Southern Cross Grammar

ACN 149 437 276

Financial Statements

For the Year Ended 31 December 2025

Southern Cross Grammar

ACN 149 437 276

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For the Year Ended 31 December 2025

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Southern Cross Grammar

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Directors' Report
31 December 2025

The Directors of Southern Cross Grammar present the following report for the year ended 31 December 2025.

1. General information

The names and particulars of the Directors at any time during the year are as follows:

Names	Committee Membership and Other Special Responsibilities	Occupations	Appointed	Resigned	Board Meetings Attended	Board Meetings Eligible
Alma Zulovic	Finance & Governance - Chair	Finance	01.05.2025	N/A	4	4
Gayathri Wijesekera	People & Engagement	Innovation and Design	13.06.2024	N/A	4	5
Nathan Fosnaugh	Deputy Chair of the Board	Banker	24.04.2018	N/A	5	5
Nikolce Pilovski	People & Engagement – Chair Infrastructure	Business Development	02.05.2018	N/A	5	5
Scott Radburn	Chair of the Board Chair of Infrastructure	Risk and Assurance	23.04.2019	N/A	5	5
Tanya Gucevski	People & Engagement - Chair	Human Resources	14.05.2025	N/A	3	3
John Chambers	Finance & Governance People & Engagement Infrastructure	Customs Broker	23.04.2018	30.04.2025	1	1
Frank Filippone	People & Engagement	Business Manager	13.4.2016	01.05.2025	1	2

The Directors held office throughout the year unless otherwise noted.

Principal activities

The company was incorporated on 21 February 2011 and commenced operations on 18 July 2011. The entity's principal activity during the year was the operation of an independent co-educational school for students from Foundation to Year Twelve.

During the financial year, the School had a change in Principal leadership, with Matthew Dodd ceasing his employment on 4 July 2025 and Brayden Stone being appointed as Principal from 6 October 2025. Emma Kannar was the Acting Principal during the transition period.

Loan Consolidation

In October 2025, the School engaged with ANZ Bank to consolidate its three loans into a single loan facility, securing marginally more favourable financing terms.

Short term and long term objectives

Southern Cross Grammar (SCG) has the Shared Ambition to design and deliver high-impact, human-centered learning that ignites meaningful collaboration on a world stage. With a Purpose of delivering tailored learning to maximise students' strengths and abilities, creating healthy, high- performing, independent learners and to building brighter futures.

Performance measurement

The Board of Management will ordinarily meet each school term and receives and reviews against the strategic plan, reports from the Principal and other members of the School's management relating to academic performance, financial results, school operations (including student welfare) and property matters.

Southern Cross Grammar

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Directors' Report
31 December 2025

1. General information

Members' guarantee

In the event of the School being wound up the liability of the members is limited to $50 each.

Number of current members: 12 (2024: 12)

Auditor's independence declaration

The auditor's independence declaration in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; for the year ended 31 December 2025 has been received and can be found on page 3 of the financial report.

Signed in accordance with a resolution of the Board of Directors:

Director: .....

Dated this 1 day of July 2025 2026

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AUDITOR'S INDEPENDENCE DECLARATION
UNDER SUBDIVISION 60-40 OF *THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012*
TO THE DIRECTORS OF SOUTHERN CROSS GRAMMAR

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2025, there have been no contraventions of the auditor independence requirements as set out in any applicable code of professional conduct in relation to the audit.

RYAN LEEMON
Partner – Audit and Assurance
Moore Australia Audit (VIC)
Melbourne, Victoria
01 July 2026

Moore Australia Audit (VIC)
ABN 16 847 721 257
Chartered Accountants

Moore Australia Audit (VIC) ABN - 16 847 721 257. An independent member of Moore Global Network Limited - members in principal cities throughout the world.
Liability limited by a scheme approved under Professional Standards Legislation.

