



ANNUAL REPORT

APPRENTICESHIPS ARE US

2021

2022

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LETTER FROM THE CHAIR



Peter Blanshard, Chairman

“I am passionate about the vision and work of this organisation, and I am certainly delighted to contribute to its running and future.”

I am pleased to present you with the first formal Annual Report for Apprenticeships Are Us.

The Financial Year 2021-22 was an “interesting” year, to say the least. We continued to rapidly adapt our organisation to the changing times of Covid 19. Looking back, I can only marvel at the resilience of our Employees, Apprentices and Host Employers, because, together, we successfully navigated through unprecedented times and came out stronger.

Every year brings its challenges, and it is appropriate to acknowledge that we have had some compliance issues, and that these have been rectified. Apprenticeships Are Us undertook an external review of its corporate governance framework. We implemented the resulting recommendations and are committed to continuously strengthening our Group Training Organisation.

I am passionate about the vision and work of this organisation, and I am certainly delighted to contribute to its running and future. My desire is for Apprenticeships Are Us to positively change even more lives as we scale and expand our reach. We aim to remain a truly valued partner to our wide array of Stakeholders and Host Employers. We are in that rare position of transforming people’s lives through employment, education, and care.

Apprenticeships Are Us is a charity registered with the Australian Charities and Not-for-profits Commission (ACNC), and our governance standards require us to maintain our charitable purpose, operate lawfully, and be run in an accountable and responsible way. The board works with the management team to achieve its charitable purpose advancing education and training apprentices to deliver a social impact.

During the Financial Year ending June 30 2022, we reported:

\$20.3m	Revenue of \$20.3m vs \$21.5m FY 2021	\$16.9m	Expenses of \$16.9m vs \$19.4m FY 2021
\$3.4m	Gross Profit of \$3.4m vs \$2.15m FY2021	\$123k	Profit of \$123k vs \$5.08m*

We are grateful for the continued support from our Stakeholders, Host Employers and Employees, and look forward to providing successful pathways for even more people to undertake paid training and secure long term employment opportunities.

*Other Income FY 2021 contained \$9.2m in Job keeper payments



“Knowing how to complete maintenance, Replacing tyres and completing wheel alignments. I enjoy learning”

Alexander Spiteri, Nepean Motor Group



ABOUT US

Apprenticeships Are Us is a Group Training Organisation and registered charity and not-for-profit that partners with Government, Schools, Registered Training Organisations, and Host Employers. We offer paid training and employment pathways for people interested in learning a skilled trade.

For 15 years we have been at the forefront of delivering excellent future employees in a frictionless model which makes it easy for young people, disadvantaged youth, and the wider community, to achieve their career goals.

We work with host placement organisations, to address the high demand for trades and skilled workers in industries such as automotive.

Apprenticeships Are Us currently has over 500 employees, including apprentices, and operates throughout NSW, Victoria and Queensland.

OUR MISSION

To develop enduring and fulfilling skilled trades career paths for school leavers, disadvantaged youth, and the wider community.

OUR PURPOSE

To employ and train individuals as trainees and apprentices whilst arranging for their placement with host employers.



OUR HISTORY

Apprenticeships Are Us Limited is a not-for-profit organisation and charity registered with the Australian Charities and Not-for-profits Commission (ACNC).

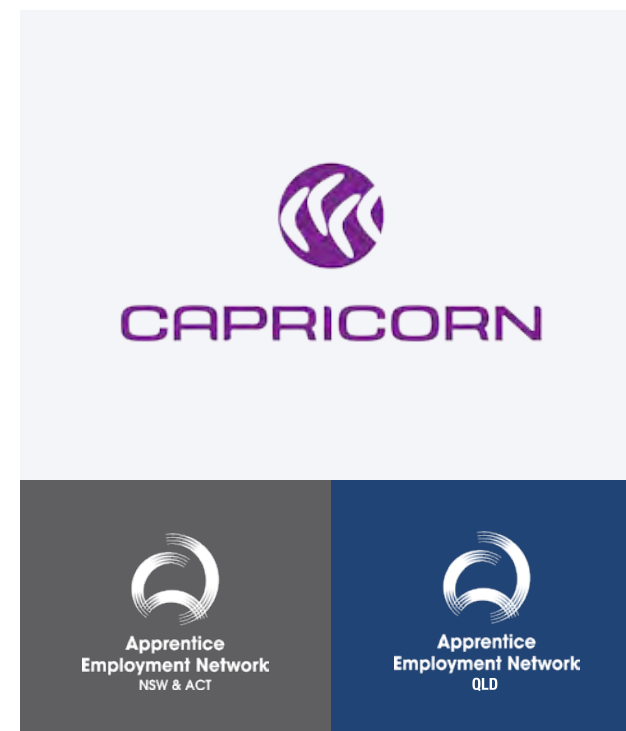
Officially established in 2016, our history goes back to 2005 when the business was known as Apprentices Plus and linked to an industry association. In 2016, the business was acquired and became the Group Training Organisation (GTO) and registered charity now known as Apprenticeships Are Us Limited. Our head office is in Parramatta, New South Wales.

Initially, we offered just basic employment opportunities to young people wanting a start in the automotive trade. Our partners included schools across the Sydney metro area and some not-for-profit youth organisations.

In 2018 we commenced operations in Victoria. We entered Victoria with a national contract from the Inchcape automotive dealership group and co-located in their state office in Docklands, before expanding our offering across Victoria and establishing our own offices.

