

Sydney Institute of Business and Technology Pty Ltd

ABN 18 074 470 447

Annual Financial Report

For the year ended 30 June 2024

Sydney Institute of Business and Technology Pty Ltd

Index

	Page Number
Statement of Profit or Loss and Other Comprehensive Income	1
Statement of Financial Position	2
Statement of Changes in Equity	3
Statement of Cash Flows	4
Notes to the Financial Statements	5
Directors' Report	18
Directors' Declaration	20
Independent Auditor's Report	21

Sydney Institute of Business and Technology Pty Ltd

Statement of Profit or Loss and Other Comprehensive Income For the year ended 30 June 2024

	Notes	2024 \$000s	2023 \$000s
Revenue	4	24,102	20,685
Direct expenses		(4,087)	(1,591)
Employee expenses		(13,631)	(12,396)
Indirect expenses		(6,271)	(5,937)
Depreciation expense	5	(12)	(11)
Net finance income	5	3	1
Profit before income tax	5	104	751
Income tax expense	6	(31)	(198)
Profit for the year		73	553
Other comprehensive income		-	-
Total comprehensive income for the year		73	553

The statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Sydney Institute of Business and Technology Pty Ltd

Statement of Financial Position As at 30 June 2024

	Notes	2024 \$000s	2023 \$000s
ASSETS			
Current Assets			
Cash and cash equivalents	14	2,556	1,595
Trade and other receivables	8	3,992	6,652
Other assets	9	549	357
Total Current Assets		7,097	8,604
Non Current Assets			
Property, plant and equipment	10	35	43
Deferred tax assets	6	14	13
Total Non Current Assets		49	56
TOTAL ASSETS		7,146	8,660
LIABILITIES			
Current Liabilities			
Trade and other payables	11	3,292	3,233
Deferred revenue		2,938	4,044
Current tax payable to head entity	6	-	-
Total Current Liabilities		6,230	7,277
TOTAL LIABILITIES		6,230	7,277
NET ASSETS		916	1,383
EQUITY			
Issued capital	12	300	300
Retained earnings	13	616	1,083
Total Equity		916	1,383

The statement of financial position should be read in conjunction with the accompanying notes.

Sydney Institute of Business and Technology Pty Ltd

Statement of Changes in Equity For the year ended 30 June 2024

	Issued capital \$000s	Retained earnings \$000s	Total equity \$000s
Balance at 1 July 2022	300	2,280	2,580
Profit for the year	-	553	553
Total comprehensive income for the year	-	553	553
Transactions with owners in their capacity as owners:			
Dividends paid	-	(1,750)	(1,750)
Balance at 30 June 2023	300	1,083	1,383
Total attributable to:			
Owners of the Company	300	1,083	1,383
Balance at 1 July 2023	300	1,083	1,383
Profit for the year	-	73	73
Total comprehensive income for the year	-	73	73
Transactions with owners in their capacity as owners:			
Dividend paid	-	(540)	(540)
Balance at 30 June 2024	300	616	916
Total attributable to:			
Owners of the Company	300	616	916

The statement of changes in equity should be read in conjunction with the accompanying notes.

Sydney Institute of Business and Technology Pty Ltd

Statement of Cash Flows For the year ended 30 June 2024

	Notes	2024 \$000s	2023 \$000s
Cash flows from operating activities			
Receipts from customers		23,111	20,385
Payments to suppliers and employees		(24,733)	(20,208)
Income tax paid		(32)	(888)
Interest received		3	1
		<hr/>	<hr/>
Net cash flows used in operating activities	14	(1,651)	(710)
Cash flows from investing activities			
Purchase of property, plant and equipment		(4)	(7)
		<hr/>	<hr/>
Net cash flows used in investing activities		(4)	(7)
Cash flows from financing activities			
Cash advances from related parties		3,156	2,676
Payment of dividends	7	(540)	(1,750)
		<hr/>	<hr/>
Net cash flows from financing activities		2,616	926
Net increase in cash and cash equivalents		961	209
Cash and cash equivalents at beginning of the financial year		<hr/>	<hr/>
		1,595	1,386
		<hr/>	<hr/>
Cash and cash equivalents at the end of the financial year	14	2,556	1,595

The statement of cash flows should be read in conjunction with the accompanying notes.