Southern Cross Grammar

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Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 December 2025

	Note	2025 $	2024 $
Operating Revenue		**22,706,563**	21,167,389
Other Revenue		**557,847**	611,229
Total Revenue	5	**23,264,410**	21,778,618
Administration		**(376,118)**	(376,013)
Audit and Professional Services	6	**(231,291)**	(146,308)
Educational		**(2,382,518)**	(2,128,691)
Employee benefits expense		**(16,126,939)**	(14,250,976)
Financing		**(702,802)**	(775,202)
Information, Communications and Technology		**(576,978)**	(559,089)
Insurance		**(258,358)**	(269,112)
Property		**(827,167)**	(850,839)
Depreciation of Property, Plant and Equipment		**(2,508,104)**	(2,528,996)
Total Expenses		**(23,990,275)**	(21,885,226)
Net deficit		**(725,865)**	(106,608)
Other comprehensive income		**-**	-
Total comprehensive deficit for the year		**(725,865)**	(106,608)

The accompanying notes form part of these financial statements.

Southern Cross Grammar

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Statement of Financial Position

As At 31 December 2025

	Note	2025 $	2024 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	15	**1,813,212**	1,232,439
Trade and other receivables	7	**14,096**	43,481
Other assets	8	**282,413**	583,787
TOTAL CURRENT ASSETS		**2,109,721**	1,859,707
NON-CURRENT ASSETS			
Property, plant and equipment	9	**28,420,639**	30,009,235
TOTAL NON-CURRENT ASSETS		**28,420,639**	30,009,235
TOTAL ASSETS		**30,530,360**	31,868,942
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	**1,722,074**	1,167,916
Employee benefits	12	**1,261,666**	1,107,800
Borrowings	11	**879,996**	1,302,518
TOTAL CURRENT LIABILITIES		**3,863,736**	3,578,234
NON-CURRENT LIABILITIES			
Employee benefits	12	**260,025**	311,248
Borrowings	11	**9,387,393**	10,234,389
TOTAL NON-CURRENT LIABILITIES		**9,647,418**	10,545,637
TOTAL LIABILITIES		**13,511,154**	14,123,871
NET ASSETS		**17,019,206**	17,745,071
Members Funds			
Accumulated Surplus		**17,019,206**	17,745,071
Net Members Funds		**17,019,206**	17,745,071

The above Statement of Financial Position is to be read in conjunction with the attached notes.

The accompanying notes form part of these financial statements.

Southern Cross Grammar

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Statement of Changes in Equity
For the Year Ended 31 December 2025

2025

	Retained Surplus	Total
	$	$
Balance at 1 January 2025	**17,745,071**	**17,745,071**
Deficit for the year	**(725,865)**	**(725,865)**
Balance at 31 December 2025	**17,019,206**	**17,019,206**

2024

	Retained Surplus	Total
	$	$
Balance at 1 January 2024	17,851,679	17,851,679
Deficit for the year	(106,608)	(106,608)
Balance at 31 December 2024	17,745,071	17,745,071

The accompanying notes form part of these financial statements.

Southern Cross Grammar

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Statement of Cash Flows

For the Year Ended 31 December 2025

	Note	2025 $	2024 $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		**24,227,819**	22,705,260
Payments to suppliers and employees		**(20,882,213)**	(19,634,399)
Interest received		**126,995**	169,814
Interest paid		**(702,802)**	(775,202)
Net cash provided by operating activities		**2,769,799**	2,465,473
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property, plant and equipment		**(919,508)**	(4,871,326)
Net cash used in investing activities		**(919,508)**	(4,871,326)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Financing drawn		**-**	2,750,000
Financing repayments		**(1,269,518)**	(1,293,644)
Net cash provided by/(used in) financing activities		**(1,269,518)**	1,456,356
Net increase/(decrease) in cash and cash equivalents held		**580,773**	(949,497)
Cash and cash equivalents at beginning of year		**1,232,439**	2,181,936
Cash and cash equivalents at end of financial year	15	**1,813,212**	1,232,439

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 31 December 2025

1 Introduction

Southern Cross Grammar ("the School") is a company limited by guarantee, registered and domiciled in Victoria, Australia. The operations and principal activities of Southern Cross Grammar comprise the provision of educational services. The financial statements are presented in Australian dollars. The registered office and principal place of business is 2-20 Lancefield Drive, Caroline Springs, Victoria 3023.

The financial report was authorised for issue by the Board of Directors of Southern Cross Grammar on the date shown on the Declaration by the Board of Directors attached to the financial statements.

Comparatives are consistent with prior years, unless otherwise stated.

