

Cire Services

FINANCIAL REPORT 2023

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Cire Services Inc.
ABN 51 933 700 538

Financial Report
For The Year Ended 31 December 2023

Cire Services Inc.
 ABN 51 933 700 538
 Statement of Financial Position
 As at 31 December 2023

	Note	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	5,780,694	12,910,984
Trade and other receivables	5	2,229,512	157,892
Other assets	6	848,599	783,397
TOTAL CURRENT ASSETS		<u>8,858,805</u>	<u>13,852,273</u>
NON-CURRENT ASSETS			
Property, plant and equipment	7	17,413,443	6,696,561
Investments		10,000	10,000
Right of use assets	8	3,743,400	4,997,957
TOTAL NON-CURRENT ASSETS		<u>21,166,843</u>	<u>11,704,518</u>
TOTAL ASSETS		<u>30,025,648</u>	<u>25,556,791</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	2,373,169	3,424,701
Provisions	10	1,189,039	1,117,935
Lease liabilities	11	746,790	880,397
Borrowings	12	7,648	6,888
TOTAL CURRENT LIABILITIES		<u>4,316,646</u>	<u>5,429,921</u>
NON-CURRENT LIABILITIES			
Provisions	10	123,990	107,263
Lease liabilities	11	3,296,302	4,117,560
TOTAL NON-CURRENT LIABILITIES		<u>3,420,292</u>	<u>4,224,823</u>
TOTAL LIABILITIES		<u>7,736,938</u>	<u>9,654,744</u>
NET ASSETS		<u>22,288,710</u>	<u>15,902,047</u>
EQUITY			
Accumulated surplus		22,248,710	15,862,047
Asset revaluation reserve		40,000	40,000
TOTAL EQUITY		<u>22,288,710</u>	<u>15,902,047</u>

The accompanying notes form part of this financial report.

Cire Services Inc.

ABN 51 933 700 538

Statement of Comprehensive Income
For The Year Ended 31 December 2023

	Note	2023 \$	2022 \$
Revenue	2	32,722,242	24,029,806
Employee expenses		(17,909,049)	(13,327,182)
Operational expenses		(5,839,704)	(3,528,363)
Rent and utilities		(310,695)	(209,370)
Depreciation and amortisation		(1,773,903)	(1,161,853)
Asset write off		(231,053)	(452,289)
Advertising		(120,490)	(102,403)
Borrowing costs		(150,685)	(269)
Surplus/ (deficit) before income tax		6,386,663	5,248,077
Income tax expense		-	-
Total comprehensive income		6,386,663	5,248,077

The accompanying notes form part of this financial report.

Cire Services Inc.

ABN 51 933 700 538

Statement of Changes In Equity

For The Year Ended 31 December 2023

	Accumulated	Asset	
	Surplus	Revaluation	Total
Note	\$	Reserve	\$
		\$	\$
Balance at 1 January 2022	10,613,970	40,000	10,653,970
Surplus/ (deficit) for the period	5,248,077	-	5,248,077
Balance at 31 December 2022	15,862,047	40,000	15,902,047
Balance at 1 January 2023	15,862,047	40,000	15,902,047
Surplus/ (deficit) for the period	6,386,663	-	6,386,663
Balance at 31 December 2023	22,248,710	40,000	22,288,710

The accompanying notes form part of this financial report.

Cire Services Inc.

ABN 51 933 700 538

Statement of Cash Flows

For The Year Ended 31 December 2023

	Note	2023 \$	2022 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from operations		32,507,198	27,444,069
Interest received		141,549	8,225
Interest paid		(150,685)	(269)
Payments to suppliers and employees		(27,904,300)	(19,340,775)
Net cash provided by/ (used in) operating activities	13	<u>4,593,762</u>	<u>8,111,250</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(10,988,154)	(1,754,918)
Net cash used in investing activities		<u>(10,988,154)</u>	<u>(1,754,918)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds/ repayment of borrowings		760	571
Payment for right-of-use assets		(736,658)	(577,740)
Net cash from/ (used in) financing activities		<u>(735,898)</u>	<u>(577,169)</u>
Net increase/ (decrease) in cash held		(7,130,290)	5,779,163
Cash and cash equivalents at beginning of financial year		12,910,984	7,131,821
Cash and cash equivalents at end of financial year	13	<u><u>5,780,694</u></u>	<u><u>12,910,984</u></u>

The accompanying notes form part of this financial report.

