been the growing enrolment of families who are taking advantage of the educational programs that the College can provide for their children. At the beginning of the year, with the loss of several key staff, a decision was taken to employ an Acting Deputy Principal, a decision that proved to be effective in highlighting the need to be operating as one team. As the student numbers increased throughout the year, the need for the appointment of Heads of School became more clearly necessary, and the financial situation made it possible to employ Heads of both the Primary and Secondary Schools for 2022.

The development of the Morley Ellenbrook line, and the impact of its construction have been significant considerations during the year. The transport corridor running through the College grounds has been, until recently, a distant reality. In 2021, that changed for the ECC community when Melconnx, the PTA Alliance tasked with the construction of the Railway, began engaging with us to explain the details and impact of the build. The developmental and preparatory work necessary for the construction of the rail is now in full swing, ensuring a start to the rail at the end of 2022.

One of the benefits of the trainline for ECC, has been the provision of State Government funding to support the building of a pavilion that will enable the normal running of the Sporting and Phys Ed programs. The coordination of this pavilion construction, and the commencement of the Melconnx project, are tightly contested deadlines and it is going to be very important that the new pavilion is functional by the start of 2023 in order to run the Sporting and Phys Ed programs.

The ratifying of Constitutional change has heralded the commencement of the Parents in Partnership committee and to that end, I have asked Mr Alex Follington to be the inaugural Chair of that body. This is an exciting opportunity for the College and will provide us with a way of carefully forming and developing our ECC community so that we can grow and care for one another in a way that honours the Lord. 2021 has been a year of growth and change in a way that creates a great sense of purpose and encouragement. We look forward to building upon the foundations that have been developed over the last two years.

Mr Michael Pitman
Principal



Ellenbrook
CHRISTIAN COLLEGE

Kalamunda Christian School



*"Now go out where it is deeper."
Luke 5:4*

2021 was a year marked by the launching of new initiatives, venturing deeper when it came to our core business of teaching and learning, and strengthening community connections.

Launching new initiatives

The energy and impetus experienced by all members of our school community was palpable as new initiatives and school improvements came to reality. The most significant of these was the unveiling and promotion of the school's new vision consisting of Calling, Motto, Aiming HIGH Values, and Flourishing Student Attributes. These became essential to the development of many more new advances including our Vision (Blue) Book, new website, entry statement and signage. New subject offerings were successfully put in place. STEM classes were introduced at Years 4 through to 6 along with a showcase evening. Year 4 to 6 students experienced dedicated Drama classes for the first time. Year 5 and 6 students were introduced to a weekly session of Research and Study Skills, and Visual Art was extended to include Pre-Primary and year classes, along with an Art Show. There were also a number of new extra-curricular opportunities provided with the introduction of instrumental recitals, a debating club, and a student-initiated sustainability club. And the school House system got a complete overhaul with the addition of two new House names, mottos, guiding scriptures, flags, banners, mascots, and chants. On the property side there were a range of exciting new developments including a new office for the Deputy Principal, a small meeting room, a classroom reconstituted as a STEM / make-a-space facility, the installation of a new toilet block and bleachers for the school oval.

Venturing deeper around Teaching and Learning

Though perhaps not as observable as the launching of new subjects, designs, and property, there was substantial work undertaken to deepen the core business of Teaching and Learning. This firstly consisted with the development of a comprehensive Pedagogical Framework for the teaching staff with the aim seeing it embedded in practice over the following five years. A major focus for teachers in the first semester was on Nationally Consistent Collection of Data, working to ensure all our students with disabilities were being identified and their needs addressed. We also started unpacking our longer-term curriculum goal centred on improvement across the various components of written language. We were particularly pleased with improvements in student outcomes across the year that included our best Year 5 NAPLAN results, gaining 1st place in WA, 5th in Australia in the OzRock Times Tables competition, and having nine of our students get through to the State Champs of the Premiers Spelling Challenge.

Strengthening Community Connections

We undertake this Christian education enterprise as a community to benefit the wider community. 2021 saw a purposeful cultivating of partnership between home and school with the Parents in Partnership Committee working together in a positive way and there being a wide range of community events organised. Important relationships were also formed with the local church leaders of the area.

Along with the great strides noted above, there were two further notable outcomes that defined 2021. The first of these was the substantial improvement of the school's financial position as compared with the previous year. The second being the success of the school in passing registration with flying colours. Thank you to all who made it such a wonderful year of such substantial accomplishments. May the Lord receive all the glory as we serve His purposes.



Mundaring Christian College

*"Enlarge the place of your tent and let the curtains of your habitations be stretched out; do not hold back; lengthen your cords and strengthen your stakes."
Isaiah 54:2*

I often call 2021 the year our story changed. This scripture speaks of growing, strengthening, and deepening. It's a good picture.

Over ten years ago, we began the journey of planning and building a new Secondary campus. SCEA purchased 110 acres of land in Parkerville in 2010. Before this, Mundaring Christian College (MCC) had been a Pre-Kindergarten to Year 10 school.

There was strong sentiment from parents for student to be able to complete their education. It began with visions, dreams, plans, and conflicts. Initially, the Shire of Mundaring refused planning approval and nearby residents opposed a secondary campus on their quiet street.

We, however, worked through it, gained approval, and now live in good relationship with our community. Quite a few of our students come from the immediate locality.

We held a competition to choose architects and entered the process of consulting students, staff, and parents regarding the design of the new building. Our priorities were to build a campus that respected the values of the hill's community: loving nature and its beauty, getting outdoors, having room to move, and knowing and being known by one another.