2 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Act 2012.*These financial statements do not comply with International Financial Reporting Standards issued by the International Accounting Standards Board (IASB).

The School is an entity to which ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 applies and, accordingly amounts in the financial statements have been rounded to the nearest thousand dollars.

The financial statements 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.

Material accounting policy information is consistent with prior reporting periods unless otherwise stated.

Rounding of Amounts

The School is an entity to which ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 applies and, accordingly amounts in the financial statements have been rounded to the nearest dollars.

Reporting basis and conventions

The financial statements 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 financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities (including derivative instruments) at fair value through profit or loss, certain classes of property, plant and equipment and investment property.

3 Material Accounting Policy Information

(a) Financial assets and financial liabilities

Financial assets and financial liabilities are recognised on the statement of financial position when the School becomes party to the contractual provisions of the financial instrument.

A financial asset is unrecognised when the contractual rights to the cash flows from the financial assets expire or are transferred and no longer controlled by the School.

Notes to the Financial Statements
For the Year Ended 31 December 2025

3 Material Accounting Policy Information

(a) Financial assets and financial liabilities

A financial liability is removed from the statement of financial position when the obligation specified in the contract is discharged or cancelled or expires.

(b) Impairment

At each reporting date the School reviews the carrying amounts of assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss if any. The Directors are satisfied that the carrying amounts of assets do not exceed the net amounts that are expected to be recovered through the cash inflows and outflows arising from the continued use and subsequent disposal of the assets.

(c) Income tax

The School is exempt from income tax under Section 50-5 of the *Income Tax Assessment Act 1997* as an educational institution.

(d) Property, plant and equipment

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

Items of property, plant and equipment acquired for significantly less than fair value have been recorded at the acquisition date fair value.

(e) Depreciation

Items of property, plant and equipment are depreciated over their useful lives using the straight-line method.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Land	0%
Buildings	4% to 20%
Office Equipment	20%
ICT Equipment	33.3%
Library Equipment	10%
Grounds Equipment	10%
Software	25%
Music Equipment	10%
Motor Vehicles	25%
Capital Works in Progress	0%

Notes to the Financial Statements

For the Year Ended 31 December 2025

3 Material Accounting Policy Information

(e) Depreciation

Capital Work in Progress

At balance date, all expenditure considered capital work in progress is reviewed to ensure it is appropriately allocated to a qualifying and current capital project and no showing any signs of impairment. If impairment is noted or the project ceases, relevant costs incurred are immediately expensed.

(f) Employee benefits

The following liabilities arising in respect of employee benefits are measured at their nominal amounts:

- wages and salaries and annual leave, regardless of whether they are expected to be settled within twelve months of balance date.
- other employee benefits which are expected to be settled within twelve months of balance date.

All other employee benefits, including long service leave, are measured at the present value of the estimated future cash outflows in respect of services provided up to balance date.

Defined contribution schemes

Obligations for contributions to defined contribution superannuation plans are recognised as an employee benefit expense in profit or loss in the periods in which services are provided by employees.

(g) Borrowing costs

Borrowing costs other than those related to qualifying assets are recognised as an expense in the period in which they are incurred.

(h) Interest-Bearing Loans and Borrowings

All loans and borrowings are initially recognised at cost, being the fair value of the consideration received net of issue costs associated with the borrowing. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any issue costs, and any discount or premium on settlement.

Gains or losses are recognised in the statement of comprehensive income when the liabilities are unrecognised as well as through the amortisation process.

Notes to the Financial Statements
For the Year Ended 31 December 2025

3 Material Accounting Policy Information

(i) Revenue

The School recognises revenue as follows:

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Tuition Fee Revenue

Revenue from student tuition is recognised at the commencement of each school semester.

Donations

Donations are recognised at the time the pledge is made.

Grants

Grant revenue is recognised in profit or loss when the company satisfies the performance obligation stated within the funding agreements. If conditions are attached to the grant which must be satisfied before the company is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

(j) Income in Advance

In some instances the School receives tuition fees and enrolment fees in advance of providing services. Such receipts are recorded as income in advance until the financial period in which the service is provided at which time they are recognised as revenue.

