Moriah War Memorial College Association and its Controlled Entities

Consolidated Financial Report for the Year Ended 31 December 2022

Contents

Responsible Entities' Report

Your Responsible Entities' present their report together with the financial statements of the Consolidated entity, being Moriah War Memorial College Association ("the Company") and its controlled entities ("the Group") for the year ended 31 December 2022 and the Independent Audit Report thereon.

This report deals with the terms Responsible Entities' and Directors interchangeably.

Directors

For the purpose of this consolidated report, the term Directors includes the following.
The Directors of Moriah War Memorial College Association and The Moriah War Memorial Jewish College Association in office at any time during or since the end of the year are:

Mr S Jankelowitz (President)	Mrs J Lowy (retired 16 June 2022)	Mr W Jacobson
Mr R Blau	Mrs R Michael	Mr M Leigh
Ms T Esra	Mr D Kramer	Mrs J Scheinberg
Mr O Freedman	Mr D Sher (Treasurer)	Mr D Sekers (appointed 16th June 2022)

The Trustees of Moriah College Building Fund and the Moriah War Memorial Fund at any time during or since the end of the year are:

Mr R Goot, AO SC, Chair	Mr R N Simons, OAM	Mr R Gavshon, AM
Mr D Goulburn, OAM	Mr G Einfeld, OAM	

The Directors of the Kehillat Moriah Incorporated at any time during or since the end of the year are:

Mr S Jankelowitz (President)	Mr O Freedman	Mr D Kramer
Mr D Sher (Treasurer)	Mrs J Lowy (resigned 26/5/2022)	Ms T Esra (appointed 26/5/2022)
Mrs R Michael	Mr R Blau	

The Directors of the Moriah College Foundation Limited at any time during or since the end of the year are

Mrs J Lowy (President)	Mr B Fink	Mr S Jankelowitz
Mr J Dunkel (Retired on 12th October 2022)	Mr G Friede	Mrs L Placks
Mrs C Bart, AO	Mr R Gavshon, AM	Mr D Sekers
Mr D Taibel (Appointed July 2022)	Mr L Rosenberg (Appointed December 2022)	

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

Legal structure

The consolidated entity exists under a mixture of legal forms as outlined in the table below:

Entity	Membership	Established Under
Moriah College Building Fund & Moriah War Memorial Fund	Five (5) Trustees	Trust Deeds
Kehillat Moriah Incorporated	*Moriah War Memorial College Association Board of Directors*	*Associations Incorporation Act 2009 (NSW)* *ABN: 16 284 221 251*
Moriah College Foundation Limited	Two members: Moriah War Memorial College Association and The Moriah War Memorial Jewish College Association Limited	*Corporations Act 2001 (Cth)* *ACN: 162 505 722* *ABN: 53 670 925 736*
Moriah War Memorial College Association (MWMCA)	*1,164 Members* *(2021: 1,159)*	*Corporations Act 2001 (Cth)* *ACN: 000 049 383* *ABN: 98 077 604 961*
The Moriah War Memorial Jewish College Association (MWMJCA)	*1,164 Members* *(2021: 1,159)*	*Corporations Act 2001 (Cth)* *ACN: 003 214 560* *ABN: 87 003 214 560*

Principal Activities

The principal activities of the Group during the year were that of conducting a school (primary and secondary) and early years' learning.

Short and Long Term Objectives

The Moriah War Memorial Jewish College Association Ltd provides high quality Jewish educational experiences, from the early childhood centre and Long Day Care to Year 12, across its Early Childhood Centre, three Early Learning Centres, Primary School and High School, for the Jewish community.

The long-term objectives of The Moriah War Memorial Jewish College Association Ltd are based on sustainability and continuity. The College does this by building upon the traditions of the past to meet the expectations and aspirations of its key stakeholders – parents, students, teachers and the broader Jewish Community, through the development and growth of:

- A key partnership between the College and Parents that facilitates children being individually supported to achieve their best.
- Resilient and confident citizens and life-long learners who strive to achieve their personal best and feel secure with their Jewish identity.
- Community confidence that the College represents the values of the Jewish Community and develops future leaders of both the Jewish and broader Australian communities.

Strategy for Achieving Short and Long Term Objectives

Moriah College focuses on the following key elements in strategic planning to meet both its short and long term objectives.
Moriah College's strategic aims are:

1. Embed Jewish traditions, religion, history, ethics, values and culture into every aspect of College life to ensure our students are knowledgeable about Judaism, skilled in its religious practices and engaged members of the Jewish community with a commitment to Jewish continuity.
2. Provide a high standard Jewish education that is innovative, inspiring and grounded, helping our students understand the values that spring from Judaism, and the challenges that face the Jewish world.
3. Deliver the highest quality learning experiences for our students that are personalised, challenging and engaging, creating within them a desire for lifelong learning and commitment to realising their full potential.
4. Provide innovative and contemporary 21st century learning environments that equip students with the ability to meet future challenges as active and responsible global citizens.
5. Provide the highest levels of wellbeing for each student with a holistic school experience grounded in Jewish values, preparing them for their next stage of life.
6. Attract, develop and retain high calibre staff who are and feel valued, are passionate and committed to the education of our students, and who view Moriah as their preferred place of employment.
7. Provide challenging co-curricular experiences that promote and build within our students knowledge, team spirit, resilience independence, self-discipline, responsible decision-making and self-confidence.
8. Provide an inclusive and welcoming school culture where all members of the community feel valued and motivated to engage with the College.
9. Be recognised as a leading advocate for comprehensive sustainability planning and practices.
10. Provide astute College Governance, informed by regular stakeholder feedback, to deliver the future resource and development needs of the College.

To achieve these strategic aims, the College has devised a Strategic Plan with the following structure:

- Foundation Pillar – Jewish Life & Learning
- Pillar 1 - Personalised, Engaged Learning
- Pillar 2 – Student Wellbeing
- Pillar 3 – Passionate, Qualified, Caring, High Calibre Staff
- Pillar 4 – Co-Curricular Life
- Pillar 5 – Community Engagement & Partnerships
- Pillar 6 – Sustainability

Measurement of Performance, including Key Performance Indicators

Moriah College has established several internal advisory committees which assist the Board in monitoring achievement of strategic initiatives. One of these committees is the Jewish Life and Learning Committee.

