AUSTRALIAN COLLEGE OF MINISTRIES

ABN 96 130 267 604

(A Company Limited by Guarantee)

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

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AUSTRALIAN COLLEGE OF MINISTRIES
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DIRECTORS' REPORT

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

Directors

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

Andrew Peter Ball (resigned 31/01/21)	Kenneth James Graham
Daniel Robert Dwyer (resigned 31/07/20)	Simon Edward Brailey (resigned 18/09/20)
Daniel Wan Cheung Yeung (resigned 31/05/20)	Karen Baker (resigned (02/11/20)
Peter Harry Carblis (appointed 01/06/20)	Anne Simpson (appointed 01/07/20
Michael Andrew Adams (appointed 06/08/20)	Darren James Farrell (appointed 10/03/21)

Directors have been in office since 1st January 2020 to the date of this report unless otherwise stated.

Company Secretary

Catherine Kleemann was appointed company secretary on 1 May 2012 and held the position at until 1 November 2020. Judith Anne Maude was then appointed as secretary effective 02 November 2020 and held the position at the end of the year.

Principal Activities

The principal activities of the company during the financial year were:

— The provision of religious and educational training.

Short-term and long-term objectives

The company's short-term objectives are to:

- Provide a holistic and transformational discipleship experience anywhere in Australia in a cost effective way
- To fully integrate with initiatives to support the kingdom values of our governing bodies, Churches of Christ in NSW & ACT and the Christian and Missionary Alliance of Australia.

Short-term and long-term objectives (cont'd)

The company's long-term objectives are to:

- Support Christian communities in their ministry and mission through the development of effective, healthy and spiritual leaders
- Build a national reputation as a centre for excellence and innovation in spiritual formation, ministry preparation, theological depth and mission practice
- Develop job ready graduates who are pursuing lives of purpose enhanced by college's rich emphasis on simple uncluttered Christianity
- Become sustainable through wise stewardship, effective management, stakeholder buy-in, staff development and strategic partnership

Operating Results

The net amount of the profit of the Company for the year ended 31 December 2020 was $453,863. (2019: profit of $11,954)

Dividends Paid or Recommended

As the company is limited by guarantee there has been no dividend paid or recommended since the end of the previous financial year.

Review of Operations

The company took over the operations of an unincorporated entity, Churches of Christ in NSW – Australian College of Ministries, and was assigned its assets and liabilities on 25th June 2008. There were no changes in the nature of operations during the year.

Australian College of Ministries is committed to serving disciples of Jesus, by offering Higher Education awards ranging from Diploma to Doctoral studies.

Significant Ongoing Event - Impact Of Covid-19

In 2020, Covid-19 impacted the results of the company through a minor reduction in student units and cancellation of some specialised units and events. Staff and student activities were adapted in order to meet federal and state restrictions. Federal government assistance, via JobKeeper payments, was provided to the value of $518,700, which is reflected in other revenue.

The Coronavirus pandemic, which is currently affecting the global economy, could impact the company's business activity in 2021. All of the measures to assist and to protect the company's employees, and also to retain staff (working remotely, etc.) have been implemented. The annual accounts have been established on the basis of assumptions and business plans validated on the closing date. In this context, the possible effects of the Covid-19 crisis were not taken into consideration at the time of preparing these financial statements. At this stage, the impact of this pandemic on the 2021 financial accounts cannot be certain.

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DIRECTORS' REPORT (cont'd)

Information on Directors

Kenneth James Graham

Qualifications:	Diploma in Structural Engineering Diploma in Theology Certificate IV Family Counselling Bachelor of Ministry
Memberships:	None
Experience:	29 years ministry experience Current president of C&MA Australia Chair and Director of the Alliance Development Fund Director – CAMA Services Overseas Aid Fund NSW Police Chaplaincy
Interest in Contracts:	None
Special Responsibilities:	Chair of the Finance Committee Member of the Finance Committee

Dr Peter Harry Carblis

Qualifications:	
Membership:	Bachelor of Science (Honours) (Syd) Graduate Diploma of Education (Secondary Science) (Wesley Institute) Master of Biblical Studies (Christian International USA) Master of Education (Adult Education) (UTS) Master of Ministry (CSU) Doctor of Philosophy (MQ) Doctor of Philosophy (SCD)
Experience:	42 Years in Christian Ministry Senior Roles in Church Planting and Christian School Foundation Principal Tabor College NSW (2003-2009) Academic Board Morling College
Interest in Contracts:	None
Special Responsibilities:	None