In July 2022 having noticed the increased demand for automotive apprentices in Queensland, we met with the Queensland Department of Education and the Queensland Apprentice Employment Network to discuss our services. Both the Queensland Government and the Queensland Apprentice Employment Network agreed on the need for greater GTO representation in the industry in order to increase the retention rate of apprentices.

Apprenticeships Are Us is the only GTO to be a member of the Capricorn Society which is the largest automotive co-op with over 15,000 workshops across Australia in states and territories that Apprenticeships Are Us operates within.



PROJECTS AND INITIATIVES

2015-17

**Australian Apprenticeship
Access Programme**

2016-17

National Disability Employment Initiative

2016-17

**Department of Fair-Trading
Industry Grants Projects**

2017-18

Innovation Funding Projects

2017

**Greens Skills
Industry grant**

2016-17

Youth Attainment and Transition Project

2017-19

Youth Safe Project

2018-20

**Industry Specialist Mentoring
for Australian Apprentices**


2017-20

NSW Apprenticeship Compact project

2018-22

Train and Care



A photograph of Michael Wentworth, Chief Executive Officer, a middle-aged man with a beard, wearing a dark blue polo shirt with a red stripe and the word "NISSAN" on the chest. He is holding a clipboard and a pen, and is looking towards two young men. One young man is wearing a blue and black polo shirt and glasses, and the other is wearing a black polo shirt and glasses. They are in a workshop or garage setting.

“This is an industry where qualified employees are in high demand. Pandemic or not, people still need their cars serviced and repaired, people still need career paths”

Michael Wentworth, Chief Executive Officer

OUR BOARD



Desmond (Phil) Nixon

NON-EXECUTIVE DIRECTOR

Member, Australian Institute of Company Directors
Commenced 2022

Phil has over 50 years of experience in the automotive repair industry. Most of his work has been in the training and promotion of apprentices through programs such as JumpStart Your Career.

He is a Member of the Australian Institute of Company Directors and is the President of the Institute of Accident Assessors. In addition to this, he is also a board Member of the NSW Automotive Training Board and holds various qualifications including a Diploma in Business Management.

In 2015 Phil's contributions to the Australian Collision Repair Industry were recognised when he received the Lifetime Achievement Award, as voted on by the industry.



Ali Munawer Mohammed

NON-EXECUTIVE DIRECTOR

Member, Australian Institute of Company Directors
Commenced 2022

Ali is currently a Finance Manager at NSW Government Services. He has previously held roles as General Manager, Business Services for the IAME Group of Companies.

Ali is a financial controller with solid experience in accounting, auditing, administration, and banking.

He holds a Masters in Professional Accounting- Accounting and Finance from Kings Own Institute, Sydney, and a Master of Business Administration from Holmes Institute, Sydney. He is also a member of the Institute of Public Accountants.



Peter Blanshard

CHAIR AND NON-EXECUTIVE DIRECTOR

Member, Australian Institute of Company Directors
Commenced 2022

Peter is the Chief Executive Officer of the Institute of Automotive Mechanical Engineers where he has served for the past 14 years.

He holds a Certificate III Light Vehicle Technologies, Diploma in Light Vehicle Technologies, Diploma in Automotive Management and is an Associate of the Institute of Automotive Accidents Assessors.



Michael Wentworth

CHIEF EXECUTIVE OFFICER

Member, Australian Institute of Company Directors
Commenced 2018

Michael is currently the Chief Executive Officer of Apprenticeships Are Us, and a seasoned board director and business builder. His experience extends to startups, existing enterprises, and new organisations resulting from mergers and acquisitions. He continuously seeks opportunities to elevate performance, productivity, efficiency such that the best possible outcomes are provided for customers, stakeholders, and employees. Michael brings a strong social focus to provide pathways to training and employment for apprentices while helping industry meet the strong demand for workers. Through this, he advances education and apprenticeship training, and deliver social impact.

Michael is a Doctoral Candidate, holds a Master of Business Administration- Accounting and Strategic Management, a Bachelor of Business and a Graduate Diploma of Management from the University of Western Sydney. He has studied accounting, strategic leadership, vocational education, and training, and is a graduate of the Australian Institute of Company Directors.





“If you’re committed to a 4-year apprenticeship and it’s something you’re passionate about, we can help you through paid training into paid employment”.

Taylah Savva, Apprenticeships Are Us

Taylah Savva
RECRUITMENT OFFICER
Joined 2021

Prior to joining Apprenticeships Are Us, Taylah worked in retail. She holds a Certificate III in Business and a Certificate III in Make-Up

In her current role, Taylah makes good use of her customer service skills in her work as a recruitment officer and covers as a receptionist when needed. If you’ve called Apprenticeships Are Us, there’s a chance you’ve already spoken to Taylah.

Like many Australians, Taylah is working towards home ownership, so stable employment and career progression are amongst her goals.

“One of the best parts about working for Apprenticeships Are Us, is being acknowledged for my business qualification. Every day, I use my retail skills when I talk to potential employees about the benefits of joining our team”.

“If you’re committed to a 4-year apprenticeship and it’s something you’re passionate about, we can help you through paid training into paid employment”

Taylah is still figuring out where she wants to be in the next 2 years, preferring to focus on working in roles that she finds enjoyable.

