

Australian Fellowship of Evangelical Students

Financial Report

For the year ended 30 September 2024

ABN 91 509 626 599
ACN 145 358 185



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DIRECTORS DECLARATION

The Directors of the Company declare that:

1. The financial statements and notes comply with the requirements of the Australian Charities and Not for Profits Commission Act 2012 including:
 - (a) comply with Australian Accounting Standards - Simplified Disclosure Requirements; and
 - (b) give a true and fair view of the financial position as at 30 September 2024 and of the performance and cash flows for the year ended on that date of the Company; and
2. The provisions of the Charitable Fundraising Act 1991 and the conditions attached to the Authority to Fund Raise have been complied with.
3. Internal Controls exercised by the Organisation are appropriate and effective in accounting for all income received and applied from any fundraising appeals.
4. 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 and in accordance with subs. 60.15(2) of the ACNC Commission regulation 2022.

A handwritten signature in black ink that reads "A. Bain". The signature is written in a cursive style with a large initial "A" and a smaller "Bain".

Andrew Bain

Director

7 November 2024



PASCOE & CO
CHARTERED ACCOUNTANTS

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SUBDIVISION 60-C OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS
COMMISSION ACT 2012**

TO THE MEMBERS OF AUSTRALIAN FELLOWSHIP OF EVANGELICAL STUDENTS

We declare to the best of our knowledge and belief, during the year ended 30 September 2024 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-Profits Commission Act 2012* in relation to audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

PASCOE & CO

JOHN PASCOE
Director

7 November 2024

Pascoe & Co Pty Limited
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Director John Pascoe FCA

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Liability limited by a scheme approved under Professional Standards Legislation.

Statement of Financial Position (Balance Sheet)

For the year ended 30 September 2024

	Notes	2024 \$	2023 \$
Current Assets			
Cash and Cash Equivalents	2	12,903,835	11,216,156
Receivables	3	268,861	191,295
Other Assets	4	229,135	285,298
Total Current Assets		<u>13,401,831</u>	<u>11,692,749</u>
Non-current Assets			
Land & Buildings	5	1,982,490	3,472,490
Plant & Equipment	5	128,245	86,129
Intangible Assets	19	102,055	131,978
Total Non-current Assets		<u>2,212,790</u>	<u>3,690,597</u>
Total Assets		<u>15,614,621</u>	<u>15,383,346</u>
Current Liabilities			
Other Payables	6	1,288,374	1,578,370
Provisions - Current	7, 20	2,378,147	2,426,422
Total Current Liabilities		<u>3,666,521</u>	<u>4,004,792</u>
Non-current Liabilities			
Provisions - Non-current	7, 20	238,995	209,586
Total Liabilities		<u>3,905,516</u>	<u>4,214,378</u>
Net Assets		<u>11,709,105</u>	<u>11,168,968</u>
Accumulated Funds and Reserves			
Designated Funds	1(c), 17	2,893,796	2,841,478
Accumulated Funds		<u>8,815,309</u>	<u>8,327,490</u>
Total Accumulated Funds and Reserves		<u>11,709,105</u>	<u>11,168,968</u>

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the year ended 30 September 2024

	Total Funds and Reserves	Accumulated Funds	Designated Funds
	\$	\$	\$
Balance at 30th September 2022	10,754,466	8,024,403	2,730,063
Surplus for the year	414,502	414,502	-
Transfers to Designated Funds	-	(111,415)	111,415
Balance at 30 September 2023	11,168,968	8,327,490	2,841,478
Balance at 30 September 2023	11,168,968	8,327,490	2,841,478
Surplus for the year	540,137	540,137	-
Transfer to Designated Funds	-	(52,318)	52,318
Balance at 30 September 2024	11,709,105	8,815,309	2,893,796

During the financial year AFES has received income and incurred expenses for specific purposes referred to as Designated Funds. The Statement of Changes in Equity separates Designated Funds total net income from total accumulated funds.