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DIRECTORS' REPORT (cont'd)

Information on Directors (Cont'd)

Anne Simpson

Qualifications:	Bachelor of Theology Masters in Theology
Membership:	None
Experience:	Endorsed Minister (church pastoral ministry) Day Care Board member
Interest in Contracts:	None
Special Responsibilities:	Student Representative

Professor Michael Andrew Adams

Qualifications:	Bachelor of Arts (Hons) in Business Law Master of Laws
Membership:	Law Society Fellow of Australian Academy of Law Fellow of the Australian College of Educators Fellow of Institute of Chartered Secretaries and Administrators Life Fellow of the Governance Institute of Australia
Experience:	Expert in corporate law and governance Church leader 25+ experience in Christian ministry Dean/Head of Law Schools
Interest in Contracts:	None
Special Responsibilities:	Chair

Darren James Farrell

Qualifications:	Diploma of Theology
Membership:	Australian Institute of Company Directors
Experience:	9 Years Backoffice Leadership in Investment Banking 13 Years Ministry Leadership in local and Parachurch organisations ACOM Formation Director 2018 Executive Ministry Director of Churches of Christ in NSW & ACT
Interest in Contracts:	None
Special Responsibilities:	None

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DIRECTORS' REPORT (cont'd)

Information on Directors (Cont'd)

Retired Directors

Andrew Peter Ball

Qualifications:	Bachelor of Science (Honours) Bachelor of Divinity Doctor of Ministry
Memberships:	None
Experience:	32 years pastoral ministry Executive Ministry Director of Churches of Christ in NSW and the ACT
Interest in Contracts:	None
Special Responsibilities:	None

Daniel Robert Dwyer

Qualifications:	Bachelor of Laws (Honours) Bachelor of Information Technology GradDip in Legal Practice Master of Laws (International Business and Economic Law) Master of Emergency Management
Membership:	MAICD, Australian Institute of Company Directors FGIA, Governance Institute of Australia Member of the Law Society of NSW Admitted as a legal practitioner by the Supreme Court of NSW and High Court of Australia
Experience:	18 years company directorships in not for profit sector 18 years in legal, general counsel and corporate leadership roles
Interest in Contracts:	None
Special Responsibilities:	None

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DIRECTORS' REPORT (cont'd)

Information on Directors (Cont'd)

Retired Directors (Cont'd)

Simon Edward Brailey

Qualifications:	Bachelor of Commerce (Actuarial Studies) Bachelor of Applied Finance
Memberships:	FIAA, Institute of Actuaries of Australia
Experience:	5 years of not for profit governance and oversight, with a focus on faith based statutory incorporated bodies 6 years of not for profit executive leadership experience in the community welfare sector 13 years in finance industry
Interest in Contracts:	None
Special Responsibilities:	Member of the Finance Committee

Karen Baker

Qualifications:	Associate in Music, Australia Global Executive MBA (UniSyd)
Memberships:	None
Experience:	22 years of general management and board experience across government, tertiary education and not for profits Member of Conference Executive, Churches of Christ in NSW and the ACT
Interest in Contracts:	None
Special Responsibilities:	Chair

AUSTRALIAN COLLEGE OF MINISTRIES
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DIRECTORS' REPORT (cont'd)

Information on Directors (Cont'd)

Retired Directors (Cont'd)

Daniel Wan Cheung Yeung

Qualifications:	Bachelor of Commerce (Accounting) Bachelor of Business Administration (Management) Master of Accounting (Honours) Master of Divinity GradDip in Information Systems Doctor of Philosophy (Candidate)
Memberships:	FCPA, CPA Australia CA, Chartered Institute of Australia and New Zealand FIPA, Institute of Public Accountants MACS, Australian Computer Society
Experience:	National Treasurer of Christian and Missionary Alliance Australia Director of Alliance Development Fund Lecturer in Accounting Information Systems, School of Business, Western Sydney University
Interest in Contracts:	None
Special Responsibilities:	Chair of the Finance Committee Member of the Finance Committee

AUSTRALIAN COLLEGE OF MINISTRIES
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DIRECTORS' REPORT (cont'd)

Directors' Meetings

During the year, 8 meetings of directors were held. Attendances were:

	Number Attended	Number eligible to attend
Andrew Peter Ball	8	8
Kenneth James Graham	8	8
Daniel Robert Dwyer	4	4
Daniel Wan Cheung Yeung	2	2
Karen Baker	6	6
Simon Edward Brailey	5	5
Michael Andrew Adams	4	4
Anne Simpson	5	6
Peter Harry Carblis	6	6

Members' Liability

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of $10 each towards meeting any outstanding obligations of the entity. At 31 December 2020, the total amount that members of the company are liable to contribute if the company is wound up is $20 (2019: $20).