OUR MANAGEMENT



Michael Wentworth

CHIEF EXECUTIVE OFFICER

Joined 2004

Michael is currently the Chief Executive Officer of Apprenticeships Are Us, and a seasoned board director and business builder. His experience extends to startups, existing enterprises, and new organisations resulting from mergers and acquisitions. He continuously seeks opportunities to elevate performance, productivity, efficiency such that the best possible outcomes are provided for customers, stakeholders, and employees.

Michael brings a strong social focus to provide pathways to training and employment for apprentices while helping industry meet the strong demand for workers. Through this, he advances education and apprenticeship training, and deliver social impact.

Prior to Joining Apprenticeships Are Us, Michael was CEO for My Trade Start and worked as the General Manager at MTA Apprenticeships Plus.



Fred Martin

APPRENTICESHIP EMPLOYMENT MANAGER

Joined 2020

Fred has had a long career as a service manager in the Automotive industry. In addition to his role with Apprenticeships Are Us, he is also the service manager for The Luxury Garage in Padstow, NSW.

Prior to joining Apprenticeships Are Us, Fred worked at Purnell Motors, Automartins, and Rick Damelian Automotive. He brings extensive experience in aftersales service and parts management.

Fred holds an Advanced Diploma in Leadership and Management



Philip Cooksey

BUSINESS DEVELOPMENT MANAGER

Joined 2020

Phil is a qualified motor mechanic and holds a Diploma in Business from The Australian College of Commerce and Management. Prior to joining Apprenticeships Are Us, he held roles in the State Transit Authority of NSW, Telfords Bus & Coach, and the Scania Group and My Trade Start.

When Phil joined, the organisation was known as Apprenticeships Plus. He later became the Apprentice Employment Manager and, in 2022 was promoted to Business Development Manager.



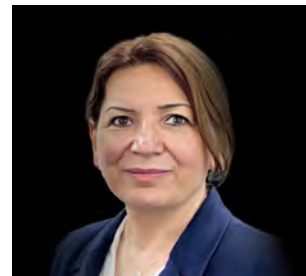
Brent O'Connor

RECRUITMENT MANAGER

Joined 2015

Brent is an experienced mechanical technician and team leader with a demonstrated history of working in the automotive industry. He is also an experienced business manager, with a Certificate IV in Training and a Certificate IV in Business Management.

Brent has held multiple roles over his tenure with Apprenticeships Are Us and now leads a vibrant and energized recruitment team. Prior to joining Apprenticeships Are us, he worked for the MTA Apprenticeships Plus & CORIX.



Nasema Hamasur

GENERAL MANAGER FINANCE

Joined 2018

An accomplished finance professional, Nasema commenced her career with Apprenticeships Are Us as an accountant, progressing to financial controller and then General Manager-Finance.

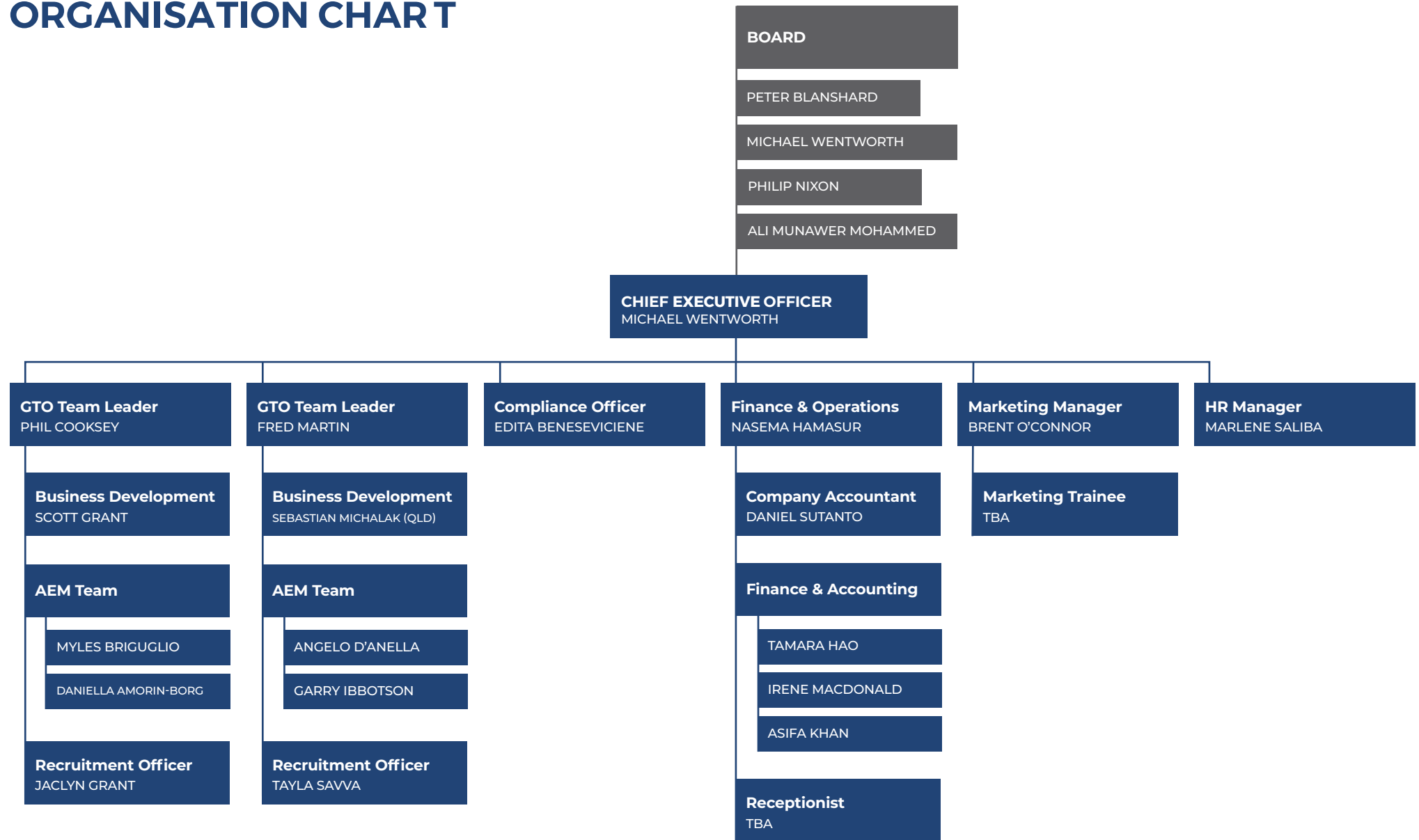
Prior to Apprenticeships Are Us, Nasema was the Finance and Administration Manager for The Frenchams Group and has held positions at ComfortDelGro, Colt International and Fleet Plus. She holds Bachelor of Mathematics from the University of Salehadeen-Erbil and an advanced Diploma in Accounting and Business Management from TAFE NSW.