Refer Note 17 for further details.

The accompanying notes form part of these financial statements.

Statement of Income and other Comprehensive Income
For the year ended 30 September 2024

	Note	2024 \$	2023 \$
Revenue			
Donations		17,976,228	17,540,304
Grants received		399,666	345,000
Interest on financial assets not at fair value - from banks		548,610	181,308
Rental Income		109,759	113,206
Recovery of office costs		44,581	34,943
Income from Conferences and Events	8	1,362,036	1,254,492
Other revenue and projects		318,579	230,172
<i>Total Income</i>		<u>20,759,459</u>	<u>19,699,425</u>
Expenses			
Audit Remuneration		10,950	9,850
Expenses from Conferences and Events	8	1,442,364	1,234,072
Depreciation		68,606	60,840
Amortisation		29,923	93,405
Employee Benefits		15,976,175	15,507,655
Other payments to suppliers and Employees		2,691,304	2,379,101
<i>Total Expenses</i>		<u>20,219,322</u>	<u>19,284,923</u>
Operating Surplus for the year		<u>540,137</u>	<u>414,502</u>
Comprehensive Income		-	-
Total Comprehensive Income for the Year		<u>540,137</u>	<u>414,502</u>

The accompanying notes form part of these financial statements

Statement of Cash Flows

For the year ended 30 September 2024

	Notes	2024 \$	2023 \$
Funds from Operations			
Donations received		17,976,228	17,540,304
Grants received		399,666	345,000
Interest received		548,610	181,308
Sale of Monash House Property		1,506,245	0
Other Income		1,741,144	1,683,784
Payments to staff and suppliers		(20,330,102)	(18,965,001)
Net Funds from Operations		<u>1,841,791</u>	<u>785,395</u>
Funds used in Investment Activities			
Expenditure on furniture, equipment, and software		(110,722)	(115,044)
Net Changes in IFES Deposit Funds		(43,390)	(76,765)
Funds used in investment activities		<u>(154,112)</u>	<u>(191,809)</u>
Net increase/(decrease) in cash and cash equivalents during the year		<u>1,687,679</u>	<u>593,586</u>
Cash and cash equivalents at the beginning of the year		11,216,156	10,622,570
Cash and cash equivalents at the end of the year	2	<u>12,903,835</u>	<u>11,216,156</u>
Operating surplus is reconciled to Funds from Operations as follows:			
Operating Surplus for the year		540,137	414,502
Non-cash expense item – Depreciation and Amortisation		98,529	154,244
Increase / (Decrease) in Payables		(43,233)	(64,168)
Increase / (Decrease) in Provisions - Current		(48,274)	169,869
Increase / (Decrease) in Provisions – Non-current		29,409	6,196
Increase / (Decrease) in Receipts in advance		(203,374)	183,136
(Increase) / Decrease in Receivables		(77,566)	50,971
(Increase) / Decrease in Prepayments		56,163	(129,355)
Funds from Operations		<u>351,791</u>	<u>785,395</u>

The accompanying notes form part of these financial statements

Notes to and forming part of the accounts

For the year ended 30 September 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are general purpose financial statements that have been prepared to satisfy the requirements of the Australian Charities and Not for Profit Commission Act and its Regulations and the needs of members. They have been prepared in accordance with Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Simplified Disclosure Requirements. The Company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. The financial statements, except for the cash flow statement, have been prepared on an accruals basis and are based on historical costs, modified, where appropriate, by the measurement at fair value of certain financial assets and liabilities.

The financial statements were authorised for issue on 7 November 2024 by the Board of Directors.

(a) Revenue

Donations and bequests are recognised as revenue when received.

Donation labour and materials are not recorded in the accounts. Donated equipment, if significant in amount, is included in "Donations" in the Income and Expenditure Statement at the estimated fair value at date of receipt. Interest revenue is recognised on a proportional basis considering the interest applicable to the financial assets.