(k) Goods and services tax (GST) and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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 tax authority is included in other receivables or other 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

Notes to the Financial Statements
For the Year Ended 31 December 2025

3 Material Accounting Policy Information

(k) Goods and services tax (GST) and other similar taxes

activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

(l) Comparatives

Comparative information has been reclassified in certain instances to improve consistency with the current year presentation. These reclassifications relate to classification only and have no material impact on the reported surplus or deficit, total comprehensive income, or net assets.

In the current year, cash flows have been presented gross of GST. This is a change in presentation only (not a change in accounting policy) and the comparative cash flow information has been reclassified for consistency. No amounts reported for profit or loss or net assets are affected.

4 Critical Accounting Estimates and Judgments

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Key estimates - Estimation of useful lives of assets

The School determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Key estimates - Long service leave provision

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

Key estimates - Debt classification

As disclosed in Note 11 Borrowings, the debt facilities were varied on 7 October 2025. The variation did not specify a termination date. Accordingly, management has classified the borrowings as current or non-current based on the contractual repayment terms agreed with the financier.

Key judgments - Going Concern

For the year ended 31 December 2025 the School reported a deficit of $725,865 (2024: Deficit of $106,608) and Working Capital deficiency (Current Assets minus Current Liabilities) of $1,754,015 (2024: $1,718,529).

Notes to the Financial Statements
For the Year Ended 31 December 2025

4 Critical Accounting Estimates and Judgments

Key judgments - Going Concern

Key judgments - Going Concern continued

Not withstanding this, the Directors believe that the School has sufficient cash levels to meet its operating, investing and financing activities beyond the coming 12 month period and thus have assessed the going concern basis of financial statement preparation as appropriate after consideration of the following factors:

- The School has recurring positive operating cash flows, noting the seasonal nature of school cash flows with balances generally lower around year end.
- Successful renegotiation of debt facilities during the financial year (refer Note 11) and expected ongoing financier support, as demonstrated by the waiver of financial debt covenants at 31 December 2025
- Expectation that not all current liabilities will be called within a 12 month period in cash including employee provisions and fees received in advance.

5 Revenues

Revenue from continuing operations

	2025 $	2024 $
Operating Revenue		
- Fee Revenue	**12,147,158**	11,131,395
- Government Grants	**10,559,405**	10,035,994
Total Operating Revenue	**22,706,563**	21,167,389
Other Revenue		
- Interest Income	**126,995**	169,814
- Other Items	**430,852**	441,415
Total Other Revenue	**557,847**	611,229
Total Revenue	**23,264,410**	21,778,618

Revenue from contracts with customers has been disaggregated into revenue received at a point in time versus over time.

	2025 $	2024 $
Point in time revenue		
- Tuition Fees	**12,147,158**	11,131,395
- Other income	**430,852**	441,415
Total Revenue - point in time	**12,578,010**	11,572,810
Revenue over time		
- Interest income	**126,995**	169,814

Notes to the Financial Statements
For the Year Ended 31 December 2025

5 Revenues

	2025	2024
	$	$
- Grant income	**10,559,405**	10,035,994
Total Revenue - over time	**10,686,400**	10,205,808
Total revenue per Note 5	**23,264,410**	21,778,618

6 Audit and Professional Services

	2025	2024
	$	$
Auditor's Remuneration - Auditing Services	**35,000**	34,500
Professional Services	**196,291**	111,808
Total	**231,291**	146,308

7 Trade and Other Receivables

	2025	2024
	$	$
CURRENT		
Trade and other receivables	**210,602**	268,316
Less expected credit loss of receivables	**(196,506)**	(224,835)
Total trade and other receivables	**14,096**	43,481

8 Other Assets

	2025	2024
	$	$
Prepayments	**282,413**	583,787
Total Other Assets	**282,413**	583,787