Since the start of COVID, Apprenticeships Are Us has helped over 450 young people start their career in the automotive industry.

ORGANISATION CHART



CEO REPORT



Michael Wentworth, Board member and CEO

“I’m proud to lead, and grateful for a team which consistently went over and above to advance education and apprenticeship training...”

The word “unprecedented” has frequently been used to describe the years of the Covid 19 pandemic. This financial year was indeed difficult and, in hindsight we always reflect on what we could’ve done better.

Amidst a rapidly changing work environment, the Apprenticeships Are Us team together with our apprentices, Host Workshops, and Stakeholders, adapted like never before to maintain continuity in training and creating employment opportunities.

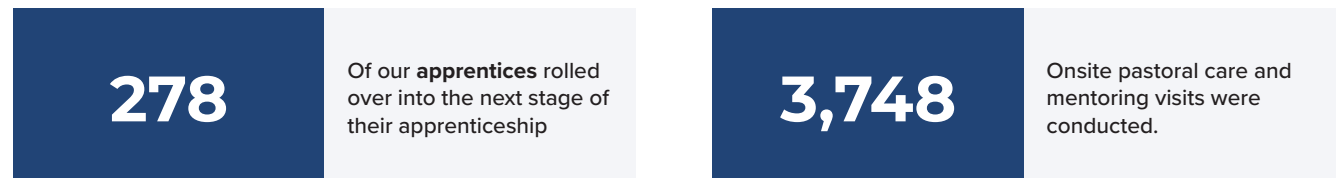
I’m proud to lead, and grateful for a team which consistently went over and above to advance education and apprenticeship training together with social impact by enabling people to transition through training into high demand, long term paid employment.

During the Financial Year ended 30 June 2022:



This is an industry where qualified employees are in high demand. Pandemic or not, people still need their cars serviced and repaired; heavy vehicles still need to be maintained and people still need career paths.

As a not-for-profit and registered charity with the Australian Charities and Not-for-Profits Commission (ACNC), we track our social impact, so, may I add?



Like many companies, we are also meticulously focused on the long-term sustainability of our organisation, and disruptive times like this, call for a particularly high level of scrutiny on financial performance.

During the Financial Year 2021-22, we delivered:

\$20.3m vs \$21.5m	Revenue (5.65% down) on the previous financial year	\$16.9m vs \$19.4m	Expenses down , an improvement of + 12.75%
\$3.4m vs \$2.15m	Gross Profit increased an improvement of 58.1%	\$123k vs \$5.8m	Profit reduction of - 97% on previous year, due to \$9.2m in "Job keeper" support during COVID 19.

Having been born in Africa, I am particularly fond of the old African proverb: "it takes a village to raise a child".

In the context of Apprenticeships Are Us, for one of our apprentices to succeed, all of us need to work together - our Employees, Host Employers, and our Stakeholders. And that is the real strength of what we do.

Through the challenges of an ever-changing landscape, learning to "live with COVID", and that constant lock-down roller coaster, we continued to be there, supporting each other through Zoom calls and late night Kahoot sessions just to keep the team focused.

We steadied the ship and ensured that we were on hand when our apprentices needed that extra bit of above and beyond support.

Since the commencement of COVID, Apprenticeships Are Us has helped over 450 young people start their career in the automotive industry.

Every year we add to our legacy of enabling our highly trained apprentices to kick start their careers. I would like to thank our Team, our Host Employers, Registered Training Organisations, and all other stakeholders who are invested in enriching the future of people across Australia.



CEO, Apprenticeships Are Us





“Stick it out. Complete as much training as you can.

Get the trade certificate under your belt and see where it can take you”.

Scott Grant, Apprenticeships Are Us

Scott Grant

APPRENTICE EMPLOYMENT MANAGER

Joined 2022

“I started my apprenticeship with Sutherland Holden and worked there for 10 years total, moving up the ranks to workshop foreman and becoming a Holden Gold level technician. I completed training in the role of Service Advisor and filled in when required.”

“As a foreman, I enjoyed teaching young apprentices in the workshop, so in 2016 I completed my Training and Education package (TAE) in Training and Assessment and moved into a full-time apprentice teaching role for The Subaru Australia Academy.”

