

Society for Promoting Christian Knowledge Australia Inc.

ABN: 97 680 584 250

Financial Report

For the Year Ended 31 December 2024

Society for Promoting Christian Knowledge Australia Inc.

ABN: 97 680 584 250

For the Year Ended 31 December 2024

Contents

	Page
Financial Report	
SparkLit Ethos and Strategy	1
Statement of Income and Expenditure and Other Comprehensive Income	2
Statement of Financial Position	3
Statement of Changes in Equity	4
Statement of Cash Flows	5
Notes to the Financial Statements	6
Responsible Entities' Declaration	14
Auditors Independence Declaration	15
Independent Audit Report	16

Society for Promoting Christian Knowledge Australia
Incorporated trading as SparkLit
Ethos and Strategy

Where the Gospel is preached, books are needed

SparkLit advances God's kingdom by empowering Christian writers, publishers and distributors around the world. We make Christian books available, accessible and affordable where commitment is strong but support and resources are scarce. We enable Christian writing that helps people discover and follow Jesus in a way that's authentic and culturally meaningful. We direct funds, expertise and encouragement to publishers working where indigenous Christian writing is needed most.

We realise our objectives in three ways

1. **Supply books.** In 2024 we supplied theological texts and essential reference works to students, church leaders and Bible college libraries in countries including China, Kenya, Indonesia, Myanmar, the Philippines, South Africa and Tanzania. Where possible we use local distributors and supply books in the local language. The provision of digital libraries means students who are unable to travel can continue to study.
2. **Nurture emerging publishers.** We encourage local initiative and kindle sustainable enterprises. In 2024 grants made possible the publication of Christian literature in local languages in countries including Cambodia, China, Kenya, Japan, South Sudan, Tanzania, Timor Leste and Turkey.
3. **Equip publishing professionals.** We invest in promising writers, editors and designers. We embrace strategic opportunities and love discovering hidden talent. In 2024 we provided encouragement and training opportunities for publishing professionals in Africa, Asia, the Middle East and Latin America.

A primary benefit provided to our project partners is the training, advice and mentoring delivered by our staff. Salaries and travel expenses are counted as employee expenses and other expenses.

Financial assets are held for three purposes. (1) A fund is maintained to provide interest-free loans to emerging publishers. (2) Cash prizes for the Australian Christian Literature Awards are funded by investment income. This enables the awards to be independent and free from any conflict of interest. (3) Investment income is also paying an increasing proportion of our administrative costs. Donations are not retained as financial assets. Money in our investment portfolio and loans fund has come from bequests and revenue.

Society for Promoting Christian Knowledge Australia Inc.

ABN: 97 680 584 250

Statement of Income and Expenditure and Other Comprehensive Income

For the Year Ended 31 December 2024

		2024	2023
	Note	\$	\$
Revenue	3	382,428	349,549
Other income	3	99,803	67,745
Employee benefits expense		(127,217)	(106,937)
Grant expense		(181,037)	(174,619)
Administration expense		(32,151)	(30,716)
Book awards expense		(17,448)	(22,636)
Promotions expense		(17,063)	(14,296)
Investment management expense		(14,746)	(14,149)
Depreciation and amortisation expense		(106)	(160)
Surplus for the year		92,463	53,781
Other comprehensive income:			
Total comprehensive income for the year		92,463	53,781

The accompanying notes form part of these financial statements.

Society for Promoting Christian Knowledge Australia Inc.

ABN: 97 680 584 250

Statement of Financial Position

As at 31 December 2024

	Note	2024 \$	2023 \$
ASSETS			
Current assets			
Cash and cash equivalents	5	26,259	17,449
Trade and other receivables	6	14,026	17,839
Financial assets	7	173,527	166,590
Total current assets		213,812	201,878
Non-current assets			
Financial assets	7	1,399,545	1,321,555
Property, plant and equipment	8	213	319
Total non-current assets		1,399,758	1,321,874
TOTAL ASSETS		1,613,570	1,523,752
LIABILITIES			
Current liabilities			
Trade and other payables	9	20,306	15,351
Provisions	10	17,068	24,152
Total current liabilities		37,374	39,503
Non-current liabilities			
Provisions	10	299	815
Total non-current liabilities		299	815
TOTAL LIABILITIES		37,673	40,318
NET ASSETS		1,575,897	1,483,434
EQUITY			
Accumulated surplus		1,575,897	1,483,434
TOTAL EQUITY		1,575,897	1,483,434

The accompanying notes form part of these financial statements.