If we were going to be an authentic Christian campus, we needed to reflect the glory of God in our value of people and our positive effect on our community. I love the design of our buildings. You can see into classes and students are engaged. The atmosphere here is positive, welcoming, and unique.

It wasn't all smooth sailing. I want to congratulate and thank our parents and students from our first Year 12 Cohort to Graduate this year. Our smallest Year 12 cohort from the early days was less than 20 students. I was amazed at how well the year went. The first stage of the Secondary campus opened in 2016, the second in 2018, and the third in 2021. At each stage, we moved from promise to reality. We started to look like a complete campus. During the expansion and development of the Secondary campus, our Primary campus was consolidating and growing.

I cannot admire and praise our staff more. They are the real story of a good school. Many adjustments had to be made. Staff were teaching in odd places across the campus. Students named two of the room's the "dungeon" and the "cave." This is a true story of coping and adjusting to change whilst waiting for something to be built.

Staff maintained their professionalism, cooperation, support, and good humour throughout. Good staff are the heart of a good school. On both campuses, this is our experience.

In 2021 the story changed. Previously as the school was growing, people could come at any time and enrol in any year. Then, between March and April 2021, our year groups suddenly started to fill up, creating waitlists up until 2024. This rapid growth surprised our community and us. We had to put on an extra class in Year 7 for 2023 and open a new class in Year 6 for 2022. Our story is now, come for the long journey.

As the Primary school grows to two streams in every year group, it has been a joy to watch students become part of our primary community. They grow through the years, graduate as young adults that we are proud of, and step out into the world as they embark on their wider journey.

P.S. We're still building and growing.

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 main headline of 2021 was again COVID.

Northshore Christian Grammar School (NCGS), like other organisations learned to pivot. Policy, programmes and procedures were continually adjusted to keep up with regulations and health orders and to protect our families. I commend the hard work of staff in their servant-hearted response. They continually worked beyond all expectations to make sure that their students were always put above their own needs. The parent survey affirmed this claim, where close to 90% (88.8%) of responses was positive about the service received from NCGS.

In 2021, NCGS catered for students from Kindergarten to Year 10. Student numbers continued to grow exponentially, meaning we added new teachers and classrooms throughout the year. To manage this growth in a sustainable way, several classes had blended year groups keeping all class sizes manageable.

Student numbers from August 2020 to August 2021 grew from 270 to 431.

An additional five classrooms were added to the campus footprint, using an innovative modular build. These were operational and full in July 2021. And projected growth for 2022-2026 meant that planning for additional classroom resources was accelerated in the second half of the year.

Staffing

A number of notable appointments were made in 2021. Our High School appointed Mr Jeffrey Grundy to the position of Head of Secondary. Mr Grundy joined us from The Scott's College in New South Wales.

Mr Martin Thyer was appointed to develop our Year 10-12 Careers and Pathways planning.

Our first chaplain was also appointed to serve the growing high school community. Mrs Karen Grundy has been invaluable in the support of our youth but has established several strong community links for further service opportunities, a key indicator of the strategic plan.

In 2021, NCGS successfully completed the registration renewal process. This rewarding experience is always welcomed as an opportunity to audit our policy and processes. Registration was extended to December 2024 (3 years). This was seen as an excellent outcome considering that the school is yet to include Year 11 and Year 12.

2021 brings the schools inaugural five-year strategic plan to conclusion. The strategic drivers of Communication and Community Development have been resounding successes, meeting and exceeding all goals. The value added to student achievement in Literacy (writing and spelling) was also achieved, however the sample was small. Growing numbers of students and the lack of NAPLAN data made it more difficult to show longitudinal data. For this reason, Literacy will remain a priority for 2022-2026 Strategic Plan.

2021 was a challenging but fruitful year in Northshore Christian Grammar School's development.

Mr Stuart Chisholm
Principal



Southern Hills Christian College

"Do not be anxious about anything, but in everything, by prayer and petition, with thanksgiving, present your requests to God. And the peace of God, which transcends all understanding, will guard your hearts and your minds in Christ Jesus" (Philippians 4:6-7)

The season that the world is currently facing is amplified anxiety, and this feeling can rise up in a school setting, as the lives and futures of our students are at stake.

But the Bible teaches us to take our requests to God in prayer and in return, promises that the result will be the peace that surpasses understanding (Philippians 4:7).

God has answered many of our prayers this year.

We have seen steady growth in student numbers, making Southern Hills Christian College a stronger and more viable college. With these numbers, we have also seen growth in culture and community, which is important to foster as numbers increase.

We have welcomed many new and wonderful programs at the College this year. 'Breakfast Club' was an initiative by Chaplain, Mrs Hasluck, in partnership with FoodBank WA, to ensure our students were getting a healthy breakfast to start the day. The 'Wellbeing Period' saw multiple guest speakers come out and speak to our students about ways they can care for their mental health. Towards the end of the year, the College partnered with 'Story Dogs', a program that builds students' confidence in reading. And finally, the College became certified to offer a UniReady course in association with Curtin University, starting at the beginning of 2022.

As well as these many new programs, it brings me joy to see established programs reaping fantastic results. The Duke of Edinburgh Award has been available through our college for only two years, and we have already had many students achieve their Bronze Award, and this year the first student achieved their Silver Award. Primary students from Years 3 to 6 once again participated in Jump Rope for Heart, and this year they exceeded their own goal, by raising \$5,363 for the Heart Foundation. Other fundraising events such as Hamburger Day and Quiz Night also raised significant amounts of money this year for the Industrial Fans in the gymnasium.

Among all the amazing events this year, there's one that stands out for me, and that is 'Logan for Logan.' Many hearts were warmed as we gathered in the gym with school community and student families to see Pre-Primary Logan shave Year 12 Logan's head. The way Big Logan was moved to support Little Logan through his cancer journey is what this college aims to instil in every student.