Each year, the Board approves an Annual Plan to achieve strategic initiatives based on advice from the College Executive and its advisory committees.

The College Principal provides a report to each meeting of the Board that is designed around: the Strategic Plan; the Annual Plan; agreed actions designed to achieve the identified strategic initiatives; and key performance indicators set by the Board.

Each Committee monitors compliance with strategic initiatives relative to their portfolio and reports to the Board on progress, delays and achievements as appropriate.

Each year, as provided for in the Group's Constitution, a report is provided to the Annual General Meeting of the Association.

The Group also provides annual returns to the Australian Charities and Not-for-profits Commission (ACNC) which monitors that the Group is complying with its objectives.

Operating results

In 2022, the Group made a net surplus for the year of $5,863,929 (2021: $8,524,732). The net surplus included non-operating surplus of $42,886 (2021: $29,772) and the net surplus from operating activities was $5,821,043 (2021: $8,494,960).

The Group generated operating cash inflows in the year of $7,117,656 (2021: $10,032,937), and net cash outflows of $1,494,461 (2021: inflows of $904,773).

Review of operations

A detailed review of the operations of the Group is contained in the President's Report and the College Principal's Report, included in the full annual report.

Significant changes in state of affairs

Other than the events mentioned in the above Operating results note, there were no other significant changes in the state of affairs that occurred during the year.

After balance date events

The impact of the Covid-19 pandemic is ongoing and could still have a further impact on the Group. Whilst the Group has taken steps to mitigate the potential associated risks, the full impact is unknown at this stage and therefore has not been estimated after the reporting date. The Group will continue to monitor the situation and adopt additional measures, if required, to manage the risk.

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

Directors' Qualifications

Stephen Jankelowitz **President from 28 May 2018** Qualifications: B Com, CA MAICD Board Member since 2007 Deputy President - May 2016 to May 2018 Honorary Treasurer May 2008 – May 2014 Chartered Accountant and Company Director	**Robbie Blau** **Deputy President from 28 May 2018** Qualifications: B.Com, LLB (Cum Laude), HDip Tax Law Board member since March 2016 Chief Executive Officer
Dani Sher **Treasurer from 31 May 2021** Assistant Treasurer 27 October 2020 - 31 May 2021 Qualifications: CA, MAcc, MBA, BA Board member since 26 June 2019 Co-founder and Managing Director	**Rina Michael** **Honorary Secretary from 15 October 2020** Qualifications: BSc, MSc, MBA Board member since 23 May 2019 Executive Director
Teri Esra Qualifications: Bachelor of Engineering (Honours), Master of Business Administration (Executive) (EMBA) Board member since 31 May 2021 General Manager - Property Design, Construction and Facilities Management	**Oliver Freedman** Qualifications: BSc (Psych.), Hons & Masters of Applied Psychology Board member since May 2010 Vice President May 2013 – May 2014 Honorary Secretary May 2012 – May 2014 Executive Vice President
Warren Jacobson Qualifications: BBUS, LLB, AGSM EMBA Board member since 15 October 2020 Chief Executive Officer	**Dan Kramer** Qualifications: BA (Economics), LLB, HDip Company Law Board member since 26 June 2019 Partner
Mark Leigh Qualifications: B.Com Information Systems & Accounting, B.C (1st class honours) - Information Systems Board member since 31 May 2021 General Manager, Public Sector	**Judy Lowy (Retired 16 June 2022)** Qualifications: BA (UNSW) Board Member May 2008 - June 2022 Foundation President since its inception (2011) Company Director
Daniel Sekers (Appointed 16 June 2022) Qualifications: MBA (AGSM), GAICD, JP (NSW), Bachelor Dramatic Arts (NIDA) Board member since 16 June 2022 Managing Director & Chairman Moriah Foundation Non Executive Director from 2019	**Jacqueline Scheinberg** Qualifications: B App Sci (Computing) (1977-1982) Board member since 31 May 2021 Director

Schedule Of Attendances at Board Meetings During 2022

Name	Eligible To Attend	Attended
Jankelowitz, S	14	13
Blau, R	14	10
Sher, D	14	12
Michael, R	14	11
Esra, T	14	14
Freedman, O	14	10
Jacobson, W	14	11
Kramer, D	14	7
Leigh, M	14	11
Lowy, J	14	11
Sekers, D	7	6
Scheinberg, J	14	10

Environmental issues

The Group's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory of Australia.

Dividends

No dividends have been paid or will be paid. The Memorandum and Articles of Association do not permit any profits to be distributed by way of a dividend.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 60-40 of the Australian Charities and Not for Profit Commission Act 2012 is set out on page 6 of this financial report and forms part of The Responsible Entities' Report.

Signed in accordance with a resolution of the Board of Directors on 27 April 2023.

S JANKELOWITZ
President

D. SHER
Treasurer

Dated: **27 April 2023**

Deloitte.

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The Board of Directors
Moriah War Memorial College Association
Queens Park Rd
QUEENS PARK NSW 2022

27 April 2023

Dear Board Members,

Auditor's Independence Declaration to Moriah War Memorial College Association and its Controlled Entities

In accordance with Subdivision 60-C of the *Australian Charities and Not-for profits Commission Act 2012*, I am pleased to provide the following declaration of independence to the directors of Moriah War Memorial College Association and its Controlled Entities (the "Moriah College").

As lead audit partner for the audit of the consolidated financial statements of Moriah College for the financial year ended 31 December 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements as set out in the *Australian Charities and Not-for profits Commission Act 2012* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Gaile Timperley

Gaile Timperley
Partner
Chartered Accountants

Statement of Profit and Loss and Other Comprehensive Income

For the year ended 31 December 2022

	Note	2022 $	2021 $
Revenue from operating activities	5	66,562,107	61,142,424
Revenue from non-operating activities	5	42,886	29,772
Total revenue		**66,604,993**	**61,172,196**
Employee benefit expense		(40,595,513)	(37,840,874)
Expenses & materials		(8,889,563)	(4,103,114)
Financing costs		(1,212,777)	(1,185,268)
Depreciation expense		(3,026,152)	(3,169,219)
Building & grounds expense		(3,797,712)	(3,589,857)
Gain/(Loss) on interest rate swap	19, 20	1,614,972	1,143,666
Other expenses		(4,154,330)	(3,902,798)
Unrealised loss on investments		(679,989)	-
Total expenses		**(60,741,064)**	**(52,647,464)**
Surplus from operating activities		5,821,043	8,494,960
Surplus from non-operating activities		42,886	29,772
Surplus for the year		**5,863,929**	**8,524,732**
Other comprehensive income		-	-
Total comprehensive income for the year		**5,863,929**	**8,524,732**

These financial statements should be read in conjunction with the accompanying notes.