Sydney Institute of Business and Technology Pty Ltd

Notes to the Financial Statements For the year ended 30 June 2024

1. Corporate information

Sydney Institute of Business and Technology Pty Ltd is a proprietary company limited by shares that is incorporated and domiciled in Australia. The Company is a wholly owned subsidiary of Marron Group Holdings Pty Ltd.

The registered office of Sydney Institute of Business and Technology Pty Ltd is located at Level 9, 143 St Georges Terrace, Perth, WA 6000. The principal place of business of Sydney Institute of Business and Technology Pty Ltd is located at Level 4, 255 Elizabeth Street, Sydney NSW 2000.

The Company's principal activity during the year was the delivery of education services to International and Australian students. There has been no significant change in the nature of these activities during the year.

2. Summary of material accounting policies

(a) Basis of preparation

This section sets out the accounting policies that relate to the financial statements of Sydney Institute of Business and Technology Pty Ltd (the "Company").

The financial report of the Company for the year ended 30 June 2024 was authorised for issue in accordance with a resolution of the directors dated 7 November 2024.

The financial report has been prepared on the basis of historical cost, except where noted.

The financial report is presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$000's) unless otherwise stated.

(b) Statement of compliance

The financial report complies with Australian Accounting Standards and International Financial Reporting Standards ('IFRS') as issued by the International Accounting Standards Board.

The financial report is a general purpose financial report, for a 'for-profit' entity, which has been prepared in accordance with the requirements of the Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

(i) *Adoption of new and revised Accounting Standards*

The Company has adopted all of the new and revised Standards and Interpretations, including amendments to the existing standards issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current reporting period.

The adoption of these new and revised Standards and Interpretations has not resulted in any significant changes to the Company's accounting policies nor any significant effect on the measurement or disclosure of the amounts reported for the current or prior periods.

(ii) *Accounting Standards and Interpretations issued but not yet effective*

There are no standards that are not yet effective and that would be expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

Notes to the Financial Statements For the year ended 30 June 2024

2. Summary of material accounting policies (continued)

(c) Foreign currency translation

(i) *Functional and presentation currency*

The Company determines its own functional currency and items included in the financial statements are measured using that functional currency. Both the functional and presentation currency of Sydney Institute of Business and Technology Pty Ltd is Australian dollars (\$).

(ii) *Transactions & balances*

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. Foreign currency differences arising on retranslation are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

(d) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

(e) Trade and other receivables

Trade receivables, which generally have 30 to 60 day terms, are initially recognised at fair value and are subsequently measured at amortised cost using the effective interest rate method less any allowance for expected impairment losses or actual impairment losses.

Collectability of trade receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified.

(f) Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and any impairment in value.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

Plant and equipment – over 2 to 10 years

Leasehold improvements – the shorter of the lease term or the estimated useful life

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year end.

(g) Leases

Payments associated with short-term leases of equipment and all leases of low-valued assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low value assets comprise IT equipment and small items of office furniture and equipment.

(h) Trade and other payables

Trade payables and other payables have 30-60 day terms and are carried at amortised cost and represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services.

Notes to the Financial Statements For the year ended 30 June 2024

2. Summary of material accounting policies (continued)

(i) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. The increase in the provision due to the passage of time is recognised as a finance cost.

(j) Employee benefits

Liabilities for wages and salaries, including non-monetary benefits, expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled and are presented as payables.

The liabilities for long service leave and annual leave are not expected to be settled wholly within 12 months after the end of the reporting period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of high quality corporate bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

The obligations are presented as current liabilities in the balance sheet if the Company does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(k) Issued capital

Ordinary shares are classified as equity and are recognised at the fair value of the consideration received by the Company.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

(l) Revenue from contracts with customers

Revenue is recognised when the Company satisfies its performance obligations by transferring education services (including both tuition and other related goods and services) to the customer, and the revenue can be reliably measured at the fair value of the consideration received.

The Company's contracts with customers for the provision of education services can include multiple performance obligations. The Company assesses each performance obligation to determine if those performance obligations are distinct from other obligations in the contract. Performance obligations that are not assessed as being distinct from other obligations are grouped together as a bundle of performance obligations.