Auditor's Independence Declaration

The auditor's independence declaration is set out on page 11 and forms part of the directors' report for the financial year ended 31st December 2020.

For and on behalf of the Board.

Darren Farrell

Professor Michael Adams

Sydney, 2nd June 2021

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AUDITOR'S INDEPENDENCE DECLARATION

In accordance with the requirements of section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012, as auditor of Australian College of Ministries Ltd for the year ended 31 December 2020, I declare that, to the best of my knowledge and belief, there have been

- No contraventions of the auditor independence requirements of the Australian Charities and Not-for-profits Commission Act 2012 and in relation to the audit; and

- No contraventions of any applicable code of professional conduct in relation to the audit.

Assura Group Pty Ltd
Chartered Accountants

Hanoze Udachia
Director

Sydney, 02 June 2021

AUSTRALIAN COLLEGE OF MINISTRIES
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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 $	2019 $
Revenues	2	3,143,080	3,563,684
Other income	2	1,369,148	967,473
Employee benefits expense		(2,148,637)	(1,946,527)
Depreciation and amortisation expense	3	(79,090)	(81,917)
Undergraduate, Postgraduate & Vocational Education Course Expenses		(1,416,862)	(1,953,356)
Internet, IT and Telephone expense		(33,612)	(24,051)
Motor vehicle, parking & travel expenses		(65,955)	(76,556)
Marketing expense		(25,143)	(66,360)
Administration expense		(284,858)	(366,888)
Interest on lease liability		(4,208)	(3,548)
Net profit (loss) before income tax expense		453,863	11,954
Income tax expense	1(a)	Nil	Nil
Profit (loss) for the year		453,863	11,954
Other comprehensive income			
Gain (Loss) on revaluation of financial assets		971	80,713
Total other comprehensive income for the year		971	80,713
Total comprehensive income (loss) attributable to members of the entity		**454,834**	**92,667**

The accompanying notes form part of these financial statements.

AUSTRALIAN COLLEGE OF MINISTRIES
A.B.N. 96 130 267 604
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Note	2020 $	2019 $
ASSETS			
CURRENT ASSETS			
Cash & cash equivalents	6	844,769	682,202
Trade & other receivables	7	259,695	121,013
Other current assets	8	105,382	126,629
TOTAL CURRENT ASSETS		1,209,846	929,844
NON-CURRENT ASSETS			
Financial assets	9	898,537	831,916
Property, plant and equipment	10	41,073	48,534
Right-of-use asset	11	54,785	45,548
TOTAL NON-CURRENT ASSETS		994,395	925,998
TOTAL ASSETS		2,204,241	1,855,842
LIABILITIES			
CURRENT LIABILITIES			
Trade & other payables	12	154,795	151,311
Provisions	13	346,569	229,287
Lease liability	14	34,472	34,764
TOTAL CURRENT LIABILITIES		535,836	415,362
NON-CURRENT LIABILITIES			
Trade & other payables	12	150,000	300,000
Provisions	13	60,325	147,597
Lease liability	14	21,906	11,543
TOTAL NON CURRENT LIABILITIES		232,231	459,140
TOTAL LIABILITIES		768,067	874,502
NET ASSETS		1,436,174	981,340
EQUITY			
Reserves	15	98,071	97,100
Retained earnings	16	1,338,103	884,240
TOTAL EQUITY		1,436,174	981,340

The accompanying notes form part of these financial statements.