Cire Services Inc.
ABN 51 933 700 538
Notes to the Financial Statements
For The Year Ended 31 December 2023

Note 1: Summary of Significant Accounting Policies

These financial statements cover Cire Services Inc as an individual entity. Cire Services Inc is an incorporated association.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Simplified Disclosures of the Australian Accounting Standards Board (AASB) and the *Australian Charities and Not-for-profits Commission Act 2012*. The entity is a not for profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements, except for cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

(a) Income Tax

The entity is exempt for income tax purposes.

(b) Property, Plant and Equipment

Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of property, plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present. The recoverable amount is assessed as the depreciated replacement cost of an asset.

Depreciation

The depreciable amount of all fixed assets are depreciated on a straight-line basis over their useful lives from the time the asset is held ready for use.

Leasehold improvements are depreciated over the estimated useful life of the asset, and does not take into consideration the lease term.

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

Buildings	1%
Leasehold improvements	20%
Plant & equipment	10%-20%
Motor vehicles	23%

Cire Services Inc.

ABN 51 933 700 538

Notes to the Financial Statements

For The Year Ended 31 December 2023

(c) Leases

The entity assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

A single recognition and measurement approach is applied for all leases, except for short-term leases and leases of low-value assets. The entity recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

(ii) Lease liabilities

At the commencement date of the lease, the entity recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term or a change in the lease payments.

(iii) Short term leases and leases of low value assets

The short-term lease recognition exemption is applied to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

(d) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the entity commits itself to either purchase or sell the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately.

Cire Services Inc.

ABN 51 933 700 538

Notes to the Financial Statements

For The Year Ended 31 December 2023

Classification and subsequent measurement

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets are classified into amortised costs.

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as fair value through profit or loss (FVPL)):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The entity's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Financial liabilities

Non-derivative financial liabilities are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

AASB 9's impairment requirements use more forward looking information to recognise expected credit losses - the 'expected credit losses (ECL) model'. The entity considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument. Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Derecognition

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

Cire Services Inc.

ABN 51 933 700 538

Notes to the Financial Statements

For The Year Ended 31 December 2023

(e) Impairment of Assets

At the end of each reporting period, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

(f) Employee Provisions

Provision is made for the entity's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year of the end of the reporting period have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and related on-costs and the probability that the employee may not satisfy any vesting requirements. The estimated cash outflows are discounted using market yields on national government bonds with maturity terms that match the expected timing of cash outflows.

Obligations for long term employee benefits are classified as non-current except where there is no unconditional right to defer payment, in which case they are presented as current.

(g) 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.

(h) Trade and Other Debtors

Trade and other debtors include amounts due from customers for events, services, and goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially measured at fair value and subsequently measured at amortised cost, less any provision for impairment.

Cire Services Inc.

ABN 51 933 700 538

Notes to the Financial Statements

For The Year Ended 31 December 2023

(i) Revenue and other income

Revenue arises mainly from the provision of education services.

To determine whether to recognise revenue, the entity follows a 5-step process:

- 1 Identifying the contract with a customer
- 2 Identifying the performance obligations
- 3 Determining the transaction price
- 4 Allocating the transaction price to the performance obligations
- 5 Recognising revenue when/as performance obligation(s) are satisfied.

Revenue is recognised either at a point in time or over time, when (or as) the entity satisfies performance obligations by transferring the promised services to its customers. Where there are no performance obligations, revenue is recognised on receipt of funds.