Bundles of performance obligations are determined where the various performance obligations represent the combined outcome for which the customer has contracted, or a service is highly dependent on another entity-specific good or service promised in the contract.

For each distinct performance obligation, or bundle of performance obligations, the Company allocates the price, as determined by the terms of the contract with the customer, based on the stand alone selling price of the performance obligation, or bundle of performance obligations.

The Company's primary performance obligations is the delivery of tuition services. The Company has concluded that these should be recognised over time based on the stage of completion of the service being delivered to the customer. The stage of completion is measured by reference to the number of contact days held as a percentage of the total number of contact days in the course.

Notes to the Financial Statements For the year ended 30 June 2024

2. Summary of material accounting policies (continued)

The Company's other performance obligations are recognised either over time, on a stage of completion basis, or at the point in time the service, or good, is sold. This determination is made on a case by case basis for each performance obligation based on the point at which control of the good or service completely passes to the customer.

Where income is recorded in advance of the provision of service the full amount is recognised as deferred revenue in the statement of financial position. Revenue is then recognised as outlined above.

(m) Income tax and other taxes

(i) Income tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the statement of financial position date.

Deferred income tax is generally provided on all temporary differences at the statement of financial position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each statement of financial position date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the statement of financial position date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

(ii) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

Notes to the Financial Statements For the year ended 30 June 2024

3. Significant accounting judgements, estimates and assumptions

In applying the Company's accounting policies management continually evaluates judgements, estimates and assumptions based on experience and other factors, including expectations of future events that may have an impact on the Company. All judgements, estimates and assumptions made are believed to be reasonable based on the most current set of circumstances available to management. Due to the inherent uncertainty actual results may differ from the judgements, estimates and assumptions.

Significant judgements, estimates and assumptions made by management in the preparation of these financial statements are outlined below:

(a) Significant accounting judgements

In the process of applying the Company's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amount recognised in the financial statements:

(i) Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences as management considers that it is probable that future taxable profits will be available to utilise those temporary differences.

(ii) Recovery of receivable balance

The carrying amounts of the receivable balances are determined based on estimates and assumptions of future events.

(b) Significant accounting estimates and assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. There are no key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period.

	2024 \$000s	2023 \$000s
4. Revenue		
The Company derives revenue from the transfer of education related services over time and at a point in time as follows:		
Type of service		
Tuition services	3,812	3,774
Other ancillary education services	20,290	16,911
Total revenue from contracts with customers	<u>24,102</u>	<u>20,685</u>
Total revenue	<u>24,102</u>	<u>20,685</u>
Timing of revenue recognition		
Services transferred over time	3,812	3,774
Services transferred at a point in time	20,290	16,911
Total revenue from contracts with customers	<u>24,102</u>	<u>20,685</u>

Sydney Institute of Business and Technology Pty Ltd

Notes to the Financial Statements For the year ended 30 June 2024

	2024 \$000s	2023 \$000s
5. Expenses / (income)		
Expenses / (income) from ordinary activities include:		
Depreciation - plant and equipment	12	11
Net finance income		
Interest income	(3)	(1)

6. Income tax expense

The major components of income tax expense are:

<i>Current income tax</i>		
Current income tax charge	32	204
Adjustments in respect of current income tax of previous years	-	(27)
<i>Deferred income tax</i>		
Relating to the origination and reversal of temporary differences	(1)	21
Income tax expense reported in the statement of comprehensive income	31	198

The following table provides numerical reconciliation between aggregate tax expenses recognised in the statement of comprehensive income and tax expense calculated per the statutory income tax rate.

Accounting profit before tax	104	751
At the Company's statutory income tax rate of 30%	31	225
Adjustments in respect of current income tax of previous years	-	(27)
Income tax expense reported in statement of comprehensive income	31	198

Recognised tax assets and liabilities

Current income tax liability

Opening balance	-	711
Charged to income	32	177
Payments	(32)	(888)

Closing balance	-	-
-----------------	---	---

Deferred income tax

Opening balance	13	34
Charged to income	1	(21)

Closing balance	14	13
-----------------	----	----

Deferred income tax relates to the following:

Deferred tax assets

Doubtful debts	4	3
Other temporary differences	10	10
	14	13

Sydney Institute of Business and Technology Pty Ltd

Notes to the Financial Statements For the year ended 30 June 2024

6. Income tax (continued)

Tax consolidation

(i) *Members of the tax consolidated group and the tax sharing arrangement*

Effective 5 July 2019, for the purposes of income taxation, Marron Group Holdings Pty Ltd and its 100% owned Australian subsidiaries formed a tax consolidated group. Members of the group have entered into a tax sharing arrangement in order to allocate income tax expense to the wholly owned subsidiaries on a pro rata basis. In addition, the agreement provides for the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. At the balance sheet date, the possibility of default is remote. The head entity of the tax consolidated group is Marron Group Holdings Pty Ltd.

(ii) *Tax effect accounting by members of the tax consolidated group*

Members of the tax consolidated group have entered into a tax funding agreement. The tax funding agreement provides for the allocation of current taxes to members of the tax consolidated group in accordance with their "tax effected" accounting profit for the period. Allocations under the tax funding agreement are recognised on a monthly basis.

The allocation of taxes under the tax funding agreement is recognised as a change in the subsidiaries' intercompany accounts with the tax consolidated group head entity, Marron Group Holdings Pty Ltd. The group has applied the separate taxpayer within group approach in determining the appropriate amount of current taxes to allocate to members of the tax consolidated group.

	2024	2023
	\$000s	\$000s
7. Dividends		
7.1 Recognised amounts		
Dividends paid during the year		
Final dividend for 2023 (2022)	540	1,750
7.2 Unrecognised amounts		
Dividends proposed and not recognised as a liability		
Final dividend for 2024 (2023)	70	540
8. Trade and other receivables		
Trade debtors	32	39
Allowance for impairment	(13)	(9)
	19	30
Accrued income	544	648
Related party receivables	3,429	5,974
	3,992	6,652

Due to the short term nature of these receivables, their carrying value is assumed to approximate their fair value.

The Company is not exposed to significant credit risk due to the nature of revenue which is generally received in advance of the service being provided. The maximum exposure to credit risk is the net carrying amount of receivables.

The amounts receivable from related parties is due from Navitas Pty Limited. The receivable has no terms of repayment and as such is considered to be repayable on demand. On this basis the amount has been classified as current.

9. Other assets

Prepayments	549	357
-------------	-----	-----

Sydney Institute of Business and Technology Pty Ltd

Notes to the Financial Statements For the year ended 30 June 2024

	Plant & equipment \$000s
10. Property, plant and equipment	
Cost	
Balance at 1 July 2022	163
Additions	7
Disposals	<u>(71)</u>
Balance at 1 July 2023	99
Additions	<u>4</u>
Closing balance at 30 June 2024	<u>103</u>
Accumulated depreciation	
Balance at 1 July 2022	(116)
Depreciation expense	(11)
Disposals	<u>71</u>
Balance at 1 July 2023	(56)
Depreciation expense	<u>(12)</u>
Closing balance at 30 June 2024	<u>(68)</u>
Net book value	
At 1 July 2022	<u>47</u>
At 1 July 2023	<u>43</u>
At 30 June 2024	<u>35</u>

	2024 \$000s	2023 \$000s
11. Trade and other payables		
Current		
Trade payables	-	543
Other payables	921	930
Related party payables	<u>2,371</u>	<u>1,760</u>
	<u>3,292</u>	<u>3,233</u>

The related party payable balance is payable on demand and on this basis the amount has been classified as current.

12. Issued capital

	2024		2024	
	Shares Number	\$000s	Shares Number	\$000s
Ordinary shares fully paid	<u>1</u>	<u>300</u>	<u>1</u>	<u>300</u>

Terms and conditions of ordinary shares

Ordinary shares have no par value and have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number and amounts of paid shares held.

Ordinary shares entitle their holders to one vote, in person or by proxy, at a meeting of the Company.