Notes to the Financial Statements

For the Year Ended 31 December 2025

9 Property, Plant and Equipment

	2025 $	2024 $
Land		
At cost	**7,552,076**	7,552,076
Total Land	**7,552,076**	7,552,076
Buildings		
At cost	**24,479,944**	24,438,491
Accumulated depreciation	**(6,964,010)**	(5,523,216)
Total buildings	**17,515,934**	18,915,275
Works in progress		
At cost	**415,831**	56,797
Total works in progress	**415,831**	56,797
Equipment		
At cost	**2,133,299**	2,089,563
Accumulated depreciation	**(1,368,337)**	(955,915)
Total equipment	**764,962**	1,133,648
ICT equipment		
At cost	**1,884,526**	1,609,615
Accumulated depreciation	**(1,378,376)**	(951,665)
Total ICT equipment	**506,150**	657,950
Library		
At cost	**51,040**	44,921
Accumulated depreciation	**(32,580)**	(27,869)
Total library	**18,460**	17,052
Ground equipment		
At cost	**2,055,502**	1,892,072
Accumulated depreciation	**(623,623)**	(439,733)
Total ground equipment	**1,431,879**	1,452,339
Music equipment		
At cost	**270,706**	269,696
Accumulated depreciation	**(92,600)**	(65,550)
Total music equipment	**178,106**	204,146

Notes to the Financial Statements

For the Year Ended 31 December 2025

9 Property, Plant and Equipment

Motor vehicles		
At cost	**23,636**	23,636
Accumulated depreciation	**(9,593)**	(3,684)
Total motor vehicles	**14,043**	19,952
Software		
At cost	**29,814**	-
Accumulated depreciation	**(6,616)**	-
Total software	**23,198**	-
Total property, plant and equipment	**28,420,639**	30,009,235

Notes to the Financial Statements
For the Year Ended 31 December 2025

9 Property, Plant and Equipment

(a) 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 year:

	Works in Progress	Land	Buildings	Equipment	ICT Equipment	Library	Ground Equipment
	$	$	$	$	$	$	$
Year ended 31 December 2025							
	56,797	**7,552,076**	**18,915,275**	**1,133,649**	**657,951**	**17,052**	**1,452,339**
Additions	**359,034**	**-**	**41,454**	**43,736**	**274,911**	**6,119**	**163,429**
Depreciation	**-**	**-**	**(1,440,795)**	**(412,423)**	**(426,712)**	**(4,711)**	**(183,889)**
Balance at the end of the year	**415,831**	**7,552,076**	**17,515,934**	**764,962**	**506,150**	**18,460**	**1,431,879**

	Music Equipment	Motor Vehicles	Software	Total
	$	$	$	$
Year ended 31 December 2025				
	204,146	**19,952**	**-**	**30,009,237**
Additions	**1,011**	**-**	**29,814**	**919,508**
Depreciation	**(27,050)**	**(5,909)**	**(6,617)**	**(2,508,106)**
Balance at the end of the year	**178,107**	**14,043**	**23,197**	**28,420,639**

Notes to the Financial Statements

For the Year Ended 31 December 2025

10 Trade and Other Payables

	Note	2025 $	2024 $
Trade payables		**1,089,718**	531,983
Fees Received in Advance		**632,356**	635,933
Total Trade and Other Payables		**1,722,074**	1,167,916

11 Borrowings

	2025 $	2024 $
CURRENT		
Interest Bearing Loan	**879,996**	1,302,518
NON-CURRENT		
Interest Bearing Loan	**9,387,393**	10,234,389

(a) Borrowing terms

i. During 2024, the loan was refinanced and the term extended to 31 August 2026. Up to May 2024, interest was paid monthly at a fixed rate of 2.17% (2023: 2.17%) plus a margin of 1.50%. From June 2024, interest has been charged at the BBSY rate plus a margin of 1.50% per annum.

ii. On 7 October 2025, ANZ varied the facilities and consolidated the existing loan facilities into a new loan facility limit of $10,663,000 (drawn at 31 December 2025 was $10,267,388). The undrawn amount at 31 December 2025 amounts to $395,611.

iii. Under the varied facility, principal repayments are $73,333.33 per calendar month, interest is charged at BBSY plus a margin of 1.10% per annum, and a line fee of 0.55% per annum is payable monthly in arrears.

iv. The client also hold an overdraft facility with a limit of $250,000 and credit card with a limit of $25,000 with ANZ. Both are undrawn at 31 December 2025.

v. As part of the finance facility the College is subject to an EBITDA financial covenant of not less than $3,000,000. As at 31 December 2025 the college was in breach of this requirement, however were granted a formal waiver meaning the covenant was not applied at balance date.