Scott then moved to technical training for Fiat Chrysler Australia and in 2019 he joined My Trade Start as an Apprentice Teacher, delivering light vehicle mechanical technology.

After completing a Certificate IV in Business, a Diploma of Business and a Master of Business Administration are high on Scott’s education priorities as he continues to learn about business pathways.

His advice for apprentices is that the 4 years goes quickly, “Stick it out. Complete as much training as you can. Get the trade certificate under your belt and see where it can take you”.



OBJECTIVES 2021-2022

one.

Manage full apprentice caseload to return to full time employment post COVID pandemic.

two.

Manage Host Workshops reliance of Federal Government wage support.

three.

Reduce workers compensation claims and increase awareness with Host Workshops with regards to WHS.

four.

Increase the number of School Based Apprentices employed in our Host Workshops across NSW and VIC.

five.

Increase engagement with the RTOs we use to ensure a high standard of delivery is provided to our apprentices.

six.

Increase the mental health support for our apprentices.

seven.

Work with our apprentices to better understand what life and work skills training would benefit them to assist them on their apprenticeship journey.

eight.

Increase the corporate governance policies and procedures and hold ourselves accountable as an organisation and good corporate citizens.



FINANCIAL SNAPSHOT

REVENUE



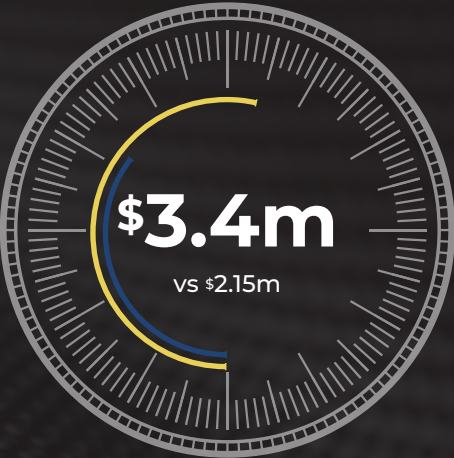
— Revenue of \$20.3m
vs \$21.5m FY21

NET PROFIT



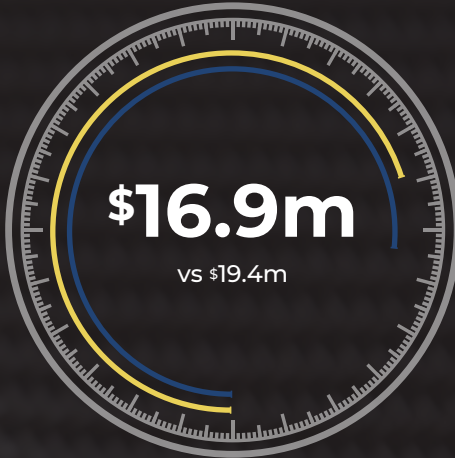
— Profit of \$123k
vs \$5.08m*

GROSS PROFIT



+ Gross Profit of
\$3.4m vs \$2.15m
FY2021

EXPENSES



— Expenses of \$16.9m
vs \$19.4m FY 2021

*Other Income FY 2021 contained \$9.2m in Job keeper payments



TREASURER'S (FINANCE MANAGER'S) REPORT



Mrs Nasema Hamasur, Finance and Operations Manager

“We have a strong base to achieve our purpose of advancing education, apprenticeship training and social impact.”

Apprenticeships Are Us Limited has performed well, despite the challenges we faced in the Financial Year 2021-22.

Revenue was \$20.3m vs \$21.5m, a reduction of 5.65%. The fluctuation in revenue between 2021 and 2022 was unusual and reflected the lower availability of apprentices as industries such as hospitality came back on-line and paid significantly higher wages to attract staff. Young people could, for example, earn more in a warehouse than training for a future career.

Net profit reduced significantly during the year, from \$5.0m to \$123.55k. In the financial years of 2020-21 and 2021-22, the Australian Government provided supports such as Job keeper, Job Saver, and Cash Flow Boosts, to keep people in work, and enable businesses to survive the COVID 19 Pandemic.

Even after these supports were exhausted, Covid continued to impact the apprenticeship market, and we were not able to get the same number of apprentices as had previously been the case.

The Government supports of the past 2 years are reflected in our increased balance sheet, and we have prudently invested funds in assets such as a Unit trust Investment and Properties. Apprenticeships Are Us currently has \$16.090m in retained earnings which we will be able to deploy as the apprenticeships market comes back.

We have managed to relocate and lease a new office to accommodate the needs of the organisation.

Apprenticeships Are Us has a strong base to achieve our purpose of advancing education and apprenticeship training and advancing social impact.





“... stick out your apprenticeship as it is well worth it, and the career opportunities you have after obtaining your qualification are endless.”

Myles Briguglio, Apprenticeships Are Us

Myles Briguglio

APPRENTICE EMPLOYMENT MANAGER

Joined 2022

Myles holds a Certificate III Light Vehicle Mechanical, Certificate IV TAE (Training and Assessment), and is currently studying for his Certificate IV in Business.

“In 2013, I started my light vehicle mechanical apprenticeship with Jaguar Land Rover after year 12. I then worked as a qualified technician for Sutherland Mazda for 2 years after completing my apprenticeship and made the jump to Service Advisor. After Mazda I worked as Pit Crew and Mechanic on the Tekno Autosports V8 Supercar in the Australian supercars’ championship.”

