

AUSTRALIAN LEARNING GROUP PTY LIMITED
A.B.N. 28 112 741 723

7

FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2014

AUSTRALIAN LEARNING GROUP PTY LIMITED
A.B.N. 28 112 741 723

CONTENTS

Profit and Loss Statement	1
Profit and Loss Appropriation Statement	4
Balance Sheet	5
Notes to the Financial Statements	6
Director's Declaration	12
Compilation Report	13

AUSTRALIAN LEARNING GROUP PTY LIMITED
A.B.N. 28 112 741 723

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2014

	2014 \$	2013 \$
INCOME		
Professional Fees	<u>5,434,722</u>	<u>4,508,389</u>
OTHER INCOME		
Practice rent	56,344	49,564
Interest Received	14,437	16,725
Gross (loss) profit from trading	<u>(19,041)</u>	<u>1,636</u>
	<u>51,740</u>	<u>67,925</u>
	<u>5,486,462</u>	<u>4,576,314</u>

The accompanying notes form part of these financial statements.
These statements should be read in conjunction with the attached compilation
report of HURWITZ GELLER PTY LIMITED.

AUSTRALIAN LEARNING GROUP PTY LIMITED
A.B.N. 28 112 741 723

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2014

	2014 \$	2013 \$
EXPENSES		
Accountancy fees	6,775	4,520
Advertising	75,307	70,858
Appeals	-	2,000
Bad Debts Written Off	15,296	-
Bank charges	12,913	13,422
Bulk SMS service charges	4,027	449
Bookkeeping	10,709	11,420
Canteen supplies	1,329	-
Clinic booking system	3,058	1,374
Cleaning	28,826	27,096
Commissions paid	596,258	529,557
Computer expenses	7,663	1,289
Consultancy fees	873,053	811,272
Conferences	6,273	540
Courier & freight	431	130
Depreciation	62,244	53,087
Educational reference material	85,591	61,640
Entertainment expenses	5,825	4,037
Filing fees	6	460
Fines & penalties	-	1
Fitness centre costs	136,071	147,202
General Expenses	2,100	1,650
Gifts	1,407	880
Hire of plant & equipment	4,506	4,368
Insurance	36,794	19,106
Internet expenses	12,627	13,726
Laundry fee	25,241	22,324
Legal costs	600	700
Licensing fees	54,773	34,290
Motor vehicle expenses	3,850	3,750
Office supplies	24,428	-
Payroll tax	39,328	21,399
Pest control	400	829
Postage	18,465	16,934
Printing & stationery	91,228	102,286
Rent	348,975	347,030
Repairs & maintenance	10,994	9,605

The accompanying notes form part of these financial statements.
These statements should be read in conjunction with the attached compilation
report of HURWITZ GELLER PTY LIMITED.

AUSTRALIAN LEARNING GROUP PTY LIMITED
A.B.N. 28 112 741 723

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
	\$	\$
Referral fees	4,602	24,385
Removalist	3,439	833
Salaries and wages	1,219,326	942,508
Security costs	601	2,313
Staff amenities	3,400	6,870
Staff training	2,437	6,611
Staff recruitment	7,231	5,571
Subscriptions	13,814	4,966
Sundry expenses	240	-
Superannuation	170,695	131,340
Telephone	13,402	10,088
Temp staff - agencies	19,721	67,797
Travelling expenses	36,211	29,044
Travel cards	-	5,750
Uniforms	1,651	6,169
Venue hire	91,289	41,685
Waste disposal	768	312
	4,196,198	3,625,473
Profit before income tax	1,290,264	950,841

The accompanying notes form part of these financial statements.
These statements should be read in conjunction with the attached compilation
report of HURWITZ GELLER PTY LIMITED.

AUSTRALIAN LEARNING GROUP PTY LIMITED
A.B.N. 28 112 741 723

PROFIT AND LOSS APPROPRIATION STATEMENT
FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
Profit before income tax		1,290,264	950,841
Income tax expense		393,766	288,036
Profit after income tax		896,498	662,805
Retained earnings at the beginning of the financial year		1,874,904	1,503,099
Total available for appropriation		2,771,402	2,165,904
Interim Dividend Paid		500,000	291,000
Retained earnings at the end of the financial year		2,271,402	1,874,904

The accompanying notes form part of these financial statements.
These statements should be read in conjunction with the attached compilation
report of HURWITZ GELLER PTY LIMITED.