Sydney Institute of Business and Technology Pty Ltd

Notes to the Financial Statements For the year ended 30 June 2024

	2024 \$000s	2023 \$000s
13. Retained earnings		
At 1 July	1,083	2,280
Profit attributable to members of the Company	73	553
Dividends	(540)	(1,750)
	<hr/>	<hr/>
At 30 June	616	1,083

14. Notes to the statement of cash flows

a) Reconciliation of cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise the following at 30 June:

Cash and cash equivalents	<hr/>	<hr/>
	2,556	1,595

b) Reconciliation of profit for the year to net cash flows used in operating activities

Profit for the year	73	553
Non cash items		
Depreciation	12	11
Decrease/(increase) in assets		
Trade and other receivables	115	(336)
Prepayments and other assets	(192)	(303)
Deferred tax assets	(1)	21
Increase/(decrease) in liabilities		
Trade and other payables	(552)	556
Deferred revenue	(1,106)	(501)
Current tax payable	-	(711)
	<hr/>	<hr/>
Net cash flows used in operating activities	(1,651)	(710)

The Company is required to maintain, in Australia, separate bank accounts for funds received from international students prior to commencement of their course (prepaid fees). As at 30 June 2024, the Company held \$2,556,000 (2023: \$1,595,000) in prepaid fees for students who had not commenced studies with the Company, with a corresponding amount included in deferred revenue.

These funds are held in separate bank accounts until the student commences their course, at which point the funds may be used to settle the normal obligations of the Company. At all times, the Company must ensure that there are sufficient funds in these separate bank accounts to repay prepaid tuition fees to all international students, in respect of whom tuition fees have been paid and who have not yet commenced their course.

Non cash financing and investing activities

There were no significant non cash financing and investing activities during the year.

Notes to the Financial Statements For the year ended 30 June 2024

15. Financial risk management objectives and policies

The Company's principal financial instruments comprise receivables, payables and cash and cash equivalents.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

The main risks that may arise from the Company's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk.

The Company uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of potential exposure to interest rate and foreign exchange risk and assessments of market forecasts for interest rate and foreign exchange rates. Where material, ageing analyses and monitoring of specific credit allowances are undertaken to manage credit risk, liquidity risk is monitored through the development of future rolling cash flow forecasts and maintenance of appropriate credit facilities.

Risk exposures and responses

15.1 Interest rate risk

At reporting date the Company had the following financial instruments exposed to interest rate risk:

	Variable interest rate risk		Fixed Interest rate risk	
	2024 \$000s	2023 \$000s	2024 \$000s	2023 \$000s
Financial Assets				
Cash and cash equivalents	2,556	1,595	-	-

Sensitivity analysis

The following sensitivity analysis is based on the interest rate risk exposures in existence at the balance sheet date.

At 30 June 2024, if interest rates had moved, as illustrated in the table below, with all other variables held constant, post tax profit and equity would have been affected as follows:

	2024 \$000s	2023 \$000s
Judgements of reasonably possible movements		
Post tax profit and equity higher/(lower) +1% (100 basis points)	18	11

The movements in profit and equity are due to interest revenues from variable rate cash balances.

15.2 Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in different currency from the Company's presentation currency) "Transactional risk".

The Company is not exposed to any significant foreign currency risk.

Sydney Institute of Business and Technology Pty Ltd

Notes to the Financial Statements For the year ended 30 June 2024

15. Financial risk management objectives and policies (continued)

15.3 Credit risk

Credit risk arises from the financial assets of the Company, which comprise cash and cash equivalents, trade and other receivables and other financial assets. The Company's exposure to credit risk arises from potential default of the counter party, with a maximum exposure equal to the carrying amount of these instruments.

The Company is not exposed to any significant credit risk.

15.4 Liquidity risk

The Company's objective is to maintain a balance between the continuity of funding and flexibility through the use of operating cash flows.

Contractual maturities

	<3 months \$000s	3 months to a year \$000s	1 – 5 years \$000s	>5 years \$000s	Total \$000s
2024					
Financial assets					
Cash and cash equivalents	2,556	-	-	-	2,556
Trade and other receivables	563	-	-	-	563
	3,119	-	-	-	3,119
Financial liabilities					
Trade and other payables	-	(921)	-	-	(921)
Net maturity	3,119	(921)	-	-	2,198
2023					
Financial assets					
Cash and cash equivalents	1,595	-	-	-	1,595
Trade and other receivables	678	-	-	-	678
	2,273	-	-	-	2,273
Financial liabilities					
Trade and other payables	(543)	(930)	-	-	(1,473)
Net maturity	1,730	(930)	-	-	800

The tables above reflect all contractually fixed settlement, repayments, receivables and interest resulting from recognised financial liabilities and assets as of 30 June 2024. For the obligations the respective undiscounted cash flows for the respective upcoming fiscal years are presented. Cash flows for financial liabilities are based on the earliest possible date on which the Company can be required to pay. Cash flows for financial assets are based on the terms and conditions existing at the balance sheet date.

