

**AUSTRALIAN COLLEGE OF THE ARTS
PTY LIMITED
ABN 96 082 799 282**

FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

AUSTRALIAN COLLEGE OF THE ARTS PTY LIMITED
ABN 96 082 799 282

DIRECTORS' REPORT

Your directors present their report on the company for the financial year ended 31 December 2020.

Directors

The names of the directors in office at anytime during or since the end of the year are:

William Sweeney	
Shannon Sweeney	
Esther Dunford	
Ian Harvey	
Paul Young	
Michael Tomlinson	Appointed on 26 March 2020
Ben O'Hara	Appointed on 26 March 2020
Andrew Gonczi	Appointed on 26 March 2020

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

Review of operations

The profit of the company for the financial year after providing for income tax amounted to \$3,622,799 (2019: \$1,221,063). Covid-19, while requiring adaptation for all aspects of Company's operations (not least teaching off-campus), had minimal financial impact. Company is in a stronger financial and operational position at the start of 2021.

Significant changes in the state of affairs

No significant changes in the company's state of affairs occurred during the financial year.

Principal activities

The principal activities of the company during the financial year were providing education in arts and music as a tertiary institution.

No significant change in the nature of these activities occurred during the financial year.

Events Subsequent to the End of the Reporting Period

There have been no matters or circumstances that have arisen since the end of the financial year which significantly affect or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

Impact of Covid-19

Covid-19 has had an impact on the company's operations and activities subsequent to the end of the year, and is expected to increasingly affect the company. It is not possible to accurately determine the nature or extent of the impacts or the time over which the company will be impacted, however it is possible that it will be material to the company as the effects and consequences are outside the company's control and are far reaching in Australia and globally. Based on the current available information, the Directors believe that the company will remain a going concern.

Likely Developments and Expected Results of Operations

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

Environmental Regulation

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

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DIRECTORS' REPORT

Dividends

No dividends have been paid or declared since the start of the financial year.

Options

No options over unissued shares or interests in the company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

Indemnification and insurance of officers and auditors

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the company.

Proceedings on behalf of Company

No person has applied for leave of court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.


The company was not a party to any such proceedings during the year.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under Section 307C of the Corporations Act 2001 is attached to this financial report.

This directors' report is signed in accordance with a resolution of the board of directors:

Director



William Sweeney

Dated at Sydney: 01 July 2021



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Australian College of the Arts Pty Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Australian College of the Arts Pty Limited for the financial year ended 31 December 2020 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

Tony Nimac

Partner

Sydney

1 July 2021

AUSTRALIAN COLLEGE OF THE ARTS PTY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. REPORTING ENTITY

Australian College of the Arts Pty Limited (the 'company') is a company limited by shares, incorporated and domiciled in Australia. The company is primarily involved in providing education in art and music as a tertiary institution. The parent company is Australian College of the Arts International Pty Ltd. The ultimate controlling entity is Dowra Education Group Pty Limited. The address of the company's registered office is:

Actuate Accounting
Suite 202, 506 Miller Street
Camberay NSW 2062

The company is a for profit entity.

2. BASIS OF PREPARATION

(a) Basis of accounting

In the opinion of the directors, the Company is not publicly accountable. These financial statements are Tier 2 general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements adopted by the Australian Accounting Standards Board and the Corporations Act 2001. These financial statements comply with Australian Accounting Standards – Reduced Disclosure Requirements.

The financial statements were approved by the directors on the same date as the signing of the directors' declaration.

(b) Basis of measurement

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes.

(c) Functional and presentation currency

These financial statements are presented in Australian dollars, which is the company's functional currency.

(d) 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. Estimates and underlying assumptions are reviewed on ongoing basis. Revisions to estimates are recognised prospectively.

AUSTRALIAN COLLEGE OF THE ARTS PTY LIMITED


DIRECTORS' DECLARATION

In the opinion of the Directors of Australian College of the Arts Pty Limited ('the Company'):

- (a) the Company is not publicly accountable;
- (b) the financial statements and notes, set out on pages 4 to 21 are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Company's financial position as at 31 December 2020 and of its performance for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Regulations Act 2001.
- (c) 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 the Directors:

Director:



William Sweeney

Dated at Sydney: 01 July 2021



Independent Auditor's Report

To the shareholders of Australian College of the Arts Pty Limited

Opinion

We have audited the **Financial Report** of Australian College of the Arts Pty Limited (the Company).

In our opinion, the accompanying Financial Report of the Company is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Company's financial position as at 31 December 2020 and of its financial performance for the year ended on that date; and
- complying with *Australian Accounting Standards - Reduced Disclosure Requirements* and the *Corporations Regulations 2001*.

The **Financial Report** comprises:

- Statement of financial position as at 31 December 2020
- Statement of profit or loss and other comprehensive income, Statement of changes in equity, and Statement of cash flows for the year then ended
- Notes including a summary of significant accounting policies
- Directors' Declaration.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.

Other Information

Other Information is financial and non-financial information in Australian College of the Arts Pty Limited's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we 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.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards - Reduced Disclosure Requirements* and the *Corporations Act 2001*
- implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error
- assessing the Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they 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 objective is:

- 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 *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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 the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our Auditor's Report.

KPMG

Tony Nimac

Partner

Sydney

1 July 2021