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

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (for example AASB 9, AASB 16, AASB 116 and AASB 138);
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer); and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

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

(j) 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.

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

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

Cire Services Inc.

ABN 51 933 700 538

Notes to the Financial Statements

For The Year Ended 31 December 2023

(k) Trade and Other Payables

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

(l) Critical Accounting Estimates and Judgments

The entity evaluates estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the entity.

(m) Economic Dependence

The entity is dependent of the State and Commonwealth governments for the majority of its revenue used to operate the business. As at the date of this report, the Board has no reason to believe that the governments will not continue to support the entity.

	2023	2022
	\$	\$
Note 2: Revenue		
Government grants - operating	24,344,753	17,728,952
Government grants - capital	2,315,651	119,585
Childcare benefit	2,852,173	2,873,425
Fees	2,158,710	2,377,942
Other revenue	587,419	420,969
Minor grants	321,987	500,708
Dividends and interest	141,549	8,225
Total revenue	<u>32,722,242</u>	<u>24,029,806</u>

Note 3: Surplus for the Year

Surplus for the year includes the following expenses:

Contribution to defined contribution superannuation funds	1,639,187	1,181,727
Auditors remuneration - auditing the financial report	15,100	14,940
Auditors remuneration - audit of funding acquittals	1,150	440

Note 4: Cash and Cash Equivalents

Cash at bank	5,780,694	12,910,984
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Cire Services Inc.
 ABN 51 933 700 538
 Notes to the Financial Statements
 For The Year Ended 31 December 2023

	2023	2022
	\$	\$
Note 5: Trade and Other Receivables		
Trade debtors	483,497	202,717
Provision for doubtful debts	(30,904)	(44,825)
GST receivable	416,491	-
Accrued capital revenue	1,360,428	-
	<u>2,229,512</u>	<u>157,892</u>
Note 6: Other Assets		
Prepayments	289,717	208,047
Security deposits	268,882	285,350
Property deposit	290,000	290,000
	<u>848,599</u>	<u>783,397</u>
Note 7: Property, Plant and Equipment		
Land at cost	1,835,577	935,577
Buildings at cost	8,168,757	3,350,149
Less accumulated depreciation and impairment	(346,924)	(1,140,098)
	<u>7,821,833</u>	<u>2,210,051</u>
Leasehold improvements at cost	636,383	782,547
Accumulated depreciation	(213,352)	(291,646)
	<u>423,031</u>	<u>490,901</u>
Motor vehicles at cost	2,119,755	1,822,419
Less accumulated depreciation	(639,237)	(404,276)
	<u>1,480,518</u>	<u>1,418,143</u>
Plant and equipment at cost	1,498,745	1,277,081
Less accumulated depreciation	(480,915)	(295,884)
	<u>1,017,830</u>	<u>981,197</u>
Work in progress	4,834,654	660,692
	<u>4,834,654</u>	<u>660,692</u>
Total property, plant and equipment	<u>17,413,443</u>	<u>6,696,561</u>

Cire Services Inc.

ABN 51 933 700 538

Notes to the Financial Statements

For The Year Ended 31 December 2023

Movements in carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Land	Buildings	Leasehold improve	Motor Vehicles	WIP	Plant & Equip	Total
	\$	\$	\$	\$		\$	\$
Balance at beginning	935,577	2,210,051	490,901	1,418,143	660,692	981,197	6,696,561
Additions	900,000	5,827,528	87,610	319,386	4,173,962	377,002	11,685,488
Assets written off	-	(89,172)	(51,476)	(9,444)	-	(80,961)	(231,053)
Depreciation expense	-	(126,574)	(104,004)	(247,567)	-	(259,408)	(737,553)
	<u>1,835,577</u>	<u>7,821,833</u>	<u>423,031</u>	<u>1,480,518</u>	<u>4,834,654</u>	<u>1,017,830</u>	<u>17,413,443</u>