AUSTRALIAN LEARNING GROUP PTY LIMITED
A.B.N. 28 112 741 723

BALANCE SHEET
AS AT 30 JUNE 2014

	Note	2014 \$	2013 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	1,167,754	897,695
Trade and other receivables	3	602,294	445,992
Inventories	4	7,540	7,540
Other current assets	5	7,412	6,604
TOTAL CURRENT ASSETS		<u>1,785,000</u>	<u>1,357,831</u>
NON-CURRENT ASSETS			
Property, plant and equipment	6	443,048	433,260
Intangible assets	7	326,293	326,293
TOTAL NON-CURRENT ASSETS		<u>769,341</u>	<u>759,553</u>
TOTAL ASSETS		<u>2,554,341</u>	<u>2,117,384</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	8	95,645	117,162
Tax liabilities	9	176,609	111,152
TOTAL CURRENT LIABILITIES		<u>272,254</u>	<u>228,314</u>
NON-CURRENT LIABILITIES			
Borrowings	10	10,683	14,164
TOTAL NON-CURRENT LIABILITIES		<u>10,683</u>	<u>14,164</u>
TOTAL LIABILITIES		<u>282,937</u>	<u>242,478</u>
NET ASSETS		<u>2,271,404</u>	<u>1,874,906</u>
EQUITY			
Issued capital	11	2	2
Retained earnings	12	2,271,402	1,874,904
TOTAL EQUITY		<u>2,271,404</u>	<u>1,874,906</u>

The accompanying notes form part of these financial statements.
These statements should be read in conjunction with the attached compilation
report of HURWITZ GELLER PTY LIMITED.

AUSTRALIAN LEARNING GROUP PTY LIMITED
A.B.N. 28 112 741 723

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

1 Statement of Significant Accounting Policies

The director has prepared the financial statements on the basis that the company is a non reporting entity because there are no users dependent on general purpose financial reports. This financial report is therefore a special purpose financial report that has been prepared in order to meet the needs of members.

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

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The accounting policies that have been adopted in the preparation of this report are as follows:

Income Tax

The income tax expense (income) for the year comprises current income tax expense (income). The company does not recognised deferred tax assets or liabilities.

Current income tax expense charged to profit or loss is the tax payable on taxable income. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of manufactured inventories includes direct materials, direct labour and an appropriate proportion of variable and fixed overhead.

Property, Plant and Equipment

Plant and equipment are measured on the cost basis.

AUSTRALIAN LEARNING GROUP PTY LIMITED
A.B.N. 28 112 741 723

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

Intangibles

Goodwill

Goodwill is initially measured at the amount by which the purchase price for a business combination exceeds the fair value attributed to the interest in the net fair value of identifiable assets, liabilities and contingent liabilities acquired at date of acquisition.

Goodwill is subsequently measured at cost less any impairment losses.

Goodwill is subject to impairment testing when the director consider that there is objective evidence the business has been impaired. Impairment losses are calculated based on the director's assessment of the business's recoverable amount. Recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have not been discounted in determining recoverable amount.

Gains and losses on the disposal of a business include the carrying amount of goodwill relating to the business sold.

Patents and trademarks

Patents and trademarks are valued in the accounts at cost of acquisition and are amortised over their estimated useful life.

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 balance sheet.

AUSTRALIAN LEARNING GROUP PTY LIMITED
A.B.N. 28 112 741 723

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and cessation of all involvement in those goods.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the end of the reporting period and where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

All revenue is stated net of the amount of goods and services tax (GST).

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 Tax 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 balance sheet.

AUSTRALIAN LEARNING GROUP PTY LIMITED
A.B.N. 28 112 741 723

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
	\$	\$
2 Cash and Cash Equivalents		
Cash on Hand	2	2
Petty cash	2,300	400
Deposits	450	302,420
ACPET Assurance Scheme	15,282	15,282
Cash at bank	18,835	125,169
Cash at bank	1,130,885	454,422
	<u>1,167,754</u>	<u>897,695</u>
3 Trade and Other Receivables		
Current		
Sundry Debtors	546,328	387,912
Loans - unsecured	503	503
Input tax credits	55,463	57,577
	<u>602,294</u>	<u>445,992</u>
4 Inventories		
Current		
Merchandise inventory	7,540	7,540
	<u>7,540</u>	<u>7,540</u>
5 Other Current Assets		
Current		
Prepayments	7,412	6,604
	<u>7,412</u>	<u>6,604</u>

