

**Insearch Education International Pty
Limited**

ABN 82 068 439 912

**Annual report
for the year ended 31 December 2019**

Insearch Education International Pty Limited

ABN 82 068 439 912

Annual report - 31 December 2019

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These financial statements cover Insearch Education International Pty Limited as an individual entity. The financial statements are presented in Australian currency.

Insearch Education International Pty Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Insearch Education International Pty Limited
Level 9, 187 Thomas Street
Haymarket, NSW 2000.

Insearch Education International Pty Limited
Statement of comprehensive income
For the year ended 31 December 2019

	Notes	2019 \$	2018 \$
Revenue from contracts with customers		-	-
Other income	4	178	179
Other expenses		(444)	(520)
Deficit for the year		(266)	(341)
Other comprehensive income			
Other comprehensive income for the year		-	-
Other comprehensive income for the year		-	-
Total comprehensive loss for the year		(266)	(341)

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

Insearch Education International Pty Limited
Statement of financial position
As at 31 December 2019

	Notes	2019 \$	2018 \$
ASSETS			
Current assets			
Cash and cash equivalents	5	<u>182,704</u>	182,970
Total current assets		<u>182,704</u>	182,970
Non-current assets			
Other financial assets	6	<u>258</u>	258
Total assets		<u>182,962</u>	<u>183,228</u>
LIABILITIES			
Current liabilities			
Total current liabilities		<u>-</u>	-
Non-current liabilities			
Total non-current liabilities		<u>-</u>	-
Total liabilities		<u>-</u>	-
Net assets		<u>182,962</u>	<u>183,228</u>
EQUITY			
Contributed equity	7	<u>100,000</u>	100,000
Accumulated funds	8	<u>82,962</u>	83,228
Total equity		<u>182,962</u>	<u>183,228</u>

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

Insearch Education International Pty Limited
Statement of changes in equity
For the year ended 31 December 2019

	Notes	Contributed equity \$	Accumulated funds \$	Total equity \$
Balance at 1 January 2018		100,000	83,569	183,569
Deficit for the year	8	-	(341)	(341)
Other comprehensive income		-	-	-
Total comprehensive loss for the year		-	(341)	(341)
Balance at 31 December 2018		100,000	83,228	183,228
Balance at 1 January 2019		100,000	83,228	183,228
Deficit for the year	8	-	(266)	(266)
Other comprehensive income		-	-	-
Total comprehensive loss for the year		-	(266)	(266)
Balance at 31 December 2019		100,000	82,962	182,962

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

Insearch Education International Pty Limited
Statement of cash flows
For the year ended 31 December 2019

	Notes	2019 \$	2018 \$
Cash flows from operating activities			
Payments to suppliers and employees (inclusive of GST)		(444)	(520)
Interest received		178	179
Net cash outflow from operating activities	15	(266)	(341)
Cash flows from investing activities			
Payment for acquisition of associate		-	(258)
Net cash outflow from investing activities		-	(258)
Net decrease in cash and cash equivalents			
		(266)	(599)
Cash and cash equivalents at the beginning of the financial year		182,970	183,569
Cash and cash equivalents at end of year	5	182,704	182,970

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

1 Company profile

Insearch Education International Pty Limited is a private company. The company is incorporated and domiciled in Australia. Its registered place of business is Level 9, 187 Thomas Street, Haymarket, NSW 2000.

The company was formed in 1995 and is the wholly owned entity of Insearch Limited, which is incorporated and domiciled in Australia. The company has a 10% ownership of Insearch India LLP. Insearch India LLP is a partnership between Insearch Ltd (90% owned) and Insearch Education International Pty Limited (10% owned). The entity provides consulting, marketing support and other services to Insearch Limited across the Sub-Continent region. Insearch India LLP was formed in 2018 in India.

Insearch Education International Pty Limited is not a trading company.

2 Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board [AASB] and the *Public Finance and Audit Act 1983* and the *Public Finance and Audit Regulation 2015*. Where there are inconsistencies between the above requirements, the legislative provisions have prevailed. Insearch Education International Pty Limited is a not for profit entity for the purpose of preparing the financial statements.

The financial statements were authorised for issue by the Directors on 23 March 2020.

(i) Statement of Compliance

The company's financial statements and accompanying notes comply with Australian Accounting Standards which include Australian Accounting Interpretations.

Generally accepted accounting principles, authoritative pronouncements of the AASB, including interpretations, the *Public Finance and Audit Act 1983*, and the *Public Finance and Audit Regulation 2015* have been used to prepare the company's financial statements.

(ii) Historical cost convention

These financial statements have been prepared under the historical cost convention.

(iii) New and amended standards adopted by the company

The company has applied the following standards and amendments for first time in their annual reporting period commencing 1 January 2019:

- AASB 2016-8 *Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities*
- AASB 2018-4 *Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Public Sector Licensors*
- AASB2018-8 *Amendments to Australian Accounting Standards - Right-of-Use Assets of Not-for-Profit Entities*
- AASB 2017-7 *Amendments to Australian Accounting Standards - Long-term Interests in Associates and Joint Ventures*
- AASB 2018-1 *Amendments to Australian Accounting Standards - Annual Improvements 2015-2017 Cycle*
- Interpretation 23 *Uncertainty over Income Tax Treatments*.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

2 Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

(iv) New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2019 reporting periods and have not been early adopted by the company. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

(v) Critical accounting estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates.

Estimates are based on the historical experience and other factors that are considered to be relevant, including latest available management information of financial performance and position. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

(b) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Australian dollars, the company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

(c) Revenue recognition

Other income

Other income including interest received, sale of non-current assets and are recognised on an accrual basis.