Society for Promoting Christian Knowledge Australia Inc.

ABN: 97 680 584 250

Statement of Changes in Equity

For the Year Ended 31 December 2024

2024

	Accumulated surplus	Total
	\$	\$
Balance at 1 January 2024	1,483,434	1,483,434
Surplus for the year	92,463	92,463
Balance at 31 December 2024	<u>1,575,897</u>	<u>1,575,897</u>

2023

	Accumulated surplus	Total
	\$	\$
Balance at 1 January 2023	1,429,653	1,429,653
Surplus for the year	53,781	53,781
Balance at 31 December 2023	<u>1,483,434</u>	<u>1,483,434</u>

The accompanying notes form part of these financial statements.

Society for Promoting Christian Knowledge Australia Inc.

ABN: 97 680 584 250

Statement of Cash Flows

For the Year Ended 31 December 2024

	2024	2023
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipt from customers, donors and others	330,736	324,912
Payment to suppliers and employees	(399,055)	(385,132)
Distribution and interest income	34,066	1,437
Net cash provided by/(used in) operating activities	12 <u>(34,253)</u>	<u>(58,783)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Redemption (Placement) of Term Deposits	(6,937)	(409)
Proceeds/(Payment) in relation to investments	50,000	45,000
Net cash used by investing activities	<u>43,063</u>	<u>44,591</u>
Net increase/(decrease) in cash and cash equivalents held	8,810	(14,192)
Cash and cash equivalents at beginning of year	17,449	31,641
Cash and cash equivalents at end of financial year	5 <u>26,259</u>	<u>17,449</u>

The accompanying notes form part of these financial statements.

Society for Promoting Christian Knowledge Australia Inc.

ABN: 97 680 584 250

Notes to the Financial Statements

For the Year Ended 31 December 2024

The financial statements are for Society for Promoting Christian Knowledge Australia Inc. as an individual entity, incorporated and domiciled in Australia. Society for Promoting Christian Knowledge Australia Inc. is a South Australian Incorporated Association.

The financial report was authorised for issue by the Council members on the same date that the Responsible Entities' Declaration was signed.

1 Summary of Material Accounting Policies

Financial Reporting Framework

The members of the committee have prepared the financial statements on the basis that Society for Promoting Christian Knowledge Australia Inc. is a non-reporting entity because there are no users dependent on its general purpose financial statements. These financial statements are special purpose financial report prepared in accordance with the financial reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the *Australian Charities and Not-for-profits Commission Regulations 2022*.

The entity is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Statement of Compliance

The financial statement have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the *Australian Charities and Not-for-profits Commission Act 2012*, the basis of accounting specified by all Australian Accounting Standards and Interpretations, and the disclosure requirements of Accounting Standards AASB 101: *Presentation of Financial Statements*, AASB 107: *Cash Flow Statements*, AASB 108: *Accounting Policies*, and AASB 1054: *Australian Additional Disclosures*.

The entity has not assessed whether it has relationships with other entities which, for financial reporting purposes, might be considered subsidiaries, associates or joint ventures as it is not required by the *Australian Charities and Not-for-profits Commission Act 2012* to do so. These special purpose financial statements do not comply with all the recognition and measurement requirements in Australian Accounting Standards. The recognition and measurement requirements that have not been complied with are those specified in AASB 119 Employee Benefits. The material accounting policies adopted in the special purpose financial statements are set out in note 1(f) indicate how the recognition and measurement requirements in Australian Accounting Standards have not been complied with.

Basis of Preparation

The financial report, except for the cash flow information, has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated specifically, current valuations of non-current assets.

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

The accounting policies that have been adopted in the preparation of the statements are as follows:

Society for Promoting Christian Knowledge Australia Inc.

ABN: 97 680 584 250

Notes to the Financial Statements

For the Year Ended 31 December 2024

1 Summary of Material Accounting Policies (continued)

(a) Income taxes

No current or deferred income tax assets or liabilities have been raised by the association as it is exempt from income tax under Division 50 of the Income Tax Assessment Act.

The entity is a registered charity with the Australian Charities and Not-for-profits Commission.