	2023	2022
	\$	\$
Note 8: Right of Use Assets		
Right of use assets - properties	5,550,227	6,199,109
Less accumulated amortisation	(1,806,827)	(1,201,152)
Total intangible assets	<u>3,743,400</u>	<u>4,997,957</u>

Movements in carrying amounts for each class of right-of-use assets between the beginning and the end of the current financial year:

	Properties	Total
	\$	\$
Balance at the beginning of the year	4,997,957	4,997,957
Adjustments	(218,207)	(218,207)
Amortisation expense	(1,036,350)	(1,036,350)
Balance at the end of the year	<u>3,743,400</u>	<u>3,743,400</u>
	2023	2022
	\$	\$

Note 9: Trade and Other Payables

Trade creditors	973,655	528,595
Other payables	194,614	139,572
Accrued expenses	758,011	442,678
GST payable	-	909,892
Unearned revenue	446,889	1,403,964
	<u>2,373,169</u>	<u>3,424,701</u>

Cire Services Inc.
 ABN 51 933 700 538
 Notes to the Financial Statements
 For The Year Ended 31 December 2023

	2023	2022
	\$	\$
Note 10: Provisions		
CURRENT		
Annual leave	805,870	803,841
Long service leave	383,169	314,094
	<u>1,189,039</u>	<u>1,117,935</u>
NON-CURRENT		
Long service leave	123,990	107,263
	<u>123,990</u>	<u>107,263</u>
Note 11: Lease liabilities		
CURRENT		
Relating to right-of-use assets	746,790	880,397
	<u>746,790</u>	<u>880,397</u>
NON-CURRENT		
Relating to right-of-use assets	3,296,302	4,117,560
	<u>3,296,302</u>	<u>4,117,560</u>
<u>Leases - relating to right-of-use assets</u>		
Payable - minimum lease payments:		
- not later than 12 months	871,787	880,397
- between 12 months and five years	2,912,548	2,846,680
- later than five years	677,000	1,270,880
Minimum lease payments	<u>4,461,335</u>	<u>4,997,957</u>
Less future finance charges	(418,243)	-
Present value of minimum lease payments	<u>4,043,092</u>	<u>4,997,957</u>
Note 12: Borrowings		
CURRENT		
Bendigo Bank loans (a)	7,648	6,888
	<u>7,648</u>	<u>6,888</u>

(a) The Bendigo Bank loans are secured over Cire Service property and a fixed and floating charge over all assets of the entity.

Cire Services Inc.
 ABN 51 933 700 538
 Notes to the Financial Statements
 For The Year Ended 31 December 2023

2023
\$

2022
\$

Note 13: Cash Flow Information

Cash in the statement of cash flows is reconciled to the statement of financial position

Cash and cash equivalents	5,780,694	12,910,984
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Reconciliation of cash flows from operating activities

Surplus/ (deficit) after income tax	6,386,663	5,248,077
Depreciation & amortisation	1,773,903	1,161,853
Asset write off	231,053	452,289
Decrease/ (increase) in trade and other receivables	(2,071,620)	(75,860)
Decrease/ (increase) in other assets	(65,202)	(452,139)
Increase/ (decrease) in trade and other payables	(1,748,866)	1,630,041
Increase/ (decrease) in provisions	87,831	146,989
Net cash provided by/ (used in) operating activities	4,593,762	8,111,250

Note 14: Contingent Assets and Contingent Liabilities

There are no contingent assets or contingent liabilities at balance date.

Note 15: Events After the Reporting Period

Subsequent to year end, the entity has entered into a loan facility of \$3.5 million from the National Australia Bank to assist with its capital projects.

Note 16: Key Management Personnel Compensation

Any person having the authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including committee members, is considered key management personnel.

The totals of remuneration paid to key management personnel of the entity during the year are as follows:

Key management personnel compensation	1,187,631	1,033,178
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Note 17: Other Related Party Transactions

There are no other related party transactions.