(b) Regions Accounts

The results of various Regions have been incorporated into these accounts.

(c) Designated Funds

These funds, shown as reserves by AFES represent:

- (i) Monies received to be used for specific purposes where both principal and income are restricted in use in accordance with the instructions of the donor.
- (ii) Monies received where the donor has requested that the gift be used for purposes other than the meeting of the general overheads. The intention of the donor is noted in the records by the creation of a specially designated fund.
- (iii) Monies raised, and/or monies set aside by the Board for specific purpose.

Notes to and forming part of the accounts

For the year ended 30 September 2024

(d) Plant and Equipment, Depreciation and Amortisation

Each class is carried at cost less depreciation and any applicable impairment.

The depreciable amount of all fixed assets including buildings and any capitalised lease assets, is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is held ready for use.

Software, website and apps are initially recognised at cost. As they have a finite life they are carried as Intangible Assets at cost less any accumulated depreciation and impairment losses over their estimated useful life. They are assessed annually for impairment.

The depreciation rates used for each class of depreciable assets are:

Plant and equipment	20% - 33%
Intangibles - software and web	20%

Gains and losses on disposals are determined by comparing proceeds with the carrying amount.

These gains and losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation relating to that asset are transferred to retained earnings.

(e) Property Revaluation

Freehold land and buildings are shown at cost where indicated, or are shown at their fair value based on periodic valuations by external independent valuers. In periods not subject to independent valuations the AFES Board conduct directors' valuation to ensure the carrying amount for the land and buildings is not materially different to the fair value.

An increase or decrease in the value of land and buildings are recognised in 'other comprehensive income' under the heading of revaluation surplus or deficit.

Any major capital works in progress or new builds are treated as work in progress and transferred to the appropriate asset classification upon completion.

(f) Income Tax

No income tax has been provided in the accounts as AFES has received endorsement as a Tax Concession Charity effective from 1 July 2000. AFES is registered with the ACNC as a Charity.

Notes to and forming part of the accounts

For the year ended 30 September 2024

(g) Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. They are initially measured at fair value plus transaction costs except when expensed immediately. Subsequent measurement is at fair value, amortised using the effective interest rate method or cost. Where available, quoted market prices are used to determine fair value.

Impairment

At the end of each reporting period, the Company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a “loss event”) having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of financial assets carried at amortised cost, loss events may include indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the company recognises the impairment for such financial assets by considering the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Notes to and forming part of the accounts

For the year ended 30 September 2024

(g) Financial Instruments (cont'd)

Derecognition

Financial assets are derecognised when the contractual rights to receipt of cash flows expire, or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged, cancelled, or have expired. The difference between the carrying amount of the financial liability, which is extinguished or transferred to another party, and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(h) Presentation of Figures

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

(i) Critical Accounting Estimates and Judgements

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

The Company assesses impairment at the end of each reporting period by evaluating conditions and events specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Notes to and forming part of the accounts

For the year ended 30 September 2024

(j) Staff Entitlements

AFES makes provision for the obligation of annual leave benefits that are expected to be settled wholly within 12 months after the end of the annual reporting period ending 30th September 2024 and is provided for in the Annual Leave Provision Liability in accordance with AASB119: Employee Benefits. These short-term employee benefits are measured at the undiscounted value expected to be paid when the obligation is settled.

In the case of Long Service Leave, staff members continue to raise funds that are put aside throughout their period of engagement with AFES that are anticipated to be sufficient to allow for periods of leave taken in accordance with AFES policy. Provision is made for all long-term staff from the commencement of service in accordance with awards, where personnel are subject to awards, and in accordance with AFES policy.

A long service leave liability has been recognised even though a legal entitlement may not have yet arisen for some staff. An obligation is created when services are rendered by staff providing entitlement to the benefit if the specified event occurs. The probability that the specified event will occur affects the measurement of the obligation but does not determine whether the obligation exists as specified in AASB 119: Employee Benefits. The liability for long service leave is measured as the present value of the estimated future cash out flows to be made up to the reporting date. The discount rate used is determined by the market yields on Australian government bonds consistent with the estimated term of the obligation as required by AASB 119.