(b) Financial instruments

Financial assets and liabilities are recognised initially on the date that the association becomes party to the contractual provisions of the instrument.

Financial asset

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.

Classification

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

- amortised cost
- fair value through profit or loss - FVTPL

Financial assets through profit or loss consist of shares and managed funds that are measured at FVTPL.

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

(c) Grant expenses

Grant expenses are recognised when the monies are transferred out of the association.

(d) Impairment of assets

At the end of each reporting period, the entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss.

(e) Plant and equipment

Each class of plant and equipment is carried at cost, where applicable, any accumulated depreciation and impairment losses.

Society for Promoting Christian Knowledge Australia Inc.

ABN: 97 680 584 250

Notes to the Financial Statements

For the Year Ended 31 December 2024

1 Summary of Material Accounting Policies (continued)

(e) Plant and equipment (continued)

The carrying amount of plant and equipment is reviewed annually by committee members to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal.

Plant and equipment that have been contributed at no cost, or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

Depreciation

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

Class of Fixed Asset	Depreciation Rate
Office equipment	33%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised immediately in the statement of profit or loss and other comprehensive income.

(f) Employee Benefits

Provision has been made for the entity's liability for employees entitlements arising from services rendered by employees to balance date. Long service leave has been accrued by calculating the pro-rata balance of all staff members since their employment date.

The entity does not comply with AASB 119: Employee Benefits because the entity does not apply probability and discounting effects on the long service leave values.

(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.

Society for Promoting Christian Knowledge Australia Inc.

ABN: 97 680 584 250

Notes to the Financial Statements

For the Year Ended 31 December 2024

1 Summary of Material Accounting Policies (continued)

(h) 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 Taxation Office.

Receivables and payables in the statement of financial position are shown inclusive of GST. 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.

(i) Revenue

Revenue recognition relating to grant funding is recognised on the basis that the transfer of promised goods or services to customers at an amount that reflects the consideration expected to be received in exchange for those goods and services. Each agreement is analysed to determine the revenue recognition in accordance AASB 15. Where performance obligations have not been met, it will result in unearned income at year end.

Donations are recognised as revenue when received.

The organisation receives donation and other gifts by way of bank transfer and trust distributions. Cash receipts collected by the organisation are recognised on a cash basis when banked by the organisation. There is a residual risk in relation to cash receipts that it may not be complete. The committee have established controls over the receipting procedures, and is satisfied that the residual risk is low.

Interest revenue is recognised on an accrual basis taking into account the interest rates applicable to the financial assets.

Other revenue is recognised when the right to receive the revenue has been established.

All revenue is stated net of the amount of goods and services tax.

(j) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current year.

Society for Promoting Christian Knowledge Australia Inc.

ABN: 97 680 584 250

Notes to the Financial Statements

For the Year Ended 31 December 2024

2 Critical Accounting Estimates and Judgments

The committee members 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.

3 Revenue

	2024	2023
	\$	\$
Book Sales	(631)	1,715
Book awards income	3,863	6,196
Operating grants & trust income	102,659	83,850
Donation income	217,371	200,845
Investment income	59,166	56,943
	<u>382,428</u>	<u>349,549</u>
Other income		
Unrealised gains (losses) on investments	99,803	67,745
	<u>99,803</u>	<u>67,745</u>

4 Remuneration of the auditor

Audit of the financial statements	4,600	4,900
Preparation of financial statements	850	-
	<u>5,450</u>	<u>4,900</u>

Society for Promoting Christian Knowledge Australia Inc.

ABN: 97 680 584 250

Notes to the Financial Statements

For the Year Ended 31 December 2024

5 Cash and Cash Equivalents

	2024	2023
	\$	\$
Cash in bank	26,259	17,449
	<u>26,259</u>	<u>17,449</u>

6 Trade and other receivables

CURRENT

Loan to Partners - Primalogue	4,927	4,785
Franking credits refundable	7,680	10,767
Other receivables	1,419	2,287
	<u>14,026</u>	<u>17,839</u>

7 Financial assets

CURRENT

Term deposit	173,527	166,590
	<u>173,527</u>	<u>166,590</u>

NON-CURRENT

Managed Funds Investments - at fair value	1,399,545	1,321,555
	<u>1,399,545</u>	<u>1,321,555</u>

8 Plant and equipment

Office equipment	9,062	9,062
Accumulated Depreciation	(8,849)	(8,743)
	<u>213</u>	<u>319</u>

9 Trade and other payables

CURRENT

Salary related accruals	20,306	15,351
	<u>20,306</u>	<u>15,351</u>

Society for Promoting Christian Knowledge Australia Inc.