(d) Expense recognition

All expenses are charged against revenue when the liability has been recognised.

(e) Goods and Services Tax (GST)

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority 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 taxation authority, are presented as operating cash flows.

2 Summary of significant accounting policies (continued)

(f) Impairment of assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(g) Cash and cash equivalents

Cash and cash equivalents includes cash on hand and cash at bank.

Cash at bank is interest bearing with an interest rate of 0.10% (2018: 0.10%).

(h) Investments and other financial assets

Investments, with the exception of financial assets at amortised cost, are measured at fair value. Changes in the fair value are either taken to the statement of comprehensive income or to an equity reserve.

The company classifies its financial assets in the following categories: those to be measured subsequently at fair value (either through OCI or through profit or loss) and those to be measured at amortised cost. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at the end of each reporting period.

(i) Financial Instruments

Financial instruments generate financial assets or liabilities for the company. These include cash and cash equivalents, receivables, payables and other financial assets and liabilities. Note 3 discloses the risks and management of those risks of the financial instruments.

3 Financial risk management

The company's principal financial instruments are outlined below. These financial instruments arise directly from the entity's operations or are required to finance the entity's operation. The company does not enter into or trade in financial instruments.

The company's risks arising from financial instruments are outlined below, together with the entity's objectives and policies for measuring and managing risk.

The company principal financial instruments:

	Financial assets at amortised cost \$
Financial assets	
2019	
Cash and cash equivalents	182,704
Other financial assets	258
	182,962

3 Financial risk management (continued)

	Financial assets at amortised cost \$
2018	
Cash and cash equivalents	182,970
Other financial assets	258
	183,228

The fair value of the above financial instruments is equal to their carrying value.

(a) Market risk

The primary areas of market risk that the company is exposed to are foreign exchange risk and interest rate risk.

(i) Foreign exchange risk

The company had operations in Thailand which were affected by movements in exchange rates. The impact of these movements can affect both the operating surplus expressed in Australian dollars, and the carrying values of the operations on the statement of financial position of the company.

The company's views these exposures to movements in exchange rates as long term and therefore does not hedge against foreign exchange movements.

(ii) Interest rate risk

The company has no interest-bearing borrowings and therefore no associated payable risk as a result of fluctuating interest rates. The company does have an exposure to changes in income due to fluctuations in interest rates.

Cash investments are interest bearing. Cash investments are reviewed monthly as part of the management reporting process.

(b) Credit risk

Credit risk arises where there is a possibility of the company's debtors defaulting on their contractual obligations, resulting in a financial loss to the entity.

(c) Liquidity risk

Liquidity risk is the risk that the company will be unable to meet its payment obligations when they fall due.

Liquidity is managed by the company through the preparation and review of monthly cash flow statements and cash forecasts. Cash at bank is reconciled on a monthly basis and bank balances are independently confirmed as part of the annual audit process.

4 Other income

	2019 \$	2018 \$
Interest received	178	179

5 Cash and cash equivalents

	2019 \$	2018 \$
Current assets		
Cash at bank	182,704	182,970

6 Other financial assets

	2019	2018
	\$	\$
Non-current assets		
Investment in equity	258	258

7 Contributed equity

Share capital

	2019	2018
	\$	\$
Ordinary shares		
100,000 fully paid, ordinary shares	100,000	100,000

8 Accumulated funds

(a) Accumulated funds

Movements in accumulated funds were as follows:

	2019	2018
	\$	\$
Balance 1 January	83,228	83,569
Net deficit for the year	(266)	(341)
Balance 31 December	82,962	83,228

9 Key management personnel disclosures

Directors

The following persons were Directors of Insearch Education International Pty Limited during the financial year:

A Murphy
P Harris

Remuneration of key management personnel was borne by the ultimate parent entity.

10 Remuneration of auditors

The fee for the audit of the financial statements for the period ended 31 December 2019 and 2018 was borne by the ultimate parent entity.

11 Contingencies

The company had no contingent assets or liabilities at 31 December 2019 (2018: nil).

12 Commitments

The company had no commitments at 31 December 2019 (2018: nil).

13 Related party transactions

(a) Parent entities

The controlling entity of Insearch Education International Pty Limited is Insearch Limited. Insearch Education International Pty Limited entered into no transactions with Insearch Limited during the year.

14 Events occurring after the reporting period

No matter or circumstance has occurred subsequent to year end that has significantly affected, or may significantly affect, the operations of the company, the results of those operations or the state of affairs of the company in subsequent financial years.

15 Cash flow information

Reconciliation of deficit after income tax to net cash outflow from operating activities

	2019	2018
	\$	\$
Deficit for the year	<u>(266)</u>	<u>(341)</u>
Net cash outflow from operating activities	<u>(266)</u>	<u>(341)</u>

END OF AUDITED FINANCIAL STATEMENTS

**Insearch Education International Pty Limited
Directors' declaration
31 December 2019**

In the Directors' opinion:

- (a) the financial statements and notes set out on pages 1 to 11 are in accordance with the *Public Finance and Audit Act 1983* and the *Public Finance and Audit Regulation 2015*, including:
 - (i) complying with Accounting Standards, the *Public Finance and Audit Act 1983* and the *Public Finance and Audit Regulation 2015* and other mandatory professional reporting requirements, and
 - (ii) giving a true and fair view of the company's financial position as at 31 December 2019 and of its performance for the financial year ended on that date, and
- (b) 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 Directors.



A Murphy
Director

Sydney
23 March 2020