Both Annual Leave current liability and Long Service Leave current liability has been determined in accordance with AASB 101 para (69)(d): Presentation of Financial Statements.

Notes to and forming part of the accounts

For the year ended 30 September 2024

(k) Impairment of Assets

At the end of each reporting period, the entity assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g., in accordance with the revaluation model in AASB 116: *Property, Plant and Equipment*). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that Standard. 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.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

(l) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and short-term bank deposits with original maturities of twelve months or less.

(m) 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.

(n) Company Structure

The Company is limited by guarantee. In the event that the Company is wound up, the Constitution states that each member is required to contribute a maximum of \$20 each towards any outstanding obligations.

The Company has the consent of the Australian Securities and Investment Commission not to show the word "Limited" after its name.

Notes to and forming part of the accounts

For the year ended 30 September 2024

	Note	2024	2023
2. CASH AND CASH EQUIVALENTS		\$	\$
Cash at bank, at call accounts and in hand		3,809,330	3,026,467
Cash on Term Deposit		9,094,505	8,189,689
Total Cash and cash equivalents		<u>12,903,835</u>	<u>11,216,156</u>
3. OTHER CURRENT RECEIVABLES			
GST Refundable		110,617	113,001
Other Receivables		158,244	78,294
Total Other Receivables		<u>268,861</u>	<u>191,295</u>
4. OTHER CURRENT ASSETS			
Prepayments		229,135	285,298
Total other current assets		<u>229,135</u>	<u>285,298</u>
5. PROPERTY, PLANT & EQUIPMENT			
LAND AND BUILDINGS			
Freehold Land and Building at cost 22/01/19	5(a)	1,982,490	1,982,490
Freehold Land and Building at Directors Valuation	5(b)	0	1,490,000
Total Land & Buildings		<u>1,982,490</u>	<u>3,472,490</u>

(a) Freehold Land and Building at cost 22/01/19

On the 22 January 2019 AFES acquired 50% share of land and building located at 40-42 Gardeners Road, Kingsford N.S.W for the aggregate amount of \$1,982,490 including stamp duty. The co-owners, AFES and Financial & Retirement Solutions Pty Ltd, agreement states both parties have a 50% share of property revenue and expenses. If one partner desires to sell, the other partner has first right of purchase.

(b) Freehold Land and Building for Designated Purpose

AFES (in its capacity as Trustee) had title to land and building in the City of Monash. This property was donated to AFES for a specific purpose and hence was included in Equity as part of Designated Funds. The AFES Board had valued the property at \$1,490,000 on 30 September 2022 based on comparable property values within the immediate geographic vicinity. This property was sold on the 22 March 2024.

Refer Notes 17(a) and 18.

Notes to and forming part of the accounts

For the year ended 30 September 2024

PROPERTY, PLANT & EQUIPMENT continued	Note	2024	2023
		\$	\$
PLANT AND EQUIPMENT			
Furniture and Equipment at cost		262,334	217,635
Accumulated Depreciation		(134,089)	(131,506)
Total Furniture and Equipment		<u>128,245</u>	<u>86,129</u>
6. OTHER CURRENT PAYABLES			
Net NTE income in advance		117,689	321,063
IFES Ministries		210,218	253,607
AFES Ministry Expense Benefit		847,102	908,154
Other payables		113,365	95,546
Total Other Current Liabilities		<u>1,288,374</u>	<u>1,578,370</u>
7. PROVISIONS			
Annual Leave – Current		1,412,726	1,546,226
Long Service Leave – Current		965,421	880,196
Total Current Provisions		<u>2,378,147</u>	<u>2,426,422</u>
Long Service Leave – Non-current		238,995	209,586
Total Non-current Provisions		<u>238,995</u>	<u>209,586</u>
8. CONFERENCES AND EVENTS			
Campus Conferences			
Campus Group Camps Income	8(a)	593,998	504,058
Campus Group Camps Expenses	8(a)	(600,334)	(505,791)
Net Campus Group Camp Events		<u>(6,336)</u>	<u>(1,733)</u>
National Training Event (NTE)			
NTE Income		768,038	750,434
NTE Expenses		(842,031)	(728,281)
Net NTE		<u>(73,993)</u>	<u>22,153</u>