Finally, the College should look a bit different from how it started in January. For starters, we now have a sign on Albany Hwy directing people to our college. We are almost finished constructing a giant dome at the back of the College for Cadet use. Among these large-scale changes there were rooms recarpeted, bathrooms renovated, gravel areas grassed, and many more additions made for the benefit of the school community.

We have many things to thank God for, and as we say goodbye to 2021 we prayerfully await what the Lord has in store for us in 2022.

Mr Paul Beacham
Principal



SOUTHERN HILLS
Christian College

Swan Christian College



"...But those who hope in the Lord will renew their strength. They will soar on wings like eagles; they will run and not grow weary, they will walk and not be faint."
Isaiah 40:31

2021 marked the 40th anniversary of the establishment of Midland Christian School, the predecessor to Swan Christian College Junior School. The fruit of the faithfulness and sacrifices of the foundation families can be seen today as you walk around our campus. We continue to honour their legacy by ensuring that each child knows they are made in the image of God.

Our school community was again directly impacted by bushfires, this time the Wooroloo fires with some families and staff losing their homes. We were able to support families and members of the wider community affected through the Swan Community Outreach Program. College families received support in the way of food hampers, school uniforms, textbooks as well as sourcing alternate accommodation.

COVID-19 also impacted the start of the new academic year. This highlighted the need for the College to remain agile. The College approached the year with a desire to ensure students had the opportunity to engage in a rich curricular and cocurricular program, whilst meeting government COVID mandate requirements.

As an example, traditionally students in Year 6 would travel to Canberra via Sydney for Year 6 Camp, however, due to the state's closed border they instead flew to Broome. The Broome camp was highly successful and educational objectives were achieved through a range of very different experiences than they would have otherwise participated in.

The College also elected to hold the annual Celebration Evening in the Swan Centre rather than the Perth Concert Hall as has been our custom. It was refreshing to be able to come together as a community to celebrate student achievements and to be entertained by student performances. The College also took the opportunity to farewell outgoing Principal Mr Adrian Scott and recognised his contribution to Swan Christian College over the past 6 years.

The class of 2021 achieved some truly outstanding results. Significantly, all graduating Year 12 students met the requirements of the Western Australian Certificate of Education. Additionally, 14 students were admitted to the Excelsior Club having achieved an ATAR of 90 or higher, including 2 Swanonline students. Eight of our VET students were welcomed into the Bene Factum Club having successfully completed three or more certificate courses; a testament to their tenacity and work ethic.

In 2021, the College enjoyed growth in enrolments and met its operating efficiency and salary as percentage of income Key Performance Indicators.

At the executive leadership level there were some significant changes. The first was the commencement of Dr Ray Bartell as Business Manager and secondly, the appointment of Dr Darnelle Pretorius as College Principal, we look forward to Darnelle writing the next chapter of Swan's story.

Mr Terry Eason
Acting Principal



Portrait
Mixed Medium
by Samara, Year 9

Board of Directors



Mr Robert Edkins

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



Mr Craig Clark

- Board Vice-Chair
- Finance Committee Chair



Ms Shelley Forbes

- Education Committee Chair



Mr Steve McAlpine

- Membership and Nominations Committee

Meetings Attended: 9/10

Meetings Attended: 10/10

Meetings Attended: 8/10

Meetings Attended: 10/10



Mr Don Warner

- Board Member



Ms Charlene Woodbine

- Finance Committee Member



Mr Jeff Miller

- Finance Committee Member

Meetings Attended: 7/10

Meetings Attended: 8/10
*Co-opted August 2020
*Elected July 2021

Meetings Attended: 5/5
*Elected July 2021

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

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

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 (concluded September 2021)
- Spouse employed at Swan Christian College
- Contracted by SCEA as Caris Consulting

Mr Jeff Miller

- Works for Carey Community Resources Limited (CCR). Director, Carey Strategic
- Sole Director, Miller Strategic Pty Ltd
- On the WA State Leadership Group for the Juvenile Diabetes Research Foundation

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).

- AISWA Principles of Assessment
- Hybrid Learning
- OneNote and Teams
- David Dunstan – Thinking Mathematically
- Maths Games
- Update – Mandatory Reporting
- Update - Disability Discrimination Act – NCCD
- Brightpath training provision for 3 SCEA schools on School Development Day
- National Policy Forum – Christian Schools Australia
- Child Protection Training Modules
- 2021 SCEA Retreat Workshop
- Age-Appropriate Sexual Behaviours in Children and Young People Course

Financial Report

2021 was a wonderful example of how incredible God's continued blessings were in the face of the worldwide COVID-19 pandemic that had a significant impact on the world. We have received an unqualified report from our Auditors, which is included in the published financial statements below. I am pleased to report that we met our lending banking covenants and exceeded the Board-approved budget.

To remain financially sustainable for the future, SCEA commenced a 5-year financial improvement strategy in 2019. 2021 represented the third year of this strategy, and its adoption has resulted in measurable improved financial outcomes. All schools have achieved their specific targets both independently and collectively in terms of the 5-year financial improvement strategy.