Note 18: Capital Commitments

The entity has entered into contracts to undertake building works at the Yarra Junction campus. Capital works commenced during the 2023 year, however these works have not been completed at year end. The value of contractual commitments relating to works still to be completed at 31 December 2023 is \$2,788,252 (excl GST).

Cire Services Inc.
ABN 51 933 700 538
Notes to the Financial Statements
For The Year Ended 31 December 2023

	2023	2022
	\$	\$

Note 19: Financial Risk Management

The entity's financial instruments consist mainly of deposits with banks, loans to related entities, accounts receivable and payable.

The carrying amounts for each category of financial instruments are as follows:

Financial assets

Cash and cash equivalents	5,780,694	12,910,984
Receivables	2,229,512	157,892
Total financial assets	<u>8,010,206</u>	<u>13,068,876</u>

Financial liabilities

Financial liabilities at amortised cost:

Trade and other payables	2,373,169	3,424,701
Lease liabilities	4,043,092	4,997,957
Borrowings	7,648	6,888
Total financial liabilities	<u>6,423,909</u>	<u>8,429,546</u>

Note 20: Entity Details

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

7-9 John Street

Lilydale Vic 3140

Cire Services Inc.
Board Declaration
For The Year Ended 31 December 2023

The Board of Cire Services Inc , declare that:


1. The financial statements and notes are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
 - (a) comply with Australian Accounting Standards - Simplified Disclosures; and
 - (b) give a true and fair view of the financial position of the association as at 31 December 2023 and of its performance for the year then ended.
2. At the date of this declaration, there are reasonable grounds to believe that Cire Services Inc will be able to pay its debts as and when they fall due.

This declaration is made in accordance with a resolution of the board and is signed for and on behalf of the board by:



Name: Julian Carle

Position: Board Chair



Name: Sadiq Mohammad

Position: Board Treasurer

Date: 18 March 2024



ForeFront
Better insights Better decisions

INDEPENDENT AUDITOR'S REPORT

To the Members of Cire Services Inc

Opinion

We have audited the accompanying financial report of Cire Services Inc ("the Entity"), which comprises the statement of financial position as at 31 December 2023, the statement of comprehensive income, statement of changes in equity, and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and the declaration by those charged with governance.

In our opinion, the financial report of Cire Services Inc is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* including:

- (i) giving a true and fair view of the entity's financial position as at 31 December 2023 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described 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 auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Australian Charities and Not-for-profits Commission Act 2012*, which has been given to those charged with governance of the entity, would be in the same terms if given to those charged with governance as at the time of this auditor's report.

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

Responsibilities of Management and the Committee for the Financial Report

Management of the Entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as management determines 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 Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance 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



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conducted in accordance with 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 the 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 the management..
- Conclude on the appropriateness of the directors' 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 Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

Justin Brook
Director
Forefront Pty Ltd

Place: Sale
Date: 18 March 2024



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Auditor's Independence Declaration

Under Section 60-40 of the *Australian Charities and Not-for Profits Commission Act 2012*

To the Members of Cire Services Inc

We declare that, to the best of our knowledge and belief, during the year ended 31 December 2023, there have been:

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

JA RB

Justin Brook
Director
Forefront Pty Ltd

Date: 18 March 2024
Place: Sale



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social media



Acknowledgement of Country

Cire Services acknowledges the traditional custodians of this land and pay our respects to the Elders both past and present for they hold the memories, the traditions, the culture and the hopes of Aboriginal Australia. We make this statement believing that we can walk together towards a better future.



Scan here to
visit our website



Cire Services is a registered not for profit organisation committed to investing our profits in improving service delivery, facilities and staff development. We recommend that you visit www.cire.org.au for the most up-to-date information. Cire Services Incorporated ABN 51 933 700 538 TOID 4150 - Level 1, 7-9 John St, Lilydale 3140.