On this basis the College has classified debt in accordance with the amortisation schedule in place of $73,333 per month over the life of the facility as no event of facility default was applicable post waiver receipt. he facilities are secured by a first registered mortgage over the property at 2–20 Lancefield Drive, Caroline Springs, Victoria.

12 Provisions

	2025 $	2024 $
Employee Entitlements - Current	**1,261,666**	1,107,800
Employee Entitlements - Non Current	**260,025**	311,248
Total Provisions	**1,521,691**	1,419,048

Notes to the Financial Statements
For the Year Ended 31 December 2025

13 Directors Emoluments

The directors who held office during the year were:

- John Chambers (resigned on 30/04/2025)
- Frank Filippone (term concluded on 01/05/2025)
- Nathan Fosnaugh
- Nick Pilovski
- Scott Radburn
- Gayathri Wijesekera
- Alma Zulovic (from 1 May 2025)
- Tanya Gucevski (from 14 May 2025)

No directors fees or other emoluments are paid or payable to directors.

14 Related Parties

(a) Transactions with directors and director-related entities

During the year 4 directors (2024: 4) had students attending Southern Cross Grammar. Fees were paid in accordance with standard scale rates on terms and conditions no more favourable than those available on similar transactions to other parents.

(b) Key management personnel compensation

Key management personnel comprise directors and other persons having authority and responsibility for planning, directing and controlling the activities of the School. Total key management personnel compensation in 2025 is $1,362,536 (2024: $1,060,155).

(c) Receivables from and payables to related parties

There were no trade receivables from or trade payables to related parties at 31 December 2025 or 31 December 2024.

There were no loans to or from related parties at 31 December 2025 or 31 December 2024.

15 Cash and Cash Equivalents

	2025	2024
	$	$
Cash at bank and in hand	**1,591,272**	996,536
Other cash and cash equivalents	**221,940**	235,903
	1,813,212	1,232,439

Notes to the Financial Statements
For the Year Ended 31 December 2025

16 Contingent Liabilities

The School had no other contingent liabilities as at 31 December 2025 or 31 December 2024.

As detailed at note 11, debt facilities held by the College are secured by a first registered mortgage over 2-20 Lancefield Drive, Caroline Springs.

17 Events After the End of the Reporting Period

The financial report was authorised for issue on by those charged with governance.

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

18 Statutory Information

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

Southern Cross Grammar
2-20 Lancefield Drive
Caroline Springs Victoria 3023

Southern Cross Grammar

ACN 149 437 276

Directors' Declaration

The directors of Southern Cross Grammar declare that in the director's opinion:

1. The financial statements, comprising the statement of profit or loss and other comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity, and accompanying notes, are in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and:

- comply with Australian Accounting Standards – Simplified Disclosures and the Australian Charities and Not-for-profits Commission Regulation 2022 (ACNC Regulation 2022); and

- give a true and fair view of the entity's financial position as at 31 December 2024 and of its performance for the year ended on that date.

2. There are reasonable grounds to believe that the entity will be able to pay all of its debts, as and when they become due and payable.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2022*.

Responsible person ..... Scott Radburn
Director

Dated this .....1..... day of .....July..... 2026

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF SOUTHERN CROSS GRAMMAR

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report of Southern Cross Grammar (the School), which comprises the statement of financial position as at 31 December 2025, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of material accounting policy information and other explanatory notes and the Directors' declaration.

In our opinion the financial report of Southern Cross grammar has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (The ACNC Act), including:

a. giving a true and fair view of the School's financial position as at 31 December 2025 and of their performance for the year then ended on that date; and

b. complying with Australian Accounting Standards - Simplified Disclosures (including Australian Accounting Interpretations) and the Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2022*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the School in accordance with the auditor independence requirements of the ACNC Act and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have 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.

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Other Information

The directors are responsible for the other information. The other information comprises the information included in the School's annual report for the year ended 31 December 2025, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Report

The Directors of the School are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the ACNC Act, and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the ability of the School to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the School or to cease operations, or has no realistic alternative but to do so. The Directors are responsible for overseeing the School's financial reporting process.

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.

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

RYAN LEEMON
Partner – Audit and Assurance
Moore Australia Audit (VIC)
Melbourne, Victoria
01 July 2026

Moore Australia Audit (VIC)
ABN 16 847 721 257
Chartered Accountants