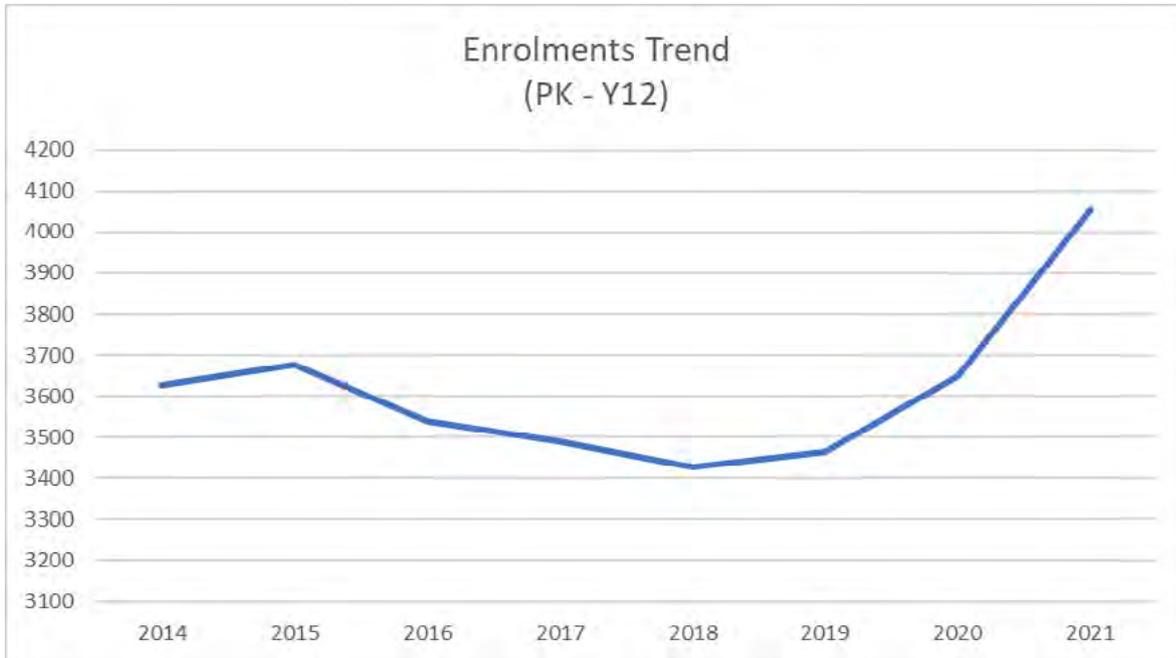


Our main challenge moving forward is our capacity to fund capital projects in the short and medium-term. Critical to this is to have a consistent financial result and thorough capital planning.

By putting in place sound business and operational targets and practices, we aim to be able to produce and maintain sufficient cash for future capital projects and the ongoing success of our schools.

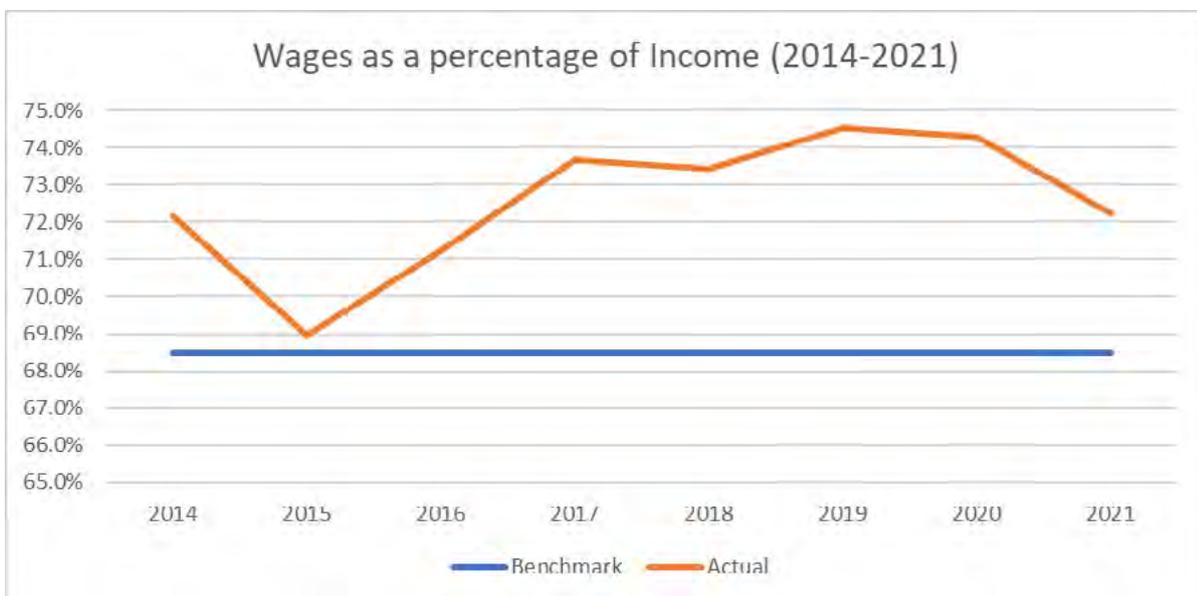
Enrolment Numbers

During the onset of the COVID-19 pandemic, there was a significant perceived risk of a potential negative impact on enrolment numbers within independent schools. However, the opposite has actually been the case for SCEA. Our enrolment growth continued from 5.4% in 2020 to 11% growth in 2021. The forecasted growth for 2022 is 7.7%. This makes the combined enrolment growth from 2020 to 2022 an outstanding 24.1%. This is a testament to the faithfulness of our God, 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 in the context of our business model. The focus during the pandemic was to retain our staff and avoid the need to offer redundancies or consider widespread stand down arrangements during 2020 and 2021. We were delighted that this was achieved, and we were also able to continue our transition towards a 'wages as a percentage of income' benchmark, that we know is consistent with industry best practice and required for our schools to be sustainable into the future.