AUSTRALIAN COLLEGE OF MINISTRIES
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

	Retained Earnings	Reserves	Total
	$	$	$
Balance at 1 January 2019	94,376	794,053	888,429
Total comprehensive income for the year			
Profit attributable to members	11,954	-	11,954
Other comprehensive income for the year:			
Net gain on revaluation of financial assets	-	80,713	80,713
Transfer to retained earnings	777,910	(777,666)	244
Total other comprehensive income for the year	777,910	(696,953)	80,957
Total comprehensive income for the year attributable to members of the entity	**789,864**	**(696,953)**	**92,911**
Balance at 31 December 2019	**884,240**	**97,100**	**981,340**
Balance at 1 January 2020	884,240	97,100	981,340
Total comprehensive income for the year			
Profit (loss) attributable to members	453,863	-	453,863
Other comprehensive income for the year:			
Net gain on revaluation of financial assets	-	971	971
Transfer to retained earnings	-	-	-
Total other comprehensive income for the year	-	971	971
Total comprehensive income for the year attributable to members of the entity	**453,863**	**971**	**454,834**
Balance at 31 December 2020	**1,338,103**	**98,071**	**1,436,174**

The accompanying notes form part of these financial statements.

AUSTRALIAN COLLEGE OF MINISTRIES

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STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 $	2019 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from donors and customers		4,372,454	4,670,318
Payments to suppliers and employees		(4,070,326)	(4,410,522)
Interest received		1,092	2,979
Net cash provided by (used in) operating activities	18(b)	303,220	262,775
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment (net)		(19,401)	(30,540)
Purchase of financial assets (net)		(65,650)	(28,762)
Net cash provided by (used in) investing activities		(85,051)	(59,302)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of lease liabilities		(55,602)	(55,913)
Net cash used in financing activities		(55,602)	(55,913)
Net increase (decrease) in cash held		162,567	147,560
Cash & cash equivalents as at beginning of the financial year		682,202	534,642
Cash & cash equivalents as at end of the financial year	18(a)	844,769	682,202

The accompanying notes form part of these financial statements.

AUSTRALIAN COLLEGE OF MINISTRIES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The Australian College of Ministries is a public company limited by guarantee, incorporated and domiciled in Australia.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001 and were prepared in order to satisfy the financial reporting requirements under the Australian Charities and Not-For-Profits Commission Regulation 2013. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

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

The financial statements, except for the cash flow information, 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. The amounts presented in the financial statements have been rounded to the nearest dollar.

a) Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Div. 50 of the *Income Tax Assessment Act 1997*.

b) Plant and Equipment

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

Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(j) for details of impairment).

Plant and equipment that have been contributed at no cost, or for nominal cost, are valued and recognised at the fair value of the asset at the date it is acquired.

AUSTRALIAN COLLEGE OF MINISTRIES

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

b) Plant and Equipment (continued)

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the company 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 Fixed Asset	Depreciation rate
Plant & Equipment	33% - 50%

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of profit or loss and other comprehensive income. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

c) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

d) Revenue

Course fee revenue, operating grants, donations and bequests

For any course fee revenue or operating grant revenue, the Entity assesses whether there exists a contract and if so, whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15 Revenue from Contracts with Customers.

For course fee and operating grant revenues, when both these conditions are satisfied, the Entity:

- –identifies each performance obligation relating to the grant
- –recognises a contract liability for its obligations under the agreement
- –recognises revenue as it satisfies its performance obligations.

AUSTRALIAN COLLEGE OF MINISTRIES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

d) Revenue (Cont'd)

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the Entity:

–recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (for example AASB 9, AASB 16, AASB 116 and AASB 138)

–recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer)

–recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If a contract liability is recognised as a related amount above, the Entity recognises income in profit or loss when or as it satisfies its obligations under the contract.

Donations and bequests are recognised on a cash basis.

Interest income

Interest income is recognised using the effective interest method.

e) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

f) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year together have been measured at the amounts expected to be paid when the liability is settled. 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. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

AUSTRALIAN COLLEGE OF MINISTRIES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

g) Members' Guarantee

The company is incorporated under the Corporations Act 2001 and is limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of $10.00 each towards meeting any outstanding obligations of the company. At 31st December 2020 the number of members was two.

h) Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the company during the reporting period that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(i) Financial Instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the entity 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

AUSTRALIAN COLLEGE OF MINISTRIES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Financial Instruments (Cont'd)

Classification and subsequent measurement of financial assets (Cont'd)

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.

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

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 entity's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments as well as long-term deposit that were previously classified as held-to-maturity under AASB 139.

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).

Equity instruments at fair value through other comprehensive income (Equity FVOCI)

Investments in equity instruments that are not held for trading are eligible for an irrevocable election at inception to be measured at FVOCI. Under Equity FVOCI, subsequent movements in fair value are recognised in other comprehensive income and are never reclassified to profit or loss. Dividend from these investments continue to be recorded as other income within the profit or loss unless the dividend clearly represents return of capital. This category includes unlisted equity securities that were previously classified as 'available-for-sale' under AASB 139.