ABN: 97 680 584 250

Notes to the Financial Statements

For the Year Ended 31 December 2024

10 Provisions

	2024	2023
	\$	\$
CURRENT		
Long service leave provision	14,815	24,152
Annual leave provision	2,253	-
Total current provisions	17,068	24,152
NON-CURRENT		
Long service leave provision	299	815
Total non-current provisions	299	815

11 Related Parties

The following transactions occurred with related parties:

Financial support (donations) from council members and key management personnel \$102,400.

Related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

12 Cash Flow Information

Reconciliation of cashflow from operations with (deficit)/surplus for the year

Surplus/(Deficit) for the year	92,463	53,781
Non-cash flows in (deficit)/surplus		
Depreciation	106	160
(Increase)/decrease in market value of investments	(99,803)	(67,745)
Income reinvested in investments	(28,187)	(29,684)
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables	3,813	(201)
Increase/(decrease) in trade payables and accruals	4,955	(18,345)
Increase/(decrease) in provisions	(7,600)	3,251
Cashflow from operations	(34,253)	(58,783)

13 Events Occurring After the Reporting Date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the organisation, the results of those operations, or the state of affairs of the organisation in future financial years.

Society for Promoting Christian Knowledge Australia Inc.

ABN: 97 680 584 250

Responsible Entities' Declaration

14 Association Details

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

Suite 16 Level 2
79 Mahoneys Road
Forest Hill, VIC 3131

Society for Promoting Christian Knowledge Australia Inc.

ABN: 97 680 584 250

Responsible Entities' Declaration

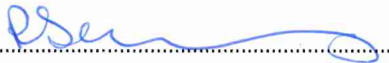
In accordance with a resolution of the committee of Society for Promoting Christian Knowledge Australia Inc. the committee have determined that the incorporation is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The committee declare that in the committee's opinion:

1. There are reasonable grounds to believe that the entity is able to pay all of its debts, as and when they become due and payable;
2. the financial report gives a true and fair view of the entity's financial position as at 31 December 2024 and of its financial performance for the year then ended; and
3. The financial statements and notes satisfy the requirements of the *Australian Charities and Not for profits Commission Act 2012*.

Signed in accordance with a resolution of the Committee Members.

Committee Member



Committee Member



Dated

09-04-2025

Society for Promoting Christian Knowledge Australia Inc.

ABN: 97 680 584 250

Auditor's Independence Declaration

For the Year Ended 31 December 2024

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2024, there have been:

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



Saward Dawson



Peter Shields
Partner

Blackburn

Dated: 10 April 2025

Society for Promoting Christian Knowledge Australia Inc.

ABN: 97 680 584 250

Independent Audit Report to the members of Society for Promoting Christian Knowledge Australia Inc.

Opinion

We have audited the accompanying financial report, being a special purpose financial report of Society for Promoting Christian Knowledge Australia Inc. (the entity), which comprises the statement of financial position as at 31 December 2024, the statement of income and expenditure and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies, and the responsible entities' declaration.

In our opinion, the accompanying financial report of the entity is in accordance with Division 60 of 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 2024 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1 to the financial statements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2022*.

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 Section 60.40 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Society for Promoting Christian Knowledge Australia Inc.

ABN: 98 680 584 250

Independent Audit Report to the members of Society for Promoting Christian Knowledge Australia Inc.

Emphasis of Matter

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the committee members' financial reporting responsibilities under the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of the Committee Members for the Financial Report

The committee members of the entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and is appropriate to meet the needs of the members. The committee members' responsibility also includes such internal control as the committee members determine necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the committee members are 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 the committee members either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

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 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.

Society for Promoting Christian Knowledge Australia Inc.

ABN: 98 680 584 250

Independent Audit Report to the members of Society for Promoting Christian Knowledge Australia Inc.

- 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 entity.
- Conclude on the appropriateness of the committee members' 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 entity 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.

We communicate with the committee members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Saward Dawson



Peter Shields
Partner

Blackburn

Dated: 10 April 2025