



MMS School Pty Ltd atf MMS Unit Trust

ACN 602 236 402

Financial Statements

For the Year Ended 31 December 2016

MMS School Pty Ltd atf MMS Unit Trust

ACN 602 236 402



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For the Year Ended 31 December 2016

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Income Statement

For the Year Ended 31 December 2016

	Note	2016 \$	2015 \$
Other income	3	113,850	24,428
Setup expenses		-	(35,298)
Finance costs		(103,500)	(19,566)
Other expenses		(8,596)	(30)
Net surplus/ (deficit)		1,754	(30,466)

The accompanying notes form part of these financial statements.

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Balance Sheet

31 December 2016

	Note	2016 \$	2015 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		24,338	2,975
Other assets	4	21,522	21,522
TOTAL CURRENT ASSETS		45,860	24,497
NON-CURRENT ASSETS			
Property, plant and equipment	5	6,500,000	6,500,000
Other assets	4	1,764,702	1,800,000
TOTAL NON-CURRENT ASSETS		8,264,702	8,300,000
TOTAL ASSETS		8,310,562	8,324,497
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	6	39,175	54,864
TOTAL CURRENT LIABILITIES		39,175	54,864
NON-CURRENT LIABILITIES			
Borrowings	7	1,800,000	1,800,000
TOTAL LIABILITIES		1,839,175	1,854,864
NET ASSETS		6,471,387	6,469,633
EQUITY			
Units		100	100
Asset revaluation reserve		6,499,999	6,499,999
Accumulated deficit	8	(28,712)	(30,466)
TOTAL EQUITY		6,471,387	6,469,633

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity For the Year Ended 31 December 2016

2016

	Units \$	Accumulated deficit \$	Asset Revaluation Reserve \$	Total \$
Balance at 1 January 2016	100	(30,466)	6,499,999	6,469,633
Surplus for the year	-	1,754	-	1,754
Balance at 31 December 2016	100	(28,712)	6,499,999	6,471,387

2015

	Units \$	Accumulated deficit \$	Asset Revaluation Reserve \$	Total \$
Balance at 1 January 2015	100	-	-	100
Deficit for the year	-	(30,466)	-	(30,466)
Units issued during the year	-	-	6,499,999	6,499,999
Balance at 31 December 2015	100	(30,466)	6,499,999	6,469,633

The accompanying notes form part of these financial statements.



Notes to the Financial Statements

For the Year Ended 31 December 2016

The financial statements cover MMS School Pty Ltd atf MMS Unit Trust and have been prepared in accordance with the Trust deed to meet the needs of stakeholders and to assist in the preparation of the tax return.

The trust operates as a Community Finance Fund and the principal activity of the Trust for the year ended 31 December 2016 was the payment of interest to note holders who provided the capital to fund the development of the Melbourne Montessori School, as well as the collection of rental income from the school.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The Trust is non-reporting since there are unlikely to be any users who would rely on the general purpose financial statements.

The special purpose financial statements have been prepared in accordance with the significant accounting policies described below and do not comply with any Australian Accounting Standards unless otherwise stated.

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Interest revenue

Interest is recognised using the effective interest method.

Other income

Other income is recognised on an accruals basis when the Trust is entitled to it.

(b) Property, plant and equipment

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

(c) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

3 Revenue and Other Income

	2016	2015
	\$	\$
- Interest received	-	2,906
- Rental income	113,850	21,522
Other income	113,850	24,428

Notes to the Financial Statements

For the Year Ended 31 December 2016

4 Other Assets

	2016	2015
	\$	\$
CURRENT		
Accrued income	21,522	21,522
	<u>2016</u>	<u>2015</u>
	\$	\$
NON-CURRENT		
Related party loan	1,764,702	1,800,000

The trust has advanced funds to Melbourne Montessori School Ltd. The company owns 100% of the units in the trust.

5 Property, plant and equipment

	2016	2015
	\$	\$
LAND AND BUILDINGS		
Freehold land		
At independent valuation	6,500,000	6,500,000
Total property, plant and equipment	<u>6,500,000</u>	<u>6,500,000</u>

6 Trade and Other Payables

	2016	2015
	\$	\$
CURRENT		
Unsecured liabilities		
GST payable	11,385	-
Sundry payables and accrued expenses	19,566	19,566
Related party payables	8,224	35,298
	<u>39,175</u>	<u>54,864</u>

7 Borrowings

	2016	2015
	\$	\$
NON-CURRENT		
Unsecured liabilities:		
Loan notes	1,800,000	1,800,000
Total non-current borrowings	<u>1,800,000</u>	<u>1,800,000</u>

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Notes to the Financial Statements For the Year Ended 31 December 2016

8 Accumulated deficit

	2016	2015
	\$	\$
Accumulated deficit at the beginning of the financial year	(30,466)	-
Net surplus/(deficit) attributable to beneficiaries of the trust	1,754	(30,466)
Retained deficit at the end of the financial year	(28,712)	(30,466)

9 Contingencies

In the opinion of the Directors of the trustee company, the Trust did not have any contingencies at 31 December 2016 (31 December 2015: None).




Trustees' Declaration

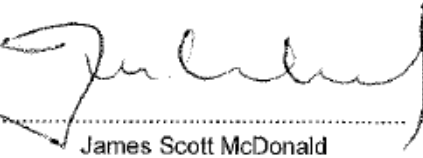
The Trustees declare that the Trust is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The directors of the trustee company declare that:

1. The financial statements and notes, as set out on pages 1 to 6, present fairly the Trust's financial position as at 31 December 2016 and its performance for the year ended on that date in accordance with the accounting policies described in Note 2 to the financial statements;
2. In the Trustees' opinion, there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Trustees.

Trustee

Michael Westaway

Trustee

James Scott McDonald

Dated 31 March 2017



Report on the Financial Report

We have audited the accompanying financial report being a special purpose financial report, of MMS School Pty Ltd atf MMS Unit Trust, which comprises the balance sheet as at 31 December 2016, the income statement and statement of changes in equity for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the trustees' declaration. The financial report has been prepared by management based on the requirement set out in the trust deed.

Management's Responsibility for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the requirements of the trust deed, and for such internal control as management determines is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial report.

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

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Independent Audit Report to the members of MMS School Pty Ltd atf MMS Unit Trust



Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of MMS School Pty Ltd atf MMS Unit Trust as at 31 December 2016, and its financial performance for the year then ended in accordance with the requirements of the trust deed.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report which describes the basis of accounting. The financial report is prepared to assist MMS School Pty Ltd atf MMS Unit Trust to comply with the financial reporting responsibilities under the Corporations Act 2001. As a result, the financial report may not be suitable for another purpose.

Banks Group Assurance Pty Ltd, Chartered Accountants
Authorised audit company number 294178 (ACN 115 749 598)

Andrew Fisher, Partner
Registration number 306364

Melbourne, Australia
31 March 2017