Management manages this liquidity risk by the continued operation of the business as a going concern generating operating cash flows.

Sydney Institute of Business and Technology Pty Ltd

Notes to the Financial Statements For the year ended 30 June 2024

16. Related party disclosures

16.1 Parent entity and ultimate parent entity

The Company's parent entity is Navitas Pty Limited, a company incorporated in Australia.

The Company's ultimate parent entity is Marron Group Holdings Pty Ltd, a company incorporated in Australia.

16.2 Key Management Personnel

The Company is wholly owned and controlled by Marron Group Holdings Pty Ltd and all significant decisions on its operations are made at the direction of and under delegation from its parent entity. As a result, the Company has no key management personnel.

16.3 Transactions with other related parties

During the financial year, the following transactions occurred between the Company and its related parties:

- The Company paid dividends to Navitas Pty Limited as detailed in note 7.
- The Company has amounts receivable from and payable to related parties as detailed in notes 8 and 11.
- The Company is a member of the Marron Group Holdings Pty Ltd tax consolidated group as detailed in note 6 and pays income tax to the head entity, Marron Group Holdings Pty Ltd. During the year, the Company paid income tax to Marron Group Holdings Pty Ltd totaling \$32,000 and at 30 June 2024 the Company has an income tax liability to Marron Group Holdings Pty Ltd of \$0.
- The Company is party to a Deed of Cross Guarantee between Marron Group Midco 1 Pty Ltd and certain other wholly owned Australian subsidiary companies under which each company included in the Deed guarantees the debts of the others. The effect of the Deed is that each party to it has guaranteed to pay any deficiency in the event of the winding up of any of the entities in the Closed Group.
- The Navitas Group in Australia operates a single employment company for subsidiaries of Navitas Pty Limited. All of the Company's employees were previously transferred to Navitas Pty Limited as part of this process. Under the single employment company arrangement the employees are employed by Navitas Pty Limited, but the employment services are delivered under a service agreement to the Company. The Company is charged by Navitas Pty Limited for all employment expenses.

Apart from the above, there were no balances, arising from transactions between the Company and its other related parties, outstanding at reporting date.

All amounts advanced to or repayable to related parties are unsecured and are subordinate to other liabilities. The amounts outstanding will be settled in cash.

17. Auditor's remuneration

	2024	2023
	\$	\$
Amounts received or due and receivable by Deloitte for: Audit of the financial report	32,421	30,877

The auditor of the Company is Deloitte Touche Tohmatsu.

Notes to the Financial Statements For the year ended 30 June 2024

18. Subsequent events

Subsequent to year end, the Directors of the Company declared a final dividend in respect of the 2024 financial year of \$70,000. The dividend has not been provided for in the 30 June 2024 financial statements.

There have been no other significant events occurring after the balance date which may affect either the Company's operations or results of those operations or the Company's state of affairs.

Sydney Institute of Business and Technology Pty Ltd

Directors' Report For the Year Ended 30 June 2024

Your directors submit their report for the year ended 30 June 2024.

DIRECTORS

The Company's directors in office during the financial year and until the date of this report are as follows:

Shirley Alexander (appointed 27 June 2024)
Malcolm Baigent (appointed 30 August 2023)
Bev Hudson (resigned 30 August 2023)
Brett Hutchison (resigned 25 March 2024)
Sally Kift
Ronald Oliver (resigned 25 March 2024)
Leigh Pointon
Sara Wells (appointed 25 March 2024)

Directors were in office for this entire period unless otherwise stated.

RESULTS AND DIVIDENDS

The profit after tax of the Company for the year ended 30 June 2024 was \$73,000 (2023: \$553,000).

Dividends paid during the year amounted to \$540,000 (2023: \$1,750,000).

REVIEW OF OPERATIONS

Revenue from ordinary activities was \$24,102,000 and profit after tax was \$73,000.