Myles obtained his Cert IV TAE and became a trainer and assessor for Vantage Automotive;

then joined Apprenticeships Are Us as an Apprentice Mentor. He would like to complete his Certificate IV in Business and grow in the company, gaining more experience in building apprentice numbers across Australia. He enjoys the continued support and positive nature of the Apprenticeships Are Us culture.

“My advice for upcoming apprentices is to stick out your apprenticeship as it is well worth it, and the career opportunities you have after obtaining your qualification are endless. Over the next 2 years, I would like to continue to grow within the company and take as many opportunities as I can.”

SUPPORTERS

We would like to thank:

- The Institute of Automotive Engineers (IAME)
- The Institute of Accident Assessors (IAA)
- Heavy Vehicle Industry Association (HVIA)
- Apprentice Employment Network NSW & ACT
- National Apprentices Employment Network
- Victorian Apprentices Employment Network
- Capricorn Society

We would especially like to recognise and thank long standing members of staff, many of whom are still working for the business since it was founded in 2005.



FINANCIAL STATEMENTS

The financial statements cover Apprenticeships Are Us Limited as an individual entity.

Apprenticeships Are Us Limited is a not-for-profit Company limited by guarantee, registered and domiciled in Australia.

The principal activities of the Company for the year ended 30 June 2022 were the provision of training and employment services to trainees and apprentices in the motor industry.

The functional and presentation currency of Apprenticeships Are Us Limited is Australian dollars.



AUDITOR'S DECLARATION

Auditor's Independence Declaration under Division 60 of the ACNC Act to the Directors of Apprenticeships Are Us Limited.

In accordance with Division 60-40 of the Australian Charities and Not-for-profits Commission Act 2012, I am pleased to provide the following declaration of independence to the directors of Apprenticeships Are Us Limited.

As the lead audit partner for the audit of the financial statements of Apprenticeships Are Us Limited for the financial year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

- (i) no contraventions of the auditor independence requirements as set out in Division 60-40 of 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.

CIB ACCOUNTANTS & ADVISERS

Chartered Accountants



RADLEE MOLLER

Partner

Dated 27 day of January 2023

CIB ACCOUNTANTS & ADVISERS

Suite 6, 5-7 Ross Street Parramatta NSW Australia 2150



STATEMENT OF PROFIT & LOSS

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2022

	Note	2022	2021
		\$	\$
Revenue	4	20,328,228	21,546,197
Cost of sales		(16,926,513)	-19,400,316
Gross profit		3,401,715	2,145,881
Other income	4	1,814,543	10,341,610
Marketing expenses		(155,610)	-104,378
Occupancy costs		(280,486)	-53,346
Depreciation expenses	4	(95,880)	-321,980
Administrative expenses		(4,521,253)	-6,979,874
Finance costs	4	(39,483)	-19,902
Profit before income tax		123,546	5,008,011
Income tax expense		-	-
Profit for the year		123,546	5,008,011
Other comprehensive income, net of income tax		-	-
Total comprehensive income for the year		123,546	5,008,011

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN E Q UITY

Statement of Changes in Equity For the Year Ended 30 June 2022

For the Year Ended 30 June 2022

	Retained Earnings \$	Total \$
Balance at 1 July 2021	15,966,539	15,966,539
Profit for the year	123,546	123,546
Balance at 30 June 2022	16,090,085	16,090,085
Balance at 1 July 2020	10,958,528	10,958,528
Profit for the year	5,008,011	5,008,011
Balance at 30 June 2021	15,966,539	15,966,539

The accompanying notes form part of these financial statements.



STATEMENT OF CASH FLOWS

Statement of Cash Flows

For the Year Ended 30 June 2022

	Note	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES:		\$	\$
Receipts from customers		24,399,773	30,889,547
Payments to suppliers and employees		(22,500,546)	(24,982,367)
Interest received		13,610	101,153
Interest paid		(33,268)	(10,143)
Net cash provided by operating activities	18	1,879,569	5,998,190
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property		(148,953)	(12,189)
Proceeds from disposal of property		78,000	-
Proceeds from investments		3,920,000	-
Payments for investments		-	(10,000,045)
Net cash provided by/(used in) investing activities		3,849,0407	(10,012,234)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Payment of lease liabilities (principal)		(227,128)	(386,799)
Proceeds from borrowings		-	416,783
Net cash (used in)/provided by financing activities		(227,128)	29,984
Net increase in cash and cash equivalents held		5,501,488	(3,984,060)
Cash and cash equivalents at beginning of year		5,842,074	9,826,134
Cash and cash equivalents at end of the year	5	11,343,562	5,842,074

The accompanying notes form part of these financial statements.

NOTES

Notes to the Financial Statements. 1-2

For the Year Ended 30 June 2022

Introduction

The financial statements cover Apprenticeships Are Us Limited as an individual entity. Apprenticeships Are Us Limited is a not-for-profit Company limited by guarantee, registered and domiciled in Australia.

The principal activities of the Company for the year ended 30 June 2022 were the provision of training and employment services to trainees and apprentices in the motor industry.

The functional and presentation currency of Apprenticeships Are Us Limited is Australian dollars.

1 Basis of Preparation

In the directors' opinion, the Company is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. This special purpose financial statements have been prepared to meet the reporting requirements of the directors under the Australian Charities and Not-for-profits Commission Act 2012.