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.

AUSTRALIAN COLLEGE OF MINISTRIES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Financial Instruments (Cont'd)

Subsequent measurement financial assets (Cont'd)

Impairment of Financial assets (Cont'd)

The entity 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 entity 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 entity uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The entity assesses impairment of trade receivables on a collective basis as they possess credit risk characteristics based on the days past due. The entity allows 0% for amounts that are 30 to 60 days past due, 0% for amounts that are between 60 and 90 days past due and writes off fully any amounts that are more than 90 days past due.

Classification and measurement of financial liabilities

As the accounting for financial liabilities remains largely unchanged from AASB 139, the entity 's financial liabilities were not impacted by the adoption of AASB 9. However, for completeness, the accounting policy is disclosed below.

The entity's financial liabilities include borrowings and trade and other payables.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the entity designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

AUSTRALIAN COLLEGE OF MINISTRIES
A.B.N. 96 130 267 604
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

j) Impairment of Assets

At the end of each reporting period, the entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

Where the assets are not held primarily for their ability to generate net cash inflows – that is, they are specialised assets held for continuing use of their service capacity – the recoverable amounts are expected to be materially the same as fair value.

Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued individual asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

k) Leases

At inception of a contract, the Entity 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 is recognised by the Entity where the Entity is a lessee. However, all contracts that are classified as short-term leases (ie a lease with a lease term of 12 months or less) and leases of low-value assets are recognised as an operating expense 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 commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Entity 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.

AUSTRALIAN COLLEGE OF MINISTRIES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

k) Leases (Cont'd)

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date, as well as 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 Entity anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

l) Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

m) Comparative figures

Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

n) Critical accounting estimates and judgments

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 based on current trends and economic data, obtained both externally and within the company.

AUSTRALIAN COLLEGE OF MINISTRIES
A.B.N. 96 130 267 604
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

NOTE 2: REVENUE AND OTHER INCOME	2020 $	2019 $
Revenue		
Revenue from operating activities		
— Undergraduate Course revenue	2,056,305	2,439,814
— Postgraduate Course revenue	1,086,775	1,123,870
Total revenue	3,143,080	3,563,684
Other income		
— Donations	-	150
— Interest received	1,092	2,979
— Investment Income	33,863	40,061
— Subsidies	731,568	575,894
— Other revenue	602,625	348,389
Total other income	1,369,148	967,473
Total revenue and other income	4,512,228	4,531,157

NOTE 3: PROFIT FOR THE YEAR

a) Expenses:		
Employee benefits expense:		
— Contributions to defined contribution superannuation funds	178,948	183,302
Depreciation of non-current assets:		
— Plant & Equipment	26,862	28,793
— Right- of-use assets	52,228	53,124

AUSTRALIAN COLLEGE OF MINISTRIES
A.B.N. 96 130 267 604

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

NOTE 4: KEY MANAGEMENT PERSONNEL

Transactions with Key Management Personnel

a. Directors' Remuneration

Anne Simpson was paid $6,250 during the year for contract work agreed to prior to her appointment as a director. The payment was not in respect of her role as a director of the company.

No other income was paid or payable to any directors of the company.

The names of the company directors who have held office during the financial year are:

— Andrew Peter Ball
— Daniel Robert Dwyer
— Karen Baker
— Peter Harry Carblis
— Michael Andrew Adams
— Kenneth James Graham
— Daniel Wan Cheung Yeung
— Simon Edward Brailey
— Anne Simpson

NOTE 5: AUDITOR'S REMUNERATION

	2020	2019
	$	$
Remuneration of the auditor of the company for:		
— Auditing or reviewing the financial report	12,000	10,900
	12,000	10,900

NOTE 6: CASH & CASH EQUIVALENTS

CURRENT		
Cash at bank	844,769	682,202
TOTAL CASH	844,769	682,202

NOTE 7: TRADE & OTHER RECEIVABLES

CURRENT		
Trade Receivables	256,245	117,563
Other Receivable	3,450	3,450
NET CURRENT RECEIVABLES	259,695	121,013

AUSTRALIAN COLLEGE OF MINISTRIES
A.B.N. 96 130 267 604

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

	2020	2019
	$	$

NOTE 8: OTHER ASSETS

	2020	2019
CURRENT		
Prepayments	81,312	91,753
GST Receivables	24,070	34,876
TOTAL OTHER ASSETS	105,382	126,629

NOTE 9: FINANCIAL ASSETS

	2020	2019
NON CURRENT		
Financial assets	898,537	831,916

NOTE 10: PROPERTY, PLANT AND EQUIPMENT

	2020	2019
PLANT AND EQUIPMENT		
Plant and equipment		
At Cost	206,629	202,072
Accumulated Depreciation	(165,556)	(153,538)
TOTAL PLANT AND EQUIPMENT	41,073	48,534

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial period.