Statement of Financial Position

For the year ended 31 December 2022

	Note	2022 $	2021 $
Current assets			
Cash and cash equivalents	8	10,197,064	11,691,525
Trade and other receivables	9	656,825	543,809
Financial assets	24	3,852,192	5,430,878
Other current assets	11	840,455	684,921
Inventory		16,199	11,690
Total current assets		**15,562,735**	**18,362,823**
Non-current assets			
Trade and other receivables	9	41,573	75,424
Property, plant and equipment	12	75,736,968	75,559,676
Right of use assets	13	528,358	714,524
Derivative financial asset	19	1,190,441	-
Total non-current assets		**77,497,340**	**76,349,624**
Total assets		**93,060,075**	**94,712,447**
Current liabilities			
Trade and other payables	14	2,432,069	1,937,356
Lease liabilities	16	178,670	192,411
Employee benefits	17	4,501,187	4,442,975
Contractual liabilities	18	1,783,307	2,645,604
Total current liabilities		**8,895,233**	**9,218,346**
Non-current liabilities			
Lease liabilities	16	364,505	562,954
Financial liabilities	15	18,000,000	24,282,000
Employee benefits	17	506,619	567,076
Contractual liabilities	18	637,625	865,376
Derivative financial liabilities	20	-	424,531
Total non-current liabilities		**19,508,749**	**26,701,937**
Total liabilities		**28,403,982**	**35,920,283**
Net assets		**64,656,093**	**58,792,164**
Equity			
Bursary endowment reserve	22	1,450,537	1,151,000
Retained earnings		63,205,556	57,641,164
Total equity		**64,656,093**	**58,792,164**

These financial statements should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For the year ended 31 December 2022

	Note	Retained Earnings $	Endowment $	Total $
Balance at 1 January 2021		**49,116,432**	**1,151,000**	**50,267,432**
Total comprehensive income for the year		8,524,732	-	8,524,732
Balance at 31 December 2021		**57,641,164**	**1,151,000**	**58,792,164**
Balance at 1 January 2022		**57,641,164**	**1,151,000**	**58,792,164**
Total comprehensive income for the year		5,863,929	-	5,863,929
Reserve transfer in the period		(299,537)	299,537	-
Balance at 31 December 2022		**63,205,556**	**1,450,537**	**64,656,093**

These financial statements should be read in conjunction with the accompanying notes.

Statement of Cash Flows

For the year ended 31 December 2022

	Note	2022 $	2021 $
Cash flow from operating activities			
Receipts from parents and donations		55,542,884	51,937,825
Government grants received		8,950,432	8,299,871
Interest received		149,601	8,447
Payments to suppliers & employees		(57,104,693)	(50,337,172)
Receipts from JCA		792,209	1,288,201
Interest paid		(1,212,777)	(1,164,235)
Net cash provided by/(used in) operating activities		**7,117,656**	**10,032,937**
Cash flows from investing activities			
Proceeds from investments/transfers to financial assets		899,351	(666,701)
Purchase of property, plant & equipment		(3,011,272)	(2,239,412)
Proceeds/(Loss) from sale of property, plant and equipment		840	9,005
Net cash provided by/(used in) investing activities		**(2,111,081)**	**(2,897,108)**
Cash flow from financing activities			
Lease payments		(219,036)	(231,056)
Payments for borrowings		(6,282,000)	(6,000,000)
Net cash provided by/(used in) financing activities		**(6,501,036)**	**(6,231,056)**
Net (decrease)/increase in cash and cash equivalents held		(1,494,461)	904,773
Cash and cash equivalents at beginning of financial year	8	11,691,525	10,786,752
Cash and cash equivalents at end of financial year		**10,197,064**	**11,691,525**
Cash and cash equivalents			
General cash balances		8,746,527	10,540,525
Endowment cash balances		1,450,537	1,151,000
Cash and cash equivalents at end of financial year, net	8	**10,197,064**	**11,691,525**

These financial statements should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

For the year ended 31 December 2022

Note 1: General Information and Statement of Compliance

The financial report is a general purpose financial report that has been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Australian Charities and Not for Profit Commission Act 2012. A statement of compliance with the International Financial Reporting Standards (IFRS) as issued by The International Accounting Standards Boards (IASB) cannot be made due to the Group applying not-for-profit specific requirements contained in The Australian Accounting Standards - Simplified Disclosure Requirements.

The following entities are included within the consolidated group:

- Moriah War Memorial College Association;
- The Moriah War Memorial Jewish College Association Limited,
- Kehillat Moriah Incorporated;
- Moriah College Building Fund & Moriah War Memorial Fund;
- Moriah College Scholarship Fund;
- Moriah College Building Fund No.2;
- Moriah College Library; and
- Moriah College Foundation.

The financial report has been prepared in accordance with the significant accounting policies disclosed below, which the directors determined are appropriate to meet the needs of the members. Such accounting policies are consistent with the previous period unless stated otherwise.

The Group is domiciled in New South Wales, Australia. The consolidated Group is a not-for-profit Group for the purposes of preparing the financial statements.

Basis of preparation

The financial reports have been prepared on an accruals basis and are based on historical costs, modified where applicable by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. All amounts have been presented in Australian dollars which is the Group's functional and presentation currency, unless otherwise stated.

The accounting policies have been consistently applied, unless otherwise stated. The following is a summary of the significant accounting policies adopted in the preparation of the accounts

Note 2: Changes in accounting policies

2.1 New and revised standards that are effective for these financial statements

The group previously prepared general purpose financial statements under Tier 2 – Reduced Disclosure Requirements. There were no transition adjustments other than disclosure changes on the adoption of Australian Accounting Standards – Simplified Disclosures.