These special purpose financial statements, except for the statement of cash flows, have been prepared on an accrual basis and are based on historical costs. The amounts presented in the financial statements have been rounded to the nearest dollar.

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Service income is measured at the fair value of the consideration received or receivable and is recognised in accordance with MSB 15 when underlying service is provided.

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating. Grants relating to assets are credited to deferred income at fair value and are credited to income over the expected useful life of the asset on a straight-line basis.

Interest is recognised when earned.



NOTES

Notes to the Financial Statements. 2 (Con't)

For the Year Ended 30 June 2022. Summary of Significant Accounting Policies (Cont'd)

(b) Cash and cash equivalents

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

(c) Property, plant and equipment

Plant and equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses. Property, plant and equipment are measured at cost and are carried at cost less accumulated depreciation and any accumulated impairment.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Company commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

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

Plant and Equipment	10-67%
Furniture, Fixtures and Fittings	2.5-40%
Motor Vehicles	25%
Computer equipment, software and website development	40-67%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(d) Financial instruments

Financial Assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

NOTES

Notes to the Financial Statements. 2 (Con't)

For the Year Ended 30 June 2022. Summary of Significant Accounting Policies (Cont'd)

Classification

On initial recognition, the company classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)
- fair value through other comprehensive income - debt investments (FVOCI - debt)

Financial assets are not reclassified subsequent to their initial recognition unless the company changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment. Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Fair value through other comprehensive income

The company has no financial assets in this category.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at FVTPL.

Net gains or losses, including any interest or dividend income are recognised in profit or loss.

The company's financial assets measured at FVTPL comprises units held in a unit trust.



NOTES

Notes to the Financial Statements. 2 (Con't)

For the Year Ended 30 June 2022. Summary of Significant Accounting Policies (Cont'd)

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost
- debt investments measured at FVOCI

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the company's historical experience and informed credit assessment and including forward looking information. The company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The company uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the company in full, without recourse to the company to actions such as realising security (if any is held)

Credit losses are measured as the present value of the difference between the cash flows due to the company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables and contract assets

Impairment of trade receivables and contract assets have been determined using the simplified approach in MSB 9 which uses an estimation of lifetime expected credit losses. The company has determined the probability of non-payment of the receivable and contract asset and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

NOTES

Notes to the Financial Statements. 2 (Con't)

For the Year Ended 30 June 2022.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in MSB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the company comprise of trade payables.

(e) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is any evidence of an impairment indicator for non-financial assets. Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated. The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit. Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

(f) Leases

At the inception of a contract, the Company assesses whether a lease exists i.e. does the contract convey the right to control the use of an identified asset for a period in exchange for consideration.



NOTES

Notes to the Financial Statements. 2 (Con't)

For the Year Ended 30 June 2022.

This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right, then there is no identified asset.
- The Company has the right to obtain substantially all the economic benefits from the use of the asset throughout the period of use.
- The Company has the right to direct the use of the asset i.e. decision-making rights in relation to changing how and for what purpose the asset is used

Right of use assets

At the lease commencement, the Company recognises a right of use asset and associated lease liability for the lease term. The lease term includes extension periods where the Company believes it is reasonably certain that the option will be exercised.

The right of use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right of use asset is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

Lease Liability

The lease liability is initially measured at the net present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Company's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Company's assessment of lease term.

Where the lease liability is remeasured, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Company's assessment of the lease term.

NOTES

Notes to the Financial Statements. 2 (Con't)

For the Year Ended 30 June 2022

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to the Company are classified as finance leases. Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

(g) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

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

Cash flows in the statement of cash flows are included 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 is classified as operating cash flows.

(h) Employee benefits

Provision is made for the Company'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 wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period 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 the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.



NOTES

Notes to the Financial Statements. 2-3

For the Year Ended 30 June 2022

(i) Income tax

No provision for income tax has been raised as the Company is exempt from income tax under Div. 50 of the Income Tax Assessment Act 1997.

(j) Adoption of new and revised standards

During the year, the Company adopted all the new and revised relevant Australian Accounting Standards and Interpretations which became mandatory. The adoption of these Standards did not have a material impact in the financial statements.

3 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

NOTES

Notes to the Financial Statements. 4

For the Year Ended 30 June 2022

	2022	2021
	\$	\$
4 Items Included in Statement of Profit or Loss and Other Comprehensive Income		
a. Revenue		
- services income	20,328,228	21,546,197
b. Other Income		
- interest income	13,610	101,153
- other income	660,555	1,002,057
- JobKeeper received		9,200,900
- COVID-19 cash flow boost	1,140,378	37,500
	1,814,543	10,341,610
c. Employee Benefit Expense		
Salaries and wages	(3,167,554)	(2,506,816)
Superannuation	(260,395)	(208,357)
	(3,427,949)	(2,715,173)
d. Finance Cost		
Lease liabilities (Note 13)	(6,215)	(19,902)
Others	(33,268)	
	(39,483)	(19,902)
e. Depreciation Expenses		
Property, plant and equipment (Note 8)	(28,777)	(31,820)
Right of use assets (Note 10)	(67,103)	(290,160)
	(95,880)	(321,980)