Notes to and forming part of the accounts

For the year ended 30 September 2024

(a) Classification of Conferences and Events – Campus Conferences

Campus Conferences income and expenses have been changed to exclude Campus Events. The prior year figures have been changed to reflect the same accounts used for the current year figures.

9. INFORMATION AND DECLARATIONS REQUIRED BY THE CHARITABLE FUND-RAISING ACT, 1991

AFES holds an Authority to fund raise number 15494 expiring 15/08/2028

Fund raising for the year comprised only general appeals for funds in newsletters. There were no specific appeals.

	2024	2023
	\$	\$
<i>Income from Fund Raising sources</i>		
Donations, Bequests and Grants	18,375,895	17,885,304
Interest from invested surpluses	548,610	181,308
Total income from fund raising sources	18,924,505	18,066,612
Income from other sources	1,834,954	1,632,813
Total Income	20,759,459	19,699,425
<i>This was applied to:</i>		
Staff salaries and benefits	14,262,173	13,769,657
Staff related expenditure	1,962,445	2,024,664
Total staff expenditure	16,224,618	15,794,321
Conferences, scholarships and events	2,036,140	1,774,070
Total application of funds to staff and students	18,260,758	17,568,391
Administration of a National Fellowship	1,669,385	1,592,884
Communication with supporters, students and staff	289,179	123,649
Total expenses	20,219,322	19,284,923
NET SURPLUS	540,137	414,502

Notes to and forming part of the accounts

For the year ended 30 September 2024

Note: AFES relies on the provision of God through the willingness of its donors to raise the necessary funds to support its staff and minister to the students on university campuses around Australia. We do not have fund-raising appeals but rely on communication of our work and circumstances to supporters through newsletters and supporters' dinners. For the purposes of this analysis (which is required by the Charitable Fund-Raising Act, NSW) the listing of "Communication with supporters, Staff and Students" has been used as a basis for cost to AFES of fund raising.

COMPARISONS	2024	2023
FR= Fund raising	\$	\$
Total cost of FR / gross income from FR	289,179 / 18,375,895	123,649 / 17,885,304
(Communication / Total Income from fund raising)	1.6%	0.7%
Analysis: Of what comes in from donated sources we spend around 1.6% of it in communicating with our supporters, staff and students.		
Net Surplus from FR / gross income from FR	18,086,716 / 18,375,895	17,761,655 / 17,885,304
(Net surplus = Income from fund raising sources less Communication)	98.4%	99.3%
Analysis: In other words, of all donations received, 98.4% is used towards running the ministry.		
Total cost of staff expenses / total expenditure	16,224,618 / 20,219,322	15,794,321 / 19,284,923
Analysis: 80.2% of total expenditure is related to the employment of staff	80.2%	81.9%
Total cost of staff expenses / total income received	16,224,618 / 20,759,459	15,794,321 / 19,699,426
Analysis: 78.2% of all income received is applied towards the employment of staff	78.2%	80.2%
Total cost towards staff and students / total expenditure	18,260,758 / 20,219,322	17,568,391 / 19,284,923
Analysis: 90.3% of total expenditure is related to support of staff and students.	90.3%	91.1%
Total cost towards staff and students / total income received.	18,260,758 / 20,759,459	17,568,391 / 19,699,426
Analysis: 88.0% of all income received is applied towards support of staff and students.	88.0%	89.2%

Notes to and forming part of the accounts

For the year ended 30 September 2024

10. CAPITAL AND LEASE COMMITMENTS

Operating Lease Commitments. At present there is no lease agreement in place though rent continues to be paid monthly based on a predetermined agreement.

11. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

NIL

12. ECONOMIC DEPENDENCE

Australian Fellowship of Evangelical Students is dependent on the donations of supporters for the majority of its revenue used to operate the organisation. At the date of this report, the Board of Directors has no reason to believe the Supporters will not continue to support Australian Fellowship of Evangelical Students.

13. EVENTS AFTER THE REPORTING PERIOD

NIL

14. RELATED PARTIES

14 (a) Directors of Australian Fellowship of Evangelical Students

Members of the Board of Directors at any time during the year were:

Director	Meetings Attended	Eligible to attend
Andrew Bain	8	8
Clare Deeves	8	8
Daniel Hill-Brown	8	8
Andrew Jackson	8	8
Clement Lo	8	8
Tim Newans	7	8
Di Warren (Appointed 1/12/23)	6	6
Emma Wilkins	8	8
Christopher Dalton (Resigned 18/8/24)	7	7
Yvette McDonald (Retired 1/12/23)	1	2
Susan Shiner (Retired 1/12/23)	1	2

All Board members are non-executive directors providing voluntary services to AFES. Since the beginning of the financial year no Board member of the Fellowship has received or has become entitled to receive any benefit or remuneration in any capacity.

Notes to and forming part of the accounts

For the year ended 30 September 2024

14 (b) Retirement and Financial Solutions Pty Ltd – Principal Robert Brooks

Retirement and Financial Solutions Pty Ltd has a 50% share in the property 40-42 Gardeners Road, Kingsford, N.S.W. since AFES acquired 50% share of the property on 22 January 2019.

Both owners share equally property revenue and expenses and have separate property titles

15. COMPANY INFORMATION

Registered Office and Principal place of business: 1/40-42 Gardeners Road, Kingsford NSW.

Incorporation Status: Company Limited by Guarantee (ACN 145 358 185)

16. FINANCIAL RISK MANAGEMENT

There was no market risk at year end as funds were held in Australian banks in short-term interest-bearing banking accounts and term deposits only.	2024	2023
	\$	\$

The exposure to interest rate risk (based on funds held at balance date):

A change of 0.5% in interest, rates administration income would change by:	64,519	56,081
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Foreign exchange risk

AFES is not exposed to significant fluctuations in foreign currencies.

Foreign currency amounts held are:	AUD	AUD
Foreign currency receivable on the balance sheet in USD revalued at 30 September 2024.	66,812	13,084

Notes to and forming part of the accounts

For the year ended 30 September 2024

	2024	2023
	\$	\$
17. DESIGNATED FUNDS		
Monash Evangelical Union House Trust	2,042,405	1,983,311
Leslie Griffiths Fund	274,332	261,518
New Ministry Fund	464,823	439,823
Student Engagement	112,236	156,826
Total designated funds	<u>2,893,796</u>	<u>2,841,478</u>
17 (a) Monash Evangelical Union Trust		
Trust assets		
- Bank deposits	2,042,405	493,311
- Property	0	1,490,000
Net Assets	<u>2,042,405</u>	<u>1,983,311</u>
Trust Income		
- Rent	7,560	30,240
- Gain on Sale	18,308	-
- Interest	59,697	18,493
Total Income	<u>85,565</u>	<u>48,733</u>
Trust Expenditure		
- Trust expenditure	6,472	8,253
- Donations transfer for work on Monash University	20,000	5,200
Total Outgoings	<u>26,472</u>	<u>13,453</u>
Net surplus / (deficit)	<u>59,093</u>	<u>35,280</u>
17 (b) Leslie Griffiths Fund		
Trust assets		
- Bank deposits	274,332	261,518
Net Assets	<u>274,332</u>	<u>261,518</u>
Trust Income		
Interest	12,814	10,149
Total Income	<u>12,814</u>	<u>10,149</u>
Trust Expenditure		
Donations transfer for work on Melbourne University	-	-
Total Outgoings	-	-
Net surplus / (deficit)	<u>12,814</u>	<u>10,149</u>