Note 3: Summary of accounting policies

The significant accounting policies that have been used in preparing these consolidated financial statements are summarised below

The consolidated financial statements have been prepared using the measurement bases specified by Australian Accounting Standards for each type of asset, liability, income and expense.

The measurement bases are more fully described in the accounting policies below.

a. **Basis of Consolidation**

The Group financial statements consolidate those of the parent company and all of its subsidiaries as of 31 December 2022. The Parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. All subsidiaries have a reporting date of 31 December.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's profit or loss and net assets that is not held by the Group. The Group attributes total comprehensive income or loss of subsidiaries between the owners of the Parent and the non-controlling interests based on their respective ownership interests

b. **Revenue**

Revenue from tuition fees, subject levies and other receipts from parents are recognised upon delivery of the service or goods.

When the Group receives government grants, donations and bequests that are in the scope of AASB 1058 (being a transaction where the consideration paid to acquire an asset is significantly less than fair value principally to enable the Group to further its objectives), it performs an assessment to determine if the contract is 'enforceable' and contains 'sufficiently specific' performance obligations.

In cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the transaction is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied. In all other cases the transaction is accounted for under AASB 1058 where the income is recognised upon receipt.

Dividend revenue is recognised when the right to receive a dividend has been established. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

All revenue is stated net of the amount of Goods and Services Tax (GST).

c. **Property, Plant & Equipment**

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

Where an item of property, plant and equipment is acquired for no nominal consideration, the item is recorded at acquisition date at its fair value which becomes its deemed cost. Each class is carried at cost less any accumulated depreciation and impairment losses.

Property

Freehold land and buildings are shown at cost, less subsequent depreciation for buildings and impairment losses.

Note 3: Summary of accounting policies (cont)

Plant and equipment
Plant and equipment are measured on the cost basis less depreciation and impairment losses.

At each reporting date, the directors review a number of factors affecting property, plant and equipment, including their carrying values, to determine if these assets, grouped into cash generating units, may be impaired. If an impairment indicator exists, the recoverable amount of the asset being the higher of the assets "fair value less costs to sell" and "value in use" is compared to the carrying value Any excess of the assets carrying value over its recoverable amount is expensed in the profit or loss as an impairment expense.

As the future economic benefits of the Group's assets are not primarily dependent on their ability to generate net cash flows, and if deprived of the asset, the Group would replace the assets remaining future economic benefits, "value in use" is determined as the depreciated replacement cost of the asset rather than by using discounted future cash flows.

Depreciation
The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis except for motor vehicles over their useful lives to the Group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. The depreciation rates used for each class of depreciable assets are

Class of Asset	Depreciation Rate
Buildings & Other Building Costs	2.5% Straight Line
Plant and Equipment	10.0% to 33.3% Straight Line
Motor Vehicles	22.5% Straight Line

d. **Employee Benefits**
Provision is made for the Group's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits using the government bond rate that represents expected payment.

Contributions are made by the Group to any employee Superannuation Fund and are charged as expenses when incurred. The group has no legal obligation to cover any shortfall in the fund's obligation to provide benefits to employees on retirement.

e. **Cash and Cash Equivalents**
For the purposes of the statement of cash flows, cash includes cash on hand and in banks, net of outstanding bank overdrafts and deposits held at call with banks.

Bank overdrafts are shown within financial liabilities in current liabilities on the statement of financial position.

f. **Short-term Investments**
Investments held for resale are stated at the lower of cost or net realisable value.

g. **Financial Instruments**

Recognition, initial measurement and derecognition
Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- amortised cost
- fair value through profit or loss (FVPL)
- equity instruments at fair value through other comprehensive income (FVOCI)

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Classifications are determined by both:

- The entities business model for managing the financial asset
- The contractual cash flow characteristics of the financial assets

Subsequent measurement financial assets

Financial assets at amortised cost
Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL).

• they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
• the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Note 3: Summary of accounting policies (cont)

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments as well as long-term deposits.

Financial assets at fair value through profit or loss (FVPL)
Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply (see below).

Impairment of Financial assets
AASB 9's impairment requirements use more forward looking information to recognize expected credit losses - the 'expected credit losses (ECL) model'. Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

The Group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:
- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').
- 'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date. '12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Trade and other receivables
The Group makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

h. **Contractual Liabilities**
Contractual liabilities are deferred revenues and income being the upfront receipt of fees and deposits from students or unutilised amounts of grants and/or bequests received accounted for in accordance with the revenue recognition policy above.

i. **Goods and Services Tax**
Revenues, expenses, assets and liabilities are recognised net of the amount of Goods and Services Tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables in the statement of financial position are shown inclusive of GST. The net amount of GST recoverable from or payable to the taxation authority is included as a current asset or a current liability in the statement of financial position.

Cash flows are presented in the Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Note 3: Summary of accounting policies (cont)

j. **Leased assets**

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable
- 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
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position.
The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease. The right-of-use assets are presented as a separate line in statement of financial position.

The Group applies AASB 136 Impairment of Assets to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, plant and equipment' policy

k. **Significant management judgement in applying accounting policies**

The Directors evaluate estimates and judgments incorporated into the financial report 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 Group.

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Control

The assessment of control under AASB10 is subjective and requires judgement. Notwithstanding that there are different Trustees to the Board of Directors, the Directors have assessed that the Company controls the Building Fund trusts because of the objectives of the trusts and the cross-guarantees between entities related to the banking facilities.

Impairment

In assessing impairment, management estimates the recoverable amount of each asset or cash generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Allowance for credit losses

Included in accounts receivables at 31 December 2022 are amounts receivable that may not be recoverable. A provision for impairment has been made amounting to $9,978,744 for 2022 (2021: $9,028,818).

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

Long Service Leave

The liability for long service leave is recognised and measured at the present value of the estimated cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

l. **Derivatives**

The Group has entered into a derivative financial instrument to manage its exposure to interest rate risk, specifically an interest rate swap. The derivative is designed as a cash flow hedge.

Derivatives are initially recognised at fair value at the date the derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Note 3: Summary of accounting policies (cont)

At the inception of a hedge, where the group has not documented the relationship between the hedging instrument and the hedged item the fair value of the swap is recorded in the income statement. Fluctuations in the hedge overtime are also recorded in the income statement.