	2020	2019
Plant and equipment	$	$
Balance at beginning of the year	48,534	46,788
Additions/(Disposals) at cost	19,401	30,539
Depreciation expense	(26,862)	(28,793)
Carrying amount at the end of the year	41,073	48,534

The fixed assets of Australian College of Ministries (unincorporated) were taken over by the Company on 25 June 2008 together with the related amounts of accumulated depreciation.

AUSTRALIAN COLLEGE OF MINISTRIES
A.B.N. 96 130 267 604
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

NOTE 11: RIGHT-OF-USE ASSETS

		2020	2019
		$	$
i)	AASB 16 related amounts recognised in the balance sheet		
	Leased equipment	160,137	98,672
	Accumulated depreciation	(105,352)	(53,124)
		54,785	45,548
	Leased equipment:		
	Opening balance	45,548	-
	Addition to right-of-use asset	61,465	98,672
	Depreciation expense	(52,228)	(53,124)
	Net carrying amount	54,785	45,548
ii)	AASB 16 related amounts recognised in the statement of profit or loss		
	Depreciation charge related to right-of-use assets	52,228	53,124
	Interest expense on lease liabilities	4,208	3,548

NOTE 12: TRADE & OTHER PAYABLES

	2020	2019
	$	$
CURRENT		
Unsecured Liabilities		
Trade Creditors	12,622	29,540
Other Creditors and Accrued Expenses	142,173	121,771
	154,795	151,311
NON CURRENT		
Unsecured Liabilities		
Churches of Christ, NSW & ACT	150,000	300,000

AUSTRALIAN COLLEGE OF MINISTRIES
A.B.N. 96 130 267 604

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

	2020	2019
NOTE 13: PROVISIONS	$	$
CURRENT		
Employee entitlements	346,569	229,287
NON CURRENT		
Employee entitlements	60,325	147,597

NOTE 14: LEASE LIABILITY

Current	34,472	34,764
Non-current	21,906	11,543
	56,378	46,307

NOTE 15: RESERVES

Asset Revaluation Reserve	98,071	97,100
	98,071	97,100

NOTE 16: RETAINED EARNINGS

Opening balance	884,240	94,376
Net surplus (loss) for the year	453,863	11,954
Transfer to retained earnings	-	777,910
	1,338,103	884,240

AUSTRALIAN COLLEGE OF MINISTRIES
A.B.N. 96 130 267 604
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

NOTE 17: RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

NOTE 18: CASH FLOW INFORMATION

	2020 $	2019 $
a) Reconciliation of Cash & cash equivalents		
Cash & cash equivalents at end of the financial year as shown in the statements of cash flows is reconciled to the related items in the statement of financial position as follows:		
Cash at Bank	844,769	682,202
Cash & cash equivalents	844,769	682,202
b) Reconciliation of cash flow from operations with net profit after income tax		
Operating surplus/(deficit) after income tax	453,863	11,954
Non-cash flows in net profit		
Depreciation	79,090	81,917
Interest on lease liability	4,208	3,548
Changes in assets and liabilities:		
Decrease/(increase) in receivables	(138,682)	132,837
Decrease/(increase) in other assets	21,247	9,304
Increase/(decrease) in payables	(146,516)	28,641
Increase/(decrease) in provisions	30,010	(5,426)
Cash flows from operations	303,220	262,775

AUSTRALIAN COLLEGE OF MINISTRIES
A.B.N. 96 130 267 604

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

NOTE 19: FINANCIAL RISK MANAGEMENT

The Company's financial instruments consist mainly of deposits with banks, short-term investments and accounts receivable and payable.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2020 $	2019 $
Financial assets			
Cash and cash equivalents	6	844,769	682,202
Trade and other receivables	7	259,695	121,013
Financial assets	9	898,537	831,916
Total financial assets		**2,003,001**	**1,635,131**
Financial liabilities			
Financial liabilities at amortised cost:			
Trade and other payables	12	304,795	451,311
Total financial liabilities		**304,795**	**451,311**

NOTE 20: SIGNIFICANT ONGOING EVENT - IMPACT OF COVID-19

In 2020, Covid-19 impacted the results of the company through a minor reduction in student units and cancellation of some specialised units and events. Staff and student activities were adapted in order to meet federal and state restrictions. Federal government assistance, via JobKeeper payments, was provided to the value of $518,700, which is reflected in other revenue.