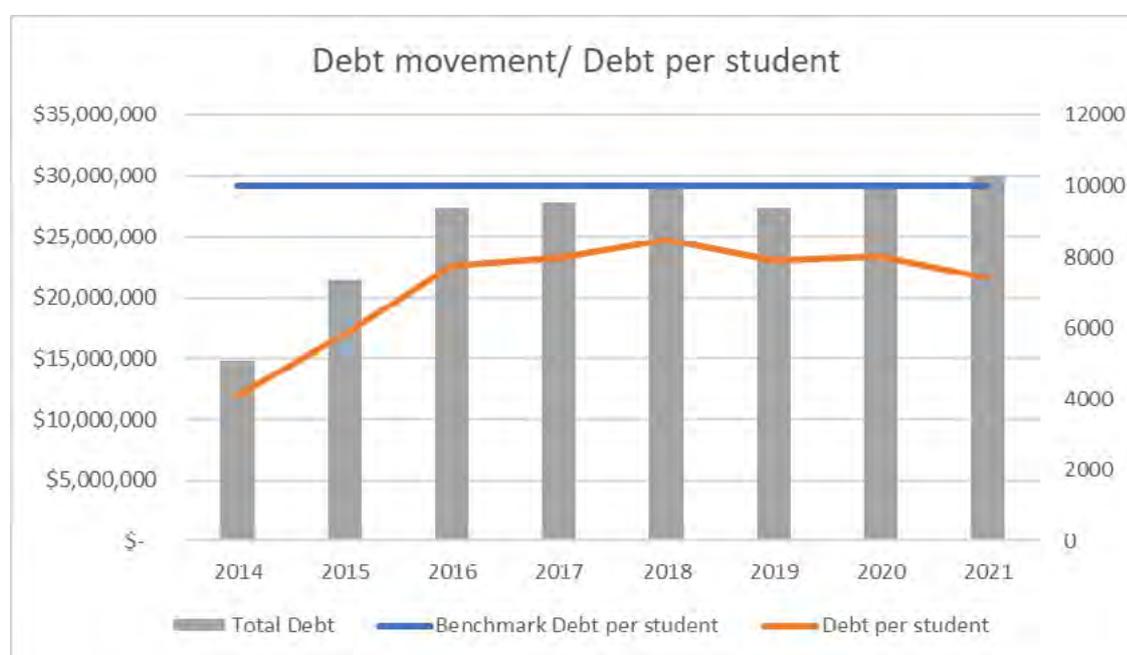
Capital and Debt

The process has commenced in 2021 for a SCEA-wide capital planning process that includes detailed master planning of each school. Carefully managed and planned capital expenditure and improvements is a key component of the financial strategy of our schools.

A number of Major Capital projects valuing approx. \$20Mil commenced in 2021 and 2022 and will be completed during the 2022 and 2023 calendar years. These projects were needed to keep track with the strong enrolment growth over the past three years.

SCEA continues to carry a sizeable debt. At the end of 31 December 2021, this was \$30Mil. Debt is vital for our capital expenditure program; however, it does add weight to the organisation's long-term financial obligations.

Part of the financial strategy was the introduction of a School Development Fund in 2018. This mechanism was created to assist schools in funding their capital strategy. At the end of 31 Dec 2021 this fund totaled \$4.1Mil. This will assist in the management of debt needs for future capital projects.



Summary

Over the last three years, SCEA has been able to improve its overall financial result in line with the financial strategy while operating in particularly challenging circumstances. One of SCEA's pillars of its financial strategy is to keep sufficient cash reserves to fund its operational and working capital requirements. This strategy has been vital to SCEA during the initial and ongoing stages of COVID-19.

SCEA continued to support families by granting them financial assistance where needed. Based on the combined efforts of all our schools, we are well-positioned to achieve our medium to long-term financial and capital strategy.

Mr Rowan Joubert
Chief Financial Officer



Annual Financial Statements

31 December 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 13:

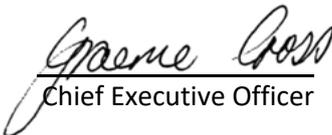
1. a) Presents fairly in all material respects the Associations' financial position for the year ended 31 December 2021 in accordance with the Accounting policies as disclosed in note 1;
b) Complying with the Associations Incorporation Act 2015 (WA); and
c) the Australian Charities and Not-for-profit Commission Regulation 2013.
2. At the 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 : 07/06/2022

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 Director for the audit of the financial statements of Swan Christian Education Association Inc for the financial year ended 31 December 2021, 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


HALL CHADWICK WA AUDIT PTY LTD


DOUG BELL CA
Director

Dated at Perth this 7th day of June 2022

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 2021, the statement of profit or loss, the statement of cash flows and the statement of changes in equity for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and 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:

- (i) presents fairly, in all material respects the Association's financial position as at 31 December 2021 and of its performance for the year ended on that date in accordance with the Accounting Policies as disclosed in note 1;
- (ii) complying with Associations Incorporation Act 2015 (WA); and
- (iii) 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.

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 2021, 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 Director's responsibility also includes such internal control as 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, Management is 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.
- 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 Management.
- Conclude on the appropriateness of Management'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 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.