Alternatively at the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. In this scenario, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge effectiveness requirements:

- there is an economic relationship between the hedged item and the hedging instrument;
- the effect of credit risk does not dominate the value changes that result from that economic relationship; and
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. Derivatives are not offset in the financial statements unless the Group has both legal right and intention to offset. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Group adjusts the hedge ratio of the hedging relationship (i.e. rebalances the hedge) so that it meets the qualifying criteria again.

The Group designates the full change in the fair value of a forward contract (i.e. including the forward elements) as the hedging instrument for all of its hedging relationships involving forward contracts.

The Group designates only the intrinsic value of option contracts as a hedged item, i.e. excluding the time value of the option. The changes in the fair value of the aligned time value of the option are recognised in other comprehensive income and accumulated in the cost of hedging reserve. If the hedged item is transaction related, the time value is reclassified to profit or loss when the hedged item affects profit or loss. If the hedged item is time period related, then the amount accumulated in the cost of hedging reserve is reclassified to profit or loss on a rational basis – the Group applies straight line amortisation. Those reclassified amounts are recognised in profit or loss in the same line as the hedged item. If the hedged item is a non financial item, then the amount accumulated in the cost of hedging reserve is removed directly from equity and included in the initial carrying amount of the recognised non financial item. Furthermore, if the Group expects that some or all of the loss accumulated in cost of hedging reserve will not be recovered in the future, that amount is immediately reclassified to profit or loss.

The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve, limited to the cumulative change in fair value of the hedged item from inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, and is included in the 'other gains and losses' line item.

Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non financial asset or a non financial liability, the gains and losses previously recognised in other comprehensive income and accumulated in equity are removed from equity and included in the initial measurement of the cost of the non financial asset or non financial liability. This transfer does not affect other comprehensive income. Furthermore, if the Group expects that some or all of the loss accumulated in the cash flow hedging reserve will not be recovered in the future, that amount is immediately reclassified to profit or loss.

The Group discontinues hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised. The discontinuation is accounted for prospectively. Any gain or loss recognised in other comprehensive income and accumulated in cash flow hedge reserve at that time remains in equity and is reclassified to profit or loss when the forecast transaction occurs. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in the cash flow hedge reserve is reclassified immediately to profit or loss.

Note 4: Income tax

The Group is exempt from liability to pay income tax under the provisions of the Income Tax Assessment Act.

Note 5: Revenue and income

	Note	2022 $	2021 $
Operating activities			
Net tuition fees	5(a)	42,235,137	40,461,603
Compulsory charges and levies		5,025,211	4,096,268
Government grants		8,950,432	8,299,871
Interest received		149,601	8,447
Sundry income		3,705,791	2,557,936
Jewish Communal Appeal		792,209	1,288,201
Donations - recurrent	7	165,576	100,828
Foundation dividends		136,277	134,951
Donations received by the Foundation	7	5,401,873	3,794,752
Fair Market Value movement in managed fund		-	399,567
Revenue from operating activities		**66,562,107**	**61,142,424**
Donations			
Donations - non-recurrent	7	42,886	29,772
Revenue from non-operating activities		**42,886**	**29,772**
Total revenue & income		**66,604,993**	**61,172,196**

(a) Reconciliation of net tuition fees

	2022	2021
Tuition fees	49,598,067	48,507,804
Less:		
Discounts & allowances	(2,473,542)	(3,244,529)
Subsidies	(4,889,388)	(4,801,672)
Net tuition fees	**42,235,137**	**40,461,603**

Note 6: Profit/(Loss) for the year

Surplus for the year is stated after (crediting)/charging	2022 $	2021 $
Employee expense		
- Salaries and wages	36,947,046	34,561,808
- Superannuation	3,449,146	3,086,838
- Others	199,320	192,228
Depreciation of plant and equipment and lease amortisation	3,026,152	3,169,219
Interest paid or payable	1,212,777	1,185,268

Note 7: Donations

Donations	2022 $	2021 $
Donations received by the Foundation	5,401,873	3,794,752
Abraham and Hake Rabinovitch Trusts	165,576	100,828
Moriah Parents and Friends Association	42,886	29,772
	5,610,335	**3,925,352**

Note 8: Cash and cash equivalents

	2022 $	2021 $
Cash on hand	875	1,418
Cash at bank	10,196,189	11,690,107
	10,197,064	**11,691,525**

Included in the above is an amount of $1,450,537 (2021: $1,151,000) that is restricted (note 10).

Note 9: Trade and other receivables

	2022 $	2021 $
Current		
Outstanding fees	10,020,047	9,004,236
Loss allowance	(9,638,312)	(8,682,073)
	381,735	**322,163**
GST receivable	219,761	141,748
Other debtors	55,329	79,898
	656,825	**543,809**
Non-current		
Outstanding fees	382,005	422,169
Less: Allowance for credit losses	(340,432)	(346,745)
	41,573	**75,424**

The average credit period on fees (net) is between 85-90 days (2021: 75-81 days).

The loss allowance for trade receivables is at an amount equal to the lifetime expected credit loss.

Reconciliation of allowance for credit losses

	Opening Balance 1/01/2022	Charge for the Year	Reversal of provision	Closing Balance 31/12/2022
Loss allowance	9,028,818	1,860,196	(910,270)	9,978,744
Total	**9,028,818**	**1,860,196**	**(910,270)**	**9,978,744**

	Opening Balance 1/01/2021	Charge for the Year	Reversal of provision	Closing Balance 31/12/2021
Loss allowance	7,405,308	2,474,477	(850,967)	9,028,818
Total	7,405,308	2,474,477	(850,967)	9,028,818

Note 10: Financial assets and liabilities

Note 3 provides a description of each category of financial assets and financial liabilities and the related accounting policies.
The carrying amounts of financial assets and financial liabilities in each category are as follows:

	Note	Amortised Cost	Assets/(Liabilities) at fair value through profit and loss (FVPL)	Total
		2022	2022	2022
Financial assets		$	$	$
Current				
Cash and cash equivalents	8	10,197,064	-	10,197,064
Trade and other receivables	9	656,825	-	656,825
Financial assets	24	-	3,852,192	3,852,192
Total current financial assets		**10,853,889**	**3,852,192**	**14,706,081**
Non-current				
Derivative financial asset	19	-	1,190,441	1,190,441
Total non-current financial assets		**-**	**1,190,441**	**1,190,441**
Financial liabilities				
Current				
Trade and other payables	14	2,432,069	-	2,432,069
Lease liabilities	16	178,670	-	178,670
Contractual liabilities	18	1,783,307	-	1,783,307
Total current financial liabilities		**4,394,046**	**-**	**4,394,046**
Non-current				
Financial liabilities	15	18,000,000	-	18,000,000
Lease liabilities	16	364,505	-	364,505
Contractual liabilities	18	637,625	-	637,625
Total non-current financial liabilities		**19,002,130**	**-**	**19,002,130**

	Note	Amortised Cost	Assets/(Liabilities) at fair value through profit and loss (FVPL)	Total
		2021	2021	2021
Financial assets		$	$	$
Current				
Cash and cash equivalents	8	11,691,525	-	11,691,525
Trade and other receivables	9	543,809	-	543,809
Financial assets	24	-	5,430,878	5,430,878
Total financial assets		**12,235,334**	**5,430,878**	**17,666,212**
Financial liabilities				
Current				
Trade and other payables	14	1,937,356	-	1,937,356
Lease liabilities	16	192,411	-	192,411
Contractual liabilities	18	2,645,604	-	2,645,604
Total current financial liabilities		**4,775,371**	**-**	**4,775,371**
Non-current				
Financial liabilities	15	24,282,000	-	24,282,000
Lease liabilities	16	562,954	-	562,954
Contractual liabilities	18	865,376	-	865,376
Derivative financial liabilities	20	-	424,531	424,531
Total non-current financial liabilities		**25,710,330**	**424,531**	**26,134,861**

As at 31 December 2022, financial assets included $1,450,537 (2021: $1,151,000) restricted cash in relation to The Romy Birnbaum Memorial Bursary Endowment Fund and Lionel Green Endowment Fund. Total amount of restricted funds were in listed securities See Note 3(g) for a description of the accounting policies for financial instruments. Information relating to fair values is presented in the related notes.

Note 11: Other assets

	2022	2021
	$	$
Prepayments	840,455	684,921
	840,455	**684,921**

Note 12: Property, plant and equipment

	2022 $	2021 $
Land and buildings		
Land		
At cost	37,670,659	37,670,659
Buildings		
At cost	70,989,002	70,153,649
Less: accumulated depreciation	(39,915,868)	(38,288,985)
	31,073,134	31,864,664
Total land and buildings	68,743,793	69,535,323
Plant and equipment (including furniture & fittings)		
At cost	14,191,067	13,156,916
Less: accumulated depreciation	(9,889,504)	(9,021,169)
Total Plant and equipment	4,301,563	4,135,747
Motor vehicles		
At cost	696,017	664,975
Less: accumulated depreciation	(351,491)	(653,032)
Total motor vehicles	344,526	11,943
Work In Progress		
At cost	2,347,086	1,876,663
Total property, plant and equipment	75,736,968	75,559,676

Movements in Carrying Amounts	Land	Buildings	Plant and Equipment	Motor vehicles	Work In Progress	Total
	$	$	$	$	$	$
Balance at 1 January 2021	37,670,659	33,601,820	3,538,541	73,060	1,358,050	76,242,130
Additions	-	318,155	1,402,644	-	518,613	2,239,412
Disposals	-	-	(284)		-	(284)
Depreciation expense	-	(2,055,311)	(805,154)	(61,117)	-	(2,921,582)
Balance at 31 December 2021	37,670,659	31,864,664	4,135,747	11,943	1,876,663	75,559,676
Additions	-	1,105,418	1,044,932	390,499	470,423	3,011,272
Disposals	-	-	-	(840)	-	(840)
Depreciation expense	-	(1,896,948)	(879,116)	(57,076)	-	(2,833,140)
Balance at 31 December 2022	37,670,659	31,073,134	4,301,563	344,526	2,347,086	75,736,968

Note 13: Right-of-Use Assets

	2022 $	2021 $
Equipment		
At cost	697,909	723,351
Less: accumulated depreciation	(366,186)	(240,331)
	331,723	483,020
Motor vehicles		
At cost	291,465	291,465
Less: accumulated depreciation	(94,830)	(59,961)
	196,635	231,504
Total right of use assets	528,358	714,524

Movements in Carrying Amounts	Equipment	Motor Vehicles	Total
	$	$	$
Balance at 1 January 2021	123,130	103,564	226,694
Additions	583,823	151,645	735,468
Depreciation expense	(223,933)	(23,705)	(247,638)
Balance at 31 December 2021	483,020	231,504	714,524
Additions	6,846	-	6,846
Depreciation expense	(158,143)	(34,869)	(193,012)
Balance at 31 December 2022	331,723	196,635	528,358

Note 14: Trade and other payables

	2022 $	2021 $
Current		
Trade creditors	376,666	512,631
Sundry payables	1,419,461	1,172,939
Accrued expenses	635,942	251,786
	2,432,069	1,937,356

Note 15: Financial liabilities

	2022	2021
Non-current		
Market rate loans		
Loan 15297181	18,000,000	18,000,000
Loan 15297149	-	6,282,000
	18,000,000	**24,282,000**

The Group has borrowings that are part of a debt funding Facility Agreement with the Commonwealth Bank of Australia.
The existing debt Facility Agreement is considered by the Commonwealth Bank and the College to be a long term debt facility and this is reflected in the facility agreement terms including the principal repayment schedule.

The Facility Agreement entered into with Commonwealth Bank of Australia requires $6,000,000 in principal repayments over each 5 year period commencing from 1 January 2016 with the next principal repayment being due 1 January 2026. During 2022 and ahead of the next principal repayment date, the College made principal repayments of $6,282,000 towards Loan 15297149 and subsequently cancelled that facility. The Availability Period of Facility 1 ($18,000,000) relating to Loan 15297181 matures on 1st May 2026. The Availability Period of the Facility is subject to renegotiation and extension to align with the 5 year Principal repayment periods as per the existing Facility Agreement.

The Trustees of the Moriah College Building Fund have provided a mortgage of lease and a fixed and floating charge in favour of the Commonwealth Bank of Australia.