Notes to and forming part of the account

For the year ended 30 September 2024

	2024	2023
	\$	\$
17 (c) New Ministries Fund		
Bank deposits	<u>464,823</u>	<u>439,823</u>
Net Assets	<u>464,823</u>	<u>439,823</u>
Donations	161,000	180,000
Donations transferred to New Ministries	<u>(136,000)</u>	<u>(175,412)</u>
Net surplus / (deficit)	<u>25,000</u>	<u>4,588</u>
17 (d) Student Engagement Innovation Project		
Bank deposits	<u>112,236</u>	<u>156,826</u>
Net Assets	<u>112,236</u>	<u>156,826</u>
Donations	120,000	198,432
Expenditure	<u>(164,590)</u>	<u>(137,034)</u>
Net surplus / (deficit)	<u>(44,590)</u>	<u>61,398</u>

Notes to and forming part of the accounts

For the year ended 30 September 2024

18. MOVEMENTS IN CARRYING AMOUNTS OF FIXED ASSETS

	Land & Building \$	Furniture & Equipment \$	Total \$
Balance at the beginning of the year	3,472,490	86,129	3,558,619
Additions at cost	-	110,722	110,722
Disposals	(1,490,000)	(66,023)	(1,556,023)
Disposals Provision for Depreciation	-	66,023	66,023
Depreciation Expense	-	(68,606)	(68,606)
Carrying amount at end of year	<u>1,982,490</u>	<u>128,245</u>	<u>2,110,735</u>

19. INTANGIBLE ASSETS - SOFTWARE, WEB, ETC

	2024 \$	2023 \$
Balance at the beginning of the year	131,978	163,247
Additional at cost	-	62,136
Amortisation charge	(29,923)	(93,405)
Carrying amount at end of year	<u>102,055</u>	<u>131,978</u>

20. PROVISIONS

	2024 \$	2023 \$
Balance at the beginning of the year	2,636,008	2,459,942
Net Movement for the year	(18,866)	176,066
Carrying amount at end of year	<u>2,617,142</u>	<u>2,636,008</u>

21. AUDIT REMUNERATION

	2024 \$	2023 \$
Audit and review of financial statements	10,950	9,850
Other services	-	-
Total Audit Remuneration	<u>10,950</u>	<u>9,850</u>

22. KEY MANAGEMENT PERSONNEL

The total of remuneration paid during the year to

Key Management Personnel	182,971	180,657
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Key Management Personnel are defined as persons having authority and responsibility for planning, directing and controlling the activities of AFES directly or indirectly including any director (AASB 124 (9) Related Parties).

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AUSTRALIAN FELLOWSHIP OF EVANGELICAL STUDENTS**

Opinion

We have audited the financial report of Australian Fellowship of Evangelical Students, which comprises the statement of financial position as at 30 September 2024, the statement of income and other comprehensive income for the year then ended, statement of changes in equity, statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors declaration.

In our opinion, the accompanying financial report gives a true and fair view of the financial position of Australian Fellowship of Evangelical Students as at 30 September 2024 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements, and the requirements of Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012*.

Basis of 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 association in accordance with 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 – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the association's financial reporting responsibilities under the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of the Directors for the Financial Report

The directors of the Entity are responsible for the preparation of the financial report that gives a true and fair view, and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and is appropriate to meet the needs of the directors. The Director's responsibility also includes such internal control as they determine is necessary to enable the preparation to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In preparing the financial report, the directors are responsible for assessing the association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the board of management either intends 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PASCOE & CO

JOHN S PASCOE
Director

7 November 2024

Pascoe & Co Pty Limited
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Director John Pascoe FCA

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