HALL CHADWICK WA AUDIT PTY LTD



DOUG BELL CA
Director

Dated at Perth this 7th day of June 2022

SWAN CHRISTIAN EDUCATION ASSOCIATION INC

STATEMENT OF PROFIT OR LOSS

for the year ended 31 December 2021

INCOME	NOTE	2021	2020
		\$	\$
Families income inc Tuition fees		22,321,468	20,417,780
Interest Income		29,490	101,700
Other net income	3	5,024,260	3,523,370
Profit on Sale of Assets		4,000	21,818
Rental Income		90,002	102,944
Special Educational Grants		1,043,420	949,627
State & Commonwealth Grants		47,502,495	41,870,256
TOTAL INCOME		76,015,135	66,987,495
EXPENDITURE			
<i>Tuition</i>			
Salaries		37,866,770	34,776,711
Tuition Expenses		3,364,303	2,766,748
		41,231,073	37,543,459
<i>Administration & General</i>			
Administration Salaries		6,645,634	6,044,611
Admin, computers, bank, cleaning & security		1,454,268	1,217,000
Maint / Grounds & Cleaning Wages & Exp		3,232,996	3,108,341
Advertising Staff and Marketing		273,934	250,077
Professional fees	4	161,963	137,745
Bad debts write off		70,881	61,670
Depreciation		4,293,196	4,206,256
Doubtful Debt expense/(reversal)		121,253	196,148
Insurance General		556,793	334,651
Light, Rates, Water & Telephone		710,805	691,812
Long Service Leave		1,176,030	1,119,533
OH&S expenses		36,219	41,472
Printing, Stationery & Office		307,763	292,311
Super, Staff expenses and WCA	5	5,693,334	5,110,237
Subscriptions		202,009	227,078
Transport, Motor Vehicle & Travel		488,393	544,049
		25,425,471	23,582,993

This Statement of Profit or Loss should be read in conjunction with the accompanying notes.

SWAN CHRISTIAN EDUCATION ASSOCIATION INC

**STATEMENT OF PROFIT OR LOSS - continued
for the year ended 31 December 2021**

	2021	2020
	\$	\$
Interest	945,525	960,289
Rent- Leased Properties	6,230	3,131
	<u>951,755</u>	<u>963,420</u>
TOTAL EXPENDITURE	<u>67,608,299</u>	<u>62,089,872</u>
Assets scrapped	1,672	-
NET OPERATING SURPLUS FOR THE YEAR	<u>8,405,164</u>	<u>4,897,623</u>
NON-OPERATING ACTIVITIES		
TRANSFERS FROM / (TO) RESERVES AND FUNDS		
Transfer from / (to) Family Hardship Fund	17 (45,080)	45,080
Transfer from / (to) School Development Fund	20 (1,003,153)	(528,071)
NET SURPLUS TRANSFERRED	<u>7,356,931</u>	<u>4,414,632</u>

This Statement of Profit or Loss should be read in conjunction with the accompanying notes.

SWAN CHRISTIAN EDUCATION ASSOCIATION INC

STATEMENT OF FINANCIAL POSITION

for the year ended 31 December 2021

	NOTE	2021 \$	2020 \$
CURRENT ASSETS			
Cash at Bank	6	21,600,486	13,243,066
Receivables	7	1,352,727	1,347,434
Prepayments	8	572,670	452,498
Inventories		477,383	368,383
Total Current Assets		24,003,266	15,411,381
NON-CURRENT ASSETS			
Property, Plant & Equipment	9	99,737,417	98,842,487
Right of use Asset	21	55,743	111,486
Total Non-current assets		99,793,160	98,953,973
TOTAL ASSETS		123,796,426	114,365,354
CURRENT LIABILITIES			
Payables	10	2,652,638	2,825,417
Provisions - Current	11	4,865,744	2,746,420
Current Lease Liability	21	62,995	59,765
Loans payable within 12 months	12	2,670,269	15,594,795
Total Current Liabilities		10,251,646	21,226,397
NON-CURRENT LIABILITIES			
Provisions - Non-Current	11	1,029,092	2,604,134
Non - Current Lease Liability	21	-	62,996
Loans	13	27,345,754	13,703,836
Total Non-Current Liabilities		28,374,846	16,370,966
TOTAL LIABILITIES		38,626,492	37,597,363
NET ASSETS		85,169,934	76,767,991
<u>Represented by:</u>			
Accumulated Surplus	14	68,185,918	60,828,987
School councils	15	117,272	130,301
Building / Library Fund	16	617,809	608,001
Family Hardship Fund	17	150,000	104,920
School Development Fund	20	4,127,010	3,123,857
Revaluation Reserve Account	18	11,971,925	11,971,925
NET EQUITY		85,169,934	76,767,991

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 2021

	2021	2020
	\$	\$
<u>Cash Flows From Operations</u>		
Receipts from student fees	22,207,123	20,665,306
Grants received recurrent	48,545,915	42,819,883
Other income	1,464,482	1,041,144
Interest Received	29,490	101,700
Payments to suppliers and employees	(62,047,649)	(56,599,309)
Interest and borrowing costs paid	(945,525)	(960,289)
Net Cash Flows From Operations	9,253,836	7,068,435
<u>Cash Flows From Investing Activities</u>		
Funding other projects - Government Grants	2,713,000	1,766,980
Enrolment Bonds received / (refunded)	(14,350)	(24,850)
Non refundable endowment & building fund	940,780	818,190
Acquisition of buildings and plant and equipment	(5,189,798)	(9,187,710)
Net Cash Flows used in Investing	(1,550,368)	(6,627,390)
<u>Cash Flows From Financing Activities</u>		
Loans Repaid	(1,974,581)	(1,656,238)
Proceeds from loans	2,691,973	3,567,695
Repayment of lease liabilities	(63,440)	(40,506)
Net Cash Flows from Financing	653,952	1,870,951
NET CASH FLOWS	8,357,420	2,311,996
Cash Position		
Opening Balance	13,243,066	10,931,070
Net Cash Flows	8,357,420	2,311,996
Closing Balance	21,600,486	13,243,066

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 2021

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 College
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 College	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.

Notes to the accounts for the year ended 31 December 2021

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 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 2023. The Association intends to renew with the current financial institution.

