

27 February 2020

**Positive Education Schools Association ("PESA")**  
**ABN 168 259 096**

**Independent Financial Review – 2019 Fiscal Year**  
**Undertaken in accordance with the requirements set out by the ACNC**  
**For a Medium Sized Charity**

To whom it may concern,

I am a principal of Southern Partners, which has been engaged by PESA since November 2016.

Southern Partners has assisted PESA with its accounts on a pro-bono basis in the past. This ceased as of the 2018 report. This assistance has included general financial reporting, BAS returns and payroll. However, much of the day-to-day financial reporting and management is conducted in-house by the PESA CEO, Marita Hayes-Brown, using Xero accounting software.

In this instance, Southern Partners has been engaged by PESA to undertake a review of its financial reports for the 2019 calendar year to enable PESA to comply with its ACNC annual reporting obligations for that calendar year. Our engagement has involved a review of PESA's financial reports and a number of discussions with the CEO.

For the 2019 calendar year, I am able to report the following:

- PESA achieved a deficit of \$4,983.
- PESA achieved a turnover of \$522,342.
  - Down from \$630,905
- There was a gross profit of \$201,244.
  - 39% of total revenue (same as 2018)
- There conference income was \$395,321.
  - Down from \$448,454
- Overheads were \$206,346 for the 12-month period.
  - Down from \$234,682 for the 2018 year.
- The nett position as of 31 December 2019 was \$249,595.

2019 was a year of slight contraction year for PESA, across a number of fronts.

The decrease in net profit from 2018 to 2019 was primarily due to the reduced surplus in conference income.

Overheads look under control. They decreased over 2019 year by \$28k, primarily due to reduced State Chapter expenses. Staff continue to work remotely, assist to lower overheads. Casual staff continue to be engaged. Staff costs were \$5,746 higher in the 2019 year.

The annual national conference was held in April, with approximately 400 delegates in attendance from across Australia, Singapore, Hong Kong, Dubai, USA, China and Canada. The conference was held at RACV Royal Pines, Gold Coast, Queensland. This location, not being in a capital city, resulted in lower attendance than the 2018 conference in Melbourne. It is understood that this was anticipated by the Board.

Memberships as of December 31 totalled almost 1,200 across the individual, institutional and student categories. This was a reduction from 2,100 from the previous year (reduced by over 40% after having (almost) doubled in the 2018 year).

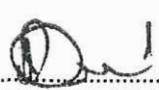
Having reviewed the company's financial reports and records, and for the purposes of the PESA 2019 annual report to the ACNC, I am able to state that:

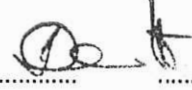
- There is no material item that has come to my attention that causes me to believe the PESA financial report does not meet the requirements of the ACNC Act.
- I do not believe PESA's financial reports contain any material defect or irregularity.
- In my view, PESA has been transparent and has provided a reasonable level of assistance to me whilst conducting the review.

In summary, I am of the view that the company is in a financially sound position, and I am unaware of any circumstances which may materially adversely affect the company's financial position.

#### **Reviewer's independence declaration**

I hereby declare that to the best of my knowledge and belief there have been no contraventions of any applicable code of professional conduct in respect of the review.

  
.....  
Paul Garrett, CPA  
Principal

  
.....  
Date

27/02/2020