COMMONWEALTH GRANT SCHEME AQUITTALS

The amount of Australian Government financial assistance expended during the reporting period was for the purpose for which it was intended and Sydney Institute of Business and Technology Pty Ltd has complied with applicable legislation, agreements and program guidelines in making expenditure.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

No changes in the state of affairs of the Company have occurred since the start of the financial year on 1 July 2023.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

Subsequent to year end, the Directors of the Company declared a final dividend in respect of the 2024 financial year of \$70,000. The dividend has not been provided for in the 30 June 2024 financial statements.

There have been no other significant events occurring after the balance date which may affect either the Company's operations or results of those operations or the Company's state of affairs.

FUTURE DEVELOPMENTS AND RESULTS

Likely developments in, and expected results of the operations of the Company in subsequent years are referred to elsewhere in this report. In the opinion of the directors, further information on those matters could prejudice the interests of the Company and has therefore not been included in this report.

Directors' Report For the Year Ended 30 June 2024

INDEMNIFICATION AND INSURANCE OF DIRECTORS

The Company has made an agreement to indemnify each director against any liability incurred by that director in his or her capacity as a director of the Company. The agreement provides for the Company to pay an amount to indemnify directors only to the extent:

- (a) the Company is not precluded by law from indemnifying the directors; and
- (b) for the amount that the director is not otherwise entitled to be indemnified and is not actually indemnified by another person (including a related body corporate or an insurer).

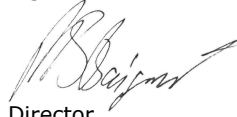
During or since the financial period, the Company has paid premiums in respect of a contract insuring all the directors of the Company against any of the following liabilities incurred by the director as a director, namely:

- (a) any liability which does not arise out of conduct involving:
 - (i) a wilful breach of duty in relation to the Company; and
 - (ii) a contravention of section 182 or section 183 of the Corporations Act 2001; and
- (b) any liability for costs and expenses incurred by the director in defending proceedings, whether civil or criminal, whatever their outcome, and without the qualifications set out in clause (a) above.

ROUNDING

The amounts contained in this report and in the financial report have been rounded to the nearest \$1,000 (where rounding is applicable) under the option available to the Company under ASIC Class Order 2016/191. The Company is an entity to which the Class Order applies.

Signed in accordance with a resolution of the directors.



Director

Perth
7 November 2024

Sydney Institute of Business and Technology Pty Ltd

Directors' Declaration

In accordance with a resolution of the directors of Sydney Institute of Business and Technology Pty Ltd, I state that:

1. In the opinion of the directors:

- (a) the financial statements and notes as set out on pages 1 to 17:
 - (i) give a true and fair view of the Company's financial position as at 30 June 2024 and of its performance for the year ended on that date; and
 - (ii) comply with Australian Accounting Standards;
- (b) the attached financial statements are in compliance with International Financial Reporting Standards, as stated in note 2(b) to the financial statements; and
- (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors.



Director

Perth
7 November 2024

Independent Auditor's Report to the members of Sydney Institute of Business and Technology Pty Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Sydney Institute of Business and Technology Pty Ltd (the "Entity") which comprises the statement of financial position as at 30 June 2024, 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 to the financial statements, including material accounting policy information and other explanatory information, and directors' declaration.

In our opinion, the accompanying financial report presents fairly, in all material respects, the Entity's financial position as at 30 June 2024 and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards.

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 Entity in accordance with the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other Information

Management is responsible for the other information. The other information comprises the information included in the Entity's directors' report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Financial Report

Management of the Entity is responsible for the preparation of the financial report in accordance with Australian Accounting Standards and for such internal control as management 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, management is responsible for assessing the ability of the Entity 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 intend to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

The directors are responsible for overseeing the Entity'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.

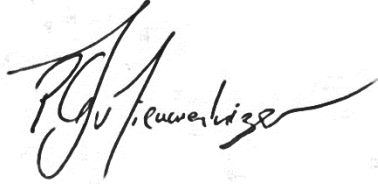
As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of 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 Entity'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 Entity 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 management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU



Pieter Janse van Nieuwenhuizen

Partner

Chartered Accountants

Perth, 8 November 2024