The Moriah War Memorial College Association has provided unlimited guarantees and indemnities to the Commonwealth Bank of Australia in relation to the debts of The Moriah College Building Fund.

The Moriah War Memorial Jewish College Association Limited has provided unlimited guarantees and indemnities to the Commonwealth Bank of Australia in relation to the debts of the Moriah War Memorial College Association.

Note 16: Lease liabilities

	2022 $	2021 $
Analysed as:		
Current	178,670	192,411
Non-current	364,505	562,954
	543,175	**755,365**

Note 17: Employee benefits

	2022 $	2021 $
Current		
Employee benefits - Annual Leave	1,163,396	1,098,464
Employee benefits - Long Service Leave	3,337,791	3,344,511
Employee entitlements - Current	**4,501,187**	**4,442,975**
Non-Current		
Employee benefits - Long Service Leave	506,619	567,076
Employee entitlements - Non-Current	**506,619**	**567,076**

Note 18: Contractual liabilities

	2022 $	2021 $
Current		
Offer acceptance deposits	910,175	839,369
Deferred revenue	873,132	1,806,235
Current	**1,783,307**	**2,645,604**
Non-Current		
Deferred revenue	637,625	865,376
Non Current	**637,625**	**865,376**

Note 19: Derivative financial asset

	2022	2021
	$	$
Gain on interest rate swap	1,190,441	-
	1,190,441	**-**

An interest rate swap for Loan 15297181 was entered into for the period 30 April 2019 to 30 April 2026. The interest rate swap agreed a fixed interest rate payable of 2% for the 7 year term. The gain as per note 19 and the loss per note 20 on interest rate swap represents the mark-to-market of the swap against market rates at 31 December year-end, therefore it does not represent a cash flow asset or liability.

Note 20: Derivative financial liabilities

	2022	2021
	$	$
Loss on interest rate swap	-	424,531
	-	**424,531**

Note 21: Members funds

The Group exists under a mixture of legal form with varying obligations in the event of winding up of the entity as outlined in the table below:

Entity	Membership	Established Under	Contribution if Entity Wound Up
Moriah College Building Fund & Moriah War Memorial Fund	Five (5) Trustees	Trust Deeds	$Nil
Kehillat Moriah Incorporated	*Moriah War Memorial College Association Board of Directors*	*Associations Incorporation Act 2009 (NSW)* *ABN: 16 284 221 251*	(limited to unpaid membership fees)
Moriah College Foundation Limited	Two members: Moriah War Memorial College Association and The Moriah War Memorial Jewish College Association Limited	*Corporations Act 2001 (Cth)* *ACN: 162 505 722* *ABN: 53 670 925 736*	$50 (2021: $50)
Moriah War Memorial College Association (MWMCA)	*1,164 Members* *(2021: 1159)*	*Corporations Act 2001 (Cth)* *ACN: 000 049 383* *ABN: 98 077 604 961*	$11,640 (2021: $11,590)
The Moriah War Memorial Jewish College Association (MWMJCA)	*1,164 Members* *(2021: 1159)*	*Corporations Act 2001 (Cth)* *ACN: 003 214 560* *ABN: 87 003 214 560*	$11,640 (2021: $11,590)

Note 22: Bursary endowment reserve

Endowment funds are those funds received from donors which are restricted and remain unexpended. Investment income earned on such funds is to be used for student bursaries at the discretion of the Board.

Note 23: Capital expenditure commitments

The Group has capital commitments for at balance date, but not provided for, of $Nil in 2022 (2021: $NIL).

Note 24: Fair value measurement

Financial assets and financial liabilities measured at fair value on a recurring basis in the statement of financial position at 31 December 2022 and 31 December 2021 are noted below:

	Amount
31-Dec-22	**$**
Asset	
Managed investment portfolio	3,852,192
Derivative financial asset	1,190,441
Net fair value	**5,042,633**
31-Dec-21	
Asset	
Managed investment portfolio	5,430,878
Net fair value	**5,430,878**
Liability	
Derivative financial liabilities	424,531
Net fair value	**424,531**

Note 25: Contingent Liabilities

a) Cross guarantee
The Group is liable by virtue of existing cross guarantees for the debts incurred by the Moriah College Building Fund, the Moriah War Memorial Fund, the Moriah War Memorial College Association and The Moriah War Memorial Jewish College Association Limited, which are secured through registered mortgages over various College properties. The amount of the debts covered by these cross guarantees as at 31 December 2022 are:

- Market Rate Loan Facility of $18,000,000;
- Overdraft facility of up to $2,500,000 *(reducing to $1,000,000 from March to November)*,
- Equipment Financing Facility of up to $3,000,000; and
- Corporate Charge Card Facility of up to $200,000.

The Moriah College Building Fund, the Moriah War Memorial Fund, the Moriah War Memorial College Association and The Moriah War Memorial Jewish College Association Limited have provided unlimited guarantees and indemnities to Commonwealth Bank of Australia on 17 February 2014 (see Note 15).

b) BER Funding
Moriah College received Block Grant Authority (BGA) P21 BER Funding from the Association of Independent Schools New South Wales Block Grant Authority in the amount of $2.7m over the 3 years of the grant with the final entitlement being received in 2011. Under the P21 funding conditions there is a possibility that the Australian Government may require repayment of a portion of the grant if Moriah College were to close within 20 years of the grant being given. Moriah College does not expect that it will be required to repay any of the P21 BER grant as it expects to continue operating in the foreseeable future.

At balance date, the calculated contingent liability relating to the BGA P21 grant has been calculated as $2.7m.