The Coronavirus pandemic, which is currently affecting the global economy, could impact the company's business activity in 2021. All of the measures to assist and to protect the company's employees, and also to retain staff (working remotely, etc.) have been implemented. The annual accounts have been established on the basis of assumptions and business plans validated on the closing date. In this context, the possible effects of the Covid-19 crisis were not taken into consideration at the time of preparing these financial statements. At this stage, the impact of this pandemic on the 2021 financial accounts cannot be certain.

NOTE 21: EVENTS AFTER THE REPORTING PERIOD

The directors are not aware of any significant events since the end of the reporting period.

AUSTRALIAN COLLEGE OF MINISTRIES

A.B.N. 96 130 267 604

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

NOTE 22: OTHER RELATED PARTY TRANSACTIONS

Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel individually or collectively with their close family members.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons unless otherwise stated.

NOTE 23: CAPITAL AND LEASING COMMITMENTS

	2020	2019
	$	$
Payable – minimum lease payments		
No later than one year	34,472	34,771
Later than 1 year but not later than 5 years	22,098	16,185
Total undiscounted lease liabilities	56,570	50,956

NOTE 24: CONTINGENT LIABILITIES

Estimates of the potential financial effect of contingent liabilities that may become payable:		
Sydney College of Divinity	50	50

ACOM is a member of Sydney College of Divinity. All members of Sydney College of Divinity need to contribute up to $50 in the event of the company winding up.

NOTE 25: STATEMENT OF OPERATIONS BY SEGMENTS

The company derived its income from the provision of training and educational services within Australia, subscriptions from related parties, and through receipt of donations from the community.

NOTE 26: COMPANY DETAILS

The principal place of business and registered office of the company is:

Level 1, 3 Rider Boulevard, Rhodes, NSW 2138

AUSTRALIAN COLLEGE OF MINISTRIES
A.B.N. 96 130 267 604
DIRECTORS' DECLARATION

The Directors of the company declare that:

1. the financial statements and notes, as set out on pages 12 to 31 are in accordance with the Corporations Act 2001 and:
   a. comply with Australian Accounting Standards – Reduced Disclosure Requirements; and
   b. give a true and fair view of the financial position as at 31 December 2020 and of the performance for the year ended on that date of the company;
2. In the Directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

Michael Adams

Darren Farrell

Professor Michael Adams

Sydney, 2nd June 2021

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
THE AUSTRALIAN COLLEGE OF MINISTRIES LTD

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Australian College of Ministries Ltd, which comprises the statement of financial position as at 31 December 2020, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of Australian College of Ministries Ltd has been prepared is in accordance with Div 60 of the Australian Charities and Not-for-profits Commission Act 2012, including:

a) Giving a true and fair view of the financial position of Australian College of Ministries Ltd as of 31 December 2020 and of its financial performance for the year then ended; and

b) Complying with Australian Accounting Standards – Reduced Disclosure Requirements and Div 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 as in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the company in accordance with the auditor independence requirements of the ACNC Act and of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter - Impact of COVID-19 pandemic

We draw attention to Note 20 of the financial report, which describes the impact of COVID-19 pandemic to the entity's operations and the measures taken in response to this. Our opinion is not modified in respect of this matter.

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
THE AUSTRALIAN COLLEGE OF MINISTRIES LTD (cont'd)

Responsibilities of the Directors for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Australian Charities and Not-for-profits Commission Act 2012 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate Australian College of Ministries Ltd 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 Company's internal control.

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

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
THE AUSTRALIAN COLLEGE OF MINISTRIES LTD (cont'd)

Auditor's Responsibilities for the Audit of the Financial Report (cont'd)

- Conclude on the appropriateness of the 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 Company'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 reporter, 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 Company 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 the management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

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

From the matters communicated with the management, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Assura Group Pty Ltd
Chartered Accountants

HUdachia

Hanoze Udachia
Director

Sydney, 02 June 2021