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

Notes to the accounts for the year ended 31 December 2021

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

i) Library stock

The library stock is 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 of fixed assets 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.

Notes to the accounts for the year ended 31 December 2021

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.

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.

SWAN CHRISTIAN EDUCATION ASSOCIATION INC

Notes to the accounts for the year
ended 31 December 2021

	2021 \$	2020 \$
2 Gross income		
Canteens	815,045	633,272
Uniforms	346,196	238,410
3 Other Net Income		
Transport	172,859	111,948
Uniform Shops	59,969	69,644
Other income	2,047,674	1,595,777
Income from Canteens	30,758	(20,979)
Capital Grants	2,713,000	1,766,980
	<u>5,024,260</u>	<u>3,523,370</u>
Other Income includes donations, hire, capital grants and fundraising		
4 Audit and Professional Fees		
Fee for audit	44,954	54,623
Other professional fees	117,009	83,122
	<u>161,963</u>	<u>137,745</u>
5 Staff Related Expenses		
The major items included in Staff Expenses are Superannuation \$4,505,178 (2020 - \$3,979,873) and Workers Compensation and Income Protection \$1,033,727 (2020 - \$1,026,963)		
6 Cash Assets		
General Funds	14,254,277	8,997,475
Building Fund	645,908	639,879
Family hardship and bonds	104,964	104,940
Library Fund	91,798	91,942
School Accounts	455,315	236,282
Term Deposits Funds invested	6,048,224	3,172,548
	<u>21,600,486</u>	<u>13,243,066</u>
7 Receivables		
Debtors- Tuition	2,930,469	2,497,273
Bad & Doubtful debts provision	(1,601,402)	(1,480,149)
Debtors - Sundry	23,660	330,310
	<u>1,352,727</u>	<u>1,347,434</u>
8 Prepayments		
Computer expenses	281,201	320,169
Other	291,469	132,329
	<u>572,670</u>	<u>452,498</u>

SWAN CHRISTIAN EDUCATION ASSOCIATION INC

**Notes to the accounts for the year
ended 31 December 2021 (Continued)**

9 Property, Plant & Equipment	2021	2020
<i>Freehold Land and Buildings & Improvements</i>	\$	\$
Swan Christian College		
Buildings & Improvements - At Cost	21,132,099	20,721,958
Less: Accumulated Depreciation	(8,299,227)	(7,699,498)
Land - Valuation 22 July 2009	5,748,317	5,748,317
	18,581,189	18,770,777
Swan Christian College - Junior School Campus		
Buildings & Improvements -At Cost	3,746,779	3,742,669
Less: Accumulated Depreciation	(1,872,767)	(1,743,513)
Land - Valuation 22 July 2009	1,991,862	1,991,862
	3,865,874	3,991,018
Swan Christian College - Trade Training Centre		
Buildings & Improvements - At Cost	4,648,401	4,645,504
Plant and equipment - At cost	1,341,905	1,318,912
Less: Accumulated Depreciation	(2,327,943)	(2,078,376)
	3,662,363	3,886,040
Kalamunda Christian School		
Buildings & Improvements -At Cost	7,651,754	7,509,126
Less: Accumulated Depreciation	(2,149,755)	(1,974,328)
Land - Kalamunda - At Independent Valuation 31 December 2005	830,000	830,000
	6,331,999	6,364,798
Mundaring Christian College		
Buildings & Improvements -At Cost	11,171,858	6,705,640
Less: Accumulated Depreciation	(3,819,039)	(2,488,793)
Land - Mundaring - At Independent Valuation 31 December 2005	400,000	400,000
	7,752,819	4,616,847
Mundaring Christian College - Parkerville Campus		
Land at cost	2,202,931	2,202,931
Building and Improvement at cost	13,523,073	17,909,513
Transfer from WIP - building and improvement		
Impairment - Transportable	(105,304)	(105,304)
Less: Accumulated Depreciation	(831,527)	(1,548,129)
	14,789,173	18,459,011

SWAN CHRISTIAN EDUCATION ASSOCIATION INC

Notes to the accounts for the year
ended 31 December 2021 (Continued)

9 <i>Property, Plant & Equipment continued...</i>	2021 \$	2020 \$
Beechboro Christian School		
Land at Cost	2,904,115	2,900,869
Buildings & Improvements -At Cost	4,555,618	4,139,238
Less: Accumulated Depreciation	(3,147,327)	(2,961,864)
	<u>4,312,406</u>	<u>4,078,243</u>
The school is currently located on land that is held on a 20 year lease from the Cracovia club.		
The land at cost is land purchased for the relocation of the school to Lot 27, Bennett Springs Drive, Bennett Springs		
Southern Hills Christian College		
Buildings & Improvements -At Cost	6,220,953	6,055,444
At Independent Valuation 31 December 2005		
Less: Accumulated Depreciation	(2,559,541)	(2,400,485)
Land - Armadale - At Independent Valuation 31 December 2005	900,000	900,000
	<u>4,561,412</u>	<u>4,554,959</u>
Ellenbrook Christian College		
Buildings & Improvements -At Cost	14,031,950	13,673,115
At Independent Valuation 31 December 2005		
Less: Accumulated Depreciation	(5,058,050)	(4,682,520)
Land - Ellenbrook - At Independent Valuation 31 December 2005	2,100,000	2,100,000
	<u>11,073,900</u>	<u>11,090,595</u>
Padbury Terrace (Association Office)		
Buildings & Improvements -At Cost	1,098,043	1,098,043
At Independent Valuation 31 December 2005		
Less: Accumulated Depreciation	(415,279)	(388,087)
Land - Association - At Independent Valuation 31 December 2005	1,200,000	1,200,000
	<u>1,882,764</u>	<u>1,909,956</u>
Northshore Grammar Christian School		
Land at cost	5,126,711	5,126,711
Buildings & Improvements - At Cost	14,307,870	12,641,516
Less: Accumulated Depreciation	(1,289,494)	(921,645)
	<u>18,145,087</u>	<u>16,846,582</u>
<i>Other Assets</i>		
Plant & Machinery - at Cost	2,190,008	1,746,815
Less: Accumulated Depreciation	(793,363)	(581,187)
	<u>1,396,645</u>	<u>1,165,628</u>
Computer Hardware & Software - at Cost	12,343,734	11,787,147
Less: Accumulated Depreciation	(11,105,819)	(10,716,902)
	<u>1,237,915</u>	<u>1,070,245</u>
Furniture & Equipment- at Cost	8,159,124	7,601,565
Less: Accumulated Depreciation	(6,179,358)	(5,794,017)
	<u>1,979,766</u>	<u>1,807,548</u>
Motor Vehicles - at Cost	471,722	485,288
Less: Accumulated Depreciation	(317,030)	(261,596)
	<u>154,692</u>	<u>223,692</u>