Note 26: Low Value Lease Commitments

At the reporting date, Moriah War Memorial College Association has outstanding commitments for future minimum lease payments under non-cancellable low values leases, which fall due as follows:

Lease Commitment schedule

	1 Year	2-5 Years	5+ Years	TOTAL
2022				
Low value leases	1,241,556	1,259,322	-	2,500,878
Total	**1,241,556**	**1,259,322**	**-**	**2,500,878**
2021				
Low value leases	886,465	531,851	-	1,418,316
Total	**886,465**	**531,851**	**-**	**1,418,316**

Note 27: Related Party Disclosures

The Directors of Moriah War Memorial College Association during the financial year were:

Mr S Jankelowitz (President)	Mrs J Lowy	Mr W Jacobson
Mr R Blau	Mrs R Michael	Mr M Leigh
Ms T Esra	Mr D Kramer	Mrs J Scheinberg
Mr O Freedman	Mr D Sher (Treasurer)	Mr D Sekers

The following related party transactions occurred during the financial year:
Fees (and other revenue) were received by the Group from the Directors of the Group under normal terms and conditions. In 2022, no Directors (2021: no Directors) have received or become entitled to receive a benefit, by reason of a contract made by the Group or a Related Corporation with the Directors or with a firm of which they are a member or a director, or with a Group in which they have a substantial financial interest undertaken in the normal course of business at or less than competitive rates.

Moriah College maintains a conflicts of interest register to monitor the potential conflict of interest between the directors and Moriah College. Whilst there are family members of the Directors that are employed by Moriah College, safeguards have been adopted by the Board, and no managerial positions were held by the family members that would result in conflict between the Directors and Moriah College.

The following remuneration has been paid in aggregate to the key management personnel of the Group during the year.

Key Management Personnel Remuneration

	2022	2021
	$	$
Remuneration	3,444,949	2,599,771
	3,444,949	**2,599,771**

Key management comprises of executive management across our Early Learning Centers up to High School, together with Finance, HR, and Operations.

Note 28: Parent Entity Information

The accounting policies of the parent entity which have been applied in determining the financial information shown below are the same as those applied in the consolidated financial statements. Refer to note 3 for a summary of the significant accounting policies relating to the Group.

The individual financial statements of the parent entity show the following aggregate amounts

	2022 $	2021 $
Statement of financial position		
Assets		
Current assets	11,957,566	13,570,513
Non-current assets	40,358,181	33,662,753
Total assets	**52,315,747**	**47,233,266**
Liabilities		
Current liabilities	8,353,530	9,317,649
Non-current liabilities	1,481,598	1,758,364
Total liabilities	**9,835,128**	**11,076,013**
Equity		
Retained earnings	42,480,619	36,157,253
Total equity	**42,480,619**	**36,157,253**
Statement of profit or loss and other comprehensive income		
Revenue	54,318,198	51,793,580
Expenses	(47,994,832)	(43,232,955)
Surplus for the year	6,323,366	8,560,625
Other comprehensive income	-	-
Total comprehensive income	**6,323,366**	**8,560,625**

Note 29: Controlled Entities

The consolidated financial statements incorporate the assets, liabilities and results of the following entities in accordance with the accounting policy described in Note 3.

Entity	**2022**	**2021**
The Moriah War Memorial Jewish College Association Limited	100%	100%
Kehillat Moriah Incorporated	100%	100%
Moriah College Building Fund & Moriah War Memorial Fund	100%	100%
Moriah College Foundation Limited	100%	100%

Note 30: Remuneration of auditors

	2022	2021
	$	$
Audit of the financial statements and Other non-audit services	97,046	148,945
	97,046	148,945

The auditor of Moriah War Memorial College Associated and its Controlled Entities for the current financial year is Deloitte Touche Tohmatsu

Note 31: Events After The Balance Sheet Date

The impact of the Covid-19 pandemic is ongoing and could still have a further impact on the Group. Whilst the Group has taken steps to mitigate the potential associated risks, the full impact is unknown at this stage and therefore has not been estimated after the reporting date. The Group will continue to monitor the situation and adopt additional measures, if required, to manage the risk.

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

Note 32: Capital Management

Management controls the capital of the Group to ensure that adequate cash flows are generated to fund operations. The Finance and Audit Committee ensures that the overall risk management strategy is in line with this objective.

The Finance and Audit Committee operates under policies approved by the Board of Directors. Risk management policies are approved and reviewed by the Board on a regular basis.

The Group's capital consists of financial liabilities, supported by financial assets. Management effectively manages the Group's capital by assessing the Group's financial risks and responding to changes in these risks and in the market. There have been no changes to the strategy adopted by management to control the capital of the Group since the previous year.

Note 33: Consolidated Group Details

The registered office and principal place of business of the Group is.

The Moriah War Memorial College Association
The Henry Roth Administration Building
3 Queens Park Road
BONDI JUNCTION NSW 2022

Responsible Entities' declaration

The Responsible Entities' of the Group declare that:

1 The financial statements and notes, as set out on pages 7 to 26, are in accordance with the Australian Charities and Not for Profit Commission Act 2012:

a. comply with Accounting Standards and the Australia Charities and Not for-Profit Commission Act 2012; and
b. give a true and fair view of the financial position as at 31 December 2022 and of the performance for the year ended on that date of the Group; and

2 In the Responsible Entities' opinion there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a joint resolution of the Boards of Directors of the Moriah War Memorial College Association and The Moriah War Memorial Jewish College Association and is signed for and on behalf of the Directors by:

S. JANKELOWITZ	**D. SHER**
President	**Treasurer**

Dated: **27 April 2023**

Deloitte.

Deloitte Touche Tohmatsu
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Australia

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Independent Auditor's Report to the Members of Moriah War Memorial College Association and its controlled entities

Opinion

We have audited the financial report of Moriah War Memorial College Association (the "Association") and its subsidiaries (the "Group") which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the Responsible Entities' declaration as set out on pages 7 to 27.

In our opinion, the accompanying financial report of the Moriah War Memorial College Association is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (the "ACNC Act"), including:

(i) giving a true and fair view of the Group's financial position as at 31 December 2022 and of its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards – Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the ACNC Act and the ethical requirements of the Accounting Professional & 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 also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other Information

The Responsible Entities are responsible for the other information. The other information comprises the information included in the Group's Responsible Entities' report for the year ended 31 December 2022 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and 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.

Deloitte

Responsibilities of the Responsible Entities for the Financial Report

The Responsible Entities of the Group are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclsoures and the ACNC Act and for such internal control as Responsible Entities 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, Responsible Entities are responsible for assessing the ability of the Group 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 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 Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Responsible Entities.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 Group 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group's audit. We remain solely responsible for our audit opinion.

Deloitte

We communicate with the Responsible Entities 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.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Gaile Timperley

Gaile Timperley
Partner
Chartered Accountants
Sydney, 27 April 2023