AUSTRALIAN LEARNING GROUP PTY LIMITED
A.B.N. 28 112 741 723

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
	\$	\$
6 Property, Plant and Equipment		
Land and Buildings		
Property Improvements	122,404	122,404
Less: Accumulated Depreciation	<u>(6,436)</u>	<u>(3,376)</u>
	115,968	119,028
Total Land and Buildings	<u>115,968</u>	<u>119,028</u>
Office equipment	231,762	185,562
Less: Accumulated depreciation	<u>(117,559)</u>	<u>(83,145)</u>
	114,203	102,417
Website development	4,339	2,893
Less: Accumulated depreciation	<u>(992)</u>	<u>(250)</u>
	3,347	2,643
Low value pool	54,737	30,352
Less: Accumulated depreciation	<u>(25,401)</u>	<u>(15,114)</u>
	29,336	15,238
Low value pool	216	346
STS Pool	83,724	83,724
Less: Accumulated depreciation	<u>(72,716)</u>	<u>(67,999)</u>
	11,008	15,725
STS long life pool	227,919	227,919
Less: accumulated depreciation	<u>(58,949)</u>	<u>(50,056)</u>
	168,970	177,863
Total Plant and Equipment	<u>327,080</u>	<u>314,232</u>
Total Property, Plant and Equipment	<u>443,048</u>	<u>433,260</u>
7 Intangible Assets		
Formation expenses	-	-
Goodwill	326,193	326,193
Copyright	100	100
Total	<u>326,293</u>	<u>326,293</u>

AUSTRALIAN LEARNING GROUP PTY LIMITED
A.B.N. 28 112 741 723

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
	\$	\$
8 Trade and Other Payables		
Current		
Sundry creditors	(15,115)	(5,417)
Trade creditors	-	55,811
Other creditors	81,276	49,777
GST Payable	17,402	14,233
Payroll tax liability	12,082	2,758
	95,645	117,162
9 Tax		
Liabilities		
Current		
Provision for income tax	176,609	111,152
	176,609	111,152
10 Borrowings		
Non-Current		
Margaret Armstrong	10,683	14,164
	10,683	14,164
Total borrowings	10,683	14,164
11 Issued Capital		
Issued shares - A class	1	1
Issued shares - B Class	1	1
	2	2
12 Retained Earnings		
Retained earnings at the beginning of the financial year	1,874,904	1,503,099
Net profit attributable to members of the company	896,498	662,805
Dividends provided for or paid	(500,000)	(291,000)
Retained earnings at the end of the financial year	2,271,402	1,874,904

AUSTRALIAN LEARNING GROUP PTY LIMITED
A.B.N. 28 112 741 723

DIRECTOR'S DECLARATION

The director has determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The director of the company declares that:

1. The financial statements and notes, as set out on pages 4 to 11, present fairly the company's financial position as at 30 June 2014 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements; and
2. In the director's 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 director.

Director:


Matthew D Smith

Dated this 6 **day of** Dec, 2014

**COMPILATION REPORT
TO AUSTRALIAN LEARNING GROUP PTY LIMITED
A.B.N. 28 112 741 723**

We have compiled the accompanying special purpose financial statements of AUSTRALIAN LEARNING GROUP PTY LIMITED which comprise the balance sheet as at 30 June 2014, profit and loss statement for the year then ended, a summary of significant accounting policies and other explanatory notes.

The specific purpose for which these special purpose financial statements have been prepared is to provide information relating to the performance and financial position of the company that satisfies the information needs of the director set out in Note 1.

The responsibility of the director

The director is solely responsible for the information contained in the special purpose financial statements and has determined that the significant accounting policies adopted as set out in Note 1 to the financial statements are appropriate to meet their needs.

Our responsibility

On the basis of information provided by the director, we have compiled the accompanying special purpose financial statements in accordance with the significant accounting policies adopted as set out in Note 1 to the financial statements and APES 315: Compilation of Financial Information.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the director provided, in compiling the financial statements. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

The special purpose financial statements were prepared exclusively for the director. We do not accept responsibility to any other person for the content of the special purpose financial statements.

Name of Firm: HURWITZ GELLER PTY LIMITED
Chartered Accountants

Name of Director: _____
Graham Hurwitz 

Address: Suite 1301, Level 13, 22 Market Street, Sydney NSW 2000

Dated this9..... **day of** *December*,2014.....