NOTES

Notes to the Financial Statements. 5-7

For the Year Ended 30 June 2022

	2022	2021
	\$	\$
5 Cash and Cash Equivalents		
Cash at bank and in hand	11,343,562	194,296
Short-term deposits		5,647,778
	11,343,562	5,842,074
6 Trade and Other Receivables		
Trade receivables	616,482	1,117,715
Provision for expected credit losses	(30,000)	(150,000)
	586,482	967,715
Other receivables	4,577	1,727,386
	591,059	2,695,101
7 Other Assets		
Prepayments		
Security deposits	236,888	6,250
Income accruals	360,000	275,617
Other assets		50
	616,725	429,124

NOTES

Notes to the Financial Statements. 8

For the Year Ended 30 June 2022

	2022	2021
	\$	\$
8 Property Plant and Equipment		
Plant and Equipment		
At cost	28,732	38,851
Accumulated depreciation	(28,732)	(35,627)
		3,224
Furniture, fixtures and fittings		
At cost	34,320	
Accumulated depreciation	71,959	
	(34,320)	(49,365)
Motor vehicles		
At cost	554,459	608,113
Accumulated depreciation	(398,457)	(472,386)
	156,002	135,727
Computer equipment		
At cost	93,288	105,392
Accumulated depreciation	(118,215)	(8,650)
		109,565
Total property, plant and equipment	179,109	287,340



NOTES

Notes to the Financial Statements. 8-10

For the Year Ended 30 June 2022

	2022	2021
	\$	\$
<i>8 (con't) Movement in carrying amount</i>		
Opening balance	287,340	385,093
Additions	148,953	12,189
Disposals	(228,407)	(78,122)
Depreciation	{28,777}	(31,820)
Closing balance	179,109	287,340

9 Financial assets

Investment -APERUS Unit Trust	6,080,045	10,000,045
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10 Right of use assets

At cost	552,428	552,428
Accumulated depreciation	(530,616)	(463,513)
	21,812	88,915

Movement in carrying amounts:

Opening balance	88,915	473,043
Additions		58,165
Early termination of lease		(152,133)
Depreciation expense (Note 4e)	(67,103)	(290,160)
Net carrying amount	21,812	88,915

NOTES

Notes to the Financial Statements. 11-12

For the Year Ended 30 June 2022

	2022	2021
	\$	\$
11 Trade and other payables		
Trade payables	72,132	49,936
GST payable	161,436	175,086
Employee benefits	185,555	513,000
Sundry payables and accrued expenses	306,280	330,971
	725,403	1,068,993

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying amounts are considered to be a reasonable approximation of fair value.

12 Employee Benefits		
CURRENT		
Long service leave	112,189	217,969
Annual leave	1,325,030	1,396,448
	1,437,219	1,614,417
NON-CURRENT		
Long service leave	24,060	40,387



NOTES

Notes to the Financial Statements. 13-14

For the Year Ended 30 June 2022

	2022	2021
	\$	\$
13 Lease liabilities		
<i>Classified as</i>		
Classified as Current	21,403	225,235
Non-current	817	24,113
	22,220	249,348
Movement in lease liabilities:		
Opening balance	249,348	488,510
Additions		58,165
Re-measurements		(161,620)
<i>Interest charge (Note 4d)</i>	6,215	19,902
Payments	(233,343)	(396,944)
Closing balance	22,220	249,348
14 Other liabilities		
Grant funds payable	533,325	402,915

NOTES

Notes to the Financial Statements. 15-17

For the Year Ended 30 June 2022

	Note	2022	2021
		\$	\$
15 Auditors' Remuneration			
Remuneration of the auditor of the Company, CIB Accountants & Advisers for: auditing the financial statements			
		27,250	23,000
16 Contingent liabilities			
In the opinion of the directors, the Company did not have any contingent liabilities at 30 June 2022 (30 June 2021: Nil).			
17 Financial Instruments			
Financial Assets	5	11,343,562	5,842,074
Cash and cash equivalents	6	591,059	2,695,101
Trade and other receivables	9	6,080,045	10,000,045
Financial assets		18,014,666	18,537,220
Financial Liabilities	11	725,403	1,068,993
Trade and other payables		725,403	1,068,993



NOTES

Notes to the Financial Statements. 18-19

For the Year Ended 30 June 2022

	2022	2021
	\$	\$
18 Cash flow information		
Reconciliation of net income to net cash provided by operating activities		
Profit for the year	123,546	5,008,011
<i>Non-cash flows in profit:</i>		
- depreciation	28,777	31,820
- depreciation on right of use asset	67,103	290,160
- loss on disposal of property, plant and equipment	150,407	
- other		78,391
<i>Changes in assets and liabilities:</i>		
- trade and other receivables	2,104,042	652,394
- prepayments	(187,601)	(16,308)
- trade and other payables	(343,590)	(291,091)
- employee benefits	(193,525)	244,813
- other liabilities	130,410	
Cashflows from operations	1,879,569	5,998,190

19 Company information

The registered office of the Company is:

Apprenticeships Are Us Limited
Blaxland House Suite 6, 5-7 Ross Street,
Parramatta, NSW 2150

The principal place of business is:

Level 4, 1 Wentworth Street,
Parramatta, NSW 2150

DIRECTOR'S DECLARATION

The directors have determined that the Company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 2 to the financial statements.

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 4 to 18, are in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and:
 - a. comply with Australian Accounting Standards as stated in Note 1; and
 - b. give a true and fair view of the Company's financial position as at 30 June 2022 and of 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 directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



RADLEE MOLLER

Partner

Dated 27 day of January 2023

CIB ACCOUNTANTS & ADVISERS

Suite 6, 5-7 Ross Street Parramatta NSW Australia 2150