SWAN CHRISTIAN EDUCATION ASSOCIATION INC

Notes to the accounts for the year
ended 31 December 2021 (Continued)

	2021 \$	2020 \$
9 Property, Plant & Equipment continued...		
Library - at valuation	1,027,429	977,273
Less: Accumulated Depreciation	(1,018,016)	(970,725)
	<u>9,413</u>	<u>6,548</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>99,737,417</u>	<u>98,842,487</u>
10 Payables		
Payables and accruals	2,454,574	2,613,003
Families, bonds and outside funds	198,064	212,414
	<u>2,652,638</u>	<u>2,825,417</u>
11 Provisions		
Current Liability		
Long service leave - Current	3,195,495	877,492
Executive study leave	89,600	86,400
Annual leave	887,183	1,052,576
General Provisions	675,000	675,000
Employment related provisions	18,466	54,952
	<u>4,865,744</u>	<u>2,746,420</u>
Non-Current Liability		
Long Service Leave	1,029,092	2,604,134
	<u>1,029,092</u>	<u>2,604,134</u>
During the year management revised its approach to estimating the Association's long service leave liability. The Association previously used a sliding scale of probability of employees reaching a qualifying period of service. In 2021, this was revised to provide for long service leave entitlements upon commencement of employment on a pro rata basis. The effect of this change in estimate has been accounted for prospectively in 2021, with no changes to comparative periods.		
12 Loans		
Current Portion - Payable next 12 months		
Commercial Bank Loans and leases - Current	996,000	14,100,928
State Government Low Interest Loans - Current	1,674,269	1,493,867
	<u>2,670,269</u>	<u>15,594,795</u>
13 Loans		
Long Term Loans		
Commercial Bank Loans and leases	12,654,004	-
State Government Low Interest Loans	14,691,750	13,703,836
	<u>27,345,754</u>	<u>13,703,836</u>

The existing Commercial Bank Loans and leases were renewed on 23 September 2021, with the next review date being 28 August 2022 The loans are secured over a number of freehold land and buildings and the the average interest rate on these are 3.14% (2020 - 4.18%)

SWAN CHRISTIAN EDUCATION ASSOCIATION INC

Notes to the accounts for the year
ended 31 December 2021 (Continued)

	2021 \$	2020 \$
14 Accumulated Funds		
Opening Balance	60,828,987	56,414,355
Net Surplus for the year	7,356,931	4,414,632
Transfer from Capital contributions		
	68,185,918	60,828,987
15 School Council funds		
Net balances at year end	117,272	130,301
16 Building / Library Fund		
Opening Balance	608,001	600,493
Net Contributions/(Distributions)	9,808	7,508
	617,809	608,001
17 Family Hardship Fund		
Opening Balance	104,920	150,000
Current year assistance less transfers	45,080	(45,080)
	150,000	104,920
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 finance facilities of \$31 m (2020 - \$32 m) in place of which \$1.0 m (2020 : \$2.9 m) is undrawn. This includes an overdraft facility of \$0.5m (2020 - \$0.5m)		
20 School Development Fund		
Amounts resolved to be appropriated to fund	3,123,857	2,595,786
Plus amounts transferred - current year	1,996,385	818,190
Less amounts appropriated - current year	(993,232)	(290,119)
	4,127,010	3,123,857
21 Leases		
<u>Right of use assets</u>		
Right of use assets	55,743	111,486
	55,743	111,486
<u>Lease Liabilities</u>		
Current	62,995	59,765
Non-current	-	62,996
	62,995	122,761

SWAN CHRISTIAN EDUCATION ASSOCIATION INC

Notes to the accounts for the year ended 31 December 2021 (Continued)

22 Subsequent Events

There have been no subsequent events that occurred after the end of 31 Dec 2021 that significantly affect the stated affairs or operations at the school.

Subsequent to year end, the Association committed to capital projects to the value of \$12,682,430 (excluding GST) for the relocation of transportables, and construction of the new early learning centre and carpark for Beechboro Christian College, the construction of a carpark extension, new specialist classroom buildings and landscaping at Northshore Christian Grammar School.

23 Covid 19

The world and local community continue to be 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 committed to a construction contract to the value of \$1,181,660 for demountable classrooms at Northshore Christian Grammar School. It is expected that this project will be completed during 2022. the overall contract cost is expected to be \$1,528,244.





Swan Christian
EDUCATION ASSOCIATION

Previous Swan Christian Education Association Publications:

